**FEBRUARY 22, 2017 CITY COUNCIL AGENDA**
**CERTIFICATION**

This certification is given pursuant to Chapter XI, Section 9 of the City Charter for the City Council Agenda dated February 22, 2017. We hereby certify, as to those contracts, agreements, or other obligations on this Agenda authorized by the City Council for which expenditures of money by the City are required, that all of the money required for those contracts, agreements, and other obligations is in the City treasury to the credit of the fund or funds from which the money is to be drawn, as required and permitted by the City Charter, and that the money is not appropriated for any other purpose.

T.C. Broadnax
City Manager

2/9/2017
Date

FOR: Elizabeth Reich
Chief Financial Officer

2/9/17
Date

RECEIVED
2017 FEB 10 PM 4:30
CITY SECRETARY
DALLAS, TEXAS

# COUNCIL AGENDA

February 22, 2017
Date

(For General Information and Rules of Courtesy, Please See Opposite Side.)
(La Información General Y Reglas De Cortesía Que Deben Observarse
Durante Las Asambleas Del Consejo Municipal Aparecen En El Lado Opuesto, Favor De Leerlas.)

## General Information

The Dallas City Council regularly meets on Wednesdays beginning at 9:00 a.m. in the Council Chambers, 6th floor, City Hall, 1500 Marilla. Council agenda meetings are broadcast live on WRR-FM radio (101.1 FM) and on Time Warner City Cable Channel 16. Briefing meetings are held the first and third Wednesdays of each month. Council agenda (voting) meetings are held on the second and fourth Wednesdays. Anyone wishing to speak at a meeting should sign up with the City Secretary's Office by calling (214) 670-3738 by 5:00 p.m. of the last regular business day preceding the meeting. Citizens can find out the name of their representative and their voting district by calling the City Secretary's Office.

If you need interpretation in Spanish language, please contact the City Secretary's Office at 214-670-3738 with a 48 hour advance notice.

Sign interpreters are available upon request with a 48-hour advance notice by calling (214) 670-3738 V/TDD. The City of Dallas is committed to compliance with the Americans with Disabilities Act. ***The Council agenda is available in alternative formats upon request***.

If you have any questions about this agenda or comments or complaints about city services, call 311.

## Rules of Courtesy

City Council meetings bring together citizens of many varied interests and ideas. To insure fairness and orderly meetings, the Council has adopted rules of courtesy which apply to all members of the Council, administrative staff, news media, citizens and visitors. These procedures provide:

- That no one shall delay or interrupt the proceedings, or refuse to obey the orders of the presiding officer.
- All persons should refrain from private conversation, eating, drinking and smoking while in the Council Chamber.
- Posters or placards must remain outside the Council Chamber.
- No cellular phones or audible beepers allowed in Council Chamber while City Council is in session.

"Citizens and other visitors attending City Council meetings shall observe the same rules of propriety, decorum and good conduct applicable to members of the City Council. Any person making personal, impertinent, profane or slanderous remarks or who becomes boisterous while addressing the City Council or while attending the City Council meeting shall be removed from the room if the sergeant-at-arms is so directed by the presiding officer, and the person shall be barred from further audience before the City Council during that session of the City Council. If the presiding officer fails to act, any member of the City Council may move to require enforcement of the rules, and the affirmative vote of a majority of the City Council shall require the presiding officer to act." Section 3.3(c) of the City Council Rules of Procedure.

## Información General

El Ayuntamiento de la Ciudad de Dallas se reúne regularmente los miércoles en la Cámara del Ayuntamiento en el sexto piso de la Alcaldía, 1500 Marilla, a las 9 de la mañana. Las reuniones informativas se llevan a cabo el primer y tercer miércoles del mes. Estas audiencias se transmiten en vivo por la estación de radio WRR-FM 101.1 y por cablevisión en la estación *Time Warner City Cable* Canal 16. El Ayuntamiento Municipal se reúne el segundo y cuarto miércoles del mes para tratar asuntos presentados de manera oficial en la agenda para su aprobación. Toda persona que desee hablar durante la asamblea del Ayuntamiento, debe inscribirse llamando a la Secretaría Municipal al teléfono (214) 670-3738, antes de las 5:00 pm del último día hábil anterior a la reunión. Para enterarse del nombre de su representante en el Ayuntamiento Municipal y el distrito donde usted puede votar, favor de llamar a la Secretaría Municipal.

Si necesita interpretación en idioma español, por favor comuníquese con la oficina de la Secretaria del Ayuntamiento al 214-670-3738 con notificación de 48 horas antes.

Intérpretes para personas con impedimentos auditivos están disponibles si lo solicita con 48 horas de anticipación llamando al (214) 670-3738 (aparato auditivo V/TDD). La Ciudad de Dallas está comprometida a cumplir con el decreto que protege a las personas con impedimentos, *Americans with Disabilties Act*. ***La agenda del Ayuntamiento está disponible en formatos alternos si lo solicita***.

Si tiene preguntas sobre esta agenda, o si desea hacer comentarios o presentar quejas con respecto a servicios de la Ciudad, llame al 311.

## Reglas de Cortesía

Las asambleas del Ayuntamiento Municipal reúnen a ciudadanos de diversos intereses e ideologías. Para asegurar la imparcialidad y el orden durante las asambleas, el Ayuntamiento ha adoptado ciertas reglas de cortesía que aplican a todos los miembros del Ayuntamiento, al personal administrativo, personal de los medios de comunicación, a los ciudadanos, y a visitantes. Estos reglamentos establecen lo siguiente:

- Ninguna persona retrasará o interrumpirá los procedimientos, o se negará a obedecer las órdenes del oficial que preside la asamblea.
- Todas las personas deben de abstenerse de entablar conversaciones, comer, beber y fumar dentro de la cámara del Ayuntamiento.
- Anuncios y pancartas deben permanecer fuera de la cámara del Ayuntamiento.
- No se permite usar teléfonos celulares o enlaces electrónicos (*pagers*) audibles en la cámara del Ayuntamiento durante audiencias del Ayuntamiento Municipal.

"Los ciudadanos y visitantes presentes durante las asambleas del Ayuntamiento Municipal deben de obedecer las mismas reglas de comportamiento, decoro y buena conducta que se aplican a los miembros del Ayuntamiento Municipal. Cualquier persona que haga comentarios impertinentes, utilice vocabulario obsceno o difamatorio, o que al dirigirse al Ayuntamiento lo haga en forma escandalosa, o si causa disturbio durante la asamblea del Ayuntamiento Municipal, será expulsada de la cámara si el oficial que esté presidiendo la asamblea así lo ordena. Además, se le prohibirá continuar participando en la audiencia ante el Ayuntamiento Municipal. Si el oficial que preside la asamblea no toma acción, cualquier otro miembro del Ayuntamiento Municipal puede tomar medidas para hacer cumplir las reglas establecidas, y el voto afirmativo de la mayoría del Ayuntamiento Municipal precisará al oficial que esté presidiendo la sesión a tomar acción." Según la sección 3.3(c) de las reglas de procedimientos del Ayuntamiento.

# Handgun Prohibition Notice for Meetings of Government 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 subcapitulo h, capitulo 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 subcapitulo h, capitulo 411, código del gobierno (ley sobre licencias para portar pistolas),* no *puede ingresar a esta propiedad con una pistola a la vista."*

**AGENDA**
**CITY COUNCIL MEETING**
**WEDNESDAY, FEBRUARY 22, 2017**
**ORDER OF BUSINESS**

Agenda items for which individuals have registered to speak will be considered no earlier than the time indicated below:

| | | |
|---|---|---|
| 9:00 a.m. | **INVOCATION AND PLEDGE OF ALLEGIANCE** | |
| | **OPEN MICROPHONE** | |
| | **MINUTES** | Item 1 |
| | **CONSENT AGENDA** | Items 2 - 69 |
| | **ITEMS FOR INDIVIDUAL CONSIDERATION** | |
| No earlier than 9:15 a.m. | | Items 70 - 77 |
| | **PUBLIC HEARINGS AND RELATED ACTIONS** | |
| 1:00 p.m. | | Items 78 - 94 |

NOTE: A revised order of business may be posted prior to the date of the council meeting if necessary.

# AGENDA

# CITY COUNCIL MEETING

# FEBRUARY 22, 2017

# CITY OF DALLAS

# 1500 MARILLA

# COUNCIL CHAMBERS, CITY HALL

# DALLAS, TEXAS 75201

# 9:00 A. M.

Invocation and Pledge of Allegiance (Council Chambers)

Agenda Item/Open Microphone Speakers

VOTING AGENDA

1. Approval of Minutes of the Special City Council Meeting and City Council Meeting of February 8, 2017

CONSENT AGENDA

**Business Development & Procurement Services**

2. Authorize a three-year service contract for feral hog control and abatement from City property - Striker Outfitters, LLC, most advantageous proposer of three - Not to exceed $347,100 - Financing: Current Funds ($69,900), Water Utilities Current Funds ($128,625), Stormwater Drainage Management Current Funds ($71,925), Sanitation Current Funds ($71,925), and Aviation Current Funds ($4,725) (subject to annual appropriations)

3. Authorize a three-year service contract for grounds maintenance services - Moir Watershed Services, LLC in the amount of $1,850,254 and Good Earth Corporation in the amount of $1,149,735, most advantageous proposers of three - Total not to exceed $2,999,989 - Financing: Current Funds ($811,425), Sanitation Current Funds ($338,310), and Stormwater Drainage Management Current Funds ($1,850,254) (subject to annual appropriations)

CONSENT AGENDA (Continued)

**Business Development & Procurement Services** (Continued)

4. Authorize **(1)** a three-year service contract to provide interior landscaping services - Urban Environments, LLC dba Urban Jungle in the amount of $157,050; and **(2)** a three-year master agreement for the purchase of interior plants - LaFoy Services, Inc. in the amount of $131,184, most advantageous proposers of three - Total not to exceed $288,234 - Financing: Current Funds ($182,934), Aviation Current Funds ($90,720), and Convention and Event Services Current Funds ($14,580) (subject to annual appropriations)

5. Authorize a five-year service contract, with two one-year renewal options, for the processing of applications and renewals of security alarm permits and the collection of fees associated with the security alarm permits and false alarms - Public Safety Corporation, most advantageous proposer of two - Estimated Annual Net Revenue: $4,497,652

6. Authorize a ten-year service contract, with two five-year renewal options, to provide communication services, including data, internet, and telecommunication services at the Kay Bailey Hutchison Convention Center Dallas - Smart City Networks, most advantageous proposer of three - Estimated Total Net Revenue: $10,219,018

7. Authorize **(1)** an acquisition contract for the purchase and implementation of a citywide data management system in the amount of $2,041,435; and **(2)** a three-year service contract, with two two-year renewal options, for maintenance and support for a data management system in the amount of $1,780,946 - IBM Corporation, most advantageous proposer of seven - Total not to exceed $3,822,381 - Financing: Information Technology Equipment Funds ($241,435), Municipal Lease Agreement Funds ($1,800,000), and Current Funds ($1,780,946) (subject to annual appropriations)

8. Authorize **(1)** an acquisition contract for the purchase and implementation of a surveillance camera system at the Kay Bailey Hutchison Convention Center Dallas in the amount of $458,425; and **(2)** a five-year service contract for ongoing maintenance of the surveillance camera system in the amount of $231,988 - Schneider Electric Buildings Americas, Inc., most advantageous proposer of seven - Total not to exceed $690,413 - Financing: Convention and Event Services Capital Construction Funds

9. Authorize **(1)** a five-year equipment lease agreement for mailing equipment, meters, related services, and supplies - Neopost USA, Inc. through the Texas Multiple Award Schedule in the amount of $169,399; and **(2)** a five-year master agreement for metered U. S. postage - Neopost USA, Inc., sole source in the amount of $5,649,338 - Total not to exceed $5,818,737 - Financing: Current Funds (subject to annual appropriations)

10. Authorize the purchase of ballistic door panels for Police - Angel Armor, LLC - Not to exceed $209,672 - Financing: Confiscated Monies Funds

CONSENT AGENDA (Continued)

**Business Development & Procurement Services** (Continued)

11. Authorize a two-year master agreement for general batteries and flashlights - TKC Enterprises, Inc. in the amount of $203,064, GT Distributors, Inc. in the amount of $133,593, Battle & Battle Distributors, Inc. in the amount of $77,813, Telecom Electric Supply in the amount of $47,690, and Casco Industries, Inc. in the amount of $6,069, lowest responsible bidders of six - Total not to exceed $468,229 - Financing: Current Funds ($320,251), Water Utilities Current Funds ($88,982), Aviation Current Funds ($55,771), Convention and Event Services Current Funds ($1,382), and Stormwater Drainage Management Current Funds ($1,843)

12. Authorize a three-year master agreement for animal bedding for Police horses - S-4 Quality Shavings, LLC, lowest responsible bidder of two - Not to exceed $237,672 - Financing: Current Funds

13. Authorize **(1)** Supplemental Agreement No. 1 to increase the service contract with Wastebuilt Southwest, LLC dba Stepp Parts in the amount of $375,201, from $1,500,804 to $1,876,005, Heil of Texas in the amount of $245,730, from $982,924 to $1,228,654, Texas Kenworth Co. dba MHC Kenworth in the amount of $138,818, from $555,273 to $694,091, Southwest International Trucks, Inc. in the amount of $97,057, from $388,229 to $485,286, and The Around the Clock Freightliner Group, LLC in the amount of $75,344, from $301,377 to $376,721; and **(2)** Supplemental Agreement No. 2 to increase the service contract with BTE Body Co., Inc. in the amount of $52,847, from $211,390 to $264,237, for parts and labor for the maintenance and repair of heavy-duty truck transmissions, differentials, and refuse bodies - Total not to exceed $984,997, from $3,939,997 to $4,924,994 - Financing: Current Funds ($980,757) and Water Utilities Current Funds ($4,240) (subject to annual appropriations)

**City Attorney's Office**

14. Authorize a professional services contract with the law firm of Mounce, Green, Myers, Safi, Paxson, & Galatzan, P.C. for legal services related to the Railroad Commission of Texas Gas Utilities Docket No. 10580, Atmos Pipeline Texas Rate Case - Not to exceed $170,000 - Financing: Current Funds (The full amount may be recouped by the City from Atmos Gas Corporation subject to approval by the Railroad Commission of Texas)

**City Controller’s Office**

15. Authorize approval of the 457 Deferred Compensation Plan for City Employees of the City of Dallas, as amended and restated, effective February 22, 2017 - Financing: No cost consideration to the City

CONSENT AGENDA (Continued)

**Economic Development**

**FY 2016 Tax Increment Financing Zone Annual Reports**

16. * A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Three (Oak Cliff Gateway TIF District), submitted by the Oak Cliff Gateway TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

17. * A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Four, (Cedars TIF District), submitted by the Cedars TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

18. * A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Five, (City Center TIF District), submitted by the City Center TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

19. * A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Six, (Farmers Market TIF District), submitted by the Farmers Market TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

20. * A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Seven, (Sports Arena TIF District), submitted by the Sports Arena TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

21. * A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eight, (Design District TIF District), submitted by the Design District TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

CONSENT AGENDA (Continued)

**Economic Development** (Continued)

**FY 2016 Tax Increment Financing Zone Annual Reports** (Continued)

22. * A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Nine, (Vickery Meadow TIF District), submitted by the Vickery Meadow TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

23. * A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Ten, (Southwestern Medical TIF District), submitted by the Southwestern Medical TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

24. * A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eleven, (Downtown Connection TIF District), submitted by the Downtown Connection TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

25. * A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Twelve, (Deep Ellum TIF District), and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

26. * A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Thirteen, (Grand Park South TIF District), and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

27. * A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Fourteen, (Skillman Corridor TIF District), submitted by the Skillman Corridor TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

CONSENT AGENDA (Continued)

**Economic Development** (Continued)

**FY 2016 Tax Increment Financing Zone Annual Reports** (Continued)

28. * A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Fifteen, (Fort Worth Avenue TIF District), submitted by the Fort Worth Avenue TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

29. * A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Sixteen, (Davis Garden TIF District), submitted by the Davis Garden TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

30. * A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Seventeen, (TOD TIF District), submitted by the TOD TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

31. * A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eighteen, (Maple/Mockingbird TIF District), submitted by the Maple/Mockingbird TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

32. * A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Nineteen, (Cypress Waters TIF District) authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

33. * A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Twenty (Mall Area Redevelopment TIF District), submitted by the Mall Area Redevelopment TIF District’s Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

CONSENT AGENDA (Continued)

**Economic Development** (Continued)

34. Authorize a public hearing to be held on March 22, 2017, to receive comments concerning the application with the Texas Department of Housing and Community Affairs (TDHCA) for 4% tax credits in the approximate amount of $7,705,000 with tax exempt bonds in the approximate amount of $15,000,000 to be issued by the City of Dallas Housing Finance Corporation (DHFC) for the Silver Gardens Apartments, an existing senior apartment community comprised of 202 units for seniors, located at 2620 Ruidosa Avenue, and at the close of the public hearing, authorize: **(1)** DHFC to issue the tax exempt bonds in an amount not to exceed $15,000,000 in Multi-family Housing Mortgage Revenue Bonds Series 2017 to finance the acquisition and rehabilitation of 202 units for seniors by Dominium Development & Acquisition, LLC ("Dominium"), on behalf of Dallas Leased Housing Associates IV, LLP (the "Applicant"), referred to as the Silver Gardens; and **(2)** a resolution to support the TDHCA's award of Low Income Housing Tax Credits for the acquisition and rehabilitation of the existing Silver Gardens housing development located at 2620 Ruidosa Avenue, Dallas, Texas by conducting a Public Hearing pursuant to Texas Government Code, §2306.67071(a) and 10 TAC §10.204(4)(A), Texas Government Code, §2306.67071(b) and 10 TAC§10.204(4)(B) and pursuant to §11.3(a-g) and §11.4 (c)(1) of the 2017 Qualified Allocation Plan (QAP) regarding Housing Deconcentration Factors - Financing: No cost consideration to the City

35. Authorize a public hearing to be held on March 22, 2017, to receive comments concerning an application with the Texas Department of Housing and Community Affairs (TDHCA) for 4% tax credits in the approximate amount of $7,579,038 with tax exempt bonds in the approximate amount of $14,000,000 to be issued by the City of Dallas Housing Finance Corporation (DHFC) for the Flora Lofts, an existing apartment community comprised of 52 units for families, located at 2121 Flora Street, and at the close of the public hearing, authorize: **(1)** DHFC to issue the tax exempt bonds in an amount not to exceed $14,000,000 in Multi-family Housing Mortgage Revenue Bonds Series 2017 to finance the acquisition and new construction of 52 units for families by La Reunion and GREENarc CORP, on behalf of Flora Street Lofts, Ltd. (the "Applicant"), referred to as the Flora Street Lofts; and **(2)** a resolution supporting the TDHCA's award of Low Income Housing Tax Credits for the acquisition and new construction of the Flora Street Lofts, Ltd. development located at 2121 Flora Street, Dallas, Texas by conducting a Public Hearing pursuant to Texas Government Code, §2306.67071(a) and 10 TAC §10.204(4)(A), Texas Government Code, §2306.67071(b) and 10 TAC§10.204(4)(B) and pursuant to §11.3(a-g) and §. 11.4 (c)(1) of the 2017 Qualified Allocation Plan (QAP) regarding Housing Deconcentration Factors - Financing: No cost consideration to the City

36. Authorize the rejection of proposals received for the Lancaster Corridor Re-development Project - Financing: No cost consideration to the City

CONSENT AGENDA (Continued)

**Housing/Community Services**

37. Authorize **(1)** acceptance of a Continuum of Care Grant from the U.S. Department of Housing and Urban Development (HUD) in the amount of $288,401, to provide permanent supportive Housing for homeless persons with HIV/AIDS at Hillcrest House located at 834 North Marsalis Avenue, for the period May 1, 2017 through April 30, 2018; **(2)** an amendment to the grant agreement for the substitution of PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas as recipient grantee, in place of the City of Dallas, with their assumption of all rights and obligations under the grant; and **(3)** execution of any and all documents required by the grant and the grantee substitution - Financing: No cost consideration to the City

38. Authorize the first amendment to the contract with the Department of State Health Services to accept additional grant funds for the Special Supplemental Nutrition Program for the Women, Infants, and Children Program for the Summer Food Service Program for the period October 1, 2016 through September 30, 2017 - Not to exceed $26,000, from $15,055,566 to $15,081,566 - Financing: Department of State Health Services Grant Funds

39. Authorize **(1)** Supplemental Agreement No. 1 to the contract with Association of Persons Affected by Addiction to revise the budget amount and increase the contract amount from $100,000 to $250,000 to provide peer-driven system support services to homeless individuals who suffer from mental illness, substance abuse disorder or co-occurring disorders through the Texas Department of State Health Services Healthy Community Collaborative Program for the period August 1, 2016 through August 31, 2017; and **(2)** execution of any and all documents required by the contract - Not to exceed $150,000, from $100,000 to $250,000 - Financing: FY 2017 Texas Department of State Health Services Grant Funds

40. Authorize **(1)** Supplemental Agreement No. 1 to the contract with Bridge Steps to revise the budget amount and increase the contract amount from $1,799,735 to $2,145,819 to provide outreach/engagement, supportive services, transitional shelter, housing services and rental assistance, coordinated assessment/client prioritization, mental health services and substance abuse/detoxification to homeless individuals who suffer from mental illness, substance abuse disorder or co-occurring psychiatric disorders through the Texas Department of State Health Services Healthy Community Collaborative Program for FY 2017 allocation for the period August 1, 2016 through August 31, 2017, in the amount of $346,084, from $299,735 to $645,819; and **(2)** execution of any and all documents required by the contract - Not to exceed $346,084, from $1,799,735 to $2,145,819 - Financing: FY 2017 Texas Department of State Health Services Grant Funds

CONSENT AGENDA (Continued)

**Housing/Community Services** (Continued)

41. Authorize **(1)** Supplemental Agreement No. 1 to the contract with CitySquare to revise the budget amount and decrease the contract amount from $1,508,192 to $857,725 to provide coordination/assessment, supportive services, expanded housing services for temporary shelters through outreach and housing units, residential treatment and detox treatment to homeless individuals through the Texas Department of State Health Services Healthy Community Collaborative Program for the period August 1, 2016 through August 31, 2017; and **(2)** execution of any and all documents required by the contract - Not to exceed ($650,467), from $1,508,192 to $857,725 - Financing: FY 2017 Texas Department of State Health Services Grant Funds

42. Authorize **(1)** Supplemental Agreement No. 1 to the contract with Shelter Ministries of Dallas dba Austin Street Center to revise the budget amount and increase the contract amount from $500,000 to $654,383 to provide expanded services with an intense, longer term transitional shelter program for homeless men and women with the addition of a Women's Day Resource Program, Housing Readiness Program and After Care Services through the Texas Department of State Health Services Healthy Community Collaborative Program for the period August 1, 2016 through August 31, 2017; and **(2)** execution of any and all documents required by the contract - Not to exceed $154,383, from $500,000 to $654,383 - Financing: FY 2017 Texas Department of State Health Services Grant Funds

43. Authorize an amendment to Resolution No. 15-0779, previously approved on April 22, 2015, for a development loan with East Dallas Community Organization, a certified Community Housing Development Organization and a Community Based Development Organization to **(1)** reduce the number of units to be developed from seven to five; and **(2)** extend the completion date from December 31, 2016 to February 22, 2018 for the Bexar Street Senior Project to be located on Macon Street and Starks Avenue - Financing: No cost consideration to the City

44. Authorize an amendment to Resolution No. 15-1380, previously approved on August 12, 2015, with 2000 Roses Foundation, Inc. to **(1)** allow the unit to be rented to a qualified household; and **(2)** extend the agreement to May 30, 2017 to complete final paperwork for renovation of 220 North Cliff Street - Financing: No cost consideration to the City

45. Authorize an amendment to Resolution No. 16-0168, previously approved on January 27, 2016, to extend the completion date of each agreement to May 30, 2017, for two separate loan agreements with Builders of Hope CDC for two separate phases of the Prairie Creek project to complete final paperwork - Financing: No cost consideration to the City

CONSENT AGENDA (Continued)

**Housing/Community Services** (Continued)

46. Authorize an amendment to Resolution No. 16-0169, previously approved on January 27, 2016, to extend the completion date of each agreement to December 31, 2017, for two separate loan agreements with Builders of Hope CDC for two separate phases of the West Dallas project to complete final paperwork - Financing: No cost consideration to the City

47. Authorize an amendment to Resolution No. 16-0279, previously approved on February 10, 2016, for a conditional grant agreement with KKBK Properties, LLC, or its wholly owned subsidiary, for the Hatcher Gardens Project for construction of commercial and residential units at 4002 Hatcher Street to extend the completion date from December 31, 2016 to August 31, 2017 - Financing: No cost consideration to the City

48. Authorize an amendment to Resolution No. 16-0841, previously approved on May 25, 2016, for a conditional grant agreement with Camden Homes at Shady Oaks, LLC for construction of single family homes for the Shady Oaks Project located at Highway 175 and South Woody Road to **(1)** reduce the number of houses to be built from 40 to 19; and **(2)** reduce the conditional grant amount by $630,000, from $1,200,000 to $570,000 - Financing: No cost consideration to the City

**Intergovernmental Services**

49. A resolution adopting the City's Federal Legislative Program for the 115th Session of the United States Congress - Financing: No cost consideration to the City

**Mobility and Street Services**

50. Authorize an increase in the construction contract with Texas Standard Construction, Ltd. for additional work associated with water and wastewater main relocations in advance of paving and drainage improvements related to Street Group 12-637 - Not to exceed $142,277, from $20,737,091 to $20,879,368 - Financing: Water Utilities Capital Construction Funds

51. Authorize Supplemental Agreement No. 1 to the professional services contract with Hayden Consultants, Inc. for additional engineering design services for improvements to the intersections of Hampton Road at Canada Drive and Hampton Road at Calypso Street - Not to exceed $187,772, from $611,569 to $799,341 - Financing: General Obligation Commercial Paper Funds

**Office of Cultural Affairs**

52 Authorize **(1)** the acceptance of grants in the amount of $57,500 from the Texas Commission on the Arts to provide cultural services for the period September 1, 2016 through August 31, 2017; **(2)** a local match in the amount of $57,500; and **(3)** execution of the grant agreements - Total not to exceed $115,000 - Financing: Texas Commission on the Arts Grant Funds ($57,500) and Current Funds ($57,500)

CONSENT AGENDA (Continued)

**Office of Cultural Affairs** (Continued)

53. Authorize **(1)** an increase in the contract with van Enter Studio, Ltd for increased materials related to the conservation services for the Umlauf Spirit of Flight fountain at Dallas Love Field in an amount not to exceed $22,463; and **(2)** an extension of the contact term through September 30, 2017 - Not to exceed $22,463, from $28,750 to $51,213 - Financing: Current Funds

**Office of Financial Services**

54. Authorize **(1)** an extension through September 30, 2017 for Community Development Block Grant (CDBG) funded projects which have not met the twelve-month obligation or twenty-four-month expenditure requirement; **(2)** preliminary adoption of Reprogramming Budget No. 1 to the FY 2016-17 Action Plan to use unspent prior year CDBG funds in the amount of $1,413,595 for the Major Systems Repair Program; and **(3)** a public hearing to be held on March 22, 2017 to receive comments on the proposed use of funds for Reprogramming Budget No. 1 to the FY 2016-17 Action Plan - Financing: No cost consideration to the City

55. Ratify amendments to the 2017 City Calendar that was approved by Resolution No. 16-1777 on October 26, 2016, to **(1)** cancel the City Council Briefing Meeting that was scheduled for February 1, 2017; **(2)** cancel the council-staff planning session that was scheduled for February 15 and 16, 2017; **(3)** add a City Council Briefing Meeting on February 15, 2017; and **(4)** add a council-staff planning session on March 29 and 30, 2017 - Financing: No cost consideration to the City

56. Authorize a public hearing to be held on March 22, 2017 to receive comments on the FY 2017-18 Operating, Capital, and Grant/Trust budgets - Financing: No cost consideration to the City

**Police**

57. Authorize **(1)** an application for and acceptance of the Dallas July 7 Overtime Reimbursement Grant from the U.S. Department of Justice through the Office of the Governor, Criminal Justice Division for the response to events on July 7, 2016, for the period July 7, 2016 through March 31, 2017; and **(2)** execution of the grant agreement - Not to exceed $705,251 - Financing: Office of the Governor, Criminal Justice Division State Grant Funds

**Sanitation Services**

58. Authorize ordinances granting four franchises for solid waste collection and hauling, pursuant to Chapter XIV, of the City Charter, and Chapter 18, Article IV, of the Dallas City Code (list attached) - Estimated Annual Revenue: $9,936

CONSENT AGENDA (Continued)

**Sanitation Services** (Continued)

59. Authorize consent of name change on solid waste franchise Ordinance No. 30044 from Custom Recycling Solutions, LLC to County Recycling Services, LLC in accordance with the terms of the franchise ordinance, Chapter XIV, of the City Charter, and Chapter 18, Article IV of the Dallas City Code - Financing: No cost consideration to the City

**Sustainable Development and Construction**

60. Authorize **(1)** settlement in lieu of proceeding further with condemnation in the condemnation suit styled City of Dallas v. Raleigh Investment Group, LP, et al., Cause No. CC-13-06290-A, pending in Dallas County Court At Law No. 1, for acquisition from Raleigh Investment Group, LP, of approximately 82,849 square feet of land located near the intersection of Kate Road and Interstate Highway 20 for the Southwest 120/96-inch Water Transmission Pipeline Project; and **(2)** the deposit of the settlement amount reached through Court ordered mediation and negotiation of the condemnation suit for an amount not to exceed the settlement amount - Not to exceed $121,414, increased from $341,234 ($335,586 being the award, plus closing costs and title expenses not to exceed $5,648) to $462,648 ($457,000 being the settlement amount, plus closing costs and title expenses not to exceed $5,648) - Financing: Water Utilities Capital Construction Funds

61. Authorize **(1)** settlement in lieu of proceeding further with condemnation in the condemnation suit styled City of Dallas v. The Hale Living Trust, Connie E. Hale, et al., Cause No. CC-15-01531-B, pending in Dallas County Court At Law No. 2, for acquisition from The Hale Living Trust, of approximately 7,044 square feet of land located near the intersection of Royal and Goodnight Lanes for the Goodnight Lane Street Improvements Project; and **(2)** the deposit of the settlement amount reached through Court ordered mediation of the condemnation suit for an amount not to exceed the mediation settlement amount - Not to exceed $7,818, increased from $68,732 ($65,432 being the award, plus closing costs and title expenses not to exceed $3,300) to $76,550 ($73,250 being the mediation settlement amount, plus closing costs and title expenses not to exceed $3,300) - Financing: 2006 Bond Funds

62. An ordinance granting a private license to Cary Ray, Neil Connell, and Jack Chaplin for the use of approximately 65 square feet of land to occupy, maintain and utilize a sidewalk cafe on a portion of Greenville Avenue right-of-way, near its intersection with La Vista Court - Revenue: $200 annually, plus the $20 ordinance publication fee

63. An ordinance granting a revocable license to Spice in the City, LLC, for the use of approximately 12 square feet of aerial space to install, occupy, use and maintain an aerial sign, over and above a portion of Commerce Street right-of-way, near its intersection with Lane Street - Revenue: $1,000 annually, plus the $20 ordinance publication fee

CONSENT AGENDA (Continued)

**Sustainable Development and Construction** (Continued)

64. An ordinance abandoning a portion of Cross Timbers Lane to Plano Independent School District, the abutting owner, containing approximately 29,622 square feet of land, located near the intersection of Cross Timbers and Mapleshade Lanes, authorizing the quitclaim and providing for the dedication of approximately 2,923 square feet of land needed for street right-of-way - Revenue: $334,739, plus the $20 ordinance publication fee

65. An ordinance abandoning an alley and an alley site easement to West Commerce Investments, LLC, the abutting owner, containing a total of approximately 5,898 square feet of land, located near the intersection of Commerce and Beatrice Streets, and authorizing the quitclaim - Revenue: $132,705, plus the $20 ordinance publication fee

66. An ordinance abandoning portions of two utility easements and a portion of a water, sewer, and drainage easement to Quiktrip Corporation, the abutting owner, containing a total of approximately 11,070 square feet of land, located near the intersection of Preston and Alpha Roads - Revenue: $23,086, plus the $20 ordinance publication fee

**Trinity Watershed Management**

67. Authorize Supplemental Agreement No. 6 to the professional services contract with Raftelis Financial Consultants, Inc. for a two-year contract to perform long term maintenance and technical support for Stormwater Information Management Systems (SIMS), including adding SIMS functionality for managing stormwater credits data; a one-year renewal option for SIMS technical support; and SIMS support for a Best Management Practices (BMP) based credits program - Not to exceed $560,000, from $1,384,907 to $1,944,907 - Financing: Stormwater Drainage Management Current Funds (subject to annual appropriations)

**Water Utilities**

68. Authorize an Interlocal Agreement with the City of Coppell to allow the City of Dallas to construct, own, and operate a 24-inch wastewater force main pipeline, referred to as the Force Main Project, within the corporate limits of Coppell to serve the Cypress Waters Development in Dallas - Financing: No cost consideration to the City

69. Authorize a contract for the construction of grit removal improvements at the Southside Wastewater Treatment Plant - Archer Western Construction, LLC, lowest responsible bidder of three - Not to exceed $14,893,000 - Financing: Water Utilities Capital Improvement Funds

ITEMS FOR INDIVIDUAL CONSIDERATION

**City Secretary's Office**

70. Consideration of appointments to boards and commissions and the evaluation and duties of board and commission members (List of nominees is available in the City Secretary's Office)

**Trinity Watershed Management**

71. Authorize the second step of acquisition for condemnation by eminent domain, if such becomes necessary, from R.K.C.J., L.L.C. to acquire an improved tract of land containing approximately 25,727 square feet, four slope easements containing a total of approximately 23,330 square feet, and a drainage easement containing approximately 5,257 square feet, located on East Wheatland Road near its intersection with Lancaster Road for the Wheatland Road Improvement Project - Not to exceed $136,944 ($130,944, plus closing costs and title expenses not to exceed $6,000) - Financing: General Obligation Commercial Paper Funds

DESIGNATED PUBLIC SUBSIDY MATTERS

**Economic Development**

72. Authorize a Chapter 380 economic development grant agreement with Casa View II Ltd and/or its affiliates ("Owner") in an amount not to exceed $1,000,000 in consideration of the Owner's investment in eligible expenditures for improvements to Casa View Shopping Center located at 2331 and 2203 Gus Thomasson Road, pursuant to the Public/Private Partnership Program - Not to exceed $1,000,000 - Financing: Public/Private Partnership Funds

**Note**: Item Nos. 73 and 74 must be considered collectively.

**I-20 Distribution Park Phase I**

73. * Authorize a real property tax abatement agreement with I-20 Distribution Park Phase I, LLC for the purpose of granting a ten-year abatement of 90 percent of the taxes on added value to the real property for a proposed new speculative industrial/warehouse facility located at 8900 Blanco Road in southern Dallas within the International Inland Port of Dallas in accordance with the City's Public/Private Partnership Program - Revenue: First year revenue estimated at $33,256; ten-year revenue estimated at $332,563 (Estimated revenue forgone for the ten-year real property abatement estimated at $2,993,063)

74. * Authorize a Chapter 380 economic development grant agreement with I-20 Distribution Park Phase I, LLC for reimbursement of costs associated with public street and utility improvements to facilitate a proposed speculative industrial/warehouse facility located at 8900 Blanco Road in southern Dallas within the International Inland Port of Dallas in accordance with the City's Public/Private Partnership Program -Total not to exceed $2,500,000 - Financing: 2006 Bond Funds ($1,850,000) and 2012 Bond Funds ($650,000)

ITEMS FOR INDIVIDUAL CONSIDERATION (Continued)

DESIGNATED PUBLIC SUBSIDY MATTERS (Continued)

**Housing/Community Services**

75. Authorize on-site reconstruction of two homes in accordance with the requirements of the Reconstruction Program Statement for the properties located at: 4227 Opal Avenue in the amount of $103,000; and 3811 Hamilton Avenue in the amount of $103,000 - Total not to exceed $206,000 - Financing: 2015-16 Community Development Block Grant Funds

76. Authorize an amendment to Resolution No. 15-0778, previously approved on April 22, 2015, for a housing development loan with City Wide Community Development Corporation, a certified Community Housing Development Organization, to **(1)** provide General Obligation Bond funds as a conditional grant for two of the units in the amount of $80,000; and **(2)** extend the contract from December 31, 2016 to February 22, 2018 for construction of single family homes located on scattered sites - Not to exceed $80,000 - Financing: 2012 Bond Funds

77. Authorize an amendment to Resolution No. 16-1361, previously approved on August 24, 2016, to change the awarded reconstruction contractor of one home located at 2612 Stephenson Street from Bethel Enterprise, Inc. to Miko Trucking Inc. - Not to exceed $103,000 - Financing: 2015-16 Community Development Block Grant Funds

PUBLIC HEARINGS AND RELATED ACTIONS

**Sustainable Development and Construction**

ZONING CASES - CONSENT

78. A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 2129 for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less on property zoned CR-D-1 Community Retail District with D-1 Liquor Control Overlay on the north side of Lake June Road at the terminus of McElree Street, east of Oak Hill Circle
Recommendation of Staff and CPC: Approval for a five-year period with eligibility for automatic renewals for additional five-year periods, subject to conditions
Z156-364(AR)

79. A public hearing to receive comments regarding an application for and an ordinance granting an amendment to Specific Use Permit No. 2034 for the sale of alcoholic beverages in conjunction with a general merchandise or food store greater than 3,500 square feet on property zoned Subarea 6 within Planned Development District No. 366 with a D-1 Liquor Control Overlay, east of South Buckner Boulevard, south of Scyene Road
Recommendation of Staff and CPC: Approval for a five-year period with eligibility for automatic renewals for additional five-year periods, subject to a revised site plan and conditions
Z167-125(KK)

PUBLIC HEARINGS AND RELATED ACTIONS (Continued)

**Sustainable Development and Construction** (Continued)

ZONING CASES - CONSENT (Continued)

80. A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 2189 for a recycling buy-back center for the collection of household metals and industrial metals on property zoned an IM Industrial Manufacturing District on the northeast line of South Barry Avenue, north of South Haskell Avenue
Recommendation of Staff and CPC: Approval for a two-year period, subject to conditions
Z167-126(OTH)

81. A public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for a utility or government installation other than listed to allow an elevated water storage tank use on property zoned an IR Industrial Research District on the northwest corner of Forest Lane and the eastern section of Forestgate Drive
Recommendation of Staff and CPC: Approval for a permanent period, subject to a site plan, a landscape plan, and conditions
Z167-128(JM)

ZONING CASES - UNDER ADVISEMENT - INDIVIDUAL

82. A public hearing to receive comments regarding an application for a new subdistrict for Light Commercial/Office and restaurant with drive-in or drive-through service uses within the Light Commercial/Office Subdistrict of Planned Development District No. 631, the West Davis Special Purpose District and an R-7.5(A) Single Family District on property on the southwest corner of West Davis Street and North Westmoreland Road
Recommendation of Staff and CPC: Denial
Z156-223(SM)
Note: This item was considered by the City Council at public hearings on January 11, 2017, and February 8, 2017, and was deferred until February 22, 2017, with the public hearing open

83. A public hearing to receive comments regarding an application for and an ordinance granting a CS Commercial Service District on property zoned an LI-D-1 Light Industrial District with a D-1 Liquor Control Overlay on the southwest corner of Forney Road and North Prairie Creek Road
Recommendation of Staff and CPC: Approval
Z156-234(JM)
Note: This item was considered by the City Council at public hearings on September 28, 2016, October 26, 2016, January 11, 2017, and January 25, 2017, and was deferred until February 22, 2017, with the public hearing open

PUBLIC HEARINGS AND RELATED ACTIONS (Continued)

**Sustainable Development and Construction** (Continued)

ZONING CASES - UNDER ADVISEMENT - INDIVIDUAL (Continued)

84. A public hearing to receive comments regarding an application for **(1)** a CR Community Retail District with deed restrictions volunteered by the applicant, and **(2)** a Specific Use Permit for the sale of alcoholic beverages in conjunction with a general merchandise store 3,500 square feet or less on property zoned an NS(A)-D-1 Neighborhood Service District with a D-1 Liquor Control Overlay, with an ordinance granting a CR Community Retail District and a resolution accepting deed restrictions volunteered by the applicant on the west corner of South Beltline Road and Garden Grove Drive
Recommendation of Staff: Approval of a CR Community Retail District with deed restrictions volunteered by the applicant; and approval of a Specific Use Permit for a two-year period with eligibility for automatic renewals for additional five-year periods, subject to a revised site plan and conditions
Recommendation of CPC: Approval of a CR Community Retail District with deed restrictions volunteered by the applicant; and denial of a Specific Use Permit
Z156-289(JM)
Note: This item was considered by the City Council at public hearings on January 11, 2017, and February 8, 2017, and was held under advisement until February 22, 2017, with the public hearing open

85. A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 2099 for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less on property zoned a CR-D-1 Community Retail District with a D-1 Liquor Control Overlay and deed restrictions on the southwest corner of Great Trinity Forest Way and North Jim Miller Road
Recommendation of Staff: Approval for a two-year period with eligibility for automatic renewals for additional five-year periods, subject to conditions
Recommendation of CPC: Approval for a three-year period, subject to conditions
Z156-310(OTH)
Note: This item was considered by the City Council at public hearings on January 11, 2017, and February 8, 2017, and was held under advisement until February 22, 2017, with the public hearing open

DESIGNATED ZONING CASES - INDIVIDUAL

86. A public hearing to receive comments regarding an application for and an ordinance granting a new subdistrict within Planned Development District No. 830 and the removal of a D Liquor Control Overlay on a portion on property zoned Subdistrict 3 within Planned Development District No. 830 in an area generally bounded by West 10th Street, both sides of North Bishop Avenue, both sides of Melba Street and both sides of North Madison Avenue
Recommendation of Staff: Approval, subject to staff's recommended conditions; and denial of the removal of the D Liquor Control Overlay
Recommendation of CPC: Approval, subject to conditions; and approval of the removal of the D Liquor Control Overlay
Z156-250(WE)

PUBLIC HEARINGS AND RELATED ACTIONS (Continued)

**Sustainable Development and Construction** (Continued)

DESIGNATED ZONING CASES - INDIVIDUAL (Continued)

87. A public hearing to receive comments regarding an application for the renewal of Specific Use Permit No. 1813 for a recycling collection center for the collection of household metals, industrial metals and recyclable materials on property zoned an IR Industrial Research District on the northeast corner of Sylvan Avenue and Fabrication Street
Recommendation of Staff: Approval for an 18-month period, subject to conditions
Recommendation of CPC: Denial
Z156-332(PD)

DESIGNATED ZONING CASES - UNDER ADVISEMENT - INDIVIDUAL

88. A public hearing to receive comments regarding an application for a Specific Use Permit for a tower/antenna for cellular communication on property zoned a CC Community Commercial Subdistrict within Planned Development District No. 595, the South Dallas/Fair Park Special Purpose District on the northwest line of Pennsylvania Avenue, southwest of J.B. Jackson Jr. Boulevard
Recommendation of Staff: Approval for a ten-year period with eligibility for automatic renewals for additional ten-year periods, subject to a revised site plan and conditions
Recommendation of CPC: Denial without prejudice
Z156-335(WE)
Note: This item was considered by the City Council at a public hearing on January 25, 2017, and was deferred until February 22, 2017, with the public hearing open

BENEFIT ASSESSMENT HEARINGS

**Mobility and Street Services**

89. A benefit assessment hearing to receive comments on street paving, drainage, water and wastewater main improvements, and alley paving for Project Group 12-3001; and at the close of the hearing, authorize an ordinance levying benefit assessments, and a construction contract with Camino Construction, L.P., lowest responsible bidder of four (list attached) - Not to exceed $2,044,928 - Financing: 2012 Bond Funds ($1,254,801), Water Utilities Capital Construction Funds ($652,725) and Water Utilities Capital Improvement Funds ($137,402)

90. A benefit assessment hearing to receive comments on street paving, drainage, water and wastewater main improvements, and alley paving for Project Group 12-3004; and at the close of the hearing, authorize an ordinance levying benefit assessments, and a construction contract with MACVAL Associates, LLC, lowest responsible bidder of five (list attached) - Not to exceed $873,052 - Financing: 2012 Bond Funds ($712,610), Water Utilities Capital Construction Funds ($96,681) and Water Utilities Capital Improvement Funds ($63,761)

PUBLIC HEARINGS AND RELATED ACTIONS (Continued)

MISCELLANEOUS HEARINGS

**Economic Development**

**Note**: Item Nos. 91 and 92 must be considered collectively.

**The Neiman Marcus Group LLC**

91. * A public hearing to receive comments concerning the City of Dallas' participation in the Texas Enterprise Zone Program pursuant to the Texas Enterprise Zone Act, Chapter 2303 Texas Government Code as amended, in order to allow the nomination of The Neiman Marcus Group LLC, located at 4121 Pinnacle Point Drive, 1700 Pacific Avenue, 1201 Elm Street and 1618 Main Street in Dallas as an Enterprise Zone Project - Financing: No cost consideration to the City

92. * Authorize an ordinance to: **(1)** ordain the City of Dallas' participation in the Texas Enterprise Zone Program pursuant to the Texas Enterprise Zone Act, Chapter 2303 Texas Government Code as revised; and **(2)** nominate The Neiman Marcus Group LLC located at 4121 Pinnacle Point Drive, 1700 Pacific Avenue, 1201 Elm Street and 1618 Main Street in Dallas to receive designation as an Enterprise Project under the Texas Enterprise Zone Act, as amended (Government Code, Chapter 2303) to the Office of the Governor Economic Development and Tourism through the Economic Development Bank - Financing: No cost consideration to the City

93. Authorize the nomination of Columbia Hospital at Medical City Dallas Subsidiary, L.P. located at 7777 Forest Lane, Dallas, Texas 75230 to receive designation as an Enterprise Project under the Texas Enterprise Zone Act, as amended (Government Code, Chapter 2303) to the Office of the Governor Economic Development and Tourism through the Economic Development Bank - Financing: No cost consideration to the City

94. Authorize the nomination of EnLink Midstream Operating, LP located at 1722 Routh Street, Dallas, Texas 75201 to receive designation as an Enterprise Project under the Texas Enterprise Zone Act, as amended (Government Code, Chapter 2303) to the Office of the Governor Economic Development and Tourism through the Economic Development Bank - Financing: No cost consideration to the City

**Franchises for Solid Waste Collection and Hauling**
Agenda Item # 58

| **Franchise Haulers** | **Estimated Annual Franchise Revenue** |
|---|---|
| CHHJ-DALLAS, LLC | $7,200.00 |
| Evergreen Companies, Inc. | $ 720.00 |
| Fusion Recycling, LLC dba Fusion Waste & Recycling | $1,536.00 |
| A4WaysAffiliation, LLC dba Junk Genius Dallas Ft. Worth | $ 480.00 |
| Total | $9,936.00 |

**Project Group 12-3001**
Agenda Item # 89

| **Project** | **Limits** | **Council District** |
|---|---|---|
| Palacios Avenue | from Ottawa Road to Canada Drive | 6 |
| Alley between Capps Drive and Rexford Drive | from Lemmon Avenue parallel to Glencrest Lane | 13 |
| Alley between Hurley Way and Lenel Place | from Williamsburg Road to "T" alley south of Walnut Hill Lane | 6 |
| Alley between Manana Drive and Park Lane | from Larga Drive to Marsh Lane | 6 |

**Project Group 12-3004**
Agenda Item # 90

| **Project** | **Limits** | **Council District** |
|---|---|---|
| Stevens Street | from Cayuga Drive to Davilla Avenue and Davilla Avenue from Stevens Street to Drake Street | 9 |
| Alley southwest and parallel to Shoreview Road | from Forest Trail to Eagle Trail to Nimrod Trail | 10 |

## 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]

**AGENDA DATE** February 22, 2017

| ITEM # | OK | IND DEF | DISTRICT | TYPE | DEPT. | DOLLARS | LOCAL | MWBE | DESCRIPTION |
|---|---|---|---|---|---|---|---|---|---|
| 1 | | | All | V | NA | NA | NA | NA | Approval of Minutes of the Special City Council Meeting and City Council Meeting of February 8, 2017 |
| 2 | | | All | C | PBD, AVI, PKR, SAN, TWM, WTR | $347,100.00 | 0.00% | 0.00% | Authorize a three-year service contract for feral hog control and abatement from City property - Striker Outfitters, LLC, most advantageous proposer of three - Not to exceed $347,100 - Financing: Current Funds ($69,900), Water Utilities Current Funds ($128,625), Stormwater Drainage Management Current Funds ($71,925), Sanitation Current Funds ($71,925), and Aviation Current Funds ($4,725) (subject to annual appropriations) |
| 3 | | | All | C | PBD, CDS, FIR, HOU, STS, SAN, DEV, TWM | $2,999,988.75 | 29.19% | 21.77% | Authorize a three-year service contract for grounds maintenance services - Moir Watershed Services, LLC in the amount of $1,850,254 and Good Earth Corporation in the amount of $1,149,735, most advantageous proposers of three - Total not to exceed $2,999,989 - Financing: Current Funds ($811,425), Sanitation Current Funds ($338,310), and Stormwater Drainage Management Current Funds ($1,850,254) (subject to annual appropriations) |
| 4 | | | All | C | PBD, AVI, EBS, PKR | $288,234.00 | 100.00% | 100.00% | Authorize (1) a three-year service contract to provide interior landscaping services - Urban Environments, LLC dba Urban Jungle in the amount of $157,050; and (2) a three-year master agreement for the purchase of interior plants - LaFoy Services, Inc. in the amount of $131,184, most advantageous proposers of three - Total not to exceed $288,234 - Financing: Current Funds ($182,934), Aviation Current Funds ($90,720), and Convention and Event Services Current Funds ($14,580) (subject to annual appropriations) |
| 5 | | | All | C | PBD, CIS, POL, WTR | REV $4,497,652 | NA | NA | Authorize a five-year service contract, with two one-year renewal options, for the processing of applications and renewals of security alarm permits and the collection of fees associated with the security alarm permits and false alarms - Public Safety Corporation, most advantageous proposer of two - Estimated Annual Net Revenue: $4,497,652 |
| 6 | | | N/A | C | PBD, CES | REV $10,219,017.48 | NA | NA | Authorize a ten-year service contract, with two five-year renewal options, to provide communication services, including data, internet, and telecommunication services at the Kay Bailey Hutchison Convention Center Dallas - Smart City Networks, most advantageous proposer of three - Estimated Total Net Revenue: $10,219,018 |
| 7 | | | All | C | PBD, CIS | $3,822,380.47 | 100.00% | 13.80% | Authorize (1) an acquisition contract for the purchase and implementation of a citywide data management system in the amount of $2,041,435; and (2) a three-year service contract, with two two-year renewal options, for maintenance and support for a data management system in the amount of $1,780,946 - IBM Corporation, most advantageous proposer of seven - Total not to exceed $3,822,381 - Financing: Information Technology Equipment Funds ($241,435), Municipal Lease Agreement Funds ($1,800,000), and Current Funds ($1,780,946) (subject to annual appropriations) |
| 8 | | | 2 | C | PBD, CES | $690,413.00 | 100.00% | 23.02% | Authorize (1) an acquisition contract for the purchase and implementation of a surveillance camera system at the Kay Bailey Hutchison Convention Center Dallas in the amount of $458,425; and (2) a five-year service contract for ongoing maintenance of the surveillance camera system in the amount of $231,988 - Schneider Electric Buildings Americas, Inc., most advantageous proposer of seven - Total not to exceed $690,413 - Financing: Convention and Event Services Capital Construction Funds |
| 9 | | | All | C | PBD | $5,818,736.11 | 100.00% | 0.00% | Authorize (1) a five-year equipment lease agreement for mailing equipment, meters, related services, and supplies - Neopost USA, Inc. through the Texas Multiple Award Schedule in the amount of $169,399; and (2) a five-year master agreement for metered U. S. postage - Neopost USA, Inc., sole source in the amount of $5,649,338 - Total not to exceed $5,818,737 - Financing: Current Funds (subject to annual appropriations) |
| 10 | | | All | C | PBD, EBS, POL | GT | 0.00% | 0.00% | Authorize the purchase of ballistic door panels for Police - Angel Armor, LLC - Not to exceed $209,672 - Financing: Confiscated Monies Funds |
| 11 | | | All | C | PBD, AVI, CES, TWM, WTR | $468,228.40 | 44.66% | 43.37% | Authorize a two-year master agreement for general batteries and flashlights - TKC Enterprises, Inc. in the amount of $203,064, GT Distributors, Inc. in the amount of $133,593, Battle & Battle Distributors, Inc. in the amount of $77,813, Telecom Electric Supply in the amount of $47,690, and Casco Industries, Inc. in the amount of $6,069, lowest responsible bidders of six - Total not to exceed $468,229 - Financing: Current Funds ($320,251), Water Utilities Current Funds ($88,982), Aviation Current Funds ($55,771), Convention and Event Services Current Funds ($1,382), and Stormwater Drainage Management Current Funds ($1,843) |
| 12 | | | All | C | PBD, POL | $237,672.00 | 0.00% | 0.00% | Authorize a three-year master agreement for animal bedding for Police horses - S-4 Quality Shavings, LLC, lowest responsible bidder of two - Not to exceed $237,672 - Financing: Current Funds |

**AGENDA DATE** February 22, 2017

| ITEM # | OK | IND DEF | DISTRICT | TYPE | DEPT. | DOLLARS | LOCAL | MWBE | DESCRIPTION |
|---|---|---|---|---|---|---|---|---|---|
| 13 | | | All | C | PBD, EBS, WTR | $984,997.00 | 100.00% | 0.00% | Authorize (1) Supplemental Agreement No. 1 to increase the service contract with Wastebuilt Southwest, LLC dba Stepp Parts in the amount of $375,201, from $1,500,804 to $1,876,005, Heil of Texas in the amount of $245,730, from $982,924 to $1,228,654, Texas Kenworth Co. dba MHC Kenworth in the amount of $138,818, from $555,273 to $694,091, Southwest International Trucks, Inc. in the amount of $97,057, from $388,229 to $485,286, and The Around the Clock Freightliner Group, LLC in the amount of $75,344, from $301,377 to $376,721; and (2) Supplemental Agreement No. 2 to increase the service contract with BTE Body Co., Inc. in the amount of $52,847, from $211,390 to $264,237, for parts and labor for the maintenance and repair of heavy-duty truck transmissions, differentials, and refuse bodies - Total not to exceed $984,997, from $3,939,997 to $4,924,994 - Financing: Current Funds ($980,757) and Water Utilities Current Funds ($4,240) (subject to annual appropriations) |
| 14 | | | N/A | C | ATT, OFS | $170,000.00 | NA | NA | Authorize a professional services contract with the law firm of Mounce, Green, Myers, Safi, Paxson, & Galatzan, P.C. for legal services related to the Railroad Commission of Texas Gas Utilities Docket No. 10580, Atmos Pipeline Texas Rate Case - Not to exceed $170,000 - Financing: Current Funds (The full amount may be recouped by the City from Atmos Gas Corporation subject to approval by the Railroad Commission of Texas) |
| 15 | | | All | C | CON | NC | NA | NA | Authorize approval of the 457 Deferred Compensation Plan for City Employees of the City of Dallas, as amended and restated, effective February 22, 2017 - Financing: No cost consideration to the City |
| 16 | | | 1 | C | ECO | NC | NA | NA | A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Three (Oak Cliff Gateway TIF District), submitted by the Oak Cliff Gateway TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City |
| 17 | | | 2 | C | ECO | NC | NA | NA | A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Four, (Cedars TIF District), submitted by the Cedars TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City |
| 18 | | | 2, 14 | C | ECO | NC | NA | NA | A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Five, (City Center TIF District), submitted by the City Center TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City |
| 19 | | | 2 | C | ECO | NC | NA | NA | A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Six, (Farmers Market TIF District), submitted by the Farmers Market TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City |
| 20 | | | 2, 6, 14 | C | ECO | NC | NA | NA | A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Seven, (Sports Arena TIF District), submitted by the Sports Arena TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City |
| 21 | | | 2, 6 | C | ECO | NC | NA | NA | A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eight, (Design District TIF District), submitted by the Design District TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City |

**AGENDA DATE** February 22, 2017

| ITEM # | OK | IND DEF | DISTRICT | TYPE | DEPT. | DOLLARS | LOCAL | MWBE | DESCRIPTION |
|---|---|---|---|---|---|---|---|---|---|
| 22 | | | 13 | C | ECO | NC | NA | NA | A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Nine, (Vickery Meadow TIF District), submitted by the Vickery Meadow TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City |
| 23 | | | 2 | C | ECO | NC | NA | NA | A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Ten, (Southwestern Medical TIF District), submitted by the Southwestern Medical TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City |
| 24 | | | 2, 14 | C | ECO | NC | NA | NA | A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eleven, (Downtown Connection TIF District), submitted by the Downtown Connection TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City |
| 25 | | | 2, 7, 14 | C | ECO | NC | NA | NA | A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Twelve, (Deep Ellum TIF District), and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City |
| 26 | | | 7 | C | ECO | NC | NA | NA | A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Thirteen, (Grand Park South TIF District), and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City |
| 27 | | | 9, 10, 13, 14 | C | ECO | NC | NA | NA | A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Fourteen, (Skillman Corridor TIF District), submitted by the Skillman Corridor TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City |
| 28 | | | 1, 6 | C | ECO | NC | NA | NA | A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Fifteen, (Fort Worth Avenue TIF District), submitted by the Fort Worth Avenue TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City |
| 29 | | | 1, 3 | C | ECO | NC | NA | NA | A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Sixteen, (Davis Garden TIF District), submitted by the Davis Garden TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City |
| 30 | | | 2, 3, 4, 8, 14 | C | ECO | NC | NA | NA | A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Seventeen, (TOD TIF District), submitted by the TOD TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City |
| 31 | | | 2 | C | ECO | NC | NA | NA | A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eighteen, (Maple/Mockingbird TIF District), submitted by the Maple/Mockingbird TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City |

**AGENDA DATE** February 22, 2017

| ITEM # | OK | IND DEF | DISTRICT | TYPE | DEPT. | DOLLARS | LOCAL | MWBE | DESCRIPTION |
|---|---|---|---|---|---|---|---|---|---|
| 32 | | | 6 | C | ECO | NC | NA | NA | A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Nineteen, (Cypress Waters TIF District) authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City |
| 33 | | | 8, 11 | C | ECO | NC | NA | NA | A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Twenty (Mall Area Redevelopment TIF District), submitted by the Mall Area Redevelopment TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and to the State Comptroller, as required by state law - Financing: No cost consideration to the City |
| 34 | | | 9 | C | ECO | NC | NA | NA | Authorize a public hearing to be held on March 22, 2017, to receive comments concerning the application with the Texas Department of Housing and Community Affairs (TDHCA) for 4% tax credits in the approximate amount of $7,705,000 with tax exempt bonds in the approximate amount of $15,000,000 to be issued by the City of Dallas Housing Finance Corporation (DHFC) for the Silver Gardens Apartments, an existing senior apartment community comprised of 202 units for seniors, located at 2620 Ruidosa Avenue, and at the close of the public hearing, authorize: (1) DHFC to issue the tax exempt bonds in an amount not to exceed $15,000,000 in Multi-family Housing Mortgage Revenue Bonds Series 2017 to finance the acquisition and rehabilitation of 202 units for seniors by Dominium Development & Acquisition, LLC ("Dominium"), on behalf of Dallas Leased Housing Associates IV, LLP (the "Applicant"), referred to as the Silver Gardens; and (2) a resolution to support the TDHCA's award of Low Income Housing Tax Credits for the acquisition and rehabilitation of the existing Silver Gardens housing development located at 2620 Ruidosa Avenue, Dallas, Texas by conducting a Public Hearing pursuant to Texas Government Code, §2306.67071(a) and 10 TAC §10.204(4)(A), Texas Government Code, §2306.67071(b) and 10 TAC§10.204(4)(B) and pursuant to §11.3(a-g) and §11.4 (c)(1) of the 2017 Qualified Allocation Plan (QAP) regarding Housing Deconcentration Factors - Financing: No cost consideration to the City |
| 35 | | | 14 | C | ECO | NC | NA | NA | Authorize a public hearing to be held on March 22, 2017, to receive comments concerning an application with the Texas Department of Housing and Community Affairs (TDHCA) for 4% tax credits in the approximate amount of $7,579,038 with tax exempt bonds in the approximate amount of $14,000,000 to be issued by the City of Dallas Housing Finance Corporation (DHFC) for the Flora Lofts, an existing apartment community comprised of 52 units for families, located at 2121 Flora Street, and at the close of the public hearing, authorize: (1) DHFC to issue the tax exempt bonds in an amount not to exceed $14,000,000 in Multi-family Housing Mortgage Revenue Bonds Series 2017 to finance the acquisition and new construction of 52 units for families by La Reunion and GREENarc CORP, on behalf of Flora Street Lofts, Ltd. (the "Applicant"), referred to as the Flora Street Lofts; and (2) a resolution supporting the TDHCA's award of Low Income Housing Tax Credits for the acquisition and new construction of the Flora Street Lofts, Ltd. development located at 2121 Flora Street, Dallas, Texas by conducting a Public Hearing pursuant to Texas Government Code, §2306.67071(a) and 10 TAC §10.204(4)(A), Texas Government Code, §2306.67071(b) and 10 TAC§10.204(4)(B) and pursuant to §11.3(a-g) and §. 11.4 (c)(1) of the 2017 Qualified Allocation Plan (QAP) regarding Housing Deconcentration Factors - Financing: No cost consideration to the City |
| 36 | | | 4 | C | ECO | NC | NA | NA | Authorize the rejection of proposals received for the Lancaster Corridor Re-development Project - Financing: No cost consideration to the City |
| 37 | | | 1 | C | HOU | NC | NA | NA | Authorize (1) acceptance of a Continuum of Care Grant from the U.S. Department of Housing and Urban Development (HUD) in the amount of $288,401, to provide permanent supportive Housing for homeless persons with HIV/AIDS at Hillcrest House located at 834 North Marsalis Avenue, for the period May 1, 2017 through April 30, 2018; (2) an amendment to the grant agreement for the substitution of PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas as recipient grantee, in place of the City of Dallas, with their assumption of all rights and obligations under the grant; and (3) execution of any and all documents required by the grant and the grantee substitution - Financing: No cost consideration to the City |
| 38 | | | All | C | HOU | GT | NA | NA | Authorize the first amendment to the contract with the Department of State Health Services to accept additional grant funds for the Special Supplemental Nutrition Program for the Women, Infants, and Children Program for the Summer Food Service Program for the period October 1, 2016 through September 30, 2017 - Not to exceed $26,000, from $15,055,566 to $15,081,566 - Financing: Department of State Health Services Grant Funds |

**AGENDA DATE** February 22, 2017

| ITEM # | OK | IND DEF | DISTRICT | TYPE | DEPT. | DOLLARS | LOCAL | MWBE | DESCRIPTION |
|---|---|---|---|---|---|---|---|---|---|
| 39 | | | All | C | HOU | GT | NA | NA | Authorize (1) Supplemental Agreement No. 1 to the contract with Association of Persons Affected by Addiction to revise the budget amount and increase the contract amount from $100,000 to $250,000 to provide peer-driven system support services to homeless individuals who suffer from mental illness, substance abuse disorder or co-occurring disorders through the Texas Department of State Health Services Healthy Community Collaborative Program for the period August 1, 2016 through August 31, 2017; and (2) execution of any and all documents required by the contract - Not to exceed $150,000, from $100,000 to $250,000 - Financing: FY 2017 Texas Department of State Health Services Grant Funds |
| 40 | | | All | C | HOU | GT | NA | NA | Authorize (1) Supplemental Agreement No. 1 to the contract with Bridge Steps to revise the budget amount and increase the contract amount from $1,799,735 to $2,145,819 to provide outreach/engagement, supportive services, transitional shelter, housing services and rental assistance, coordinated assessment/client prioritization, mental health services and substance abuse/detoxification to homeless individuals who suffer from mental illness, substance abuse disorder or co-occurring psychiatric disorders through the Texas Department of State Health Services Healthy Community Collaborative Program for FY 2017 allocation for the period August 1, 2016 through August 31, 2017, in the amount of $346,084, from $299,735 to $645,819; and (2) execution of any and all documents required by the contract - Not to exceed $346,084, from $1,799,735 to $2,145,819 - Financing: FY 2017 Texas Department of State Health Services Grant Funds |
| 41 | | | All | C | HOU | GT | NA | NA | Authorize (1) Supplemental Agreement No. 1 to the contract with CitySquare to revise the budget amount and decrease the contract amount from $1,508,192 to $857,725 to provide coordination/assessment, supportive services, expanded housing services for temporary shelters through outreach and housing units, residential treatment and detox treatment to homeless individuals through the Texas Department of State Health Services Healthy Community Collaborative Program for the period August 1, 2016 through August 31, 2017; and (2) execution of any and all documents required by the contract - Not to exceed ($650,467), from $1,508,192 to $857,725 - Financing: FY 2017 Texas Department of State Health Services Grant Funds |
| 42 | | | All | C | HOU | GT | NA | NA | Authorize (1) Supplemental Agreement No. 1 to the contract with Shelter Ministries of Dallas dba Austin Street Center to revise the budget amount and increase the contract amount from $500,000 to $654,383 to provide expanded services with an intense, longer term transitional shelter program for homeless men and women with the addition of a Women's Day Resource Program, Housing Readiness Program and After Care Services through the Texas Department of State Health Services Healthy Community Collaborative Program for the period August 1, 2016 through August 31, 2017; and (2) execution of any and all documents required by the contract - Not to exceed $154,383, from $500,000 to $654,383 - Financing: FY 2017 Texas Department of State Health Services Grant Funds |
| 43 | | | 7 | C | HOU | NC | NA | NA | Authorize an amendment to Resolution No. 15-0779, previously approved on April 22, 2015, for a development loan with East Dallas Community Organization, a certified Community Housing Development Organization and a Community Based Development Organization to (1) reduce the number of units to be developed from seven to five; and (2) extend the completion date from December 31, 2016 to February 22, 2018 for the Bexar Street Senior Project to be located on Macon Street and Starks Avenue - Financing: No cost consideration to the City |
| 44 | | | 4 | C | HOU | NC | NA | NA | Authorize an amendment to Resolution No. 15-1380, previously approved on August 12, 2015, with 2000 Roses Foundation, Inc. to (1) allow the unit to be rented to a qualified household; and (2) extend the agreement to May 30, 2017 to complete final paperwork for renovation of 220 North Cliff Street - Financing: No cost consideration to the City |
| 45 | | | 7 | C | HOU | NC | NA | NA | Authorize an amendment to Resolution No. 16-0168, previously approved on January 27, 2016, to extend the completion date of each agreement to May 30, 2017, for two separate loan agreements with Builders of Hope CDC for two separate phases of the Prairie Creek project to complete final paperwork - Financing: No cost consideration to the City |
| 46 | | | 6 | C | HOU | NC | NA | NA | Authorize an amendment to Resolution No. 16-0169, previously approved on January 27, 2016, to extend the completion date of each agreement to December 31, 2017, for two separate loan agreements with Builders of Hope CDC for two separate phases of the West Dallas project to complete final paperwork - Financing: No cost consideration to the City |

**AGENDA DATE** February 22, 2017

| ITEM # | OK | IND DEF | DISTRICT | TYPE | DEPT. | DOLLARS | LOCAL | MWBE | DESCRIPTION |
|---|---|---|---|---|---|---|---|---|---|
| 47 | | | 7 | C | HOU | NC | NA | NA | Authorize an amendment to Resolution No. 16-0279, previously approved on February 10, 2016, for a conditional grant agreement with KKBK Properties, LLC, or its wholly owned subsidiary, for the Hatcher Gardens Project for construction of commercial and residential units at 4002 Hatcher Street to extend the completion date from December 31, 2016 to August 31, 2017 - Financing: No cost consideration to the City |
| 48 | | | 8 | C | HOU | NC | NA | NA | Authorize an amendment to Resolution No. 16-0841, previously approved on May 25, 2016, for a conditional grant agreement with Camden Homes at Shady Oaks, LLC for construction of single family homes for the Shady Oaks Project located at Highway 175 and South Woody Road to (1) reduce the number of houses to be built from 40 to 19; and (2) reduce the conditional grant amount by $630,000, from $1,200,000 to $570,000 - Financing: No cost consideration to the City |
| 49 | | | N/A | C | IGS | NC | NA | NA | A resolution adopting the City's Federal Legislative Program for the 115th Session of the United States Congress - Financing: No cost consideration to the City |
| 50 | | | 7 | C | STS, WTR | $142,276.75 | 100.00% | 26.59% | Authorize an increase in the construction contract with Texas Standard Construction, Ltd. for additional work associated with water and wastewater main relocations in advance of paving and drainage improvements related to Street Group 12-637 - Not to exceed $142,277, from $20,737,091 to $20,879,368 - Financing: Water Utilities Capital Construction Funds |
| 51 | | | 6 | C | STS | $187,772.00 | 100.00% | 71.21% | Authorize Supplemental Agreement No. 1 to the professional services contract with Hayden Consultants, Inc. for additional engineering design services for improvements to the intersections of Hampton Road at Canada Drive and Hampton Road at Calypso Street - Not to exceed $187,772, from $611,569 to $799,341 - Financing: General Obligation Commercial Paper Funds |
| 52 | | | All | C | OCA | $57,500.00 | NA | NA | Authorize (1) the acceptance of grants in the amount of $57,500 from the Texas Commission on the Arts to provide cultural services for the period September 1, 2016 through August 31, 2017; (2) a local match in the amount of $57,500; and (3) execution of the grant agreements - Total not to exceed $115,000 - Financing: Texas Commission on the Arts Grant Funds ($57,500) and Current Funds ($57,500) |
| 53 | | | 2 | C | OCA | $22,462.50 | 100.00% | 0.00% | Authorize (1) an increase in the contract with van Enter Studio, Ltd for increased materials related to the conservation services for the Umlauf Spirit of Flight fountain at Dallas Love Field in an amount not to exceed $22,463; and (2) an extension of the contact term through September 30, 2017 - Not to exceed $22,463, from $28,750 to $51,213 - Financing: Current Funds |
| 54 | | | N/A | C | OFS | NC | NA | NA | Authorize (1) an extension through September 30, 2017 for Community Development Block Grant (CDBG) funded projects which have not met the twelve-month obligation or twenty-four-month expenditure requirement; (2) preliminary adoption of Reprogramming Budget No. 1 to the FY 2016-17 Action Plan to use unspent prior year CDBG funds in the amount of $1,413,595 for the Major Systems Repair Program; and (3) a public hearing to be held on March 22, 2017 to receive comments on the proposed use of funds for Reprogramming Budget No. 1 to the FY 2016-17 Action Plan - Financing: No cost consideration to the City |
| 55 | | | N/A | C | OFS | NC | NA | NA | Ratify amendments to the 2017 City Calendar that was approved by Resolution No. 16-1777 on October 26, 2016, to (1) cancel the City Council Briefing Meeting that was scheduled for February 1, 2017; (2) cancel the council-staff planning session that was scheduled for February 15 and 16, 2017; (3) add a City Council Briefing Meeting on February 15, 2017; and (4) add a council-staff planning session on March 29 and 30, 2017 - Financing: No cost consideration to the City |
| 56 | | | N/A | C | OFS | NC | NA | NA | Authorize a public hearing to be held on March 22, 2017 to receive comments on the FY 2017-18 Operating, Capital, and Grant/Trust budgets - Financing: No cost consideration to the City |
| 57 | | | All | C | POL | GT | NA | NA | Authorize (1) an application for and acceptance of the Dallas July 7 Overtime Reimbursement Grant from the U.S. Department of Justice through the Office of the Governor, Criminal Justice Division for the response to events on July 7, 2016, for the period July 7, 2016 through March 31, 2017; and (2) execution of the grant agreement - Not to exceed $705,251 - Financing: Office of the Governor, Criminal Justice Division State Grant Funds |
| 58 | | | N/A | C | SAN | REV $9,936 | NA | NA | Authorize ordinances granting four franchises for solid waste collection and hauling, pursuant to Chapter XIV, of the City Charter, and Chapter 18, Article IV, of the Dallas City Code - Estimated Annual Revenue: $9,936 |
| 59 | | | N/A | C | SAN | NC | NA | NA | Authorize consent of name change on solid waste franchise Ordinance No. 30044 from Custom Recycling Solutions, LLC to County Recycling Services, LLC in accordance with the terms of the franchise ordinance, Chapter XIV, of the City Charter, and Chapter 18, Article IV of the Dallas City Code - Financing: No cost consideration to the City |

**AGENDA DATE** February 22, 2017

| ITEM # | OK | IND DEF | DISTRICT | TYPE | DEPT. | DOLLARS | LOCAL | MWBE | DESCRIPTION |
|---|---|---|---|---|---|---|---|---|---|
| 60 | | | 8 | C | DEV, ATT, WTR | $121,414.00 | NA | NA | Authorize (1) settlement in lieu of proceeding further with condemnation in the condemnation suit styled City of Dallas v. Raleigh Investment Group, LP, et al., Cause No. CC-13-06290-A, pending in Dallas County Court At Law No. 1, for acquisition from Raleigh Investment Group, LP, of approximately 82,849 square feet of land located near the intersection of Kate Road and Interstate Highway 20 for the Southwest 120/96-inch Water Transmission Pipeline Project; and (2) the deposit of the settlement amount reached through Court ordered mediation and negotiation of the condemnation suit for an amount not to exceed the settlement amount - Not to exceed $121,414, increased from $341,234 ($335,586 being the award, plus closing costs and title expenses not to exceed $5,648) to $462,648 ($457,000 being the settlement amount, plus closing costs and title expenses not to exceed $5,648) - Financing: Water Utilities Capital Construction Funds |
| 61 | | | 6 | C | DEV, ATT, STS | $7,818.00 | NA | NA | Authorize (1) settlement in lieu of proceeding further with condemnation in the condemnation suit styled City of Dallas v. The Hale Living Trust, Connie E. Hale, et al., Cause No. CC-15-01531-B, pending in Dallas County Court At Law No. 2, for acquisition from The Hale Living Trust, of approximately 7,044 square feet of land located near the intersection of Royal and Goodnight Lanes for the Goodnight Lane Street Improvements Project; and (2) the deposit of the settlement amount reached through Court ordered mediation of the condemnation suit for an amount not to exceed the mediation settlement amount - Not to exceed $7,818, increased from $68,732 ($65,432 being the award, plus closing costs and title expenses not to exceed $3,300) to $76,550 ($73,250 being the mediation settlement amount, plus closing costs and title expenses not to exceed $3,300) - Financing: 2006 Bond Funds |
| 62 | | | 14 | C | DEV | REV $200 | NA | NA | An ordinance granting a private license to Cary Ray, Neil Connell, and Jack Chaplin for the use of approximately 65 square feet of land to occupy, maintain and utilize a sidewalk cafe on a portion of Greenville Avenue right-of-way, near its intersection with La Vista Court - Revenue: $200 annually, plus the $20 ordinance publication fee |
| 63 | | | 14 | C | DEV | REV $1,000 | NA | NA | An ordinance granting a revocable license to Spice in the City, LLC, for the use of approximately 12 square feet of aerial space to install, occupy, use and maintain an aerial sign, over and above a portion of Commerce Street right-of-way, near its intersection with Lane Street - Revenue: $1,000 annually, plus the $20 ordinance publication fee |
| 64 | | | 12 | C | DEV | REV $334,739 | NA | NA | An ordinance abandoning a portion of Cross Timbers Lane to Plano Independent School District, the abutting owner, containing approximately 29,622 square feet of land, located near the intersection of Cross Timbers and Mapleshade Lanes, authorizing the quitclaim and providing for the dedication of approximately 2,923 square feet of land needed for street right-of-way - Revenue: $334,739, plus the $20 ordinance publication fee |
| 65 | | | 6 | C | DEV | REV $132,705 | NA | NA | An ordinance abandoning an alley and an alley site easement to West Commerce Investments, LLC, the abutting owner, containing a total of approximately 5,898 square feet of land, located near the intersection of Commerce and Beatrice Streets, and authorizing the quitclaim - Revenue: $132,705, plus the $20 ordinance publication fee |
| 66 | | | 11 | C | DEV | REV $23,086 | NA | NA | An ordinance abandoning portions of two utility easements and a portion of a water, sewer, and drainage easement to Quiktrip Corporation, the abutting owner, containing a total of approximately 11,070 square feet of land, located near the intersection of Preston and Alpha Roads - Revenue: $23,086, plus the $20 ordinance publication fee |
| 67 | | | All | C | TWM | $560,000.00 | 17.86% | 29.60% | Authorize Supplemental Agreement No. 6 to the professional services contract with Raftelis Financial Consultants, Inc. for a two-year contract to perform long term maintenance and technical support for Stormwater Information Management Systems (SIMS), including adding SIMS functionality for managing stormwater credits data; a one-year renewal option for SIMS technical support; and SIMS support for a Best Management Practices (BMP) based credits program - Not to exceed $560,000, from $1,384,907 to $1,944,907 - Financing: Stormwater Drainage Management Current Funds (subject to annual appropriations) |
| 68 | | | Outside | C | WTR | NC | NA | NA | Authorize an Interlocal Agreement with the City of Coppell to allow the City of Dallas to construct, own, and operate a 24-inch wastewater force main pipeline, referred to as the Force Main Project, within the corporate limits of Coppell to serve the Cypress Waters Development in Dallas - Financing: No cost consideration to the City |
| 69 | | | 8 | C | WTR | $14,893,000.00 | 71.18% | 25.54% | Authorize a contract for the construction of grit removal improvements at the Southside Wastewater Treatment Plant - Archer Western Construction, LLC, lowest responsible bidder of three - Not to exceed $14,893,000 - Financing: Water Utilities Capital Improvement Funds |
| 70 | | | N/A | I | SEC | NC | N/A | N/A | Consideration of appointments to boards and commissions and the evaluation and duties of board and commission members (List of nominees is available in the City Secretary's Office) |

**AGENDA DATE** February 22, 2017

| ITEM # | OK | IND DEF | DISTRICT | TYPE | DEPT. | DOLLARS | LOCAL | MWBE | DESCRIPTION |
|---|---|---|---|---|---|---|---|---|---|
| 71 | | | 8 | I | TWM, ATT, STS | $136,944.00 | NA | NA | Authorize the second step of acquisition for condemnation by eminent domain, if such becomes necessary, from R.K.C.J., L.L.C. to acquire an improved tract of land containing approximately 25,727 square feet, four slope easements containing a total of approximately 23,330 square feet, and a drainage easement containing approximately 5,257 square feet, located on East Wheatland Road near its intersection with Lancaster Road for the Wheatland Road Improvement Project - Not to exceed $136,944 ($130,944, plus closing costs and title expenses not to exceed $6,000) - Financing: General Obligation Commercial Paper Funds |
| 72 | | | 9 | I | ECO | $1,000,000.00 | NA | NA | Authorize a Chapter 380 economic development grant agreement with Casa View II Ltd and/or its affiliates (“Owner") in an amount not to exceed $1,000,000 in consideration of the Owner’s investment in eligible expenditures for improvements to Casa View Shopping Center located at 2331 and 2203 Gus Thomasson Road, pursuant to the Public/Private Partnership Program - Not to exceed $1,000,000 - Financing: Public/Private Partnership Funds |
| 73 | | | 8 | I | ECO | NC | NA | NA | I-20 Distribution Park Phase I: Authorize a real property tax abatement agreement with I-20 Distribution Park Phase I, LLC for the purpose of granting a ten-year abatement of 90 percent of the taxes on added value to the real property for a proposed new speculative industrial/warehouse facility located at 8900 Blanco Road in southern Dallas within the International Inland Port of Dallas in accordance with the City's Public/Private Partnership Program - Revenue: First year revenue estimated at $33,256; ten-year revenue estimated at $332,563 (Estimated revenue forgone for the ten-year real property abatement estimated at $2,993,063) |
| 74 | | | 8 | I | ECO | $2,500,000.00 | NA | NA | I-20 Distribution Park Phase I: Authorize a Chapter 380 economic development grant agreement with I-20 Distribution Park Phase I, LLC for reimbursement of costs associated with public street and utility improvements to facilitate a proposed speculative industrial/warehouse facility located at 8900 Blanco Road in southern Dallas within the International Inland Port of Dallas in accordance with the City’s Public/Private Partnership Program -Total not to exceed $2,500,000 - Financing: 2006 Bond Funds ($1,850,000) and 2012 Bond Funds ($650,000) |
| 75 | | | 4, 7 | I | HOU | GT | NA | NA | Authorize on-site reconstruction of two homes in accordance with the requirements of the Reconstruction Program Statement for the properties located at: 4227 Opal Avenue in the amount of $103,000; and 3811 Hamilton Avenue in the amount of $103,000 - Total not to exceed $206,000 - Financing: 2015-16 Community Development Block Grant Funds |
| 76 | | | 8 | I | HOU | $80,000.00 | NA | NA | Authorize an amendment to Resolution No. 15-0778, previously approved on April 22, 2015, for a housing development loan with City Wide Community Development Corporation, a certified Community Housing Development Organization, to (1) provide General Obligation Bond funds as a conditional grant for two of the units in the amount of $80,000; and (2) extend the contract from December 31, 2016 to February 22, 2018 for construction of single family homes located on scattered sites - Not to exceed $80,000 - Financing: 2012 Bond Funds |
| 77 | | | 7 | I | HOU | GT | NA | NA | Authorize an amendment to Resolution No. 16-1361, previously approved on August 24, 2016, to change the awarded reconstruction contractor of one home located at 2612 Stephenson Street from Bethel Enterprise, Inc. to Miko Trucking Inc. - Not to exceed $103,000 - Financing: 2015-16 Community Development Block Grant Funds |
| 78 | | | 5 | PH | DEV | NC | NA | NA | A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 2129 for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less on property zoned CR-D-1 Community Retail District with D-1 Liquor Control Overlay on the north side of Lake June Road at the terminus of McElree Street, east of Oak Hill Circle |
| 79 | | | 5 | PH | DEV | NC | NA | NA | A public hearing to receive comments regarding an application for and an ordinance granting an amendment to Specific Use Permit No. 2034 for the sale of alcoholic beverages in conjunction with a general merchandise or food store greater than 3,500 square feet on property zoned Subarea 6 within Planned Development District No. 366 with a D-1 Liquor Control Overlay, east of South Buckner Boulevard, south of Scyene Road |
| 80 | | | 2 | PH | DEV | NC | NA | NA | A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 2189 for a recycling buy-back center for the collection of household metals and industrial metals on property zoned an IM Industrial Manufacturing District on the northeast line of South Barry Avenue, north of South Haskell Avenue |

**AGENDA DATE** February 22, 2017

| ITEM # | OK | IND DEF | DISTRICT | TYPE | DEPT. | DOLLARS | LOCAL | MWBE | DESCRIPTION |
|---|---|---|---|---|---|---|---|---|---|
| 81 | | | 10 | PH | DEV | NC | NA | NA | A public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for a utility or government installation other than listed to allow an elevated water storage tank use on property zoned an IR Industrial Research District on the northwest corner of Forest Lane and the eastern section of Forestgate Drive |
| 82 | | | 1 | PH | DEV | NC | NA | NA | A public hearing to receive comments regarding an application for a new subdistrict for Light Commercial/Office and restaurant with drive-in or drive-through service uses within the Light Commercial/Office Subdistrict of Planned Development District No. 631, the West Davis Special Purpose District and an R-7.5(A) Single Family District on property on the southwest corner of West Davis Street and North Westmoreland Road |
| 83 | | | 7 | PH | DEV | NC | NA | NA | A public hearing to receive comments regarding an application for and an ordinance granting a CS Commercial Service District on property zoned an LI-D-1 Light Industrial District with a D-1 Liquor Control Overlay on the southwest corner of Forney Road and North Prairie Creek Road |
| 84 | | | 8 | PH | DEV | NC | NA | NA | A public hearing to receive comments regarding an application for (1) a CR Community Retail District with deed restrictions volunteered by the applicant, and (2) a Specific Use Permit for the sale of alcoholic beverages in conjunction with a general merchandise store 3,500 square feet or less on property zoned an NS(A)-D-1 Neighborhood Service District with a D-1 Liquor Control Overlay, with an ordinance granting a CR Community Retail District and a resolution accepting deed restrictions volunteered by the applicant on the west corner of South Beltline Road and Garden Grove Drive |
| 85 | | | 8 | PH | DEV | NC | NA | NA | A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 2099 for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less on property zoned a CR-D-1 Community Retail District with a D-1 Liquor Control Overlay and deed restrictions on the southwest corner of Great Trinity Forest Way and North Jim Miller Road |
| 86 | | | 1 | PH | DEV | NC | NA | NA | A public hearing to receive comments regarding an application for and an ordinance granting a new subdistrict within Planned Development District No. 830 and the removal of a D Liquor Control Overlay on a portion on property zoned Subdistrict 3 within Planned Development District No. 830 in an area generally bounded by West 10th Street, both sides of North Bishop Avenue, both sides of Melba Street and both sides of North Madison Avenue |
| 87 | | | 6 | PH | DEV | NC | NA | NA | A public hearing to receive comments regarding an application for the renewal of Specific Use Permit No. 1813 for a recycling collection center for the collection of household metals, industrial metals and recyclable materials on property zoned an IR Industrial Research District on the northeast corner of Sylvan Avenue and Fabrication Street |
| 88 | | | 7 | PH | DEV | NC | NA | NA | A public hearing to receive comments regarding an application for a Specific Use Permit for a tower/antenna for cellular communication on property zoned a CC Community Commercial Subdistrict within Planned Development District No. 595, the South Dallas/Fair Park Special Purpose District on the northwest line of Pennsylvania Avenue, southwest of J.B. Jackson Jr. Boulevard |
| 89 | | | 6, 13 | PH | STS, WTR | $2,044,928.00 | 15.19% | 77.43% | A benefit assessment hearing to receive comments on street paving, drainage, water and wastewater main improvements, and alley paving for Project Group 12-3001; and at the close of the hearing, authorize an ordinance levying benefit assessments, and a construction contract with Camino Construction, L.P., lowest responsible bidder of four - Not to exceed $2,044,928 - Financing: 2012 Bond Funds ($1,254,801), Water Utilities Capital Construction Funds ($652,725) and Water Utilities Capital Improvement Funds ($137,402) |
| 90 | | | 9, 10 | PH | STS, WTR | $873,052.00 | 100.00% | 26.20% | A benefit assessment hearing to receive comments on street paving, drainage, water and wastewater main improvements, and alley paving for Project Group 12-3004; and at the close of the hearing, authorize an ordinance levying benefit assessments, and a construction contract with MACVAL Associates, LLC, lowest responsible bidder of five - Not to exceed $873,052 - Financing: 2012 Bond Funds ($712,610), Water Utilities Capital Construction Funds ($96,681) and Water Utilities Capital Improvement Funds ($63,761) |
| 91 | | | 3, 14 | PH | ECO | NC | NA | NA | The Neiman Marcus Group LLC: A public hearing to receive comments concerning the City of Dallas' participation in the Texas Enterprise Zone Program pursuant to the Texas Enterprise Zone Act, Chapter 2303 Texas Government Code as amended, in order to allow the nomination of The Neiman Marcus Group LLC, located at 4121 Pinnacle Point Drive, 1700 Pacific Avenue, 1201 Elm Street and 1618 Main Street in Dallas as an Enterprise Zone Project - Financing: No cost consideration to the City |

**AGENDA DATE** February 22, 2017

| ITEM # | OK | IND DEF | DISTRICT | TYPE | DEPT. | DOLLARS | LOCAL | MWBE | DESCRIPTION |
|---|---|---|---|---|---|---|---|---|---|
| 92 | | | 3, 14 | PH | ECO | NC | NA | NA | The Neiman Marcus Group LLC: Authorize an ordinance to: (1) ordain the City of Dallas' participation in the Texas Enterprise Zone Program pursuant to the Texas Enterprise Zone Act, Chapter 2303 Texas Government Code as revised; and (2) nominate The Neiman Marcus Group LLC located at 4121 Pinnacle Point Drive, 1700 Pacific Avenue, 1201 Elm Street and 1618 Main Street in Dallas to receive designation as an Enterprise Project under the Texas Enterprise Zone Act, as amended (Government Code, Chapter 2303) to the Office of the Governor Economic Development and Tourism through the Economic Development Bank - Financing: No cost consideration to the City |
| 93 | | | 11 | PH | ECO | NC | NA | NA | Authorize the nomination of Columbia Hospital at Medical City Dallas Subsidiary, L.P. located at 7777 Forest Lane, Dallas, Texas 75230 to receive designation as an Enterprise Project under the Texas Enterprise Zone Act, as amended (Government Code, Chapter 2303) to the Office of the Governor Economic Development and Tourism through the Economic Development Bank - Financing: No cost consideration to the City |
| 94 | | | 14 | PH | ECO | NC | NA | NA | Authorize the nomination of EnLink Midstream Operating, LP located at 1722 Routh Street, Dallas, Texas 75201 to receive designation as an Enterprise Project under the Texas Enterprise Zone Act, as amended (Government Code, Chapter 2303) to the Office of the Governor Economic Development and Tourism through the Economic Development Bank - Financing: No cost consideration to the City |

**TOTAL $38,454,916.98**

**AGENDA ITEM # 2**

**KEY FOCUS AREA:** Public Safety

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Business Development & Procurement Services
Aviation
Park & Recreation
Sanitation Services
Trinity Watershed Management
Water Utilities

**CMO:** Elizabeth Reich, 670-7804
Mark McDaniel, 670-3256
Willis Winters, 670-4071
Joey Zapata, 670-3009

**MAPSCO:** N/A

---

## SUBJECT

Authorize a three-year service contract for feral hog control and abatement from City property – Striker Outfitters, LLC, most advantageous proposer of three - Not to exceed $347,100 - Financing: Current Funds ($69,900), Water Utilities Current Funds ($128,625), Stormwater Drainage Management Current Funds ($71,925), Sanitation Current Funds ($71,925), and Aviation Current Funds ($4,725) (subject to annual appropriations)

## BACKGROUND

This action does not encumber funds; the purpose of a service contract is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis.

This service contract provides for the control and abatement of feral hogs from City property. The vendor and City representatives will initially determine areas of most feral hog activity and/or damage and establish a strategic plan, concentrating abatement efforts on those locations. The vendor will set traps and bait and monitor them for feral hog activity. The vendor will humanely trap and remove an entire group to aid in feral hog abatement. The vendor will transport feral hogs to a U.S. Department of Agriculture certified processing facility. The vendor will remove and relocate the traps or maintain them at the current site based on the strategic plan.

**BACKGROUND (Continued)**

Feral hogs pose a potential hazard to humans as they can carry diseases which can be transferred in the City's waterways. Feral hogs are currently present in the City's parks, golf courses, levee systems, and other areas, causing damage to City and residential property. Additionally, feral hogs travel via creeks, rivers, and levee systems (flood plains) foraging for food and water sources.

A seven member committee from the following departments reviewed and evaluated the proposals:

- Park and Recreation (2)
- Police (1)
- Water Utilities (1)
- Trinity Watershed Management (1)
- Business Development & Procurement Services (2)

*Business Development and Procurement Services only evaluated the Business Inclusion and Development Plan and cost.

The committee selected the successful respondent on the basis of demonstrated competence and qualifications under the following criteria:

- Experience/qualifications 30%
- Cost 30%
- Staffing plan/approach 25%
- Business Inclusion and Development Plan 15%

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 171 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, BDPS' ResourceLINK Team (RLT) sent notifications to 25 chambers of commerce, the DFW Minority Business Council, and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

The recommended vendor meets the wage floor rate of $10.37 approved by City Council on November 10, 2015, by Resolution No. 15-2141.

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

On August 14, 2013, City Council authorized a three-year service contract for feral hog control and abatement from City property by Resolution No. 13-1275.

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

Information about this item will be provided to the Budget, Finance, and Audit Committee on February 21, 2017.

## FISCAL INFORMATION

$ 69,900.00 - Current Funds (subject to annual appropriations)
$128,625.00 - Water Utilities Current Funds (subject to annual appropriations)
$ 71,925.00 - Stormwater Drainage Management Current Funds (subject to annual appropriations)
$ 71,925.00 - Sanitation Current Funds (subject to annual appropriations)
$ 4,725.00 - Aviation Current Funds (subject to annual appropriations)

## M/WBE INFORMATION

28 - Vendors contacted
28 - No response
0 - Response (Bid)
0 - Response (No bid)
0 - Successful

The recommended awardee has fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826 as amended.

## ETHNIC COMPOSITION

Striker Outfitters, LLC

| | | | |
|---|---|---|---|
| White Male | 2 | White Female | 0 |
| Black Male | 0 | Black Female | 0 |
| Hispanic Male | 1 | Hispanic Female | 0 |
| Other Male | 0 | Other Female | 0 |

## PROPOSAL INFORMATION

Business Development and Procurement Services received the following proposals from solicitation number BQZ1617. We opened them on September 30, 2016. We recommend the City Council award this service contract in its entirety to the most advantageous proposer.

**PROPOSAL INFORMATION (Continued)**

*Denotes successful proposer

| Proposers | Address | Score | Amount |
|---|---|---|---|
| *Striker Outfitters, LLC | 305 Belle Circle<br>Aledo, TX 76008 | 81.60% | $ 347,100.00 |
| City Trapping Wild Animal Management | 2411 Skylark Drive<br>Dallas, TX 75216 | 38.46% | $1,981,320.00 |
| A All Animal Control of Dallas County | 622 Gibbons Road<br>Argyle, TX 76226 | 34.04% | $2,344,500.00 |

**OWNER**

**Striker Outfitters, LLC**

Marc McKelvey, Managing Member
Taylor Christian, Member

# BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a three-year service contract for feral hog control and abatement from City property – Striker Outfitters, LLC, most advantageous proposer of three - Not to exceed $347,100 - Financing: Current Funds ($69,900), Water Utilities Current Funds ($128,625), Stormwater Drainage Management Current Funds ($71,925), Sanitation Current Funds ($71,925), and Aviation Current Funds ($4,725) (subject to annual appropriations)

Striker Outfitters, LLC is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce.
PROJECT CATEGORY: Other Services

---

## LOCAL/NON-LOCAL CONTRACT SUMMARY

| | Amount | Percent |
|---|---|---|
| Total local contracts | $0.00 | 0.00% |
| Total non-local contracts | $347,100.00 | 100.00% |
| **TOTAL CONTRACT** | $347,100.00 | 100.00% |

## LOCAL/NON-LOCAL M/WBE PARTICIPATION

### Local Contractors / Sub-Contractors

None

### Non-Local Contractors / Sub-Contractors

None

## TOTAL M/WBE CONTRACT PARTICIPATION

| | Local | Percent | Local & Non-Local | Percent |
|---|---|---|---|---|
| African American | $0.00 | 0.00% | $0.00 | 0.00% |
| Hispanic American | $0.00 | 0.00% | $0.00 | 0.00% |
| Asian American | $0.00 | 0.00% | $0.00 | 0.00% |
| Native American | $0.00 | 0.00% | $0.00 | 0.00% |
| WBE | $0.00 | 0.00% | $0.00 | 0.00% |
| Total | $0.00 | 0.00% | $0.00 | 0.00% |

February 22, 2017

**WHEREAS,** on August 14, 2013, City Council authorized a three-year service contract for feral hog control and abatement from City property by Resolution No. 13-1275;

**NOW, THEREFORE,**

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

**Section 1.** That the City Manager is authorized to execute a service contract with Striker Outfitters, LLC (VC13753) for feral hog control and abatement from City property for a term of three years in an amount not to exceed $347,100.00, upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Striker Outfitters, LLC shall be based only on the amount of the services directed to be performed by the City and properly performed by Striker Outfitters, LLC under the contract.

**Section 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed $347,100.00 (subject to annual appropriations) from Service contract number BQZ1617.

**Section 3.** 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.

**AGENDA ITEM # 3**

**KEY FOCUS AREA:** E-Gov

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Business Development & Procurement Services
Court & Detention Services
Fire
Housing/Community Services
Mobility and Street Services
Sanitation Services
Sustainable Development and Construction
Trinity Watershed Management

**CMO:** Elizabeth Reich, 670-7804
Eric Campbell, 670-3255
Alan Sims, Chief of Neighborhood Plus, 670-1611
Jill A. Jordan, P.E., 670-5299
Joey Zapata, 670-3009
Mark McDaniel, 670-3256

**MAPSCO:** N/A

---

## SUBJECT

Authorize a three-year service contract for grounds maintenance services - Moir Watershed Services, LLC in the amount of $1,850,254 and Good Earth Corporation in the amount of $1,149,735, most advantageous proposers of three - Total not to exceed $2,999,989 - Financing: Current Funds ($811,425), Sanitation Current Funds ($338,310), and Stormwater Drainage Management Current Funds ($1,850,254) (subject to annual appropriations)

## BACKGROUND

This action does not encumber funds; the purpose of a service contract is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis.

This service contract provides for grounds maintenance services for Trinity Watershed Management's approximately 640 acres of floodway levees and gateways, Fire-Rescue Training Facility, Housing/Community Services West Dallas Multipurpose Center, and other City facilities. Services under this contract includes, but are not limited to, mowing, line trimming, and litter removal.

**BACKGROUND (Continued)**

A five member committee from the following departments reviewed and evaluated the proposals:

- Trinity Watershed Management (2)
- Sustainable Development and Construction (1)
- Business Development and Procurement Services (2)*

*Business Development and Procurement Services only evaluated cost and the Business Inclusion and Development Plan.

The committee selected the successful respondent on the basis of demonstrated competence and qualifications under the following criteria:

- Cost 30%
- Experience/qualifications 30%
- Staffing plan/approach 25%
- Business Inclusion and Development Plan 15%

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 825 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, BDPS' ResourceLINK Team (RLT) sent notifications to 25 chambers of commerce, the DFW Minority Business Council, and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

The recommended vendor(s) meet the wage floor rate of $10.37 approved by City Council on November 10, 2015, by Resolution No. 15-2141.

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

On May 22, 2013, City Council authorized a three-year service contract for grounds maintenance at Dallas Fire-Rescue, Housing/Community Services and Streets Services properties by Resolution No. 13-0799.

On September 25, 2013, City Council authorized a three-year service contract for grounds maintenance services at levees, Hensley Field, Sanitation Services and Court & Detention Services properties by Resolution No. 13-1664.

Information about this item will be provided to the Budget, Finance, and Audit Committee on February 21, 2017.

## FISCAL INFORMATION

$ 811,425.00 - Current Funds (subject to annual appropriations)
$ 338,310.00 - Sanitation Current Funds (subject to annual appropriations)
$1,850,253.75 - Stormwater Drainage Management Current Funds (subject to annual appropriations)

## M/WBE INFORMATION

107 - Vendors contacted
107 - No response
0 - Response (Bid)
0 - Response (No Bid)
0 - Successful

The recommended awardees have fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826 as amended.

## ETHNIC COMPOSITION

Moir Watershed Services, LLC

| | | | |
|---|---|---|---|
| White Male | 6 | White Female | 1 |
| Black Male | 0 | Black Female | 0 |
| Hispanic Male | 3 | Hispanic Female | 0 |
| Other Male | 0 | Other Female | 0 |

Good Earth Corporation

| | | | |
|---|---|---|---|
| White Male | 19 | White Female | 3 |
| Black Male | 36 | Black Female | 3 |
| Hispanic Male | 116 | Hispanic Female | 21 |
| Other Male | 0 | Other Female | 0 |

## PROPOSAL INFORMATION

Business Development and Procurement Services received the following proposals from solicitation number BCZ1607. We opened them on July 15, 2016. We recommend the City Council award this service contract to the most advantageous proposer by group. Information related to this solicitation is available upon request.

**PROPOSAL INFORMATION (Continued)**

*Denotes successful proposers

| Proposers | Address | Amount |
|---|---|---|
| *Moir Watershed Services, LLC | 4134 FM 66<br>Waxahachie, TX 75167 | Multiple Groups |
| *Good Earth Corporation | 8020 Heinen Dr.<br>Dallas, TX 75227 | Multiple Groups |
| Weldon's Lawn and Tree, LLC | 2460 Shorecrest<br>Rockwall, TX 75087 | Non-Responsible** |

**Weldon's Lawn and Tree, LLC was deemed non-responsible due to not meeting the terms and conditions.

**OWNERS**

**Moir Watershed Services, LLC**

James Moir, President

**Good Earth Corporation**

Ron Points, President

# BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a three-year service contract for grounds maintenance services - Moir Watershed Services, LLC in the amount of $1,850,254 and Good Earth Corporation in the amount of $1,149,735, most advantageous proposers of three - Total not to exceed $2,999,989 - Financing: Current Funds ($811,425), Sanitation Current Funds ($338,310), and Stormwater Drainage Management Current Funds ($1,850,254) (subject to annual appropriations)

Moir Watershed Services, LLC is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractor. Good Earth Corporation is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractor.

PROJECT CATEGORY: Other Services

---

## LOCAL/NON-LOCAL CONTRACT SUMMARY

| | Amount | Percent |
|---|---|---|
| Total local contracts | $875,735.00 | 29.19% |
| Total non-local contracts | $2,124,253.75 | 70.81% |
| **TOTAL CONTRACT** | $2,999,988.75 | 100.00% |

## LOCAL/NON-LOCAL M/WBE PARTICIPATION

### Local Contractors / Sub-Contractors

None

### Non-Local Contractors / Sub-Contractors

| Non-local | Certification | Amount | Percent |
|---|---|---|---|
| Ricochet Fuel | WFWBC242100717 | $379,200.00 | 17.85% |
| Sun Coast Resources, Inc | WFWB63943N0117 | $274,000.00 | 12.90% |
| **Total Minority - Non-local** | | $653,200.00 | 30.75% |

## TOTAL M/WBE CONTRACT PARTICIPATION

| | Local | Percent | Local & Non-Local | Percent |
|---|---|---|---|---|
| African American | $0.00 | 0.00% | $0.00 | 0.00% |
| Hispanic American | $0.00 | 0.00% | $0.00 | 0.00% |
| Asian American | $0.00 | 0.00% | $0.00 | 0.00% |
| Native American | $0.00 | 0.00% | $0.00 | 0.00% |
| WBE | $0.00 | 0.00% | $653,200.00 | 21.77% |
| Total | $0.00 | 0.00% | $653,200.00 | 21.77% |

February 22, 2017

**WHEREAS,** on May 22, 2013, City Council authorized a three-year service contract for grounds maintenance at Dallas Fire-Rescue, Housing/Community Services and Streets Services properties by Resolution No. 13-0799; and,

**WHEREAS,** on September 25, 2013, City Council authorized a three-year service contract for grounds maintenance services at levees, Hensley Field, Sanitation Services and Court & Detention Services properties by Resolution No. 13-1664;

**NOW, THEREFORE,**

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

**Section 1.** That the City Manager is authorized to execute a service contract with Moir Watershed Services, LLC (VS0000071835) in the amount of $1,850,253.75 and Good Earth Corporation (510006) in the amount of $1,149,735.00 for grounds maintenance services for a term of three years in a total amount not to exceed $2,999,988.75, upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Moir Watershed Services, LLC and Good Earth Corporation shall be based only on the amount of the services directed to be performed by the City and properly performed by Moir Watershed Services, LLC and Good Earth Corporation under the contract.

**Section 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed $2,999,988.75 (subject to annual appropriations) from Service Contract number BCZ1607.

**Section 3.** 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.

**AGENDA ITEM # 4**

**KEY FOCUS AREA:** E-Gov

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Business Development & Procurement Services
Aviation
Equipment & Building Services
Park & Recreation

**CMO:** Elizabeth Reich, 670-7804
Theresa O'Donnell, 671-9195
Jill A. Jordan, P.E., 670-5299
Willis Winters, 670-4071

**MAPSCO:** Various

## SUBJECT

Authorize **(1)** a three-year service contract to provide interior landscaping services - Urban Environments, LLC dba Urban Jungle in the amount of $157,050; and **(2)** a three-year master agreement for the purchase of interior plants - LaFoy Services, Inc. in the amount of $131,184, most advantageous proposers of three - Total not to exceed $288,234 - Financing: Current Funds ($182,934), Aviation Current Funds ($90,720), and Convention and Event Services Current Funds ($14,580) (subject to annual appropriations)

## BACKGROUND

This action does not encumber funds; the purpose of a service contract and master agreement is to establish firm pricing for goods and services, for a specific term, which are ordered on an as needed basis.

This service contract and master agreement will provide interior landscaping services and new or replacement interior plant purchases for facilities such as City Hall, Love Field, Kay Bailey Hutchison Convention Center Dallas, and other City facilities. These agreements will be used for the maintenance and purchase of interior plants such as; low-light plants, flowering plants, potted orchids, or containers filled with a variety of plants and flowers.

## BACKGROUND (Continued)

A six member committee from the following departments reviewed and evaluated the proposals:

- Equipment and Building Services (2)
- Aviation (1)
- Park & Recreation (1)
- Business Development and Procurement Services (2)*

*Business Development and Procurement Services only evaluated cost and the Business Inclusion and Development Plan.

The committee selected the successful respondent on the basis of demonstrated competence and qualifications under the following criteria:

- Cost 30%
- Experience/qualifications 30%
- Staffing plan/approach 25%
- Business Inclusion and Development Plan 15%

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 716 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, BDPS' ResourceLINK Team (RLT) sent notifications to 25 chambers of commerce, the DFW Minority Business Council, and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

The recommended vendor(s) meet the wage floor rate of $10.37 approved by City Council on November 10, 2015, by Resolution No. 15-2141.

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

Information about this item will be provided to the Budget, Finance, and Audit Committee on February 21, 2017.

## FISCAL INFORMATION

$182,934.00 - Current Funds (subject to annual appropriations)
$ 90,720.00 - Aviation Current Funds (subject to annual appropriations)
$ 14,580.00 - Convention and Event Services Current Funds (subject to annual appropriations)

**M/WBE INFORMATION**

137 - Vendors contacted
134 - No response
3 - Response (Bid)
0 - Response (No bid)
2 - Successful

The recommended awardees have fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826, as amended.

**ETHNIC COMPOSITION**

Urban Environments, LLC dba Urban Jungle

| | | | |
|---|---|---|---|
| White Male | 1 | White Female | 5 |
| Black Male | 0 | Black Female | 0 |
| Hispanic Male | 0 | Hispanic Female | 0 |
| Other Male | 0 | Other Female | 0 |

LaFoy Services, Inc.

| | | | |
|---|---|---|---|
| White Male | 3 | White Female | 7 |
| Black Male | 0 | Black Female | 0 |
| Hispanic Male | 0 | Hispanic Female | 0 |
| Other Male | 0 | Other Female | 0 |

**PROPOSAL INFORMATION**

Business Development and Procurement Services received the following proposals from solicitation number BCZ1605. We opened them on July 6, 2016. We recommend the City Council award this service contract and master agreement to the most advantageous proposers by group. Information related to this solicitation is available upon request.

*Denotes successful proposers

| **Proposers** | **Address** | **Amount** |
|---|---|---|
| *Urban Environments, LLC dba Urban Jungle | 6652 Yosemite Lane Dallas, TX 75214 | Multiple Groups |

**PROPOSAL INFORMATION (Continued)**

| Proposers | Address | Amount |
|---|---|---|
| *LaFoy Services, Inc. | 1756 Jay Ell Drive<br>Richardson, TX 75081 | Multiple Groups |
| Southern Greenery, Incorporated | 3430 Chaparral Dr.<br>Dallas, TX 75234 | Multiple Groups |

**OWNERS**

**Urban Environments, LLC dba Urban Jungle**

Linda B. Young, President

**LaFoy Services, Inc.**

Thersa McKnight, President

# BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize **(1)** a three-year service contract to provide interior landscaping services - Urban Environments, LLC dba Urban Jungle in the amount of $157,050; and **(2)** a three-year master agreement for the purchase of interior plants - LaFoy Services, Inc. in the amount of $131,184, most advantageous proposers of three - Total not to exceed $288,234 - Financing: Current Funds ($182,934), Aviation Current Funds ($90,720), and Convention and Event Services Current Funds ($14,580) (subject to annual appropriations)

Urban Environments, LLC dba Urban Jungle and LaFoy Services, Inc. are local, minority firms, have signed the "Business Inclusion & Development" documentation, and propose to use their own workforces.
PROJECT CATEGORY: Other Services

---

**LOCAL/NON-LOCAL CONTRACT SUMMARY**

| | Amount | Percent |
|---|---|---|
| Total local contracts | $288,234.00 | 100.00% |
| Total non-local contracts | $0.00 | 0.00% |
| **TOTAL CONTRACT** | $288,234.00 | 100.00% |

**LOCAL/NON-LOCAL M/WBE PARTICIPATION**

**Local Contractors / Sub-Contractors**

| Local | Certification | Amount | Percent |
|---|---|---|---|
| Urban Environ, LLC dba Urban Jungle | WFWB90534N1218 | $157,050.00 | 54.49% |
| Lafoy Services, Inc | WFWB51950N1018 | $131,184.00 | 45.51% |
| **Total Minority - Local** | | $288,234.00 | 100.00% |

**Non-Local Contractors / Sub-Contractors**

None

## TOTAL M/WBE CONTRACT PARTICIPATION

| | Local | Percent | Local & Non-Local | Percent |
|---|---|---|---|---|
| African American | $0.00 | 0.00% | $0.00 | 0.00% |
| Hispanic American | $0.00 | 0.00% | $0.00 | 0.00% |
| Asian American | $0.00 | 0.00% | $0.00 | 0.00% |
| Native American | $0.00 | 0.00% | $0.00 | 0.00% |
| WBE | $288,234.00 | 100.00% | $288,234.00 | 100.00% |
| Total | $288,234.00 | 100.00% | $288,234.00 | 100.00% |

February 22, 2017

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

**Section 1.** That the City Manager is authorized to execute a service contract with Urban Environments, LLC dba Urban Jungle (VS0000022350) for interior landscaping services for a term of three years in an amount not to exceed $157,050.00, upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Urban Environments, LLC dba Urban Jungle shall be based only on the amount of the services directed to be performed by the City and properly performed by Urban Environments, LLC dba Urban Jungle under the contract.

**Section 2.** That a master agreement for the purchase of interior plants is authorized with LaFoy Services, Inc. (VS0000068350) for a term of three years in an amount not to exceed $131,184.00.

**Section 3.** That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for interior plants. If a written contract is required or requested for any or all purchases of interior plants under the master agreement instead of individual purchase orders, the City Manager is authorized to execute the contract upon approval as to form by the City Attorney.

**Section 4.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed $157,050.00 (subject to annual appropriations) from Service Contract number BCZ1605.

**Section 5.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed $131,184.00 from Master Agreement number BCZ1605.

**Section 6.** 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.

**AGENDA ITEM # 5**

**KEY FOCUS AREA:** E-Gov

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Business Development & Procurement Services
Communication and Information Services
Police
Water Utilities

**CMO:** Elizabeth Reich, 670-7804
Mark McDaniel, 670-3256
Eric Campbell, 670-3255

**MAPSCO:** N/A

## SUBJECT

Authorize a five-year service contract, with two one-year renewal options, for the processing of applications and renewals of security alarm permits and the collection of fees associated with the security alarm permits and false alarms - Public Safety Corporation, most advantageous proposer of two - Estimated Annual Net Revenue: $4,497,652

## BACKGROUND

This service contract will provide for the processing of applications and renewals of security alarm permits and the collection of fees associated with the security alarm permits and false alarms in accordance to City Ordinance No. 26919 – Chapter 15C, Article I of the Dallas City Code.

Police Department's (DPD) Security Alarm Unit, in conjunction with the Special Collection Section of Water Utilities, is currently responsible for the administration of the City's Security Alarm Permitting and False Alarm fee collections. Additionally, DPD is responsible for capturing and documenting false alarm calls and associated fees through the City's Computer Aided Dispatch System (CAD) in alignment with State and City policies.

Water Utilities is responsible for the collection of fees and processing of permit applications associated with security alarms and false alarms. The City currently manages approximately 63,000 active security alarm permits. Approximately 10 percent of security alarm permit renewals are processed in person at City Hall. All other applications are received via mail. This contract will provide security alarm permitting and false alarm management system and administration services with web interface for customers, alarm companies, and City staff.

## BACKGROUND (Continued)

The vendor's system will allow for the alarm permits and permit holders information be accessible through the City's Computer Aid Dispatch system (CAD) for efficient false alarm enforcement. The system will also provide customers with the ability to apply or renew permits and pay fees on-line.

These two functionalities are not currently available. Public Safety Corporation proposed a revenue sharing approach of 90 percent for the City and 10 percent for the vendor.

A six member committee from the following departments reviewed and evaluated the proposals:

- Controller's Office (1)
- Communication and Information Services (1)
- Police (2)
- Water Utilities (1)
- Business Development and Procurement Services (1)*****

*****Business Development and Procurement Services only evaluated the proposed revenue.

The committee selected the successful respondent on the basis of demonstrated competence and qualifications under the following criteria:

- Revenue 40%
- Approach 30%
- Capability, credibility, and expertise 30%

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 1,848 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, BDPS' ResourceLINK Team (RLT) sent notifications to 25 chambers of commerce, the DFW Minority Business Council, and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

The recommended vendor meets the wage floor rate of $10.37 approved by City Council on November 10, 2015, by Resolution No. 15-2141.

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

Information about this item will be provided to the Public Safety Committee on February 13, 2017.

## FISCAL INFORMATION

$4,497,652.00 - Estimated Annual Net Revenue

## M/WBE INFORMATION

301 - Vendors contacted
301 - No response
0 - Response (Bid)
0 - Response (No Bid)
0 - Successful

The recommended awardee has fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826, as amended.

## ETHNIC COMPOSITION

Public Safety Corporation

| | | | |
|---|---|---|---|
| White Male | 9 | White Female | 39 |
| Black Male | 2 | Black Female | 2 |
| Hispanic Male | 0 | Hispanic Female | 0 |
| Other Male | 1 | Other Female | 0 |

## PROPOSAL INFORMATION

Business Development and Procurement Services received the following proposals from solicitation number BUZ1601. We opened them on March 4, 2016. We recommend the City Council award this service contract in its entirety to the most advantageous proposer.

*Denotes successful proposer

| Proposers | Address | Score |
|---|---|---|
| *Public Safety Corporation | 103 Paul Mellon Court<br>Waldorf, MD 20602 | 96% |
| PM AM Corporation | 5430 LBJ Freeway<br>Suite 370<br>Dallas, TX 75240 | 91% |

**OWNER**

**Public Safety Corporation**

George Wilson, President
Les Greenberg, Vice President

February 22, 2017

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

**Section 1.** That the City Manager is authorized to execute a service contract with Public Safety Corporation (VS89630) for the processing of applications and renewals of security alarm permits and the collection of fees associated with the security alarm permits and false alarms for a term of five years, with two one-year renewal options, for an estimated annual net revenue amount of $4,497,652.00, upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Public Safety Corporation shall be based only on the amount of the services directed to be performed by the City and properly performed by Public Safety Corporation under the contract.

**Section 2.** That the Chief Financial Officer is hereby authorized to deposit all revenues received as follows:

| Fund | Dept. | Unit | Revenue Source |
|---|---|---|---|
| 0001 | BMS | 1258 | 7506 |

**Section 3.** That the City will pay the vendor a 10% fee based on the revenue collected from the processing of applications and renewals of security alarm permits and the collection of false alarm fees. That the Chief Financial Officer is hereby authorized to disburse fees from the following appropriation:

| Fund | Dept. | Unit | Object Code |
|---|---|---|---|
| 0001 | BMS | 1991 | 3099 |

**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.

**AGENDA ITEM # 6**

**KEY FOCUS AREA:** E-Gov

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** Business Development & Procurement Services
Convention and Event Services

**CMO:** M. Elizabeth Reich, 670-7804
Theresa O'Donnell, 671-9195

**MAPSCO:** N/A

## SUBJECT

Authorize a ten-year service contract, with two five-year renewal options, to provide communication services, including data, internet, and telecommunication services at the Kay Bailey Hutchison Convention Center Dallas - Smart City Networks, most advantageous proposer of three - Estimated Total Net Revenue: $10,219,018

## BACKGROUND

This service contract will provide communication services, including data, internet, and telecommunication services for event managers, exhibitors, attendees, and permanent event contractors hosting events at the Kay Bailey Hutchison Convention Center Dallas (KBHCCD).

This contract will also provide enhancements to the existing communication network through:

- Enhanced location services
- Enhanced wireless network management capabilities
- Increased Access Points (AP) for improved wireless internet connectivity
- Replacement of the existing Public Branch Exchange (PBX) system

Upon execution of the new contract, the awarded vendor will provide a minimum 40 percent revenue share for data, networking, and telecommunication revenues, escalating to 45 percent based on increased annual revenue. Through these revenue share percentages the vendor is providing a guarantee structure with two components; the vendor will provide a minimum guarantee of $750,000 in revenue per year with an overall guarantee of $9,000,000 over the life of the contract. If at the end of the contract term the vendor has not paid the City $9,000,000 in revenue share, the vendor will pay the City the difference. The $9,000,000 represents a minimum guarantee which may be exceeded depending on the total revenue generated through this contract.

**BACKGROUND (Continued)**

In addition, the vendor, in partnership with AT&T will be responsible for the design, installation, and operation of a distributed antenna system (DAS). A DAS is a network of cell phone antenna nodes that are connected to a common source in order to provide wireless communication service in a specific locality or building. The DAS will be deployed to provide network or cellular connectivity throughout the KBHCCD in areas where regular wireless coverage is not available. The KBHCCD will receive a 35 percent revenue share for these services. Furthermore, the contract also requires a 3 percent revenue share contribution to a dedicated technology fund used to maintain the integrity of the network systems, and an additional $500,000 hardware refresh investment in year 5 of the contract to ensure technology services are up-to-date.

KBHCCD is a prominent convention and trade show facility with total exhibit space consisting of approximately 1,000,000 square feet. In addition to conventions and trade shows, the facility accommodates consumer shows, conferences, community functions, banquets, meetings, and seminars. The KBHCCD has an active year-round schedule of events. In FY 2014-15, KBHCCD hosted 103 events, comprised of more than 1 million total attendees.

A six member evaluation committee was selected from the following departments:

- City Manager's Office (1)
- Park & Recreation (1)
- Communication & Information Services (1)
- Convention & Event Services (2)
- Business Development and Procurement Services (1)*

*Business Development and Procurement Services only evaluated the proposed revenue.

The committee selected the successful respondent on the basis of demonstrated competence and qualifications under the following criteria:

- Revenue value 30%
- Approach and methodology 30%
- Technology and functional match 20%
- Capabilities and expertise 20%

## BACKGROUND (Continued)

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services used its procurement system to send out 1,590 email bid notifications to vendors registered under respective commodities. To further increase competition, Business Development and Procurement Services (BDPS) uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, BDPS' ResourceLINK Team (RLT) sent notifications to 25 chambers of commerce, the DFW Minority Business Council, and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

The recommended vendor meets the wage floor rate of $10.37 approved by City Council on November 10, 2015, by Resolution No. 15-2141.

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

Information about this item will be provided to the Budget, Finance, and Audit Committee on February 21, 2017.

## FISCAL INFORMATION

$10,219,017.48 - Estimated Total Net Revenue

## M/WBE INFORMATION

313 - Vendors contacted
313 - No response
0 - Response (Bid)
0 - Response (No Bid)
0 - Successful

The recommended awardee has fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826 as amended.

## ETHNIC COMPOSITION

Smart City Networks

| | | | |
|---|---|---|---|
| White Male | 1 | White Female | 0 |
| Black Male | 2 | Black Female | 2 |
| Hispanic Male | 1 | Hispanic Female | 0 |
| Other Male | 0 | Other Female | 0 |

**PROPOSAL INFORMATION**

Business Development and Procurement Services received the following proposals from solicitation number BHZ1605. We opened them on January 29, 2016. We recommend the City Council award this service contract in its entirety to the most advantageous proposer.

*Denotes successful proposer

| Proposers | Address | Score |
|---|---|---|
| *Smart City Networks | 5795 W. Badura Ave.<br>Suite 110<br>Las Vegas, NV 89118 | 96.00% |
| Hospitality Network LLC | 1700 Vegas Dr.<br>Las Vegas, NV 89106 | 63.73% |
| General Datatech, L.P. | 999 Metro Media Pl.<br>Dallas, TX 75247 | 55.27% |

**OWNER**

**Smart City Networks**

Martin Rubin, President
James Pearson, Vice President

February 22, 2017

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

**Section 1.** That the City Manager is authorized to execute a service contract with Smart City Networks (VS0000073677) to provide communication services, including data, internet, and telecommunication services at the Kay Bailey Hutchison Convention Center Dallas for a term of ten-years, with two five-year renewal options, for an estimated total net revenue amount of $10,219,017.48, upon approval as to form by the City Attorney.

**Section 2.** That the Chief Financial Officer is hereby authorized to receive and deposit all revenues received from Smart City Networks as follows:

| Fund | Dept | Unit | Revenue Source |
|---|---|---|---|
| 0080 | CCT | 7810 | 7815 |

**Section 3.** 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.

**AGENDA ITEM # 7**

**KEY FOCUS AREA:** E-Gov

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Business Development & Procurement Services
Communication and Information Services

**CMO:** Elizabeth Reich, 670-7804
Mark McDaniel, 670-3256

**MAPSCO:** N/A

## SUBJECT

Authorize **(1)** an acquisition contract for the purchase and implementation of a citywide data management system in the amount of $2,041,435; and **(2)** a three-year service contract, with two two-year renewal options, for maintenance and support for a data management system in the amount of $1,780,946 - IBM Corporation, most advantageous proposer of seven - Total not to exceed $3,822,381 - Financing: Information Technology Equipment Funds ($241,435), Municipal Lease Agreement Funds ($1,800,000), and Current Funds ($1,780,946) (subject to annual appropriations)

## BACKGROUND

These contracts will allow for the purchase and implementation of a citywide data management system that will assist the City in sharing, analyzing, and visualize information across multiple departments to support data driven decisions. As a part of the City's data strategy, this data management system will create a shared data environment that fosters better insight into data collected by various City systems.

Key functionalities included as a part of this implementation are:

- Data integration
- Data preparation and staging
- Data quality
- Data distribution
- Data visualization
- Predictive analytics
- Improve accessibility and reliability

**BACKGROUND (Continued)**

A seven member committee from the following departments reviewed and evaluated the proposals:

- Communication and Information Services (2)
- Police (1)
- City Manager's Office (1)
- Planning and Urban Design (1)
- Business Development and Procurement Services (2)*

*Business Development and Procurement Services only evaluated cost and the Business Inclusion and Development Plan.

The committee selected the successful respondent on the basis of demonstrated competence and qualifications under the following criteria:

- Cost 30%
- Technical match 30%
- Business Inclusion and Development Plan 15%
- Capability and expertise 10%
- Functional match 10%
- Training 5%

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 1,264 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, BDPS' ResourceLINK Team (RLT) sent notifications to 25 chambers of commerce, the DFW Minority Business Council, and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

The recommended vendor meets the wage floor rate of $10.37 approved by City Council on November 10, 2015, by Resolution No. 15-2141.

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

Information about this item will be provided to the Budget, Finance, and Audit Committee on February 21, 2017.

## FISCAL INFORMATION

$ 241,434.32 - Information Technology Equipment Funds
$1,800,000.00 - Municipal Lease Agreement Funds
$1,780,946.15 - Current Funds (subject to annual appropriations)

## M/WBE INFORMATION

207 - Vendors contacted
207 - No response
0 - Response (Bid)
0 - Response (No Bid)
0 - Successful

The recommended awardee has fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826, as amended.

## ETHNIC COMPOSITION

IBM Corporation

| | | | |
|---|---|---|---|
| White Male | 41,646 | White Female | 17,444 |
| Black Male | 2,870 | Black Female | 2,368 |
| Hispanic Male | 2,979 | Hispanic Female | 1,302 |
| Other Male | 9,882 | Other Female | 4,378 |

## PROPOSAL INFORMATION

Business Development and Procurement Services received the following proposals from solicitation number BUZ1533. We opened them on December 18, 2015. We recommend the City Council award these contracts in their entirety to the most advantageous proposer.

*Denotes successful proposer

| Proposers | Address | Score | Amount |
|---|---|---|---|
| *IBM Corporation | 1177 Belt Line Rd.<br>Coppell, TX 75019 | 77% | $ 7,287,821.08 |
| Vion Corporation | 196 Van Buren St.<br>Suite 300<br>Herndon, VA 20170 | 68% | $ 3,167,537.00 |

**PROPOSAL INFORMATION (Continued)**

| Proposers | Address | Score | Amount |
|---|---|---|---|
| Deloittle Consulting LLP | 400 W. 15th St.<br>Suite 1700<br>Austin, TX 78701 | 60% | $18,599,800.00 |
| CGI Technologies and Solutions, Inc. | 14800 Landmark Blvd.<br>Suite 300<br>Dallas, TX 75254 | 59% | $ 4,654,147.00 |
| Grant Thornton, LLP | 1717 Main St.<br>Suite 1800<br>Dallas, TX 75201 | 54% | $28,051,021.00 |
| General Datatech, L.P. | 999 Metromedia Pl.<br>Dallas, TX 75247 | 52% | $20,429,104.42 |
| Wynndalco Enterprises, LLC | 325 N. Paul St.<br>Dallas, TX 75201 | Non-Responsive** | |

**Wynndalco Enterprises, LLC was deemed non-responsive due to not meeting specifications.

**OWNER**

**IBM Corporation**

Virginia Rometty, President
Martin Schroeter, Vice-President

# BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize **(1)** an acquisition contract for the purchase and implementation of a citywide data management system in the amount of $2,041,435; and **(2)** a three-year service contract, with two two-year renewal options, for maintenance and support for a data management system in the amount of $1,780,946 - IBM Corporation, most advantageous proposer of seven - Total not to exceed $3,822,381 - Financing: Information Technology Equipment Funds ($241,435), Municipal Lease Agreement Funds ($1,800,000), and Current Funds ($1,780,946) (subject to annual appropriations)

IBM Corporation is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractor.
PROJECT CATEGORY: Other Services

---

## LOCAL/NON-LOCAL CONTRACT SUMMARY

| | Amount | Percent |
|---|---|---|
| Total local contracts | $3,822,380.47 | 100.00% |
| Total non-local contracts | $0.00 | 0.00% |
| **TOTAL CONTRACT** | $3,822,380.47 | 100.00% |

## LOCAL/NON-LOCAL M/WBE PARTICIPATION

### Local Contractors / Sub-Contractors

| Local | Certification | Amount | Percent |
|---|---|---|---|
| Mark III Systems, Inc | WFWB64225N0217 | $527,446.00 | 13.80% |
| **Total Minority - Local** | | $527,446.00 | 13.80% |

### Non-Local Contractors / Sub-Contractors

None

## TOTAL M/WBE CONTRACT PARTICIPATION

| | Local | Percent | Local & Non-Local | Percent |
|---|---|---|---|---|
| African American | $0.00 | 0.00% | $0.00 | 0.00% |
| Hispanic American | $0.00 | 0.00% | $0.00 | 0.00% |
| Asian American | $0.00 | 0.00% | $0.00 | 0.00% |
| Native American | $0.00 | 0.00% | $0.00 | 0.00% |
| WBE | $527,446.00 | 13.80% | $527,446.00 | 13.80% |
| Total | $527,446.00 | 13.80% | $527,446.00 | 13.80% |

February 22, 2017

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

**Section 1.** That the City Manager is authorized to execute (1) an acquisition contract for the purchase and implementation of a citywide data management system in the amount of $2,041,434.32; and (2) a three year service contract, with two two-year renewal options, for maintenance and support of a data management system in the amount of $1,780,946.15, with IBM Corporation (001003) in a total amount not to exceed $3,822,380.47, upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to IBM Corporation shall be based only on the amount of the services directed to be performed by the City and properly performed by IBM Corporation under the contract.

**Section 2.** That the Chief Financial Officer is hereby authorized to disburse funds from the following appropriations in an amount not to exceed $2,041,434.32:

| Fund | Dept | Unit | Object | Encumbrance | Amount |
|---|---|---|---|---|---|
| ML16 | DSV | E358 | 4735 | MASCDSV00001591 | $708,241.00 |
| ML16 | DSV | E358 | 2735 | MASCDSV00001591 | $191,759.00 |
| ML17 | DSV | E374 | 2735 | MASCDSV00001591 | $456,685.60 |
| ML17 | DSV | E374 | 4731 | MASCDSV00001591 | $267,486.00 |
| ML17 | DSV | E374 | 3070 | MASCDSV00001591 | $175,828.40 |
| 0897 | DSV | 3717 | 3070 | MASCDSV00001591 | $216,434.32 |
| 0897 | DSV | 3717 | 3110 | MASCDSV00001591 | $ 25,000.00 |

**Section 3.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed $1,780,946.15 (subject to annual appropriations) from Service Contract number MASCDSV00001591.

**Section 4.** That in order to reimburse and finance the lease/purchase acquisition of the equipment described herein over a period not to exceed the estimated useful life (10 years) thereof, any Authorized Officer of the City designated in the Master Equipment Lease/Purchase Agreement (the "Master Lease") between Banc of America Public Capital Corp and the City is hereby authorized and directed to execute, acknowledge and deliver a Schedule A (as defined in the Master Lease) pertaining to such equipment including all attachments, financing statements and schedules thereto, in substantially the form attached to the Master Lease, with such changes as the signing officer shall determine to be advisable. Each Authorized Officer of the City is also authorized to execute, acknowledge and deliver any other agreement, instrument, certificate, representation and document, and to take any other action as may be advisable, convenient or necessary to enter into such Schedule A. The financing terms for such equipment, to be determined pursuant to the provisions of the Master Lease and reflected in such Schedule A, and the granting of a security interest in the financed equipment pursuant to the Master Lease, are hereby approved.

**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.

**AGENDA ITEM # 8**

**KEY FOCUS AREA:** E-Gov

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 2

**DEPARTMENT:** Business Development & Procurement Services
Convention and Event Services

**CMO:** Elizabeth Reich, 670-7804
Theresa O'Donnell, 671-9195

**MAPSCO:** 45P

## SUBJECT

Authorize **(1)** an acquisition contract for the purchase and implementation of a surveillance camera system at the Kay Bailey Hutchison Convention Center Dallas in the amount of $458,425; and **(2)** a five-year service contract for ongoing maintenance of the surveillance camera system in the amount of $231,988 - Schneider Electric Buildings Americas, Inc., most advantageous proposer of seven - Total not to exceed $690,413 - Financing: Convention and Event Services Capital Construction Funds

## BACKGROUND

These contracts provide for the purchase, implementation, and maintenance of a surveillance camera system at the Kay Bailey Hutchison Convention Center Dallas (KBHCCD). The system to be installed will consist of approximately 219 interior and exterior cameras, as well as primary and secondary control centers. The system will be viewable at both control centers at KBHCCD as well as at City Hall. Additionally, the system is capable of allowing remote viewing of camera video from cell phones, tablets, laptops, and other mobile devices, for personnel with proper hardware/software and credentials. Cameras on the system are capable of detecting motion and suspect tracking with DVR recording capabilities with 30 days of video storage.

Security improvements at the KBHCCD are necessary due to heightened security requirements as noted in a Needs Inventory Assessment. The system will improve security for staff, on-site contractors, show management, exhibitors, attendees, and all other visitors to KBHCCD's two million square foot facility.

## BACKGROUND (Continued)

A seven member committee from the following departments reviewed and evaluated the proposals:

- Convention & Event Services (2)
- Equipment & Building Services (1)
- Office of Emergency Services (1)
- Communication & Information Services (1)
- Business Development and Procurement Services (2)*

*Business Development and Procurement Services only evaluated cost and the Business Inclusion and Development Plan.

The committee selected the successful respondent on the basis of demonstrated competence and qualifications under the following criteria:

- Cost 30%
- Functional and technical match 30%
- Approach and methodology 15%
- Experience and capability 10%
- Business Inclusion and Development Plan 15%

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 1,083 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, BDPS' Resource LINK Team (RLT) sent notifications to 25 chambers of commerce, the DFW Minority Business Council, and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

The recommended vendor meets the wage floor rate of $10.37 approved by City Council on November 10, 2015, by Resolution No. 15-2141.

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

Information about this item will be provided to the Budget, Finance, and Audit Committee on February 21, 2017.

## FISCAL INFORMATION

$690,413.00 - Convention and Event Services Capital Construction Funds

**M/WBE INFORMATION**

138 - Vendors contacted
138 - No response
0 - Response (Bid)
0 - Response (No bid)
0 - Successful

The recommended awardee has fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826, as amended.

**ETHNIC COMPOSITION**

Schneider Electric Buildings Americas, Inc.

| | | | |
|---|---|---|---|
| White Male | 211 | White Female | 87 |
| Black Male | 24 | Black Female | 16 |
| Hispanic Male | 37 | Hispanic Female | 10 |
| Other Male | 25 | Other Female | 0 |

**PROPOSAL INFORMATION**

Business Development and Procurement Services received the following proposals from solicitation number BHZ1615. We opened them on September 23, 2016. We recommend the City Council award these contracts in their entirety to the most advantageous proposer.

*Denotes successful proposer

| Proposers | Address | Score | Amount |
|---|---|---|---|
| *Schneider Electric Buildings Americas, Inc. | 1650 W. Crosby Rd. Carrollton, TX 75006 | 92.0% | $ 690,413.00 |
| Convergint Technologies LLC | 2304 Tarpley Rd. Suite 124 Carrollton, TX 75006 | 82.3% | $ 889,946.00 |
| Climatec, LLC | 2851 W. Kathleen Rd. Phoenix, AZ 85053 | 81.2%. | $ 842,763.00 |
| Sigma Surveillance, Inc. dba STS360 | 4040 State Highway 121 Carrollton, TX 75010 | 71.6% | $1,026,752.00 |

**PROPOSAL INFORMATION (Continued)**

| Proposers | Address | Score | Amount |
|---|---|---|---|
| CelPlan Technologies, Inc. | 1920 Association Dr.<br>4th Floor<br>Reston, VA 20191 | 63.3% | $1,412,957.05 |
| Netronix Integration, Inc. | 2170 Paragon Dr.<br>San Jose, CA 95131 | 54.3% | $4,646,591.00 |
| Masterminders Group LLC<br>dba Olympus Security Solutions | 2000 Laughlin Ct.<br>Arlington, TX 76012 | 32.0% | $5,839,364.29 |

**OWNER**

**Schneider Electric Buildings Americas, Inc.**

Jim Sandelin, President
Sebastien Chagve, Vice President
Victor Copeland, Secretary

# BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize **(1)** an acquisition contract for the purchase and implementation of a surveillance camera system at the Kay Bailey Hutchison Convention Center Dallas in the amount of $458,425; and **(2)** a five-year service contract for ongoing maintenance of the surveillance camera system in the amount of $231,988 - Schneider Electric Buildings Americas, Inc., most advantageous proposer of seven - Total not to exceed $690,413 - Financing: Convention and Event Services Capital Construction Funds

Schneider Electric Buildings Americas, Inc. is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractor.

PROJECT CATEGORY: Other Services

---

## LOCAL/NON-LOCAL CONTRACT SUMMARY

| | Amount | Percent |
|---|---|---|
| Total local contracts | $690,413.00 | 100.00% |
| Total non-local contracts | $0.00 | 0.00% |
| **TOTAL CONTRACT** | $690,413.00 | 100.00% |

## LOCAL/NON-LOCAL M/WBE PARTICIPATION

### Local Contractors / Sub-Contractors

| Local | Certification | Amount | Percent |
|---|---|---|---|
| Superior Fiber and Data Services, Inc. | WFWB31608N1218 | $158,926.00 | 23.02% |
| **Total Minority - Local** | | $158,926.00 | 23.02% |

### Non-Local Contractors / Sub-Contractors

None

## TOTAL M/WBE CONTRACT PARTICIPATION

| | Local | Percent | Local & Non-Local | Percent |
|---|---|---|---|---|
| African American | $0.00 | 0.00% | $0.00 | 0.00% |
| Hispanic American | $0.00 | 0.00% | $0.00 | 0.00% |
| Asian American | $0.00 | 0.00% | $0.00 | 0.00% |
| Native American | $0.00 | 0.00% | $0.00 | 0.00% |
| WBE | $158,926.00 | 23.02% | $158,926.00 | 23.02% |
| Total | $158,926.00 | 23.02% | $158,926.00 | 23.02% |

February 22, 2017

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

**Section 1.** That the City Manager is authorized to execute (1) an acquisition contract for the purchase and implementation of a surveillance camera system at the Kay Bailey Hutchison Convention Center Dallas in the amount of $458,425.00; and (2) a five-year service contract for ongoing maintenance of the surveillance camera system in the amount of $231,988.00 with Schneider Electric Buildings Americas, Inc. (261927), in a total amount not to exceed $690,413.00, upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Schneider Electric Buildings Americas, Inc. shall be based only on the amount of the services directed to be performed by the City and properly performed by Schneider Electric Buildings Americas, Inc. under the contract.

**Section 2.** That the Chief Financial Officer is hereby authorized to disburse funds from the following appropriation in an amount not to exceed $458,425.00:

| Fund | Dept | Unit | Object | Encumbrance | Amount |
|---|---|---|---|---|---|
| 0082 | CCT | W104 | 4710 | MASCKBHCCDSCP2017 | $458,425.00 |

**Section 3.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed $231,988.00 from Service Contract number MASCKBHCCDSCP2017.

**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.

**AGENDA ITEM # 9**

**KEY FOCUS AREA:** E-Gov

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Business Development & Procurement Services

**CMO:** Elizabeth Reich, 670-7804

**MAPSCO:** N/A

## SUBJECT

Authorize **(1)** a five-year equipment lease agreement for mailing equipment, meters, related services, and supplies - Neopost USA, Inc. through the Texas Multiple Award Schedule in the amount of $169,399; and **(2)** a five-year master agreement for metered U. S. postage - Neopost USA, Inc., sole source in the amount of $5,649,338 - Total not to exceed $5,818,737 - Financing: Current Funds (subject to annual appropriations)

## BACKGROUND

This agreement will allow for a five-year lease agreement for mailing equipment, meters, related services, supplies, and a master agreement for metered postage. The Express Business Center (EBC) serves as the central mail distribution facility for City offices and handles approximately 1.3 million citywide mail pieces. Additionally, EBC prepares for 3.3 million water utility bills and mailing notices per year. EBC currently operates three mail postage processing machines and one mail processing inserter machine. These mail machines offer an efficient method of processing mail at a metered and presort discounted rate. Each of the mail machines includes a postage meter attachment that applies appropriate postage to each mail piece processed in accordance to U.S. Postal standards. EBC saved the City 15.25 percent for FY16 by processing metered mail internally. These postage processing machines are owned by the City and have reached their useful life. The existing inserter will continue to be utilized. Services and equipment in this agreement include:

- 2 mail postage processing machines and meters
- Account management system
- Mail management software

**BACKGROUND (Continued)**

The mail management software included in this agreement will provide an efficient and effective method of comparing carrier rates and managing certified mail. The City will utilize the multi-carrier solutions software to compare carrier real-time rates to ensure the most cost effective mailing rates are being used. Additionally, the software will provide an electronic method of verifying proof of delivery for certified mail and will store delivery information electronically. Electronic return receipt verification will result in a savings of approximately $28,000.00 per year. The postage is being procured as a sole source because the U.S. Postal Service does not lease postage meters and Neopost USA, Inc. equipment is proprietary.

A five member committee from the following departments reviewed and evaluated the proposals:

- Court and Detention Services (1)
- Water Utilities (1)
- Communication and Information Services (1)
- Business Development and Procurement Services (2)

The committee selected the successful respondent on the basis of demonstrated competence and qualifications under the following criteria:

- Cost 35%
- Experience and capabilities 20%
- Technical 20%
- Overall approach/methodology 15%
- Functional match 10%

Business Development and Procurement Services conducted an evaluation process utilizing two manufacturers through two Cooperative Agreements, Texas Multiple Award Schedule (TXMAS) and Texas Association of School Boards (BuyBoard). We recommend the City Council award this service contract in its entirety to the most advantageous respondent for the equipment.

TXMAS conforms to the requirements of Texas statutes that are applicable for competitive bids and proposals, in accordance with the Interlocal Cooperation Act, Chapter 791, Texas Government Code. In addition, TXMAS receive bids from manufacturers and dealers throughout the United States.

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

On June 26, 2013, City Council authorized Supplemental Agreement No. 1 to increase the service contract to exercise the lease end option to purchase three mail postage processing machines and a mail processing inserter machine by Resolution No. 13-1066.

On September 10, 2014, City Council authorized an increase to the master agreement with Pitney Bowes, Inc. by Resolution No. 14-1454.

On October 14, 2015, City Council authorized (1) a sixteen-month service contract to establish a master agreement for meter lease and maintenance for four Pitney Bowes postage machines and (2) a sixteen-month master agreement for postage by Resolution No. 15-1856.

Information about this item will be provided to the Budget, Finance, and Audit Committee on February 21, 2017.

## FISCAL INFORMATION

$5,818,736.11 - Current Funds (subject to annual appropriations)

## M/WBE INFORMATION

Business Development and Procurement Services did not contact any M/WBE or other vendors for this item because the recommend awardee has the exclusive licensing rights for Neopost USA, Inc. and is the sole source provider.

The recommended awardee has fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826, as amended.

## ETHNIC COMPOSITION

Neopost USA, Inc.

| | | | |
|---|---|---|---|
| White Male | 681 | White Female | 321 |
| Black Male | 81 | Black Female | 115 |
| Hispanic Male | 78 | Hispanic Female | 36 |
| Other Male | 64 | Other Female | 40 |

**RESPONDENT INFORMATION**

Business Development and Procurement Services received the following responses and recommends the City Council award this service contract and sole source to the most advantages respondent.

*Denotes successful respondent

| Respondent | Address | Amount | Score |
|---|---|---|---|
| *Neopost USA, Inc. | 478 Wheelers Farms Road<br>Milford, CT 06461 | $5,818,736.11 | 89.00% |
| Pitney Bowes, Inc. | 27 Waterview Drive<br>Shelton, CT 06484 | $5,852,508.91 | 84.30% |

**Note:** Business Development and Procurement Services conducted a sole source review for metered postage and found no exceptions.

**OWNER**

**Neopost USA, Inc.**

Alain Fairise, President
Christopher O'Brien, Vice President

# BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize **(1)** a five-year equipment lease agreement for mailing equipment, meters, related services, and supplies - Neopost USA, Inc. through the Texas Multiple Award Schedule in the amount of $169,399; and **(2)** a five-year master agreement for metered U. S. postage - Neopost USA, Inc., sole source in the amount of $5,649,338 - Total not to exceed $5,818,737 - Financing: Current Funds (subject to annual appropriations)

Neopost USA, Inc. is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce.
PROJECT CATEGORY: Other Services

---

**LOCAL/NON-LOCAL CONTRACT SUMMARY**

| | Amount | Percent |
|---|---|---|
| Total local contracts | $5,649,337.51 | 100.00% |
| Total non-local contracts | $0.00 | 0.00% |
| **TOTAL CONTRACT** | $5,649,337.51 | 100.00% |

**LOCAL/NON-LOCAL M/WBE PARTICIPATION**

**Local Contractors / Sub-Contractors**

None

**Non-Local Contractors / Sub-Contractors**

None

**TOTAL M/WBE CONTRACT PARTICIPATION**

| | Local | Percent | Local & Non-Local | Percent |
|---|---|---|---|---|
| African American | $0.00 | 0.00% | $0.00 | 0.00% |
| Hispanic American | $0.00 | 0.00% | $0.00 | 0.00% |
| Asian American | $0.00 | 0.00% | $0.00 | 0.00% |
| Native American | $0.00 | 0.00% | $0.00 | 0.00% |
| WBE | $0.00 | 0.00% | $0.00 | 0.00% |
| Total | $0.00 | 0.00% | $0.00 | 0.00% |

**WHEREAS,** on May 21, 2013, Administrative Action No. 13-5742 authorized to extend the master agreement for a one year period from July 30, 2013 to July 30, 2014; and,

**WHEREAS,** on June 26, 2013, City Council authorized Supplemental Agreement No. 1 to increase the service contract to exercise the lease end option to purchase three mail postage processing machines and a mail processing inserter machine in an amount not to exceed $65,372.00, increasing the service contract from $567,580.00 to $632,952.00, by Resolution No. 13-1066; and,

**WHEREAS,** on August 8, 2014, Administrative Action No. 14-6423 authorized a one-year extension with Pitney Bowes, Inc. and an increase of funds in an amount not to exceed $50,000.00, increasing the master agreement amount from $12,255,000.00 to $12,305,000.00; and,

**WHEREAS,** on September 10, 2014, City Council authorized an increase to the master agreement for meter postage with Pitney Bowes, Inc. in an amount not to exceed $3,013,750.00, increasing the master agreement amount from $12,305,000.00 to $15,318,750.00, by Resolution No. 14-1454; and,

**WHEREAS,** on June 7, 2015, Administrative Action No. 15-6069 authorized to extend the master agreement for a six month period from July 31, 2015 to January 30, 2016; and,

**WHEREAS,** on October 14, 2015, City Council authorized (1) a sixteen month service contract to establish a master agreement for meter lease and maintenance for four Pitney Bowes postage machines; and (2) a sixteen-month master agreement for postage by Resolution No. 15-1856; and,

**WHEREAS,** on November 3, 2016, Administrative Action No. 16-6990 authorized to extend the master agreement for a three month period from December 31, 2016 to March 31, 2017;

**NOW, THEREFORE,**

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

**Section 1.** That the City Manager is authorized to execute a contract with Neopost USA, Inc. (VC0000012216) through the Texas Multiple Award Schedule for an equipment lease agreement for mailing equipment, meters, related services, and supplies for a term of five years in an amount not to exceed $169,398.60, upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Neopost USA, Inc. shall be based only on the amount of the services directed to be performed by the City and properly performed by Neopost USA, Inc. under the contract.

**Section 2.** That a master agreement for the purchase of postage is authorized with Neopost USA, Inc. (VC0000012216) for a term of five-years in an amount not to exceed $5,649,337.51.

**Section 3.** That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for postage. If a written contract is required or requested for any or all purchases of postage under the master agreement instead of individual purchase orders, the City Manager is authorized to execute the contract upon approval as to form by the City Attorney.

**Section 4.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed $169,398.60 (subject to annual appropriations) from Service Contract number BXZ1620.

**Section 5.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed $5,649,337.51 from Master Agreement number BXZ1620.

**Section 6.** 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.

**AGENDA ITEM # 10**

**KEY FOCUS AREA:** E-Gov

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Business Development & Procurement Services
Equipment & Building Services
Police

**CMO:** Elizabeth Reich, 670-7804
Jill A. Jordan, P.E., 670-5299
Eric Campbell, 670-3255

**MAPSCO:** N/A

## SUBJECT

Authorize the purchase of ballistic door panels for Police - Angel Armor, LLC - Not to exceed $209,672 - Financing: Confiscated Monies Funds

## BACKGROUND

Based on the events of July 7, 2016, a review of options for additional protection for p olice officers from assault by high powered rifle rounds was conducted.

The availability of ballistic panels for the doors of police vehicles offers a high level of protection for police officers. This procurement will allow for the selected inventory of police vehicles to be outfitted. This additional safety feature will become standard equipment on future purchases of police emergency response vehicles for first responders.

Due to the sensitive nature of this procurement a competitive solicitation was not used. Chapter 252.022 of the Texas Government Code Subchapter (a) (2) provides a general exemption to bidding for procurements necessary to preserve or protect the public health or safety of the municipality's residents.

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

Information about this item will be provided to the Public Safety Committee on February 13, 2017.

## FISCAL INFORMATION

$209,672.00 - Confiscated Monies Funds

## ETHNIC COMPOSITION

Angel Armor, LLC

| | | | |
|---|---|---|---|
| White Male | 10 | White Female | 3 |
| Black Male | 1 | Black Female | 0 |
| Hispanic Male | 1 | Hispanic Female | 0 |
| Other Male | 0 | Other Female | 0 |

## OWNER

**Angel Armor, LLC**

Josh Richardson, Managing Member
JC Richardson, Managing Member
Chris Foth, General Manager

# BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize the purchase of ballistic door panels for Police - Angel Armor, LLC - Not to exceed $209,672 - Financing: Confiscated Monies Funds

Angel Armor, LLC is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workorce.
PROJECT CATEGORY: Goods

---

**LOCAL/NON-LOCAL CONTRACT SUMMARY**

| | Amount | Percent |
|---|---|---|
| Total local contracts | $0.00 | 0.00% |
| Total non-local contracts | $209,672.00 | 100.00% |
| **TOTAL CONTRACT** | $209,672.00 | 100.00% |

**LOCAL/NON-LOCAL M/WBE PARTICIPATION**

**Local Contractors / Sub-Contractors**

None

**Non-Local Contractors / Sub-Contractors**

None

**TOTAL M/WBE CONTRACT PARTICIPATION**

| | Local | Percent | Local & Non-Local | Percent |
|---|---|---|---|---|
| African American | $0.00 | 0.00% | $0.00 | 0.00% |
| Hispanic American | $0.00 | 0.00% | $0.00 | 0.00% |
| Asian American | $0.00 | 0.00% | $0.00 | 0.00% |
| Native American | $0.00 | 0.00% | $0.00 | 0.00% |
| WBE | $0.00 | 0.00% | $0.00 | 0.00% |
| Total | $0.00 | 0.00% | $0.00 | 0.00% |

February 22, 2017

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

**Section 1.** That the purchase of ballistic door panels for Police is authorized with Angel Armor, LLC (VS93790) in an amount not to exceed $209,672.00.

**Section 2.** That the Purchasing Agent is authorized, upon appropriate requisition, to issue a purchase order for ballistic door panels for Police. If a formal contract is required for this purchase instead of a purchase order, the City Manager is authorized to execute the contract upon approval as to form by the City Attorney.

**Section 3.** That the Chief Financial Officer is hereby authorized to disburse funds from the following appropriation in an amount not to exceed $209,672.00:

| Fund | Dept | Unit | Obj | Amount | FY | Encumbrance |
|---|---|---|---|---|---|---|
| 0412 | DPD | 6368 | 2790 | $209,672.00 | 2017 | PODPD00000130790 |

**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.

**AGENDA ITEM # 11**

**KEY FOCUS AREA:** E-Gov

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Business Development & Procurement Services
Aviation
Convention and Event Services
Trinity Watershed Management
Water Utilities

**CMO:** Elizabeth Reich, 670-7804
Theresa O'Donnell, 671-9195
Mark McDaniel, 670-3256

**MAPSCO:** N/A

## SUBJECT

Authorize a two-year master agreement for general batteries and flashlights - TKC Enterprises, Inc. in the amount of $203,064, GT Distributors, Inc. in the amount of $133,593, Battle & Battle Distributors, Inc. in the amount of $77,813, Telecom Electric Supply in the amount of $47,690, and Casco Industries, Inc. in the amount of $6,069, lowest responsible bidders of six - Total not to exceed $468,229 - Financing: Current Funds ($320,251), Water Utilities Current Funds ($88,982), Aviation Current Funds ($55,771), Convention and Event Services Current Funds ($1,382), and Stormwater Drainage Management Current Funds ($1,843)

## BACKGROUND

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, for a specific term, which are ordered on an as needed basis.

This master agreement will provide flashlights, general batteries, and accessories for all City departments. Departments use flashlights and batteries supplied through this agreement to perform day-to-day routine functions and operations, including fire rescue operations, repairs of various types, and security.

The City also uses batteries to operate electronic devices such as detectors of various types, flashlights, digital cameras, clocks, remote controls, smoke alarms, microphones, communication radios, and other electronic devices.

## BACKGROUND (Continued)

In this solicitation, Business Development and Procurement Services required bidders to submit a response using unit pricing. This bid resulted in a 6.86 percent increase over comparable unit prices for the bid awarded in 2014.

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 618 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, BDPS' ResourceLINK Team (RLT) sent notifications to 25 chambers of commerce, the DFW Minority Business Council, and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

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

On June 25, 2014, City Council authorized a two-year master agreement for flashlights, general batteries and accessories by Resolution No. 14-0986.

Information about this item will be provided to the Budget, Finance, and Audit Committee on February 21, 2017.

## FISCAL INFORMATION

$320,250.85 - Current Funds
$ 88,981.41 - Water Utilities Current Funds
$ 55,771.32 - Aviation Current Funds
$ 1,381.90 - Convention and Event Services Current Funds
$ 1,842.92 - Stormwater Drainage Management Current Funds

## M/WBE INFORMATION

91 - Vendors contacted
91 - No response
0 - Response (Bid)
0 - Response (No bid)
0 - Successful

The recommended awardees have fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826, as amended.

**ETHNIC COMPOSITION**

TKC Enterprises, Inc.

| | | | |
|---|---|---|---|
| White Male | 0 | White Female | 1 |
| Black Male | 1 | Black Female | 0 |
| Hispanic Male | 2 | Hispanic Female | 1 |
| Other Male | 5 | Other Female | 0 |

GT Distributors, Inc.

| | | | |
|---|---|---|---|
| White Male | 46 | White Female | 29 |
| Black Male | 2 | Black Female | 0 |
| Hispanic Male | 7 | Hispanic Female | 3 |
| Other Male | 3 | Other Female | 5 |

Battle & Battle Distributors, Inc.

| | | | |
|---|---|---|---|
| White Male | 0 | White Female | 0 |
| Black Male | 3 | Black Female | 5 |
| Hispanic Male | 0 | Hispanic Female | 0 |
| Other Male | 0 | Other Female | 0 |

Telecom Electric Supply

| | | | |
|---|---|---|---|
| White Male | 3 | White Female | 3 |
| Black Male | 6 | Black Female | 3 |
| Hispanic Male | 0 | Hispanic Female | 0 |
| Other Male | 0 | Other Female | 0 |

Casco Industries, Inc.

| | | | |
|---|---|---|---|
| White Male | 19 | White Female | 11 |
| Black Male | 1 | Black Female | 0 |
| Hispanic Male | 0 | Hispanic Female | 0 |
| Other Male | 0 | Other Female | 0 |

**BID INFORMATION**

Business Development and Procurement Services received the following bids from solicitation number BM1628. We opened them on September 9, 2016. We recommend the City Council award this master agreement to the lowest responsive and responsible bidders by group and line. Information related to this solicitation is available upon request.

**BID INFORMATION (Continued)**

*Denotes successful bidders

| Bidders | Address | Amount |
|---|---|---|
| *TKC Enterprises, Inc. | 2703 N. Beltline Rd.<br>Irving, TX 75062 | Multiple Groups/Lines |
| *GT Distributors, Inc. | 2545 Brockton Dr.<br>Suite 100<br>Austin, TX 78758 | Multiple Groups/Lines |
| *Battle & Battle Distributors, Inc. | 5365 Dividend Dr.<br>Suite D<br>Decatur, GA 30035 | Multiple Groups/Lines |
| *Telecom Electric Supply | 1401 Capital Ave<br>Plano, TX 75074 | Multiple Groups/Lines |
| *Casco Industries, Inc. | 1517 W. Carrier Pkwy.<br>Grand Prairie, TX 75050 | Multiple Groups/Lines |
| Divine Fountain Ministries, Inc. | 1508 Seely St.<br>Arlington, TX 76018 | Multiple Groups/Lines |

**OWNERS**

**TKC Enterprises, Inc.**

Stanley Tee, President

**GT Distributors, Inc.**

William J. Orr Jr., President
Tim Brown, Vice President
Deborah Orr, Secretary

**Battle & Battle Distributors, Inc.**

Sylvia C. Battle, President

**Telecom Electric Supply**

Frederic B. Moses, President
Mazzie Moses, Vice President

**OWNERS (Continued)**

**Casco Industries, Inc.**

Doug Schaumburg, President
Polly Ebarb, Vice President
Coleman Brown, Secretary

# BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a two-year master agreement for general batteries and flashlights - TKC Enterprises, Inc. in the amount of $203,064, GT Distributors, Inc. in the amount of $133,593, Battle & Battle Distributors, Inc. in the amount of $77,813, Telecom Electric Supply in the amount of $47,690, and Casco Industries, Inc. in the amount of $6,069, lowest responsible bidders of six - Total not to exceed $468,229 - Financing: Current Funds ($320,251), Water Utilities Current Funds ($88,982), Aviation Current Funds ($55,771), Convention and Event Services Current Funds ($1,382), and Stormwater Drainage Management Current Funds ($1,843)

TKC Enterprises, Inc. is a local, minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce. Casco Industries, Inc. is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce. GT Distributors, Inc., Telecom Electric Supply, Battle & Battle Distributors, Inc. are non-local, non-minority firms, have signed the "Business Inclusion & Development" documentation, and propose to use their own workforces.
PROJECT CATEGORY: Goods

---

## LOCAL/NON-LOCAL CONTRACT SUMMARY

| | Amount | Percent |
|---|---|---|
| Total local contracts | $209,133.44 | 44.66% |
| Total non-local contracts | $259,094.96 | 55.34% |
| **TOTAL CONTRACT** | $468,228.40 | 100.00% |

## LOCAL/NON-LOCAL M/WBE PARTICIPATION

### Local Contractors / Sub-Contractors

| Local | Certification | Amount | Percent |
|---|---|---|---|
| Batteries Plus dba TKC Enterprises | PMDB34148Y0617 | $203,064.44 | 97.10% |
| **Total Minority - Local** | | $203,064.44 | 97.10% |

### Non-Local Contractors / Sub-Contractors

None

## TOTAL M/WBE CONTRACT PARTICIPATION

| | Local | Percent | Local & Non-Local | Percent |
|---|---|---|---|---|
| African American | $0.00 | 0.00% | $0.00 | 0.00% |
| Hispanic American | $0.00 | 0.00% | $0.00 | 0.00% |
| Asian American | $203,064.44 | 97.10% | $203,064.44 | 43.37% |
| Native American | $0.00 | 0.00% | $0.00 | 0.00% |
| WBE | $0.00 | 0.00% | $0.00 | 0.00% |
| Total | $203,064.44 | 97.10% | $203,064.44 | 43.37% |

February 22, 2017

**WHEREAS,** on June 25, 2014, City Council authorized a two-year master agreement for flashlights, general batteries and accessories by Resolution No. 14-0986;

**NOW, THEREFORE,**

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

**Section 1.** That a master agreement for general batteries and flashlights is authorized with TKC Enterprises, Inc. (VC16571) in the amount of $203,064.44, GT Distributors, Inc. (500130) in the amount of $133,592.42, Battle & Battle Distributors, Inc. (518581) in the amount of $77,812.46, Telecom Electric Supply (204486) in the amount of $47,690.08, and Casco Industries, Inc. (082798) in the amount of $6,069.00 for a term of two-years in a total amount not to exceed $468,228.40.

**Section 2.** That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for general batteries and flashlights. If a written contract is required or requested for any or all purchases of general batteries and flashlights under the master agreement instead of individual purchase orders, the City Manager is authorized to execute the contract upon approval as to form by the City Attorney.

**Section 3.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed $468,228.40 from Master Agreement number BM1628.

**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.

**AGENDA ITEM # 12**

**KEY FOCUS AREA:** Public Safety

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Business Development & Procurement Services
Police

**CMO:** Elizabeth Reich, 670-7804
Eric Campbell, 670-3255

**MAPSCO:** N/A

## SUBJECT

Authorize a three-year master agreement for animal bedding for Police horses – S-4 Quality Shavings, LLC, lowest responsible bidder of two - Not to exceed $237,672 - Financing: Current Funds

## BACKGROUND

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, for a specific term, which are ordered on an as needed basis.

This master agreement will provide animal bedding for Police horses. The Police Mounted Squad has 14 horses which are stabled inside Fair Park when not on patrol. Shavings are used daily in each of the stalls for bedding for the horses and to aid in the absorption of animal waste. The stalls are cleaned daily to remove contaminated be dding to maintain a healthy living environment for the horses.

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 406 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, BDPS' ResourceLINK Team (RLT) sent notifications to 25 chambers of commerce, the DFW Minority Business Council, and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

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

Information about this item will be provided to the Public Safety Committee on February 13, 2017.

## FISCAL INFORMATION

$237,672.00 - Current Funds

## M/WBE INFORMATION

47 - Vendors contacted
47 - No response
0 - Response (Bid)
0 - Response (No bid)
0 - Successful

The recommended awardee has fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826 as amended.

## ETHNIC COMPOSITION

S-4 Quality Shavings, LLC

| | | | |
|---|---|---|---|
| White Male | 1 | White Female | 1 |
| Black Male | 0 | Black Female | 0 |
| Hispanic Male | 0 | Hispanic Female | 0 |
| Other Male | 0 | Other Female | 0 |

## BID INFORMATION

Business Development and Procurement Services received the following bids from solicitation number BT1702. We opened them on November 17, 2016. We recommend the City Council award this master agreement in its entirety to the lowest responsive and responsible bidder.

*Denotes successful bidder

| Bidders | Address | Amount |
|---|---|---|
| *S-4 Quality Shaving, LLC | 970 Vinyard Rd.<br>Marshfield, MO 65706 | $237,672.00 |

**BID INFORMATION (Continued)**

| Bidders | Address | Amount |
|---|---|---|
| Lab Animal Supplies, Inc. | 54 Remington Dr.<br>Highland Village, TX 75077 | $245,934.00 |

**OWNER**

**S-4 Quality Shavings, LLC**

Mike Stewart, President
Connie Stewart, Vice President

# BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a three-year master agreement for animal bedding for Police horses – S-4 Quality Shavings, LLC, lowest responsible bidder of two - Not to exceed $237,672 - Financing: Current Funds

S-4 Quality Shavings, LLC is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce.
PROJECT CATEGORY: Goods

---

## LOCAL/NON-LOCAL CONTRACT SUMMARY

| | Amount | Percent |
|---|---|---|
| Total local contracts | $0.00 | 0.00% |
| Total non-local contracts | $237,672.00 | 100.00% |
| **TOTAL CONTRACT** | $237,672.00 | 100.00% |

## LOCAL/NON-LOCAL M/WBE PARTICIPATION

### Local Contractors / Sub-Contractors

None

### Non-Local Contractors / Sub-Contractors

None

## TOTAL M/WBE CONTRACT PARTICIPATION

| | Local | Percent | Local & Non-Local | Percent |
|---|---|---|---|---|
| African American | $0.00 | 0.00% | $0.00 | 0.00% |
| Hispanic American | $0.00 | 0.00% | $0.00 | 0.00% |
| Asian American | $0.00 | 0.00% | $0.00 | 0.00% |
| Native American | $0.00 | 0.00% | $0.00 | 0.00% |
| WBE | $0.00 | 0.00% | $0.00 | 0.00% |
| Total | $0.00 | 0.00% | $0.00 | 0.00% |

February 22, 2017

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

**Section 1.** That a master agreement for the purchase of animal bedding for Police horses is authorized with S-4 Quality Shavings, LLC (VS0000067436) for a term of three years in an amount not to exceed $237,672.00.

**Section 2.** That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for animal bedding for Police horses. If a written contract is required or requested for any or all purchases of animal bedding for Police horses under the master agreement instead of individual purchase orders, the City Manager is authorized to execute the contract upon approval as to form by the City Attorney.

**Section 3.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed $237,672.00 from Master Agreement number BT1702.

**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.

**AGENDA ITEM # 13**

**KEY FOCUS AREA:** E-Gov

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Business Development & Procurement Services
Equipment & Building Services
Water Utilities

**CMO:** Elizabeth Reich, 670-7804
Jill A. Jordan, P.E., 670-5299
Mark McDaniel, 670-3256

**MAPSCO:** N/A

## SUBJECT

Authorize **(1)** Supplemental Agreement No. 1 to increase the service contract with Wastebuilt Southwest, LLC dba Stepp Parts in the amount of $375,201, from $1,500,804 to $1,876,005, Heil of Texas in the amount of $245,730, from $982,924 to $1,228,654, Texas Kenworth Co. dba MHC Kenworth in the amount of $138,818, from $555,273 to $694,091, Southwest International Trucks, Inc. in the amount of $97,057, from $388,229 to $485,286, and The Around the Clock Freightliner Group, LLC in the amount of $75,344, from $301,377 to $376,721; and **(2)** Supplemental Agreement No. 2 to increase the service contract with BTE Body Co., Inc. in the amount of $52,847, from $211,390 to $264,237, for parts and labor for the maintenance and repair of heavy-duty truck transmissions, differentials, and refuse bodies - Total not to exceed $984,997, from $3,939,997 to $4,924,994 - Financing: Current Funds ($980,757) and Water Utilities Current Funds ($4,240) (subject to annual appropriations)

## BACKGROUND

This action does not encumber funds; the purpose of a service contract is to establish firm pricing for goods, for a specific term, which are ordered on an as needed basis.

This Supplemental Agreement No. 1 to increase the service contract is necessary in order to allow sufficient time to complete the solicitation process for a new contract. This citywide contract provides the City with the ability to purchase parts for a variety of heavy-duty truck transmissions, differentials, and refuse bodies at a discounted rate taken from the manufacturer's published list pricing. This contract also includes supplemental labor to Equipment and Building Services (EBS) staff efforts and is necessary to ensure specialized equipment components are repaired according to equipment and manufacturer standards. EBS will provide the necessary labor to remove and reinstall transmissions and differentials which will be sent to the vendor for required repairs.

## BACKGROUND (Continued)

The recommended vendor meets the wage floor rate of $10.37 approved by City Council on November 10, 2015, by Resolution No. 15-2141.

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

On February 25, 2015, City Council authorized a three-year service contract for parts and labor for the maintenance and repair of heavy-duty truck transmissions, differentials and refuse bodies by Resolution No. 15-0335.

Information about this item will be provided to the Budget, Finance, and Audit Committee on February 21, 2017.

## FISCAL INFORMATION

$980,757.00 - Current Funds (subject to annual appropriations)
$ 4,240.00 - Water Utilities Current Funds (subject to annual appropriations)

## ETHNIC COMPOSITION

Wastebuilt Southwest, LLC dba Stepp Parts

| | | | |
|---|---|---|---|
| White Male | 4 | White Female | 1 |
| Black Male | 0 | Black Female | 0 |
| Hispanic Male | 1 | Hispanic Female | 0 |
| Other Male | 0 | Other Female | 0 |

Heil of Texas

| | | | |
|---|---|---|---|
| White Male | 9 | White Female | 2 |
| Black Male | 0 | Black Female | 0 |
| Hispanic Male | 3 | Hispanic Female | 0 |
| Other Male | 0 | Other Female | 0 |

Texas Kenworth Co. dba MHC Kenworth

| | | | |
|---|---|---|---|
| White Male | 83 | White Female | 4 |
| Black Male | 12 | Black Female | 0 |
| Hispanic Male | 34 | Hispanic Female | 3 |
| Other Male | 4 | Other Female | 0 |

**ETHNIC COMPOSITION (Continued)**

Southwest International Trucks, Inc.

| | | | |
|---|---|---|---|
| White Male | 228 | White Female | 34 |
| Black Male | 20 | Black Female | 1 |
| Hispanic Male | 81 | Hispanic Female | 10 |
| Other Male | 4 | Other Female | 0 |

The Around the Clock Freightliner Group, LLC

| | | | |
|---|---|---|---|
| White Male | 71 | White Female | 14 |
| Black Male | 14 | Black Female | 2 |
| Hispanic Male | 27 | Hispanic Female | 1 |
| Other Male | 3 | Other Female | 1 |

BTE Body Co., Inc.

| | | | |
|---|---|---|---|
| White Male | 12 | White Female | 1 |
| Black Male | 2 | Black Female | 0 |
| Hispanic Male | 10 | Hispanic Female | 2 |
| Other Male | 3 | Other Female | 1 |

**OWNERS**

**Wastebuilt Southwest, LLC dba Stepp Parts**

Greg Podell, President

**Heil of Texas**

Larry Davis, President

**Texas Kenworth Co. dba MHC Kenworth**

Tim Spurgeon, President

**Southwest International Trucks, Inc.**

Russ Trimble, President

**The Around the Clock Freightliner Group, LLC**

John Miciotto, President

**BTE Body Co., Inc.**

Brian Bruckner, President

# BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize **(1)** Supplemental Agreement No. 1 to increase the service contract with Wastebuilt Southwest, LLC dba Stepp Parts in the amount of $375,201, from $1,500,804 to $1,876,005, Heil of Texas in the amount of $245,730, from $982,924 to $1,228,654, Texas Kenworth Co. dba MHC Kenworth in the amount of $138,818, from $555,273 to $694,091, Southwest International Trucks, Inc. in the amount of $97,057, from $388,229 to $485,286, and The Around the Clock Freightliner Group, LLC in the amount of $75,344, from $301,377 to $376,721; and **(2)** Supplemental Agreement No. 2 to increase the service contract with BTE Body Co., Inc. in the amount of $52,847, from $211,390 to $264,237, for parts and labor for the maintenance and repair of heavy-duty truck transmissions, differentials, and refuse bodies - Total not to exceed $984,997, from $3,939,997 to $4,924,994 - Financing: Current Funds ($980,757) and Water Utilities Current Funds ($4,240) (subject to annual appropriations)

Wastebuilt Southwest, LLC dba Stepp Parts, Heil of Texas, Texas Kenworth Co. dba MHC Kenworth, Southwest International Trucks, Inc., The Around the Clock Freightliner Group, LLC, and BTE Body Co., Inc. are local, non-minority firms, have signed the "Business Inclusion & Development" documentation, and propose to use their own workforces.

PROJECT CATEGORY: Other Services

---

**LOCAL/NON-LOCAL CONTRACT SUMMARY - THIS ACTION ONLY**

| | Amount | Percent |
|---|---|---|
| Local contracts | $984,997.00 | 100.00% |
| Non-local contracts | $0.00 | 0.00% |
| **TOTAL THIS ACTION** | $984,997.00 | 100.00% |

**LOCAL/NON-LOCAL M/WBE PARTICIPATION THIS ACTION**

**Local Contractors / Sub-Contractors**

None

**Non-Local Contractors / Sub-Contractors**

None

**TOTAL M/WBE PARTICIPATION**

| | This Action | | Participation to Date | |
|---|---|---|---|---|
| | Amount | Percent | Amount | Percent |
| African American | $0.00 | 0.00% | $0.00 | 0.00% |
| Hispanic American | $0.00 | 0.00% | $0.00 | 0.00% |
| Asian American | $0.00 | 0.00% | $0.00 | 0.00% |
| Native American | $0.00 | 0.00% | $0.00 | 0.00% |
| WBE | $0.00 | 0.00% | $0.00 | 0.00% |
| Total | $0.00 | 0.00% | $0.00 | 0.00% |

February 22, 2017

**WHEREAS,** on February 25, 2015, City Council authorized a three-year service contract for parts and labor for the maintenance and repair of heavy-duty truck transmissions, differentials and refuse bodies by Resolution No. 15-0335; and,

**WHEREAS,** on June 16, 2015, Administrative Action No. 15-6250 authorized the merger of Equipment Southwest, Inc. and BTE Body Co. Inc.;

**NOW, THEREFORE,**

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

**Section 1.** That following approval as to form by the City Attorney, the City Manager is hereby authorized to execute (1) Supplemental Agreement No. 1 to increase the service contract with Wastebuilt Southwest, LLC dba Stepp Parts (VS0000083650) in the amount of $375,201.00, from $1,500,804.00 to $1,876,005.00, Heil of Texas (502970) in the amount of $245,730.00, from $982,923.50 to $1,228,653.50, Texas Kenworth Co. dba MHC Kenworth (VS0000039231) in the amount of $138,818.00, from $555,273.00 to $694,091.00, Southwest International Trucks, Inc. (003940) in the amount of $97,057.00, from $388,228.67 to $485,285.67, and The Around the Clock Freightliner Group, LLC (399372) in the amount of $75,344.00, from $301,377.00 to $376,721.00; and (2) Supplemental Agreement No. 2 to increase the service contract with BTE Body Co., Inc. (VS0000069486) in the amount of $52,847.00, from $211,390.00 to $264,237.00, for parts and labor for the maintenance and repair of heavy-duty truck transmissions, differentials, and refuse bodies, in a total amount not to exceed $984,997.00, increasing the service contract from $3,939,996.17 to $4,924,993.17.

**Section 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed $984,997.00 (subject to annual appropriations) from Service Contract number BJ1501.

**Section 3.** 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.

**AGENDA ITEM # 14**

**KEY FOCUS AREA:** E-Gov

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** City Attorney's Office
Office of Financial Services

**CMO:** Larry Casto, 670-3491
Elizabeth Reich, 670-7804

**MAPSCO:** N/A

## SUBJECT

Authorize a professional services contract with the law firm of Mounce, Green, Myers, Safi, Paxson, & Galatzan, P.C. for legal services related to the Railroad Commission of Texas Gas Utilities Docket No. 10580, Atmos Pipeline Texas Rate Case - Not to exceed $170,000 - Financing: Current Funds (The full amount may be recouped by the City from Atmos Gas Corporation subject to approval by the Railroad Commission of Texas)

## BACKGROUND

On January 6, 2017, Atmos Pipeline Texas (APT) filed a rate case with the Railroad Commission of Texas. This case has been assigned Gas Utility Docket (GUD) No. 10580. The rate case was required to be filed pursuant to the Gas Reliability Infrastructure Program statute because the statute requires APT to file a rate case 180 days after the fifth anniversary of the first filing under the statute. The application seeks rates that exceed what appear to be fair and reasonable, and the City should intervene in the case to require APT to charge rates that are no higher than fair and reasonable. Both the City and its residents will be impacted by rate increases.

The City Attorney's Office has reviewed APT's request and determined that it is also necessary to retain three outside consultants with expertise in gas rate issues to review and analyze APT's request, prepare testimony, and attend hearings and depositions on behalf of the City. The outside consultants will be retained by authorizing separate Administrative Actions for each consultant which is anticipated to total $125,000.00.

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

Council will be briefed in Closed Session on February 15, 2017.

## FISCAL INFORMATION

$170,000 - Current Funds (The full amount may be recouped by the City from Atmos Gas Corporation subject to approval by the Railroad Commission of Texas)

## OWNER

**Mounce, Green, Myers, Safi, Paxson, & Galatzan, P.C.**

Norman J. Gordon, Partner

February 22, 2017

**WHEREAS,** the City of Dallas will intervene as a party in Railroad Commission of Texas Gas Utility Docket (GUD) No. 10580, under which the Commission is considering natural gas pipeline rates being sought by Atmos Pipeline Texas that (APT) would apply in areas, including the City of Dallas; and

**WHEREAS,** the law firm of Mounce, Green, Myers, Safi, Paxson, & Galatzan, P.C., has the expertise necessary to represent the City in this matter; and

**WHEREAS,** amounts necessarily and reasonably expended for legal services in matters such as these may be recouped by the City from APT subject to approval by the Railroad Commission of Texas; **Now, Therefore,**

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

**Section 1.** That, following approval as to form by the City Attorney, the City Manager is hereby authorized to enter into a professional services contract with the law firm of Mounce, Green, Myers, Safi, Paxson, & Galatzan, P.C., for legal services related to Railroad Commission of Texas Gas Utilities Docket No. 10580, Atmos Pipeline Texas Rate Case, in an amount not to exceed $170,000.00.

**Section 2.** That the Chief Financial Officer is authorized to disburse, in periodic payments to Mounce, Green, Myers, Safi, Paxson, & Galatzan, P.C., an amount not to exceed $170,000.00 from Fund 0001, Department BMS, Unit 1246, Obj. 3033, Encumbrance No. BMS124617D65, Vendor No. 513285.

**Section 3.** That the Chief Financial Officer is authorized to deposit any recoupment of such fees received from Atmos Energy Corporation to Fund 0001, Department BMS, Unit 1246, Revenue Source Code 8428.

**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.

**AGENDA ITEM # 15**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** City Controller

**CMO:** Elizabeth Reich, 670-7804

**MAPSCO:** N/A

## SUBJECT

Authorize approval of the 457 Deferred Compensation Plan for City Employees of the City of Dallas, as amended and restated, effective February 22, 2017 - Financing: No cost consideration to the City

## BACKGROUND

This plan is periodically reviewed by the Board of the 457 plan with regards to new regulations, Internal Revenue Service requirements or requested changes to the plan. The 457(b) plan revisions include (1) amending the definition of an eligible employee to include employees who are employed on a permanent, part-time, or temporary basis or elected to serve on the City Council, and (2) adding a Roth in-plan conversion option to allow a participant to convert non-Roth balances to Roth balances.The restated plan document also includes non-substantive amendments for clarification and incorporates previously approved amendments to the core investments in the plan. Other minor changes are included to update the plan for new regulations. The 457(b) plan is governed by the provisions set forth in the plan document and the Board of the 457 plan has reviewed the plan provisions and consulted with the City Attorney's Office and, on January 13, 2017, voted to approve the 457 Deferred Compensation Plan for City Employees of the City of Dallas, as amended and restated, effective February 22, 2017.

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

City Council authorized the 457 Deferred Compensation Plan for City Employees of the City of Dallas as amended and restated effective November 7, 2011, by Resolution No. 11-3001.

Information about this item was provided to the Budget, Finance, & Audit Committee on February 6, 2017.

## FISCAL INFORMATION

No cost consideration to the City

February 22, 2017

**WHEREAS,** the City of Dallas has adopted a 457 Deferred Compensation Plan for City Employees of the City of Dallas; and

**WHEREAS,** on December 2, 2011, the core investment options of the 457 Deferred Compensation Plan for City Employees of the City of Dallas were revised by, Administrative Action No. 11-3170; and

**WHEREAS,** on March 27, 2012, the core investment options of the 457 Deferred Compensation Plan for City Employees of the City of Dallas were revised by, Administrative Action No. 12-1146; and

**WHEREAS,** on July 18, 2012, the core investment options of the 457 Deferred Compensation Plan for City Employees of the City of Dallas were revised by, Administrative Action No. 12-1857; and

**WHEREAS,** on March 26, 2013, the core investment options of the 457 Deferred Compensation Plan for City Employees of the City of Dallas were revised by Administrative Action No. 13-5511; and

**WHEREAS,** on December 20, 2013, the core investment options of the 457 Deferred Compensation Plan for City Employees of the City of Dallas were revised by Administrative Action No. 14-5232; and

**WHEREAS,** on May 30, 2014, the core investment options of the 457 Deferred Compensation Plan for City Employees of the City of Dallas were revised by Administrative Action No. 14-6206; and

**WHEREAS,** on March 20, 2015, the core investment options of the 457 Deferred Compensation Plan for City Employees of the City of Dallas were revised by Administrative Action No. 15-5739; and

**WHEREAS,** on March 29, 2016, the core investment options of the 457 Deferred Compensation Plan for City Employees of the City of Dallas were revised by Administrative Action No. 16-5999; and

**WHEREAS,** on December 16, 2016, the core investment options of the 457 Deferred Compensation Plan for City Employees of the City of Dallas were revised by Administrative Action No. 17-5091; and

**WHEREAS,** it is desirable to amend and restate the 457 Deferred Compensation Plan for City Employees of the City of Dallas Plan Document at no cost to the City; and

**WHEREAS,** the Plan Board has approved the amendments and recommend that the City Council approve the amendments to the Plan.

**NOW, THEREFORE,**

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

**Section 1.** That the 457 Deferred Compensation Plan for City Employees of the City of Dallas, as amended and restated, effective February 22, 2017 (**Attachment 1**) be approved and that the City is authorized to take all other actions deemed necessary or appropriate to implement the amended and restated Plan.

**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.

# 457 DEFERRED COMPENSATION PLAN
# FOR CITY EMPLOYEES OF THE CITY OF DALLAS

## Plan Document

## Amended and Restated
## Effective February 22, 2017

# City of Dallas 457 Deferred Compensation Plan
# As Amended and Restated Effective February 22, 2017

The Board previously amended and restated the 457 Deferred Compensation Plan for City employees (the "Plan"), effective January 1, 2002. The Plan consists of the provisions set forth in this document. It is applicable to current Participants and to each "Employee" who hereafter becomes a "Participant" in the Plan

Effective February 22 2017, the Board hereby amends and restates the Plan to incorporate amendments to the Plan made in accordance with changes to sections of the Internal Revenue Code affecting eligible governmental deferred compensation plans.

By: _____ Date: _____, 2017
Kenneth Haben
Chair, 457 Deferred Compensation Plan For City Employees of the City of Dallas

_____

CITY OF DALLAS
T.C. BROADNAX
City Manager

By: _____ Date: _____, 2017
City Manager

APPROVED AS TO FORM:
LARRY E. CASTO
City Attorney

By: _____ Date: _____, 2017
Barbara McAninch
Assistant City Attorney

# TABLE OF CONTENTS


1. DEFINITIONS ..... 1
2. ELIGIBILITY ..... 4
   2.1 Eligibility ..... 4
   2.2 Election Required for Participation ..... 4
   2.3 Election of Investment Funds Required ..... 4
   2.4 Beneficiary Designation Required ..... 4
   2.5 Military Service ..... 4
3. ELECTION TO DEFER COMPENSATION ..... 5
   3.1 Commencement of Participation ..... 5
   3.2 Information Provided by the Participant ..... 5
   3.3 457 Deferral Election ..... 5
   3.4 Contributions Made Promptly ..... 5
   3.5 Amendment of Annual Deferrals Election ..... 5
   3.6 Pay Period Limitation ..... 6
   3.7 Leave of Absence ..... 6
   3.8 Disability ..... 6
   3.9 Basic Annual Limitation ..... 6
   3.10 Age 50 Catch-up Annual Deferral Contributions ..... 6
   3.11 Special Section 457 Catch-up Limitation ..... 7
   3.12 Special Rules ..... 7
   3.13 Correction of Excess Deferrals ..... 8
   3.14 Refunds When Contribution Dollar Limit Exceeded ..... 8
   3.15 Protection of Persons Who Serve in a Uniformed Service ..... 9
   3.16 “Annual Addition” Defined ..... 9
   3.17 Maximum Annual Addition ..... 9
   3.18 Avoiding an Excess Annual Addition ..... 9
   3.19 Correcting an Excess Annual Addition ..... 10
   3.20 Correcting a Multiple Plan Excess ..... 10
4. ROLLOVERS AND ROTH IN-PLAN CONVERSIONS ..... 11
   4.1 Eligible Rollover Contributions to the Plan ..... 11
   4.2 Plan-to-Plan Transfers to the Plan ..... 12
   4.3 Plan-to-Plan Transfers from the Plan ..... 12
   4.4 Permissive Service Credit Transfers ..... 12
   4.5 Rollovers From Former Employees ..... 13
   4.6 Roth In-Plan Conversions ..... 13
5. ACCOUNTING ..... 14
   5.1 Individual Participant Accounting ..... 14
   5.2 Accounting for Investment Funds ..... 14
   5.3 Payment of Fees and Expenses ..... 14
   5.4 Accounting for Participant Loans ..... 14
   5.5 Error Correction ..... 15
   5.6 Participant Statements ..... 15
   5.7 Special Accounting During Conversion Period ..... 15
   5.8 Accounts for QDRO Beneficiaries ..... 15
6. INVESTMENT FUNDS ..... 16
   6.1 Investment Funds ..... 16
   6.2 Investment Fund Elections ..... 16

6.3 Responsibility for Investment Choice ..... 16
6.4 Default If No Election ..... 16
6.5 Timing ..... 16
7. VESTING ..... 17
8. PARTICIPANT LOANS ..... 18
8.1 Loans ..... 18
8.2 Maximum Loan Amount ..... 18
8.3 Account Sources and Funding Order ..... 18
8.4 Terms of Loan ..... 18
8.5 Security for Loan Default ..... 19
8.6 Repayment ..... 19
8.7 Loan Payment Hierarchy ..... 20
8.8 Call Feature ..... 20
9. DISTRIBUTIONS ..... 21
9.1 Benefit Distributions At Retirement or Other Severance from Employment ..... 21
9.2 Election of Benefit Commencement Date ..... 21
9.3 Forms of Distribution ..... 21
9.4 Payment Within Life Expectancy ..... 21
9.5 Incidental Benefit Rule ..... 21
9.6 Payment to Beneficiary ..... 22
9.7 Beneficiary Designation ..... 22
9.8 Designated Beneficiary ..... 22
9.9 Account Balances of $1,000 or Less ..... 23
9.10 Amount of Account Balance ..... 23
9.11 Revocation of Prior Election ..... 23
9.12 Latest Distribution Date ..... 23
9.13 In-Service Distributions From Rollover Account ..... 23
9.14 Unforeseeable Emergency Distribution ..... 23
9.15 Voluntary Distributions for Certain Account Balances of $5,000 or Less ..... 24
9.16 Rollover Distributions ..... 25
9.17 Distribution to Minor Beneficiary ..... 25
9.18 Distribution to an Incompetent Participant or Beneficiary ..... 26
9.19 Source and Timing of In-Service Withdrawal Funding ..... 27
9.20 Source and Timing of Rollover Account Withdrawals ..... 27
9.21 Direct Rollovers from Roth Accounts to an Eligible Plan ..... 27
10. PLAN ADMINISTRATION ..... 29
10.1 Plan Delineates Authority and Responsibility ..... 29
10.2 Employer is Code Section 414(g) Administrator ..... 29
10.3 Administrator Duties ..... 29
10.4 Agents and Advisors May be Used ..... 30
10.5 Delegation of Administrative Duties ..... 30
10.6 Membership of the Board ..... 30
10.7 Board Operating Rules ..... 30
10.8 Reliance by Trustee and TPA ..... 31
10.9 Contracting With Vendors ..... 31
11. MANAGEMENT OF INVESTMENTS ..... 32
11.1 Trust Agreement ..... 32
11.2 Investment Funds ..... 32
11.3 Authority to Hold Cash ..... 32

11.4 Trustee to Act Upon Instructions ..... 32
11.5 Right to Vote Registered Investment Company Shares ..... 32
11.6 Self-Directed Brokerage ..... 33
11.7 Authority to Segregate Assets ..... 33
12. TRUST ADMINISTRATION ..... 34
12.1 Trustee to Construe Trust ..... 34
12.2 Trustee To Act As Owner of Trust Assets ..... 34
12.3 United States Indicia of Ownership ..... 34
12.4 Tax Withholding and Payment ..... 34
12.5 Trust Accounting ..... 35
12.6 Valuation of Certain Assets ..... 35
12.7 Legal Counsel ..... 35
12.8 Fees and Expenses ..... 35
12.9 Trustee Duties and Limitations ..... 35
13. RIGHTS, PROTECTION, CONSTRUCTION AND JURISDICTION ..... 37
13.1 Plan Does Not Affect Employment Rights ..... 37
13.2 Limited Return of Contributions ..... 37
13.3 Assignment and Alienation ..... 37
13.4 Facility of Payment ..... 37
13.5 Reallocation of Lost Participant's Accounts ..... 37
13.6 Claims Procedure ..... 38
13.7 Construction ..... 38
13.8 Jurisdiction and Severability ..... 38
14. AMENDMENT, MERGERS AND TERMINATION ..... 39
14.1 Amendment ..... 39
14.2 Merger ..... 39
14.3 Plan Termination ..... 39
14.4 Resignation or Removal of the Trustee ..... 40
14.5 Final Settlement and Accounting of Trustee ..... 40
APPENDIX A – INVESTMENT FUNDS ..... 41
APPENDIX B – LOAN INTEREST RATE ..... 43

## 1. DEFINITIONS

(a) "Account" means the records maintained for purposes of accounting for a Participant's interest in the Plan. "Account" may refer to one or all of the following accounts which have been created on behalf of a Participant to hold specific types of Contributions under the Plan:

i "457 Deferral Contribution Account" An account created to hold 457 Deferral Contributions.

ii "Roth 457 Deferral Contribution Account" An account created to hold Roth 457 Deferral Contributions.

iii "401(a) Rollover Account" An account created to hold Rollover Contributions from plans qualified under section 401(a) of the Code, other than Rollover Contributions from designated Roth accounts.

iv "457 Rollover Account" An account created to hold Rollover Contributions from plans described as eligible under section 457(b) of the Code, other than Rollover Contributions from designated Roth accounts.

v "403(b) Rollover Account" An account created to hold Rollover contributions from plans described by section 403(b) of the Code, other than Rollover Contributions from designated Roth accounts.

vi "IRA Rollover Account" An account created to hold Rollover Contributions from individual retirement accounts described in section 408(a) of the Code.

vii "Designated Roth Rollover Account" An account created to hold Rollover Contributions from designated Roth accounts of other plans as described in section 402A(e)(1) of the Code only to the extent the rollover is permitted under the rules of section 402(c) of the Code.

(b) "Account Balance" means the bookkeeping account maintained with respect to each Participant which reflects the value of the deferred Compensation credited to the Participant, including the Participant's Annual Deferrals, the earnings or loss of the Fund (net of Fund expenses) allocable to the Participant, any transfers for the Participant's benefit, and any distribution made to the Participant or the Participant's Beneficiary. If a Participant has more than one Beneficiary at the time of the Participant's death, then a separate Account Balance shall be maintained for each Beneficiary. The Account Balance includes any account established under Section 4 for rollover contributions and plan-to-plan transfers made for a Participant, the account established for a Beneficiary after a Participant's death, and any account or accounts established for an alternate payee (as defined in section 414(p)(8) of the Code).

(c) "Administrator" means the means the Employer, which has delegated the administrative duties under the Plan to the Board in accordance with Section 10.5.

(d) "Alternate Payee" means the person entitled to receive benefits in accordance with a domestic relations order that is honored by the Plan.

(e) "Annual Deferral" means the amount of Compensation deferred in any year.

(f) "Beneficiary" means the designated person (or, if none, the Participant's estate) who is entitled to receive benefits under the Plan after the death of a Participant.

(g) "Board" means the Board responsible for the selection of investment options and operation of this 457 Deferred Compensation Plan for City Employees.

(h) "City" means the City of Dallas, Texas and any of its agencies, departments, subdivisions or instrumentalities for which a Participant performs services.

(i) "City Council" The governing body of the City of Dallas, a municipal corporation located in Dallas County, Texas.

(j) "Code" means the Internal Revenue Code of 1986, as now in effect or as hereafter amended. All citations to sections of the Code are to such sections as they may from time to time be amended or renumbered.

(k) "Compensation" means all cash compensation for services to the Employer, including salary, wages, fees, commissions, bonuses, and overtime pay, that is includible in the Employee's gross income for the calendar year, plus amounts that would be cash compensation for services to the Employer includible in the Employee's gross income for the calendar year but for a compensation reduction election under section 125, 132(f), 401(k), 403(b), or 457(b) of the Code (including an election to defer compensation under Section 3).

(l) Effective January 1, 2008, the definition of "Compensation" in this Section 1(k) of the Plan, includes payments made by the later of two and one half (2½) months after severance from employment, or the end of the limitation year that includes the date of severance from employment, if, absent a severance from employment, such payments would have been paid to the employee while the employee continued in employment with the employer, and are regular compensation for services during the employee's regular working hours, compensation for services outside the employee's regular working hours (such as overtime or shift differential), commissions, bonuses or other similar compensation."

(m) "Custodian" means the organization(s) with whom the City contracts to provide recordkeeping services and to hold the assets of the Plan. This term includes the entity described as "trustee" by sections 609 and 802 of the Texas Government Code and Trustee as described below and in the related Trust Agreement.

(n) "Effective Date" means February 22, 2017, unless otherwise stated for a specific provision of this Plan.

(o) "Employee" means an Employee of the Employer who is employed on a permanent full-time, part-time, or temporary basis or elected to serve on the City Council.

(p) "Employer" means the City of Dallas and its related entities.

(q) "Includible Compensation" means an Employee's actual wages in box 1 of Form W-2 for a year for services to the Employer, but subject to a maximum of $200,000 (or such higher maximum as may apply under section 401(a)(17) of the Code) and increased (up to the dollar maximum) by any compensation reduction election under section 125, 132(f), 401(k), 403(b), or 457(b) of the Code (including an election to defer Compensation under Section 3).

(r) "Investment Funds" means an investment alternative available to Participants under the Plan as designated in Appendix A and described in Section 11.

(s) "Loan Account" means a temporary account in which a receivable is recorded while a Participant loan is outstanding.

(t) "Normal Retirement Age" means the age specified by the Participant in writing to the Plan Staff at which the Participant can retire without consent of the City and without actuarial or similar reduction from the Retirement System to which he or she belongs, but not before age 50 or after age 70 1/2.

(u) "Participant" means an individual who currently has an Account Balance.

(v) "Plan" means the 457 Deferred Compensation Plan for City Employees of the City of Dallas as it may be amended from time to time. The Plan is used by the City to compensate its employees which is an essential governmental function; and is authorized by chapter 609 of the Texas Government Code as a vehicle to compensate municipal employees. The Plan is a governmental plan described in section 414(d) of the Code. Any income related to the Plan and its related Trust is exempt from taxation pursuant to section 115 of the Code. The Plan is also a qualified plan meeting the requirements of section 401(a) of the Code; and the Plan's assets are held in a trust that is exempt from taxation pursuant to section 501(a) of the Code because the Plan meets the qualification requirements of section 401(a) of the Code.

(w) "Plan Staff" means the employees of the City assigned to the deferred compensation office.

(x) "Plan Year" means the calendar year.

(y) "QDRO" means a domestic relations order issued by a court of competent jurisdiction that is acceptable to Administrator.

(z) "Retirement System" means the Employees' Retirement System of the City of Dallas or the Dallas Police and Fire Pension System.

(aa) "Section or Subsection" means a section or subsection of this Plan.

(bb) "Severance from Employment" means the date that the Employee dies, retires, or otherwise has a severance from employment with the Employer, as determined by the Employer (and taking into account guidance issued under the Code).

(cc) "TPA" means the person or entity designated by and acting on behalf of the Board with contractually defined responsibility for administering the deferred compensation plan.

(dd) "Trust" means the trust established under the terms of the Trust Agreement that forms a part of this Plan.

(ee) "Trust Agreement" means the written agreement (or declaration) made by and between the City through the Administrator and the Trustee under which the Trust Fund is maintained.

(ff) "Trust Fund" means the trust fund created under and subject to the Trust Agreement.

(gg) "Trustee" means Fidelity Management Trust Company.

(hh) "Unforeseeable Emergency" means severe financial hardship to the Participant resulting from a sudden and unexpected illness or accident of the Participant or a dependent (as defined in IRC Section 152(a)) of the Participant, loss of the Participant's property due to casualty, or extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. The circumstances that will constitute an unforeseeable emergency will depend upon the facts of each case, but, in any case, payment may not be made for that portion of a hardship that is or may be relieved by:

1. Reimbursement or compensation by insurance or otherwise;
2. Liquidation of the Participant's assets other than a homestead, to the extent the liquidation would not itself cause hardship; or
3. Cessation of deferrals under the Plan.

(ii) "Valuation Date" means each business day.

# 2. ELIGIBILITY

## 2.1 Eligibility

Each Employee shall be eligible to participate in the Plan and defer Compensation hereunder immediately upon becoming employed by the Employer or, if a member of the City Council, takes the oath of office; and completes the enrollment process required by the TPA.

## 2.2 Election Required for Participation

An Employee may elect to become a Participant by executing an election to defer a portion of his or her Compensation (and have that amount or percentage of Compensation contributed as an Annual Deferral on his or her behalf) and filing it with the Administrator. This participation election shall be made on the deferral agreement provided by the Administrator under which the Employee agrees to be bound by all the terms and conditions of the Plan. The Administrator may establish a minimum deferral amount and/or percentage, and may change such minimums from time to time.

## 2.3 Election of Investment Funds Required

The participation election described above in Section 2.2 shall include a designation of investment funds. Any such election shall remain in effect until a new election is filed. If no such designation is made, the default election described in Section 6.4 shall be effective as if the Participant had elected such Investments Funds.

## 2.4 Beneficiary Designation Required

The participation election described above in Section 2.2 shall include a designation of Beneficiary. Any such election shall remain in effect until a new election is filed. If no such designation is made, the default election described in Section 9.7 shall be effective as if the Participant had elected such Beneficiary.

## 2.5 Military Service

Notwithstanding any provision of this Plan to the contrary, effective December 12, 1994 contributions, benefits and service credit with respect to qualified military service will be provided in accordance with section 414(u) of the Code. Effective January 1, 2007, if a Participant dies while performing qualified military service (as defined in section 414(u) of the Code), the survivors of such Participant will be entitled to receive any additional benefits that would be provided to the survivors of an actively employed Participant upon his death (other than benefit accruals relating to the period of qualified military service). Such additional Plan benefits, if any, will be provided as if the Participant had resumed active employment and subsequently experienced a termination of employment on account of death.

# 3. ELECTION TO DEFER COMPENSATION

## 3.1 Commencement of Participation

An Employee shall become a Participant as soon as administratively practicable following the date the Employee files a participation election pursuant to Section 2.2. Such election shall become effective no earlier than the calendar month following the month in which the election is made. A new Employee may defer compensation payable in the calendar month during which the Participant first becomes an Employee if an agreement providing for the deferral is entered into on or before the first day on which the Participant performs services for the Employer.

## 3.2 Information Provided by the Participant

Each Employee enrolling in the Plan should provide to the Administrator at the time of initial enrollment, and later if there are any changes, any information necessary or advisable for the Administrator to administer the plan, including, without limitation, whether the Employee is a participant in any other eligible plan under Code section 457(b).

## 3.3 457 Deferral Election

A Participant may elect to defer a whole percentage of his or her Includable Compensation up to ninety-nine percent (99%) each pay period. The Participant may irrevocably and prospectively designate any whole percentage deferred to be a Roth 457 Deferral Contribution. Any change to a 457 Deferral Contribution election to a Roth 457 Deferral Contribution will become effective as soon as administratively feasible.

## 3.4 Contributions Made Promptly

Annual Deferrals by the Participant under the Plan shall be transferred to the Trust Fund within a period that is not longer than is reasonable for the proper administration of the Participant's Account Balance. For this purpose, Annual Deferrals shall be treated as contributed within a period that is not longer than is reasonable for the proper administration if the contribution is made to the Trust Fund within 15 business days following the end of the month in which the amount would otherwise have been paid to the Participant.

## 3.5 Amendment of Annual Deferrals Election

Subject to other provisions of the Plan, a Participant may at any time revise his or her participation election, including a change of the amount of his or her Annual Deferrals, his or her investment direction and his or her designated Beneficiary. Unless the election specifies a later effective date, a change in the amount of the Annual Deferrals shall take effect as of the first day of the first pay period of the next following month or as soon as administratively practicable if later. A change in the investment direction shall take effect as of the date provided by the Administrator on a uniform basis for all Employees. A change in the Beneficiary designation shall take effect when the election is accepted by the TPA.

### 3.6 Pay Period Limitation

At any time, an Eligible Employee may elect to defer a whole percentage of his or her Compensation up to ninety-nine (99%); provided, however, that the Participant's paycheck must be greater than zero for each pay period.

### 3.7 Leave of Absence

Unless an election is otherwise revised, if a Participant is absent from work by leave of absence, Annual Deferrals under the Plan shall continue to the extent that Compensation continues.

### 3.8 Disability

A disabled Participant may elect Annual Deferrals during any portion of the period of his or her disability to the extent that he or she has actual Compensation (not imputed Compensation and not disability benefits) from which to make contributions to the Plan and has not had a Severance from Employment.

### 3.9 Basic Annual Limitation

The maximum amount of the Annual Deferral under the Plan for any calendar year shall not exceed the lesser of (i) the Applicable Dollar Amount or (ii) the Participant's Includible Compensation for the calendar year. The Applicable Dollar Amount is the amount established under section 457(e)(15) of the Code applicable as set forth below:

| For the following years: | The Applicable Dollar Amount is: |
|---|---|
| 2002 | $11,000 |
| 2003 | $12,000 |
| 2004 | $13,000 |
| 2005 | $14,000 |
| 2006 or thereafter | $15,000 Adjusted for cost-of-living after 2006 to the extent provided under section 415(d) of the Code. |

### 3.10 Age 50 Catch-up Annual Deferral Contributions

A Participant who will attain age 50 or more by the end of the calendar year is permitted to elect an additional amount of Annual Deferrals, up to the maximum age 50 catch-up Annual Deferrals for the year. The maximum dollar amount of the age 50 catch-up Annual Deferrals for a year is as follows:

| For the following years: | The maximum age 50 catch-up dollar amount is: |
|---|---|
| 2002 | $1,000 |
| 2003 | $2,000 |
| 2004 | $3,000 |
| 2005 | $4,000 |
| 2006 or thereafter | $5,000 Adjusted for cost-of-living after 2006 to the extent provided under the Code. |

**3.11 Special Section 457 Catch-up Limitation**

If the applicable year is one of a Participant's last 3 calendar years ending before the year in which the Participant attains Normal Retirement Age and the amount determined under this Section 3.10 exceeds the amount computed under Sections 3.8 and 3.9, then the Annual Deferral limit under this Section 3 shall be the lesser of:

1. An amount equal to 2 times the Section 3.8 Applicable Dollar Amount for such year; or
2. The sum of:
   a.1. An amount equal to:
      (A) the aggregate Section 3.8 limit for the current year plus each prior calendar year beginning after December 31, 2001 during which the Participant was an Employee under the Plan, minus
      (B) the aggregate amount of Compensation that the Participant deferred under the Plan during such years, plus
   a.2. An amount equal to:
      (A) the aggregate limit referred to in section 457(b)(2) of the Code for each prior calendar year beginning after December 31, 1978 and before January 1, 2002 during which the Participant was an Employee (determined without regard to Sections 3.8 and 3.9), minus
      (B) the aggregate contributions to Pre-2002 Coordination Plans for such years.

**3.12 Special Rules**

For purposes of this Section 3, the following rules shall apply:

(b) Participant Covered By More Than One Eligible Plan.

If the Participant is or has been a participant in one or more other eligible plans within the meaning of section 457(b) of the Code, then this Plan and all such other plans shall be considered as one plan for purposes of applying the foregoing limitations of this Section 3. For this purpose, the Administrator shall take into account any other such eligible plan maintained by the Employer and shall also take into account any other such eligible plan for which the Administrator receives from the Participant sufficient information concerning his or her participation in such other plan.

(c) Pre-Participation Years.

In applying Section 3.10, a year shall be taken into account only if (i) the Participant was eligible to participate in the Plan during all or a portion of the year and (ii) Compensation deferred, if any, under the Plan during the year was subject to the Basic Annual Limitation described in Section 3.8 or any other plan ceiling required by section 457(b) of the Code.

(d) Pre-2002 Coordination Years.

For purposes of Section 3.10, “contributions to Pre-2002 Coordination Plans” means any employer contribution, salary reduction or elective contribution under any other eligible Code

section 457(b) plan, or a salary reduction or elective contribution under any Code section 401(k) qualified cash or deferred arrangement, Code section 402(h)(1)(B) simplified employee pension (SARSEP), Code section 403(b) annuity contract, and Code section 408(p) simple retirement account, or under any plan for which a deduction is allowed because of a contribution to an organization described in section 501(c)(18) of the Code, including plans, arrangements or accounts maintained by the Employer or any employer for whom the Participant performed services. However, the contributions for any calendar year are only taken into account for purposes of Section 3.10 to the extent that the total of such contributions does not exceed the aggregate limit referred to in section 457(b)(2) of the Code for that year.

(e) Disregard Excess Deferral.

For purposes of Sections 3.8, 3.9 and 3.10, an individual is treated as not having deferred compensation under a plan for a prior taxable year to the extent Excess Deferrals under the plan are distributed, as described in Section 3.12. To the extent that the combined deferrals for pre-2002 years exceeded the maximum deferral limitations, the amount is treated as an Excess Deferral for those prior years.

**3.13 Correction of Excess Deferrals**

If the Annual Deferral on behalf of a Participant for any calendar year exceeds the limitations, or the Annual Deferral on behalf of a Participant for any calendar year exceeds the limitations when combined with other amounts deferred by the Participant under another eligible deferred compensation plan under section 457(b) of the Code for which the Participant provides information that is accepted by the Administrator, then the Annual Deferral, to the extent in excess of the applicable limitation (adjusted for any income or loss in value, if any, allocable thereto), shall be distributed to the Participant.

**3.14 Refunds When Contribution Dollar Limit Exceeded**

A Participant who makes 457 Deferral Contributions and/or Roth 457 Deferral Contributions for a calendar year to this Plan and comparable contributions to any other qualified defined contribution plan in excess of the Contribution Dollar Limit shall notify the Plan Administrator in writing by the following March 1 that an excess has occurred. In this event, the amount of the excess specified by the Participant, adjusted for investment gain or loss, shall be refunded to him or her by April 15 and shall not be included as an Annual Addition, as defined in Section 3.16, under Code section 415 for the year contributed. Any investment gain or loss for the period between the end of the applicable calendar year and the date of distribution shall be distributed to the Participant. Excess amounts shall be taken from the Participant's 457 Deferral Contribution Account and/or Roth 457 Deferral Contribution Account, in the same proportion as the most recent salary deferral(s). Each salary deferral shall be reversed beginning with the most recent payroll deduction during the applicable

year until the full amount of the excess contribution for the year is distributed.

### 3.15 Protection of Persons Who Serve in a Uniformed Service

An Employee whose employment is interrupted by qualified military service under Code section 414(u) or who is on a leave of absence for qualified military service under Code section 414(u) may elect to make additional Annual Deferrals upon resumption of employment with the Employer equal to the maximum Annual Deferrals that the Employee could have elected during that period if the Employee's employment with the Employer had continued (at the same level of Compensation) without the interruption or leave, reduced by the Annual Deferrals, if any, actually made for the Employee during the period of the interruption or leave. This right applies for five years following the resumption of employment (or, if sooner, for a period equal to three times the period of the interruption or leave).

### 3.16 "Annual Addition" Defined

The sum of the following amounts credited to a Participant's Account for the Plan Year for all the defined contribution plans of the City:

(a) Employer contributions;
(b) Participant contributions;
(c) Forfeitures;
(d) Amounts allocated to an individual medical account, as defined in section 415(l)(2) of the Code , which is part of a pension or annuity plan maintained by the employer are treated an annual additions to a defined contribution plan. Also, amounts derived from contributions paid or accrued which are attributable to post-retirement medical benefits, allocated to the separate account of a key employee, as defined in section 419A(d)(3) of the Code, under a welfare benefit fund, as defined in section 419(e) of the Code, maintained by the Employer are treated as annual additions to a defined contribution plan.

### 3.17 Maximum Annual Addition

The Annual Addition to a Participant's accounts under this Plan and any other defined contribution plan maintained by the Employer for any Plan Year shall not exceed the lesser of (1) 99% of his or her Compensation or (2) $40,000 (as adjusted for the cost of living pursuant to Code section 415(d)).

### 3.18 Avoiding an Excess Annual Addition

If, at any time during a Plan Year, the allocation of any additional Contributions would produce an excess Annual Addition for such year, Contributions to be made for the remainder of the Plan Year shall be limited to the amount needed for each affected Participant to receive the maximum Annual Addition.

### 3.19 Correcting an Excess Annual Addition

Before the close of each Plan Year, and upon the discovery of an excess Annual Addition to a Participant's Account (resulting from forfeitures, allocations, reasonable error in determining Participant compensation or the amount of elective contributions, or other facts and circumstances acceptable to the Internal Revenue Service) the excess amount (adjusted to reflect investment gains) shall first be returned to the Participant to the extent of his or her individual medical account maintained by any plan sponsored by the City. If there is not an individual medical account for the Participant or Annual Additions to such account are less than the excess amount; any remaining excess amount shall be returned to the Participant to the extent of his or her 401(k) Retirement Savings Contributions. If there is not a 401(k) Retirement Savings Contribution or Annual Additions to such account are less than the excess amount; any remaining excess amount shall be returned to the Participant to the extent of his or her deferrals pursuant to this Plan.

### 3.20 Correcting a Multiple Plan Excess

If a Participant, whose Account is credited with an excess Annual Addition, received allocations to more than one defined contribution plan, the excess shall be corrected by reducing the Annual Addition to this Plan only after all possible reductions have been made to the other defined contribution plans other than The City Of Dallas 457 Deferred Compensation Plan For Part-Time, Seasonal, Temporary Employees And City Councilmembers.

# 4. ROLLOVERS AND ROTH IN-PLAN CONVERSIONS

## 4.1 Eligible Rollover Contributions to the Plan

(a) A Participant who is an Employee and who is entitled to receive an eligible rollover distribution from another eligible retirement plan may request to have all or a portion of the eligible rollover distribution paid to the Plan. The Administrator may require such documentation from the distributing plan as it deems necessary to effectuate the rollover in accordance with section 402 of the Code and to confirm that such plan is an eligible retirement plan within the meaning of section 402(c)(8)(B) of the Code. Each rollover contribution will be reviewed by the Custodian to verify the source of the contribution for treatment as a rollover contribution. The Custodian will use its professional judgment to verify the source of the rollover contribution based on available information; including recorded phone calls and vendor statements verifying the status of the source plan.

(b) For purposes of Section 4.1(a), an eligible rollover distribution means any distribution of all or any portion of a Participant's benefit under another eligible retirement plan, except that an eligible rollover distribution does not include:

1. any installment payment for a period of 10 years or more,
2. any distribution made as a result of an unforeseeable emergency or other distribution which is made upon hardship of the employee, or
3. for any other distribution, the portion, if any, of the distribution that is a required minimum distribution under section 401(a)(9) of the Code. In addition, an eligible retirement plan means an individual retirement account described in section 408(a) of the Code, an individual retirement annuity described in section 408(b) of the Code, a qualified trust described in section 401(a) of the Code, an annuity plan described in section 403(a) or 403(b) of the Code, or an eligible governmental plan described in section 457(b) of the Code, that accepts the eligible rollover distribution.
4. The Plan shall establish and maintain for the Participant a separate account for any eligible rollover distribution paid to the Plan from any eligible retirement plan that is not an eligible governmental plan under section 457(b) of the Code. In addition, the Plan shall establish and maintain for the Participant a separate account for any eligible rollover distribution paid to the Plan from any eligible retirement plan that is an eligible governmental plan under section 457(b) of the Code.

**4.2 Plan-to-Plan Transfers to the Plan**

The Administrator may permit a class of Participants who are participants in another eligible governmental plan under section 457(b) of the Code to transfer assets to the Plan as provided in this Section 4.2. Such a transfer is permitted only if the other plan provides for the direct transfer of each Participant's interest therein to the Plan. The Administrator may require in its sole discretion that the transfer be in cash or other property acceptable to the Administrator. The Administrator may require such documentation from the other plan as it deems necessary to effectuate the transfer in accordance with section 457(e)(10) of the Code and section 1.457-10(b) of the Treasury Regulations and to confirm that the other plan is an eligible governmental plan as defined in section 1.457-2(f) of the Treasury Regulations. The amount so transferred shall be credited to the Participant's Account Balance and shall be held, accounted for, administered and otherwise treated in the same manner as an Annual Deferral by the Participant under the Plan, except that the transferred amount shall not be considered an Annual Deferral under the Plan in determining the maximum deferral under Section 3.

**4.3 Plan-to-Plan Transfers from the Plan**

(a) The Administrator may permit a class of Participants and Beneficiaries to elect to have all or any portion of their Account Balance transferred to another eligible governmental plan within the meaning of section 457(b) of the Code and section 1.457-2(f) of the Treasury Regulations. A transfer is permitted under this Section 4.3(a) for a Participant only if the Participant has had a Severance from Employment with the Employer and is an employee of the entity that maintains the other eligible governmental plan. Further, a transfer is permitted under this Section 4.3(a) only if the other eligible governmental plan provides for the acceptance of plan-to-plan transfers with respect to the Participants and Beneficiaries and for each Participant and Beneficiary to have an amount deferred under the other plan immediately after the transfer at least equal to the amount transferred.

(b) Upon the transfer of assets under this Section 4.3, the Plan's liability to pay benefits to the Participant or Beneficiary under this Plan shall be discharged to the extent of the amount so transferred for the Participant or Beneficiary. The Administrator may require such documentation from the receiving plan as it deems appropriate or necessary to comply with this Section 4.3 (for example, to confirm that the receiving plan is an eligible governmental plan under paragraph (a) of this Section 4.3, and to assure that the transfer is permitted under the receiving plan) or to effectuate the transfer pursuant to section 1.457-10(b) of the Treasury Regulations.

**4.4 Permissive Service Credit Transfers**

(a) If a Participant is also a participant in a tax-qualified defined benefit governmental plan (as defined in section 414(d) of the Code) that provides for the acceptance of plan-to-plan transfers

with respect to the Participant, then the Participant may elect to have any portion of the Participant's Account Balance transferred to the defined benefit governmental plan. A transfer under this Section 4.4(a) may be made before the Participant has had a Severance from Employment.

(b) A transfer may be made under Section 4.4(a) only if the transfer is either for the purchase of permissive service credit (as defined in section 415(n)(3)(A) of the Code) under the receiving defined benefit governmental plan or a repayment to which section 415 of the Code does not apply by reason of section 415(k)(3) of the Code.

## 4.5 Rollovers From Former Employees

The Plan shall accept pre-tax rollover contributions from any Participant, regardless of whether or not the Participant is also an Eligible Employee if the rollover contribution is received directly from either the Employees' Retirement Fund of the City of Dallas or the Dallas Police and Fire Pension System.

## 4.6 Roth In-Plan Conversions

Any Participant may elect, using a prescribed form, to convert any amount currently held by the Custodian (other than an outstanding loan) in any of the following Accounts:

457 Deferral Contribution Account
401(a) Rollover Accounts
403(b) Rollover Account
IRA Rollover Account

# 5. ACCOUNTING

## 5.1 Individual Participant Accounting

The TPA shall maintain an individual set of Accounts for each Participant in order to reflect transactions both by type of Contribution and investment medium. Financial transactions shall be accounted for at the individual Account level by posting each transaction to the appropriate Account of each affected Participant. Participant Account values shall be maintained in shares for the Investment Funds and in dollars for the Loan Accounts. At least annually, each Account in the Plan shall be valued.

## 5.2 Accounting for Investment Funds

Investment in each Investment Fund shall be maintained in shares. The Trustee is responsible for determining the share values of each Investment Fund.

## 5.3 Payment of Fees and Expenses

Except to the extent Plan fees and expenses related to Account maintenance, transaction and Investment Fund management and maintenance, as set forth below, are paid by the Administrator directly, such fees and expenses shall be paid as set forth below. The Administrator may pay a lower portion of the fees and expenses allocable to the Accounts of Participants who are no longer Employees or who are not Beneficiaries, unless doing so would result in discrimination.

(a) Account Maintenance: Account maintenance fees and expenses may include, but are not limited to, administrative, Trustee, audit, legal and fees for any other special services. Account maintenance fees shall be charged to Participants on a per Participant basis provided that no fee shall reduce a Participant's Account balance below zero.

(b) Transaction: Transaction fees and expenses may include, but are not limited to, periodic installment payment, Investment Fund election change, self-directed brokerage service, and loans. Transaction fees shall be charged to the Participant's Account involved in the transaction provided that no fee shall reduce a Participant's Account balance below zero.

(c) Investment Fund Management and Maintenance: Management and maintenance fees and expenses related to the Investment Funds shall be charged at the Investment Fund level and reflected in the net gain or loss of each Fund.

The Trustee shall have the authority to pay any such fees and expenses, which remain unpaid by the Administrator for 30 days, from the Trust.

## 5.4 Accounting for Participant Loans

Participant loans shall be held in a separate Loan Account of the Participant and accounted for in dollars as an earmarked asset of the borrowing Participant's Account.

## 5.5 Error Correction

The Administrator may correct any errors or omissions in the administration of the Plan by restoring any Participant's Account balance with the amount that would be credited to the Account had no error or omission been made. Funds necessary for any such restoration shall be provided through payment made by the Employer, or by the Trustee to the extent the error or omission is attributable to actions or inactions of the Trustee or Employer.

## 5.6 Participant Statements

The Administrator shall provide Participants with statements of their Accounts as soon after the end of each quarter of the Plan Year as administratively feasible.

## 5.7 Special Accounting During Conversion Period

The Administrator and Trustee may use any reasonable accounting methods in performing their respective duties during any Conversion Period. This includes, but is not limited to, the method for allocating net investment gains or losses and the extent, if any, to which contributions received by and distributions paid from the Trust during this period share in such allocation.

## 5.8 Accounts for QDRO Beneficiaries

A separate Account shall be established for an Alternate Payee entitled to any portion of a Participant's Account under a QDRO as of the date and in accordance with the directions specified in the QDRO. In addition, a separate Account may be established during the period of time the Administrator, a court of competent jurisdiction or other appropriate person is determining whether a domestic relations order qualifies as a QDRO. Such a separate Account shall be valued and accounted for in the same manner as any other Account.

(a) Distributions Pursuant to QDROs: If a QDRO so provides, the portion of a Participant's Account payable to an Alternate Payee may be distributed in a form, as permissible under Section 9, to the Alternate Payee at the time specified in the QDRO, regardless of whether the Participant is entitled to a distribution from the Plan at such time.

(b) Participant Loans: Except to the extent required by law, an Alternate Payee, on whose behalf a separate Account has been established, shall not be entitled to borrow from such Account. If a QDRO specifies that the Alternate Payee is entitled to any portion of the Account of a Participant who has an outstanding loan balance, all outstanding loans shall generally continue to be held in the Participant's Account and shall not be divided between the Participant's and Alternate Payee's Accounts.

(c) Investment Direction: Where a separate Account has been established on behalf of an Alternate Payee and has not yet been distributed, the Alternate Payee may direct the investment of such Account in the same manner as if he or she were a Participant.

# 6. INVESTMENT FUNDS

## 6.1 Investment Funds

The Trust shall be maintained in various Investment Funds. The Administrator shall select the Investment Funds offered to Participants and may change the number or composition of the Investment Funds, subject to the terms and conditions agreed to with the Trustee. As of the Effective Date, a list of the Investment Funds offered under the Plan is set forth in Appendix A, and may be changed from time to time by the Administrator, in writing, and as agreed to by the Trustee, without the necessity of amending this Plan and its related trust.

## 6.2 Investment Fund Elections

Each Participant shall direct the investment of all of his or her investment Accounts.

A Participant shall make his or her investment election in any combination of one or any number of the Investment Funds offered. However, during any Conversion Period, Trust assets may be held in any investment vehicle permitted by the Plan, as directed by the Administrator, irrespective of Participant investment elections.

## 6.3 Responsibility for Investment Choice

Each Participant shall be solely responsible for the selection of his or her investment choices. No fiduciary nor City staff member with respect to the Plan is empowered to advise a Participant as to the manner in which his or her Accounts are to be invested, and the fact that an investment is offered shall not be construed to be a recommendation for investment.

## 6.4 Default If No Election

The Administrator shall specify one or more default Investment Funds for the investment of that portion of a Participant's Account, which is not yet held in an Investment Fund for which no valid investment election is on file. The default Investment Funds specified as of the Effective Date are set forth in Appendix A, and may be changed from time to time by the Administrator, in writing, without the necessity of amending this Plan and its related trust.

## 6.5 Timing

A Participant shall make his or her initial investment election upon becoming a Participant and may change his or her investment election at any time in accordance with the procedures established by the Administrator and Trustee.

## 7. VESTING

A Participant shall be fully vested in all Accounts at all times.

# 8. PARTICIPANT LOANS

## 8.1 Loans

A Participant who is an Employee may apply for and receive a loan from his or her Account Balance as provided in this Section 8. Any such loan may not be for an amount less than the minimum amount specified by the Administrator. A Participant may have no more than two loans outstanding at any given time. An outstanding loan under another plan maintained by the Employer shall not affect the Participant's ability to receive a loan under this Plan; provided, however, that the limitations described in Section 8.2 shall apply to all such loans collectively.

## 8.2 Maximum Loan Amount

No loan to a Participant hereunder may exceed the lesser of:

(a) $50,000, reduced by the greater of (i) the outstanding balance on any loan from the Plan to the Participant on the date the loan is made or (ii) the highest outstanding balance on loans from the Plan to the Participant during the one-year period ending on the day before the date the loan is approved by the Administrator (not taking into account any payments made during such one-year period), or

(b) one half of the value of the Participant's vested Account Balance (as of the Valuation Date immediately preceding the date on which such loan is approved by the Administrator).

For purposes of this Section 8.2, any loan from any other plan maintained by the Employer shall be treated as if it were a loan made from the Plan, and the Participant's vested interest under any such other plan shall be considered a vested interest under this Plan; provided, however, that the provisions of this paragraph shall not be applied so as to allow the amount of a loan under this Section 8.2 to exceed the amount that would otherwise be permitted in the absence of this paragraph.

## 8.3 Account Sources and Funding Order

Loans will be funded pro rata from each of a Participant's fully vested Accounts; and amounts shall be taken by Investment Fund in direct proportion to the market value of the Participant's interest in each Investment Fund.

## 8.4 Terms of Loan

The terms of the loan shall:

(a) require level amortization with payments not less frequently than quarterly throughout the repayment period, except that alternative arrangements for repayment may apply in the event that the borrower is on an bona fide unpaid leave of absence for a period not to exceed one year for leaves other than a qualified military leave within the meaning of section 414(u) of the Code or for the duration of a leave which is due to qualified military service;

(b) require that the loan be repaid within five years or twenty (20) years, if the Participant certifies in writing to the Administrator that the loan is to be used to acquire any dwelling unit which within a reasonable time is to be used (determined at the time the loan is made) as a principal residence of the Participant; and

(c) provide for interest at a rate equal to one percentage point above the prime rate as published in the Wall Street Journal on the first business day of the month in which the loan is approved by the Administrator.

**8.5 Security for Loan Default**

(a) Security.

Any loan to a Participant under the Plan shall be secured by the pledge of the portion of the Participant's interest in the Plan invested in such loan.

(b) Default.

In the event that a Participant fails to make a loan payment under this Section 8 within 90 days after the date such payment is due, a default on the loan shall occur. In the event of such default, (i) all remaining payments on the loan shall be immediately due and payable, (ii) effective as of the first day of the calendar month next following the month in which any such loan default occurs, the interest rate for such loan shall be (if higher than the rate otherwise applicable) the rate being charged on loans from the Plan that are approved by the Administrator in the month in which such default occurs, (iii) no contributions shall be made on such Participant's behalf prior to the first payroll period that follows by 12 calendar months the date of repayment in full of such loan, and (iv) the Participant shall be permanently ineligible for any future loans from the Plan.

In the case of any default on a loan to a Participant, the Administrator shall apply the portion of the Participant's interest in the Plan held as security for the loan in satisfaction of the loan on the date of Severance from Employment. In addition, the Administrator shall take any legal action it shall consider necessary or appropriate to enforce collection of the unpaid loan, with the costs of any legal proceeding or collection to be charged to the Account Balance of the Participant.

Notwithstanding anything elsewhere in the Plan to the contrary, in the event a loan is outstanding hereunder on the date of a Participant's death, his or her estate shall be his or her Beneficiary as to the portion of his or her interest in the Plan invested in such loan (with the Beneficiary or Beneficiaries as to the remainder of his or her interest in the Plan to be determined in accordance with otherwise applicable provisions of the Plan).

**8.6 Repayment**

The Participant shall be required, as a condition to receiving a loan, to enter into an irrevocable agreement authorizing the Employer to make

payroll deductions from his or her Compensation as long as the Participant is an Employee and to transfer such payroll deduction amounts to the Trustee in payment of such loan plus interest. Repayments of a loan shall be made by payroll deduction of equal amounts (comprised of both principal and interest) from each paycheck, with the first such deduction to be made as soon as practicable after the loan funds are disbursed; provided however, that a Participant may make loan prepayments at any time; and provided, further, that if any payroll deductions cannot be made in full because a Participant is on an unpaid leave of absence or is no longer employed or the Participant's paycheck is insufficient for any other reason, the Participant shall pay directly to the Plan the full amount that would have been deducted from the Participant's paycheck, with such payment to be made by the last business day of the calendar month in which the amount would have been deducted.

**8.7 Loan Payment Hierarchy**

Loan principal payments shall be credited pro rata to the Participant's Accounts. Loan interest shall be credited to the Participant's Accounts in direct proportion to the principal payment. Loan payments are credited to the Investment Funds based upon the Participant's current investment election for new Contributions.

**8.8 Call Feature**

The Administrator shall have the right to call any Participant loan once a Participant's employment has terminated or if the Plan is terminated.

# 9. DISTRIBUTIONS

## 9.1 Benefit Distributions At Retirement or Other Severance from Employment

Upon retirement or other Severance from Employment (other than due to death), a Participant is entitled to receive a distribution of his or her Account Balance under any form of distribution permitted under Section 9.3 commencing at the date elected under Section 9.2. If a Participant does not elect otherwise, the distribution shall be paid as soon as practicable following Normal Retirement Age or, if later, following retirement or other Severance from Employment and payment shall be made in monthly installments of the minimum annual payments described in Section 9.4.

## 9.2 Election of Benefit Commencement Date

A Participant may elect to commence distribution of benefits at any time after retirement or other Severance from Employment by a notice filed at least 30 days before the date on which benefits are to commence. However, in no event may distribution of benefits commence later than the date described in Section 9.8.

## 9.3 Forms of Distribution

In an election to commence benefits under Section 9.2, a Participant entitled to a distribution of benefits under this Section 9 may elect to receive payment in any of the following forms of distribution:

(a) a lump sum payment of the total Account Balance; or

(b) periodic distributions.

## 9.4 Payment Within Life Expectancy

The Participant's payment election must be consistent with the requirement of Code section 401(a)(9) that all payments are to be completed within a period not to exceed the lives or the joint and last survivor life expectancy of the Participant and his or her Beneficiary. The life expectancies of a Participant and his or her Beneficiary, if such Beneficiary is his or her spouse, may be recomputed annually. If a Participant fails to make a life expectancy calculation election, the life expectancy of the Participant and his or her Beneficiary, if such Beneficiary is his or her spouse, shall be recomputed annually.

## 9.5 Incidental Benefit Rule

The Participant's payment election must be consistent with the requirement that, if the Participant's spouse is not his or her sole primary Beneficiary, the minimum annual distribution for each calendar year, beginning with the year in which he or she attains age 70 1/2 (or such later date as provided otherwise in Section 10), shall not be less than the quotient obtained by dividing (a) the Participant's vested Account balance as of December 31st of the preceding year by (b) the applicable divisor as determined under the incidental benefit requirements of Code section 401(a)(9).

## 9.6 Payment to Beneficiary

Payment to a Beneficiary must either: (1) be completed by the end of the calendar year that contains the fifth anniversary of the Participant's death or (2) begin by the end of the calendar year that contains the first anniversary of the Participant's death and be completed within the period of the Beneficiary's life or life expectancy, except that:

(a) If the Participant dies after the later of the April 1 immediately following the end of the calendar year in which he or she attains age 70 1/2 or the April 1 immediately following the end of the calendar year in which he or she terminated employment with the Employer, payment to his or her Beneficiary must be made at least as rapidly as provided in the Participant's distribution election;

(b) If the surviving spouse is the Beneficiary, payments need not begin until the end of the calendar year in which the Participant would have attained age 70 1/2 and must be completed within the spouse's life or life expectancy; and

(c) If the Participant and the surviving spouse who is the Beneficiary die (1) before the later of the April 1 immediately following the end of the calendar year in which the Participant would have attained age 70 1/2 or the April 1 immediately following the end of the calendar year in which he or she terminated employment with the Employer and (2) before payments have begun to the spouse, the spouse shall be treated as the Participant in applying these rules.

## 9.7 Beneficiary Designation

Each Participant may complete a beneficiary designation form indicating the Beneficiary who is to receive the Participant's remaining Plan interest at the time of his or her death. The designation may be changed at any time. If no proper designation is in effect at the time of a Participant's death or if the Beneficiary does not survive the Participant, the Beneficiary shall be the Participant's estate.

The Participant's Account Balance shall be paid to the Beneficiary in a lump sum or periodic payments, as requested.

## 9.8 Designated Beneficiary

The Participant shall have the right to file with the TPA a written beneficiary or change of beneficiary form designating the person or persons who shall receive any distributions payable under the Plan in the event of the Participant's death. The form for this purpose shall be provided by the TPA and will have no effect until it is signed, filed with the TPA by the Participant, and accepted by the TPA. If the Participant dies without having a beneficiary form on file, the estate of the Participant will be the presumed Beneficiary. By becoming a Participant, a person accepts and acknowledges the burden of executing and filing with the TPA a proper beneficiary designation form.

If a Participant designates his/her spouse as a Beneficiary and subsequently divorces such spouse, the Beneficiary designation dated prior to the date of the final divorce decree shall be nullified and it shall be

as if the former spouse had predeceased the Participant; provided, however, if the Participant designates a former spouse as a Beneficiary after the date of the final decree of divorce, such post-divorce designation shall be valid and enforceable against all parties.

**9.9 Account Balances of $1,000 or Less**

If both,

(a) the sum of a Participant's Accounts other than the Participant's Roth 457 Deferral Contribution Account and Designated Roth Rollover Account is $1,000 or less; and

(b) the sum of the Participant's Roth 457 Deferral Contribution Account and Designated Roth Rollover Account is $1,000 or less;

the Participant's benefit shall be paid as a single lump sum as soon as administratively feasible in accordance with procedures prescribed by the Plan Administrator.

**9.10 Amount of Account Balance**

Except as provided in Section 9.3, the amount of any payment under this Section 9 shall be based on the amount of the Account Balance on the preceding Valuation Date.

**9.11 Revocation of Prior Election**

Any election made under this Section 9 may be revoked at any time.

**9.12 Latest Distribution Date**

In no event shall any distribution under this Section 9 begin later than the later of (a) April 1 of the year following the calendar year in which the Participant attains age 70 1/2 or (b) April 1 of the year following the year in which the Participant retires or otherwise has a Severance from Employment. If distributions commence in the calendar year following the later of the calendar year in which the Participant attains age 70 1/2 or the calendar year in which the Severance from Employment occurs, the distribution on the date that distribution commences must be equal to the annual installment payment for the year that the Participant has a Severance from Employment determined under paragraph (b) of Section 9.3 and an amount equal to the annual installment payment for the year after Severance from Employment determined under paragraph (b) of Section 9.3 must also be paid before the end of the calendar year of commencement.

**9.13 In-Service Distributions From Rollover Account**

If a Participant has a separate account attributable to rollover contributions to the plan, the Participant may at any time elect to receive a distribution of all or any portion of the amount held in the rollover account.

**9.14 Unforeseeable Emergency Distribution**

(a) Distribution.

If the Participant has an unforeseeable emergency before retirement or other Severance from Employment, the Participant

may elect to receive a lump sum distribution equal to the amount requested or, if less, the maximum amount determined by the Administrator to be permitted to be distributed under this Section 9.10.

(b) Unforeseeable emergency defined.

An unforeseeable emergency is defined as a severe financial hardship of the Participant resulting from: an illness or accident of the Participant, the Participant's spouse, or the Participant's dependent (as defined in section 152(a) of the Code); loss of the Participant's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by homeowner's insurance, e.g., as a result of a natural disaster); the need to pay for the funeral expenses of the Participant's spouse or dependent (as defined in section 152(a) of the Code); or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. For example, the imminent foreclosure of or eviction from the Participant's primary residence may constitute an unforeseeable emergency. In addition, the need to pay for medical expenses, including non-refundable deductibles, as well as for the cost of prescription drug medication, may constitute an unforeseeable emergency. Except as otherwise specifically provided in this Section 9.10, neither the purchase of a home nor the payment of college tuition is an unforeseeable emergency.

(c) Unforeseeable emergency distribution standard.

A distribution on account of unforeseeable emergency may not be made to the extent that such emergency is or may be relieved through reimbursement or compensation from insurance or otherwise, by liquidation of the Participant's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship, or by cessation of deferrals under the plan.

(d) Distribution necessary to satisfy emergency need.

Distributions because of an unforeseeable emergency may not exceed the amount reasonably necessary to satisfy the emergency need (which may include any amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution).

(e) For purposes of the direct rollover provisions in Section 4 of the Plan, any amount that is distributed on account of a hardship shall not be an Eligible Rollover Distribution and the distributee may not elect to have any portion of such a distribution paid directly to an Eligible Retirement Plan.

## 9.15 Voluntary Distributions for Certain Account Balances of $5,000 or Less

At the direction of the Administrator, a Participant's total Account Balance shall be paid in a lump sum as soon as practical following the direction if:

(a) The total Account Balance does not exceed $5,000 (or the dollar limit under section 411(a)(11) of the Code, if greater);

(b) The Participant has not previously received a distribution of the total amount payable to the Participant under this Section 9.15;

(c) No Annual Deferral has been made with respect to the Participant during the two-year period ending immediately before the date of the distribution; and

(d) The Participant elects to receive the distribution.

**9.16 Rollover Distributions**

(a) A Participant, a non-spousal beneficiary, or the surviving spouse of a Participant (or a Participant's former spouse who is the alternate payee under a domestic relations order, as defined in section 414(p) of the Code) who is entitled to an eligible rollover distribution may elect, at the time and in the manner prescribed by the Administrator, to have all or any portion of the distribution paid directly to an eligible retirement plan specified by the Participant in a direct rollover.

(b) For purposes of this Section 9.16, an eligible rollover distribution means any distribution of all or any portion of a Participant's Account Balance, except that an eligible rollover distribution does not include (a) any installment payment under Section 9.3 for a period of 10 years or more (b) any distribution made under Section 9.14 as a result of an unforeseeable emergency, or (c) for any other distribution, the portion, if any, of the distribution that is a required minimum distribution under section 401(a)(9). In addition, an eligible retirement plan means an individual retirement account described in section 408(a) of the Code, an individual retirement annuity described in section 408(b) of the Code, a qualified trust described in section 401(a) of the Code, an annuity plan described in section 403(a) or 403(b) of the Code, or an eligible governmental plan described in section 457(b) of the Code, that accepts the eligible rollover distribution. An eligible retirement plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relation order, as defined in section 414(p) of the Code. Any amount that is distributed on account of an unforeseeable emergency shall not be an eligible rollover distribution and the distributee may not elect to have any portion of such distribution paid directly to an Eligible Retirement Plan.

**9.17 Distribution to Minor Beneficiary**

If a distribution is to be made to a minor Beneficiary, it shall be made in accordance with the Texas Uniform Transfers to Minors Act. The Board may direct that any payment(s), unless prohibited or restricted by applicable law, be paid to a responsible person in accordance with the following hierarchy:

(a) As instructed by an appropriate court;

(b) To the duly appointed and currently acting guardian or conservator of the Beneficiary;

(c) To the custodial parent of the Beneficiary;

(d) To a responsible adult with whom the Beneficiary resides;

(e) To a responsible adult who is a relative of the Beneficiary;
(f) To the court having jurisdiction over the estate of the Beneficiary; or
(g) Any other person determined by the Board to be a proper recipient for the Beneficiary.

This Payment shall be in full satisfaction of all claims. Other than in accordance with a court order to a legally appointed guardian of the Beneficiary's estate, the Board has no duty to make a payment under this Section. This board has no duty to supervise or inquire into the application of any amount(s) paid under this Section.

If at the time a distribution begins the Beneficiary is a minor and the TPA begins payment to another person under this provision, the TPA may continue all payments to the other person notwithstanding that the Beneficiary's disabilities of minority have been removed, unless the Beneficiary files a written claim according to the requirements of the Plan, and furnishes proof of eligibility to receive the distributions personally.

**9.18 Distribution to an Incompetent Participant or Beneficiary**

If a distribution is to be made to a Participant or Beneficiary that the Board finds is unable to manage property effectively for any reason including (but not limited to) mental or physical illness or other disability, chronic use of drugs, chronic intoxication, confinement, or disappearance, then any payments may be paid according to the terms of the applicable payment option. The Board may direct payments according to the following order:

(a) As instructed by an appropriate court;
(b) To the duly appointed and currently acting legal guardian of the estate of Participant or Beneficiary;
(c) To the duly appointed and currently acting attorney-in-fact under a durable power-of-attorney, if the Board finds that the power-in-fact to receive the distribution;
(d) To a responsible adult with whom the Beneficiary resides;
(e) Any other person determined by the Board to be a proper recipient for the Beneficiary; or
(f) To the court having jurisdiction over the estate of the Participant or Beneficiary.

This payment shall be in full satisfaction of all claims. The Board has no duty to supervise or inquire into the application of any amount(s) so paid. Other than in accordance with a court order or to legally appointed guardian of the Participant's or Beneficiary's estate, the Board has no duty to make a payment under this Section.

If at the time a distribution begins the Beneficiary is incompetent or incapacitated (as described above) and the TPA begins payment to another person under this provision the TPA may continue all payments to the other person notwithstanding that the Beneficiary may have become competent, unless the Participant or Beneficiary files a written claim according to the requirements of law and the Plan.

**9.19 Source and Timing of In-Service Withdrawal Funding**

An in-service withdrawal to a Participant shall be made solely from the assets of his or her own Account and shall be based on the Account values as of the date the in-service withdrawal is processed. The available assets shall be determined first by Account type and then within each Account used for funding an in-service withdrawal, amounts shall be taken by Investment Fund in direct proportion to the market value of the Participant's interest in each Investment Fund (which excludes his or her Loan Account balance) as of the date on which the in-service withdrawal is processed. The Trustee shall make payment as soon thereafter as administratively feasible.

(a) Account Sources and Funding Order: The withdrawal amount shall come pro rata based on tax status and within each tax status from the following of the Participant's fully vested Accounts:

401(a) Rollover Accounts
457 Rollover Account
403(b) Rollover Account
IRA Rollover Account
457 Deferral Contribution Account
Roth 457 Deferral Contribution Account
Designated Roth Rollover Account

(b) Permitted Frequency: There is no restriction on the number of Hardship withdrawals permitted to a Participant.

**9.20 Source and Timing of Rollover Account Withdrawals**

(a) Requirements: A Participant who is an Employee may withdraw from the Accounts listed in paragraph (b) below.

(b) Account Sources and Funding Order: The withdrawal amount shall come pro rata from a Participant's Rollover Accounts:

401(a) Rollover Accounts
457 Rollover Account
403(b) Rollover Account
IRA Rollover Account
Designated Roth Rollover Account

(c) Permitted Number: There is no restriction on the number of Rollover Account withdrawals permitted to a Participant.

(d) Suspension from Further Contribution: A Rollover Account withdrawal shall not affect a Participant's ability to make or be eligible to make further Contributions.

(e) Notwithstanding Section 9.16 of the Plan, a Direct Rollover of a distribution from a Roth Account under the Plan will only be made to another Roth elective deferral account under an applicable retirement plan described in section 402A(e)(1) of the Code or to a Roth IRA described in section 408A of the Code, and only to the extent the Direct Rollover is permitted under the rules of section 402(c) of the Code.

**9.21 Direct Rollovers from Roth Accounts to an Eligible Plan**

A direct rollover of a distribution from a Roth Account under the Plan will only be made to another Roth elective deferral account under an

applicable retirement plan described in section 402A(e)(1) of the Code or to a Roth IRA described in section 408A of the Code, and only to the extent the direct rollover is permitted under the rules of section 402(c) of the Code.

# 10. PLAN ADMINISTRATION

## 10.1 Plan Delineates Authority and Responsibility

Plan fiduciaries include the Employer, the Board, the TPA, and/or the Trustee, as applicable, whose specific duties are delineated in this Plan and its related trust. In addition, Plan fiduciaries also include any other person to whom fiduciary duties or responsibility is delegated with respect to the Plan. Any person or group may serve in more than one fiduciary capacity with respect to the Plan. To the extent described under ERISA section 405, no fiduciary shall be liable for a breach by another fiduciary without regard as to whether ERISA section 405 applies.

## 10.2 Employer is Code Section 414(g) Administrator

The Employer is the Administrator, within the meaning of Code section 414(g), which is responsible for compliance with all reporting and disclosure requirements, except those that are explicitly the responsibility of the Trustee under applicable law. The Administrator shall have any necessary authority to carry out such functions through the actions of the Administrator's, duly appointed officers of the Employer and/or any other agents it appoints.

## 10.3 Administrator Duties

The Administrator shall have the discretionary authority to construe this Plan and its related trust (other than those provisions which the Trustee has the discretionary authority to construe as described in Section 12.1) and to do all things necessary or convenient to effect the intent and purposes thereof, whether or not such powers are specifically set forth in this Plan and its related trust. Actions taken in good faith by the Administrator shall be conclusive and binding on all interested parties, and shall be given the maximum possible deference allowed by law. In addition to the duties listed elsewhere in this Plan and its related trust, the Administrator's authority shall include, but not be limited to, the discretionary authority to:

(a) promulgate policies, rules and regulations governing the operation of the Plan;

(b) determine who is eligible to participate, if a contribution qualifies as a rollover contribution, the allocation of Contributions, and the eligibility for loans, withdrawals and distributions;

(c) prepare and distribute to each Participant information explaining the Plan;

(d) furnish upon request, such annual reports related to the entire Plan as are reasonable and appropriate;

(e) determine the fact of a Participant's death and of any Beneficiary's right to receive the deceased Participant's interest based upon such proof and evidence as it deems necessary;

(f) establish and review at least annually a funding policy bearing in mind both the short-run and long-run needs and goals of the Plan and to the extent Participants may direct their own

investments, the funding policy shall focus on which Investment Funds are available for Participants to use; and

(g) adjudicate claims pursuant to the claims procedure described in Section 13.

**10.4 Agents and Advisors May be Used**

The Administrator may use such agents and advisors (including attorneys, accountants, actuaries, consultants, record keepers, investment counsel and administrative assistants) as it considers necessary to assist it in the performance of its duties.

**10.5 Delegation of Administrative Duties**

The Employer, as 414(g) administrator of the Plan, has delegated to the Board the duties of the Administrator under the Plan. The Employer shall provide the Trustee and TPA with the names and specimen signatures of any persons authorized to serve as members of the Board and act as or on its behalf. Except to the extent that the Employer otherwise provides, any delegation of duties to the Board shall carry with it the full discretionary authority of the Administrator to complete such duties.

**10.6 Membership of the Board**

The Board shall consist of seven members and each member shall be an Eligible Employee and a Participant. Four members shall be appointed by the Employer's City Manager and shall serve at the pleasure of the Employer. Three members shall be elected by the Participants and serve for terms of four years.

The Board shall adopt rules and procedures for the election by Participants of three members to the Board. Elections shall be held during May in odd-numbered years as terms expire. Such rules and procedures shall include the rules and procedures by which the Board shall fill the unexpired term of any elected member who vacates his or her position by reason of resignation, retirement, death or otherwise. The members of the Board shall serve without compensation from the Plan for such services.

**10.7 Board Operating Rules**

The Board shall adopt such operating rules, as it deems necessary, desirable or appropriate. These operating rules shall include, but are not limited to the following:

(a) Rules and Decisions: Rules and decisions of the Board shall be uniformly and consistently applied to all Participants in similar circumstances. When making a determination, the Board shall be entitled to rely upon information furnished to it by the Employer, an agent or advisor used in accordance with Section 10.4 or a Participant.

(b) Officers of the Board: The Board shall elect from among its members a chairman and a vice chairman and shall appoint a secretary, who may or may not be from among its members. The election of a chairman and a vice chairman shall be held, and the appointment of a secretary shall be made, during June in odd-numbered years, unless postponed for a period of not more than two months. A special election shall be held to fill the

unexpired term of the chairman or vice chairman, and a special appointment shall be made to fill the unexpired term of the secretary, who vacates his or her position by reason of resignation, retirement, death or otherwise.

(c) Actions of Majority: Any act delegated by the Employer to the Board may be done at a meeting in attendance by at least four members of the Board thereby constituting a quorum. The approval of four members of the Board (a majority) is necessary to carry out business at a meeting. The majority may be expressed by a vote at a meeting, and a majority action shall be equivalent to an action of all members of the Board.

(d) Meetings: The Board shall hold meetings upon such notice, place and times as it determines necessary to conduct its functions properly. The secretary shall keep a record of all meetings and forward all necessary communications to the Employer or any agent or advisor used in accordance with Section 10.4.

(e) Authority to Direct Trustee and TPA: The Board may authorize one or more of its members to execute documents on its behalf and may authorize one or more of its members or other individuals who are not members to give written direction to the Trustee and TPA in the performance of its duties. The Board shall provide such authorization in writing to the Trustee and TPA with the names and specimen signatures of any persons authorized to act on its behalf.

## 10.8 Reliance by Trustee and TPA

The Trustee and TPA shall accept direction from any person authorized by the Board in writing to provide direction to the Trustee and TPA. The Trustee and TPA shall act and rely upon direction from any such person until notified in writing that the Board has revoked the authorization to give such direction. The Trustee and TPA shall not be deemed to be on notice of any change in the membership of the Board, parties authorized to direct the Trustee and TPA in the performance of its duties, or the duties delegated to and by the Board until notified in writing.

## 10.9 Contracting With Vendors

The Board will comply with the Charter of the City of Dallas, Texas, and Administrative Directive 4-5 in selecting vendors and upon selection recommending contracts to be approved by the City Council, executed by the City Manager, and approved as to form by the City Attorney.

# 11. MANAGEMENT OF INVESTMENTS

## 11.1 Trust Agreement

All Plan assets shall be held by the Trustee in trust, in accordance with those provisions of this Plan and its related trust which relate to the Trustee, for use in providing Plan benefits and paying Plan fees and expenses not paid directly by the Employer. Plan benefits shall be drawn solely from the Trust and paid by the Trustee as directed by the Administrator. Notwithstanding, the Administrator may appoint, with the approval of the Trustee, another trustee to hold and administer Plan assets which do not meet the requirements of Section 11.2.

## 11.2 Investment Funds

The Administrator is hereby granted authority to direct the Trustee to invest Trust assets in one or more Investment Funds. The number and composition of Investment Funds may be changed from time to time, without the necessity of amending this Plan and its related trust. Each of the Investment Funds may be comprised of any of the following:

(a) shares of a registered investment company, whether or not the Trustee or any of its affiliates is an advisor to, or other service provider to, such company; and

(b) any other investment that is not in violation of any applicable law and that the Trustee, with reasonable effort, is able to administer, which determination shall be made by the Administrator and the Trustee in advance of any such investment. Any Investment Fund assets invested in a collective investment fund shall be subject to all the provisions of the instruments establishing and governing such fund. These instruments, including any subsequent amendments, are incorporated herein by reference.

## 11.3 Authority to Hold Cash

The Trustee shall have the authority to cause the investment manager of each Investment Fund to maintain sufficient deposit or money market type assets in each Investment Fund to handle the Fund's liquidity and disbursement needs.

## 11.4 Trustee to Act Upon Instructions

The Trustee shall carry out instructions to invest assets in the Investment Funds as soon as practicable after such instructions are received from the Administrator, Participants or Beneficiaries. Such instructions shall remain in effect until changed by the Administrator, Participants or Beneficiaries.

## 11.5 Right to Vote Registered Investment Company Shares

The Administrator shall determine whether it or Participants are entitled to vote proxies or exercise any shareholder rights relating to shares held on behalf of the Plan in a registered investment company or investment fund.

### 11.6 Self-Directed Brokerage

The Administrator may, with the consent of the Trustee (which consent shall not be unreasonably withheld), establish a Self-Directed Brokerage which is a service that allows Participants to invest in securities other than Investment Funds. Participants may avail themselves of this service by making application and transferring funds from an Investment Fund to a Self-Directed Brokerage account. Participants' utilization of the Self-Directed Brokerage service and account is subject to policies, parameters and administrative procedures as established and agreed upon from time to time by the Administrator, Trustee, and TPA.

### 11.7 Authority to Segregate Assets

The Administrator may direct the Trustee to split an Investment Fund into two or more funds in the event any assets in the Fund are illiquid or the value is not readily determinable. In the event of such segregation, the Administrator shall give instructions to the Trustee on what value to use for the split-off assets and may use agents and advisors (which may include the Trustee) to assist it in determining such value.

# 12. TRUST ADMINISTRATION

## 12.1 Trustee to Construe Trust

The Trustee shall have the discretionary authority to (1) construe only those provisions of this Plan and its related trust that relate primarily to the management and control of the Trust assets (except to the extent the provision relates to a matter expressly reserved to the Administrator) and (2) do all things necessary or convenient to the administration of the Trust, thereto, whether or not such powers are specifically set forth in this Plan and its related trust. Actions taken in good faith by the Trustee shall be conclusive and binding on all interested parties, and shall be given the maximum possible deference allowed by law.

## 12.2 Trustee To Act As Owner of Trust Assets

Subject to its fiduciary duties and the specific conditions and limitations set forth in this Plan and its related trust, the Trustee shall have all the power, authority, rights and privileges of an absolute owner of the Trust assets and, not in limitation but in amplification of the foregoing, may:

(a) receive, hold, manage, invest and reinvest, sell, tender, exchange, dispose of, encumber, hypothecate, pledge, mortgage, lease, grant options respecting, repair, alter, insure, or distribute any and all property in the Trust;

(b) borrow money, participate in reorganizations, pay calls and assessments, vote or execute proxies, exercise subscription or conversion privileges, exercise options and register any securities in the Trust in the name of the nominee, in federal book entry form or in any other form as shall permit title thereto to pass by delivery;

(c) renew, extend the due date, compromise, arbitrate, adjust, settle, enforce or foreclose, by judicial proceedings or otherwise, or defend against the same, any obligations or claims in favor of or against the Trust; and

(d) lend, through a collective investment fund, any securities held in such collective investment fund to brokers, dealers or other borrowers and to permit such securities to be transferred into the name and custody and be voted by the borrower or others.

## 12.3 United States Indicia of Ownership

The Trustee shall not maintain the indicia of ownership of any Trust assets outside the jurisdiction of the United States, except as would be authorized by ERISA section 404(b).

## 12.4 Tax Withholding and Payment

(a) Withholding: The Trustee shall calculate and withhold federal (and, if applicable, state) income taxes with regard to any Eligible Rollover Distribution that is not paid as a Direct Rollover in accordance with the Participant's withholding election or as required by law if no election is made or the election is less than the amount required by law. With regard to any taxable distribution that is not an Eligible Rollover Distribution, the Trustee shall

calculate and withhold federal (and, if applicable, state) income taxes in accordance with the Participant's withholding election or as required by law if no election is made.

(b) Taxes Due From Investment Funds: The Trustee shall pay from the Investment Fund any taxes or assessments imposed by any taxing or governmental authority on such Fund or its income, including related interest and penalties.

**12.5 Trust Accounting**

(a) Annual Report: Within 60 days (or other reasonable period acceptable to the Administrator) following the close of the Plan Year, the Trustee shall provide the Administrator with a certified annual accounting of Trust assets.

(b) Periodic Reports: The Trustee shall maintain records and provide sufficient reporting to allow the Administrator to properly monitor the Trust's assets and activity.

**12.6 Valuation of Certain Assets**

If the Trustee determines the Trust holds any asset which is not readily tradable and listed on a national securities exchange registered under the Securities Exchange Act of 1934, as amended, the Trustee may engage a qualified independent appraiser to determine the fair market value of such property, and the appraisal fees shall be paid from the Investment Fund containing the asset.

**12.7 Legal Counsel**

The Trustee may consult with legal counsel of its choice, including counsel for the Employer or counsel of the Trustee, upon any question or matter arising under this Plan and its related trust. When relied upon by the Trustee, the opinion of such counsel shall be evidence that the Trustee has acted in good faith.

**12.8 Fees and Expenses**

The Trustee's fees for its services as Trustee shall be such as may be mutually agreed upon by the Administrator and the Trustee. Trustee fees and all reasonable expenses of counsel and advisors retained by the Trustee shall be paid in accordance with Section 5. The Trustee shall advise the Administrator in advance of retaining any counsel or advisors if the Trustee expects to assess any part of the expenses of such counsel or advisors as additional charges against the Trust.

**12.9 Trustee Duties and Limitations**

The Trustee's duties, unless otherwise agreed to by the Trustee, shall be confined to construing the terms of the Plan and its related trust to the extent described in Section 12.1, receiving funds on behalf of and making payments from the Trust, safeguarding and valuing Trust assets, investing and reinvesting Trust assets in the Investment Funds as directed by the Administrator, Participants or Beneficiaries and those duties as described in this Section 12.

The Trustee shall discharge its duties in accordance with this Plan and its related trust to the extent they are consistent with ERISA, to the extent ERISA applies, and shall use that degree of care, skill, prudence and diligence that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

The Trustee shall have no duty or authority to ascertain whether Contributions are in compliance with the Plan, to enforce collection or to compute or verify the accuracy or adequacy of any amount to be paid to it by the Employer or whether any disbursement made at the direction of the Administrator is in compliance with the Plan, provided that the Trustee has no reason to believe that any such disbursement is not in compliance with the Plan.

# 13. RIGHTS, PROTECTION, CONSTRUCTION AND JURISDICTION

## 13.1 Plan Does Not Affect Employment Rights

The Plan does not provide any employment rights to any Employee. The Employer expressly reserves the right to discharge an Employee at any time, with or without cause, without regard to the effect such discharge would have upon the Employee's interest in the Plan.

## 13.2 Limited Return of Contributions

Except as provided in this paragraph, (1) Plan assets shall not revert to the Employer nor be diverted for any purpose other than the exclusive benefit of Participants or their Beneficiaries; and (2) a Participant's vested interest shall not be subject to divestment. The actual amount of a Contribution made by the Employer (or the current value of the Contribution if a net loss has occurred) may revert to the Employer if such Contribution is made by reason of a mistake of fact.

The reversion to the Employer must be made (if at all) within one year of the mistaken payment of the Contribution or the date of denial of qualification, as the case may be. A Participant shall have no rights under the Plan with respect to any such reversion.

## 13.3 Assignment and Alienation

To the extent not otherwise required by law, no benefit provided by the Plan may be anticipated, assigned or alienated, except: to create, assign or recognize a right to any benefit with respect to a Participant pursuant to a QDRO, or to use a Participant's vested Account balance as security for a loan from the Plan which is permitted pursuant to Code section 4975.

## 13.4 Facility of Payment

If a Plan benefit is due to be paid to a minor or if the Administrator reasonably believes that any payee is legally incapable of giving a valid receipt and discharge for any payment due him or her, the Administrator shall have the payment of the benefit, or any part thereof, made to the person (or persons or institution) whom it reasonably believes is caring for or supporting the payee, unless it has received due notice of claim from a duly appointed guardian or conservator of the payee. Any payment shall, to the extent thereof, be a complete discharge of any liability under the Plan to the payee.

## 13.5 Reallocation of Lost Participant's Accounts

If the Administrator cannot locate a person entitled to payment of a Plan benefit after a reasonable search, the Administrator shall set aside the amount to be distributed in an account where it shall be held temporarily until it can be distributed.

## 13.6 Claims Procedure

The Board may appoint a committee to make all determinations as to the right of any interested party to a benefit under the Plan. Any denial by the committee of the claim for benefits under the Plan by an interested party shall be stated in writing and delivered or mailed to the interested party. The written notice of denial shall set forth the specific reasons for the denial. The committee shall provide a reasonable opportunity to an interested party whose claim for benefits has been denied for a review of the decision. The interested party may then make a written appeal of the committee's decision to the Board. The Board' decision shall be final.

## 13.7 Construction

Headings are included for reading convenience. The text shall control if any ambiguity or inconsistency exists between the headings and the text. The singular and plural shall be interchanged wherever appropriate. References to Participant shall include Beneficiary when appropriate and even if not otherwise already expressly stated.

## 13.8 Jurisdiction and Severability

The Plan and its related trust shall be construed, regulated and administered under applicable federal laws and, where not otherwise preempted, by the laws of the State of Texas. Venue for any action arising from this Plan and its related trust, including but not limited to matters concerning validity, construction, performance or enforcement, shall lie exclusively in the State or Federal courts located in Dallas, Dallas County, Texas. If any provision of this Plan and its related trust shall become invalid or unenforceable, that fact shall not affect the validity or enforceability of any other provision of this Plan and its related trust. All provisions of this Plan and its related trust shall be so construed as to render them valid and enforceable in accordance with their intent.

# 14. AMENDMENT, MERGERS AND TERMINATION

## 14.1 Amendment

The Employer reserves the right to amend this Plan and its related trust at any time, to any extent and in any manner it may deem necessary or appropriate. The Board, acting as the Administrator in accordance with Section 10.5, shall have the authority to adopt Plan and its related trust amendments and forward such amendments to the City Manager for final approval which do not (1) affect the number, appointment and election of its members, (2) affect the Employer's right to terminate the Plan, (3) require the Employer to make Employer Matching Contributions, (4) change the vesting schedule, (5) require the Employer to pay Plan fees and expenses or (6) provide employment rights under the Plan to an Employee. All interested parties shall be bound by any amendment, provided that no amendment shall:

(a) except to the extent permissible under the Code, make it possible for any portion of the Trust assets to revert to an Employer or to be used for, or diverted to, any purpose other than for the exclusive benefit of Participants and Beneficiaries entitled to Plan benefits and to defray reasonable expenses of administering the Plan; or

(b) permit an Employee to be paid the balance of his or her 457 Deferral Contribution Account unless the payment would otherwise be permitted under Code section 457.

The Trustee shall be provided a copy of any amendment and no amendment affecting the duties of the Trustee in its capacity as Trustee, or in any other capacity, shall become effective until it is accepted and signed by the Trustee (which acceptance and signature shall not unreasonably be withheld).

## 14.2 Merger

This Plan and its related trust may not be merged or consolidated with, nor may its assets or liabilities be transferred to, another plan and trust unless: each Participant and Beneficiary would, if the resulting plan were then terminated, receive a benefit just after the merger, consolidation or transfer which is at least equal to the benefit which would be received if either plan had terminated just before such event; and such other plan and trust are eligible under Code section 457.

## 14.3 Plan Termination

The Employer may, at any time and for any reason, terminate the Plan or completely discontinue contributions. If no successor plan is established or maintained, lump sum distributions shall be made in accordance with the terms of the Plan as in effect at the time of the Plan's termination or as thereafter amended provided that a post-termination amendment shall not be effective to the extent that it violates Section 14.1. The Trustee's and Employer's authority shall continue beyond the Plan's termination date until all trust assets have been liquidated and distributed.

## 14.4 Resignation or Removal of the Trustee

The Trustee may resign as Trustee under this Plan and its related trust or may be removed by the Administrator in accordance with the timing and procedure set forth in the Service Agreement.

## 14.5 Final Settlement and Accounting of Trustee

(a) Final Settlement: As soon as administratively feasible after its resignation or removal as trustee, the Trustee shall transfer to the successor trustee all property currently held by the Trust. However, the Trustee is authorized to reserve such sum of money as it may reasonably deem advisable for payment of its accounts and expenses in connection with the settlement of its accounts or other fees or expenses payable by the Trust. Any balance remaining after payment of such fees and expenses shall be paid to the successor trustee as soon as administratively feasible thereafter.

(b) Final Accounting: The Trustee shall provide a certified final accounting of Trust assets to the Administrator within 90 days of the date Trust assets are transferred to the successor trustee.

(c) Administrator Approval: Approval of the certified final accounting of Trust assets shall automatically occur 90 days after such accounting has been received by the Administrator, unless the Administrator files a written objection with the Trustee within such time period. Such approval shall be final as to all matters and transactions stated or shown therein and binding upon the Administrator.

# APPENDIX A – INVESTMENT FUNDS

Investment Funds Available

As of the Effective Date, the Investment Funds, all of which are daily valued, offered by the Plan are:

American Beacon Small Cap Value-Institutional Class
American Century Ultra® – Institutional Class
Ariel Appreciation --Institutional Class
Eagle Mid Cap Growth – Class R6
Fidelity® 500 Index – Institutional Class
Fidelity® Balanced – Class K
Fidelity® Blue Chip Growth – Class K
Fidelity® Capital Appreciation – Class K
Fidelity® Contrafund® - Class K
Fidelity® Diversified International – Class K
Fidelity® Equity-Income – Class K
Fidelity® Extended Market Index – Premium Class
Fidelity Freedom K® Income
Fidelity Freedom K® 2005
Fidelity Freedom K® 2010
Fidelity Freedom K® 2015
Fidelity Freedom K® 2020
Fidelity Freedom K® 2025
Fidelity Freedom K® 2030
Fidelity Freedom K® 2035
Fidelity Freedom K® 2040
Fidelity Freedom K® 2045
Fidelity Freedom K® 2050
Fidelity Freedom K® 2055
Fidelity Freedom K® 2060
Fidelity® International Index – Premium Class
Fidelity® Low-Priced Stock –Class K
Fidelity® U.S. Bond Index – Premium Class
Invesco Diversified Dividend - Class R6
Managed Income Portfolio II – Class 2
Morgan Stanley Institutional Emerging Markets Portfolio - Class IS
Oakmark Select – Investor Class
PIMCO High Yield – Institutional Class
PIMCO Total Return – Institutional Class
Templeton World Fund – Class R6
Victory RS Small Cap Growth – Class Y

II. Default Investment Funds

As of the Effective Date, there are thirteen Default Investment Funds. The specific Default Investment Fund to which a Participant's Contributions will be directed is determined by his/her birth date as follows:

| **Participant Date of Birth** | **Default Investment Fund** |
|---|---|
| 1/1/1900 -- 12/31/1937 | Fidelity Freedom K® Income |
| 1/1/1938 -- 12/31/1942 | Fidelity Freedom K® 2005 |
| 1/1/1943 -- 12/31/1947 | Fidelity Freedom K® 2010 |
| 1/1/1948 -- 12/31/1952 | Fidelity Freedom K® 2015 |
| 1/1/1953 -- 12/31/1957 | Fidelity Freedom K® 2020 |
| 1/1/1958 -- 12/31/1962 | Fidelity Freedom K® 2025 |
| 1/1/1963 -- 12/31/1967 | Fidelity Freedom K® 2030 |
| 1/1/1968 -- 12/31/1972 | Fidelity Freedom K® 2035 |
| 1/1/1973 -- 12/31/1977 | Fidelity Freedom K® 2040 |
| 1/1/1978 -- 12/31/1982 | Fidelity Freedom K® 2045 |
| 1/1/1983 -- 12/31/1987 | Fidelity Freedom K® 2050 |
| 1/1/1988 -- 12/31/1992 | Fidelity Freedom K® 2055 |
| 1/1/1993 and later | Fidelity Freedom K® 2060 |

## APPENDIX B – LOAN INTEREST RATE

As of the Effective Date, the interest rate charged on Participant loans shall be equal to the Prime Rate as published in the Wall Street Journal plus one percent (1%).
As of the Effective Date, the rate is set on the first business day of each month and applies to all loans made during the month.

**AGENDA ITEM # 16**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 1

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 44 U V Y Z 45 W 54 C D F G H 55 A

## SUBJECT

A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Three (Oak Cliff Gateway TIF District), submitted by the Oak Cliff Gateway TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

## BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as to the State Comptroller. The City Council approved Ordinance No. 21466 on November 11, 1992, establishing Tax Increment Financing Reinvestment Zone Number Three, (Oak Cliff Gateway TIF District), as amended. On February 12, 1997, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 23724, as amended.

The Oak Cliff Gateway TIF District’s assessed 2016 tax value was $369,126,559, an increase of $223,886,857 (154%) over the adjusted base year values (1992 and 2014) and an increase of $27,790,216 (8%) over the previous year’s (2015) final total assessed value.

With the participation of the City and Dallas County, this increase will result in the collection of approximately $1,854,651 total in incremental revenue for the Oak Cliff Gateway TIF District for the 2016 tax year.

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

On November 11, 1992, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Three, the Oak Cliff Gateway TIF District, by Ordinance No. 21466, as amended.

On February 12, 1997, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Oak Cliff Gateway TIF District by Ordinance No. 23724, as amended.

On December 13, 2016, the Oak Cliff Gateway TIF District Board of Directors recommended that the FY 2016 Annual Report be accepted and approved.

Information about this item was provided to the Economic Development Committee on February 6, 2017.

## FISCAL INFORMATION

No cost consideration to the City

February 22, 2017

**WHEREAS,** the City recognizes the importance of its role in local economic development initiatives and programs; and

**WHEREAS,** the City has established Tax Increment Financing Reinvestment Zone Number Three (Oak Cliff Gateway TIF District) and established a Board of Directors for the District to promote development or redevelopment in the Oak Cliff Gateway area pursuant to Ordinance No. 21466, authorized by the City Council on November 11, 1992, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code as amended; and

**WHEREAS,** on February 12, 1997, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Oak Cliff Gateway TIF District by Ordinance No. 23724, as amended; and

**WHEREAS,** the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

**WHEREAS,** on December 13, 2016, the Oak Cliff Gateway TIF District Board of Directors passed a motion accepting the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Three and recommending approval of same by the City Council.

**NOW, THEREFORE,**

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

**Section 1.** That the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Three (Oak Cliff Gateway TIF District), City of Dallas, Texas, as of September 30, 2016, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

**Section 2.** That the City Manager is hereby authorized to submit the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Three to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and the State Comptroller, as required by state law.

**Section 3.** 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.

Exhibit A

# Oak Cliff Gateway TIF District
# FY 2016
# Annual Report




**City of Dallas**
Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 670-1685
http://www.dallas-ecodev.org

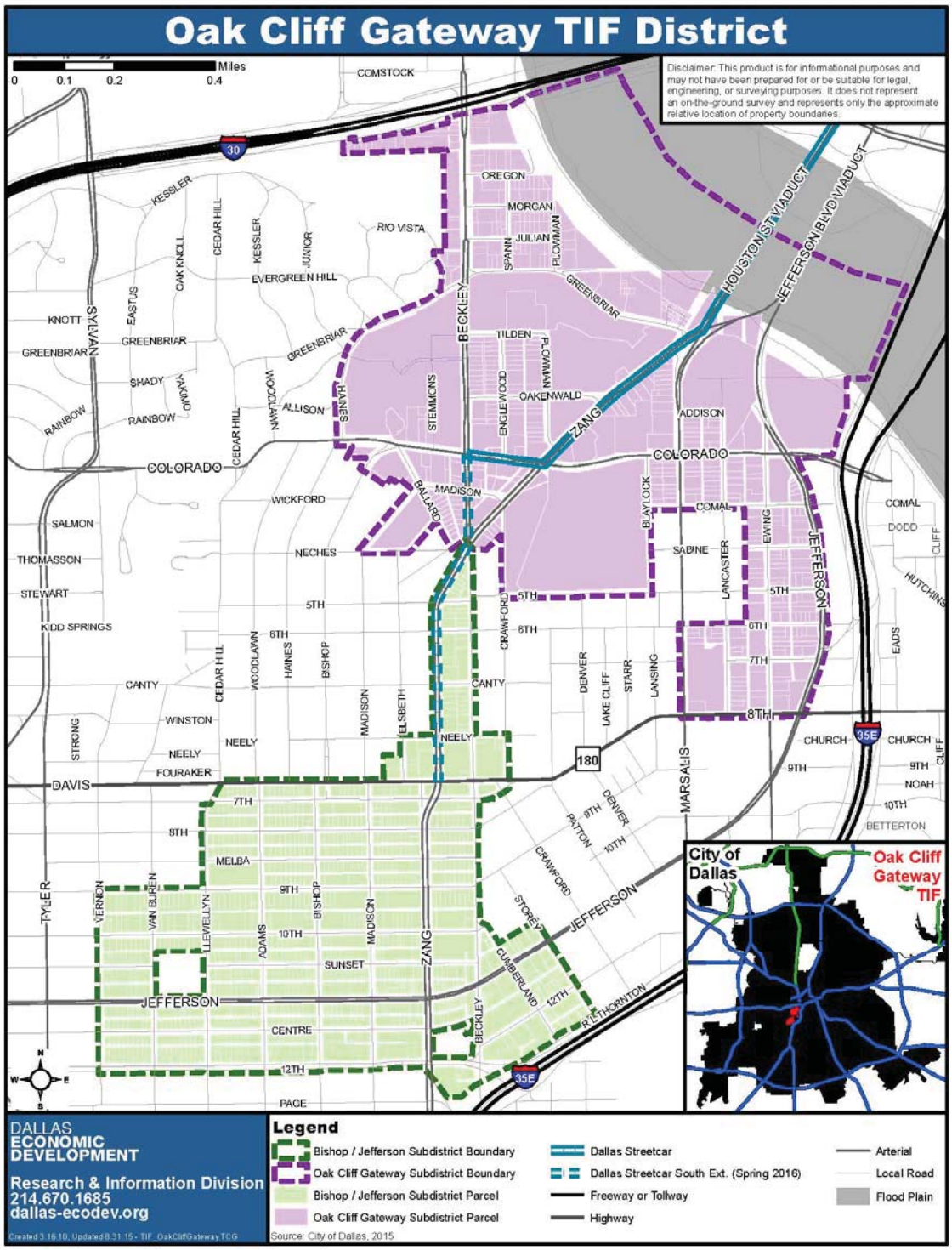
## October 1, 2015 to September 30, 2016

# Table of Contents

Mission Statement ..... 4
District Accomplishments ..... 4
Value and Increment Revenue Summary ..... 9
Objectives, Programs, and Success Indicators ..... 10
FY 2017 Work Program ..... 17
Pending TIF Items ..... 17

*Front cover shows the Bishop Arts streetcar stop on the opening day August 27, 2016.*

# Reinvestment Zone Number Three
# Oak Cliff Gateway Tax Increment Financing District



# Mission Statement

The mission of Oak Cliff Gateway Tax Increment Financing District is the promotion of the redevelopment, growth and stabilization of the area. Accompanying goals are (1) growth of the value of the area's tax base through the promotion of residential and retail development and a positive reversal of urban decay through the placement of critical infrastructure improvements; (2) implementation of the pertinent recommendations of the Urban Land Institute (ULI) Study on the tracts of land composing the northern and northwestern portions of the district, and (3) establishment of direct linkages with the Trinity River Corridor and the capitalization of that effort toward growth and increased tax base value in the district.

The district was created by City Council Ordinance Number 21466, November 11, 1992. The district was created for a period of twenty years with an expiration date of December 31, 2012. On February 12, 1997, the City Council, by Ordinance Number 23033, approved the project Plan and Reinvestment Zone Financing Plan.

In 1998, the district was amended to remove two properties and in 2005 the Plan was amended to modify the budget to allow for environmental remediation and façade improvements and to allow for the sale of TIF bonds.

The Plan and the district were further amended in 2009 to extend the term of the district for an additional ten years. This amendment increased the budget from, returned two previously removed properties back into the district, created a TIF grant program, and decreased the participation rate of the taxing jurisdictions for the extension period.

In 2014, an expansion of the TIF district and plan amendment was approved to create two subdistricts within the Oak Cliff Gateway TIF District: (a) Oak Cliff Gateway Sub-District (original district boundary) and (b) the Bishop/Jefferson Sub-district (an expansion area of approximately 193 acres to accommodate future development planned in the Bishop Arts and Jefferson Corridor area). The term of the Oak Cliff Gateway Sub-district was further extended by five years to December 31, 2027 and the termination date for the Bishop/Jefferson Sub-district was established as December 31, 2044.

In August 2015, an additional boundary amendment was approved to add approximately 4.9 acres of currently vacant and under-utilized land to the Oak Cliff Gateway Sub-District for the development of the Oxygen project.

# District Accomplishments

During FY 2016, a development agreement was approved for the Bishop Arts Station project, a mixed-use development that will anchor the recently opened station along the extended Dallas Streetcar line. A public plaza adjacent to the streetcar stop is also being incorporated into the project.

An amendment to the existing agreement for the Bishop Art Phase I project was approved to add $25,000 to share in the cost of a parking study for the Bishop Arts district and the TIF Board approved modifications to the development mix for the project.

During FY 2016, staff also had discussions with other development groups. The Oxygen project, previously approved for TIF incentives in 2015 has been on hold, and staff is currently reviewing the potential to negotiate a revised agreement.

The streetscape project for Beckley Avenue and Colorado Avenue is anticipated to begin construction in early 2017. This project will provide wide sidewalks, street trees, pedestrian lighting, and crosswalks for Colorado Boulevard from Zang Boulevard to Ballard Avenue, on Zang Boulevard from Colorado Boulevard to Beckley Avenue, and on Beckley Avenue from Zang Boulevard to Colorado Avenue. In addition, select sidewalk areas on Beckley Avenue north of Colorado Boulevard to Greenbriar Lane will be repaired. It is funded through a combination of 2006 general obligation bond funds and a Sustainable Development grant from the North Central Texas Council of Governments.

Construction on the first phase of the Oak Cliff Streetcar began in the summer of 2012 and completed in late 2014. The initial segment operated from Union Station, across the Houston Street Viaduct, along Zang Boulevard and Colorado Boulevard, to Beckley Avenue. In August 2016, Phase II of the streetcar opened, from Methodist Regional Medical Center to Bishop Arts at Davis Street/Zang Boulevard.





Mayor Mike Rawlings (left) and Councilmember Scott Griggs (right) address the crowd at the grand opening of the southern extension of the Dallas Streetcar to Bishop Arts.



The first riders to enjoy the streetcar extension to Bishop Arts on opening day August 27, 2016

| Oak Cliff Gateway TIF District Projects[1] | | | | | | |
|---|---|---|---|---|---|---|
| **Projects Within TIF District Utilizing TIF Funding** | | | | | | |
| **Project** | **Location** | **Calendar Year Complete** | **Status** | **Units/ SF[2]** | **Approx. Value[3]** | **TIF Investment[4]** |
| Walgreens | 1306 North Beckley Avenue | 1999 | Complete | 13,833 SF retail | $1,415,120 | $34,811 |
| Oak Cliff TIF Infrastructure Project | Greenbriar Lane (Beckley to Zang) | 2004 | Complete | N/A | N/A | $2,251,207 |
| Lake Cliff Tower Residential | 329 East Colorado Boulevard | 2006 | Complete | 54 units | $8,312,280 | $4,299,742 |
| Grand Bank Lake Cliff Tower | 1300 North Zang Boulevard | 2008 | Complete | 6,822 SF commercial | $2,030,000 | $0[(8)] |
| Bishop Colorado Retail Plaza | 1222 North Bishop Avenue | 2009 | Complete | 15,720 SF retail | $4,154,760 | $350,000 |
| Zang Triangle[10] | 390 E. Oakenwald | 2012 | Complete | 256 units 3,000 flex | $29,894,000 | $7,250,000 |
| Oaks Trinity (*formerly Alexan Trinity*)[10] | 323-333 E. Greenbriar Lane | 2014 | Complete | 167 units | $18,000,000 | $4,000,000 |
| Bishop Arts Ph I[10] | Blocks at Bishop Ave./Melba St./Madison St./9th St. | 2017-2018 | Site work underway | 140 units; 30,000 sf retail; 20,000 art garden | $21,980,000 | $5,000,000[(7)] |
| Bishop Arts Station[10] | SW & NW corners of Davis Street & Zang Boulevard | 2018 | Site work underway | 216 units; 27,302 sf retail | $26, 617,000 | $11,250,000 |
| Oxygen[10] | N. Beckley Ave. at Turnpike Ave. | 2019 | Amendment TBD | 250 units | $26,324,419 | TBD |
| | | | **Subtotal** | 1,083 units 116,677 SF retail/flex/ commercial | **$138,727,579** | **$34,435,760** |

| Projects Within TIF District Not Utilizing TIF Funding[5] | | | | | | |
|---|---|---|---|---|---|---|
| **Project** | **Location** | **Calendar Year Complete** | **Status** | **Units/ SF** | **Approx. Value[3]** | **TIF Investment** |
| The Catering Company | 1407 North Zang Boulevard | 1998 | Complete | 3,614 SF retail | $364,000 | $0 |
| K-Clinic Rehab Clinic | 214 W. Colorado Boulevard | 1998 | Complete | 6,876 SF medical office | $477,500 | $0 |
| Oak Cliff Academy, Inc. | 808 N. Ewing Avenue | 2000 | Complete | 32,500 SF school | $4,966,000 | $0 |
| Oak Farms Dairy Expansion | 1114 North Lancaster | 2000 | Complete | 60,000 SF industrial | $2,196,890 | $0 |
| Options Real Estate Holdings | 1322 North Beckley Avenue | 2002 | Complete | 2,756 SF office | $200,000 | $0 |
| Grand Peaks at Kessler Park | 1520 North Beckley Avenue | 2002 | Complete | 338 units | $35,490,000 | $0 |
| John Barr & Associates Expansion | 203 E. Colorado Boulevard | 2003 | Complete | 19,449 SF office | $600,000 | $0 |
| Grand Peaks at Founders Park | 1401 North Zang Boulevard | 2004 | Complete | 336 units | $32,137,000 | $0 |
| Beckley Properties | 1101- 1121 North Beckley Avenue | 2007 | Complete | 15,282 SF retail/ commercial | $666,040 | $0 |
| City Credit Union | 126 E. Colorado Boulevard | 2008 | Complete | 3,000 SF commercial | $884,750 | $0 |
| Trinity Town Homes | 439, 443 East Greenbriar Lane and 401-446 E Trinity River Circle | 2007 | Complete | 23 town home units | $6,530,553 | $0 |
| Trinity Town Homes II | 381 East Greenbriar Lane | TBD | 7 Units Completed 53 planned | 60 town home units | $20,000,000 | $0 |
| Methodist Medical Hospital – Pavilion III | 1441 N. Beckley Avenue | 2008 | Complete | 109,774 SF medical office | $10,230,610 | $0 |
| Methodist Medical Hospital - Sammons Trauma & Critical Care Tower | 1441 N. Beckley Avenue | 2014 | Complete | 248,000 SF emergency and trauma care center | $106,766,634[9] | $0 |
| Baylor Institute for Rehabilitation | 222 E Colorado Boulevard | 2014 | Complete | 2,564 sf rehabilitation clinic | $388,740 | $0 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Papa John's Pizza | 1127 N Beckley | 2014 | Complete | 1,200 sf restaurant | $352,790 | $0 |
| Jefferson Tower redevelopment (activation of 1st & 2nd Floors) | 301, 351, 375 W. Jefferson Blvd. | 2014-15 | Complete | 17 live/work lofts; 15,869 sf upgraded retail | Added value $1,198,730 | $0[7] |
| Crescent Bishop Arts Phase I | NE corner of Beckley Avenue & Zang Boulevard | 2019 | Planned | 302 units; 24,000 sf retail | $37,000,000 | $0 |
| | | | **Subtotal** | 1,076 units<br>544,884 SF commercial | **$260,450,237** | **$0** |
| **Total - All Projects Utilizing and Not Utilizing TIF Funding** | | | | | | |
| | | | **Total** | 2,159 units<br>661,561 SF commercial | **$399,177,816** | **$34,435,760** |

*[1] All information updated as of September 30, 2016.*
*[2] Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage.*
*[3] Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF district for redevelopment projects once pre-existing value, the demolition of structures and/or any exemption value is netted out.*
*[4] Principal amount not to be exceeded per the development agreement for projects not yet closed out. TBD indicates that development agreement has not yet been adopted. Asterisk indicates investment also includes interest not shown.*
*[5] Selected significant projects included.*
*[6] Tax-exempt property.*
*[7] Includes other incentives not shown. Contact City of Dallas Office of Economic Development for more information.*
*[8] Infrastructure funded as a part of the $4.1 million for Lake Cliff Tower.*
*[9] Non-taxable value; includes $75M for construction and $30M for equipment and finish-out.*
*[10] Per the TIF program mixed-income housing requirement, the project is providing (or will set-aside) at least 20% of units as affordable.*

**Projects Adjacent to the Oak Cliff Gateway TIF District**

| Project | Location | Calendar Year Complete | Status | Units/ SF | Approx. Value | TIF Investment |
|---|---|---|---|---|---|---|
| Dallas Orthopedic Surgery Associates | 810 North Zang Boulevard | 2006 | Complete | 18,000 SF medical office | $1,375,000 | $0 |
| Perry Homes | 1130-1148 and 1203-1215 North Bishop Avenue | 2006 | Complete | 15 town home units | $3,966,090 | $0 |
| Lake Cliff Medical, L.P. | 815 North Beckley Avenue | 2007 | Complete | 7,500 SF medical office | $1,145,380 | $0 |
| Magnolia at Zang | 901 N. Zang Boulevard | 2017 | Under construction | 55 units; 5,500 sf restaurant/ office | $7,137,281 | $0 |
| | | | **Total** | 70 units<br>25,500 SF medical | **$13,623,751** | **$0** |

| | | | |
|---|---|---|---|
| | office; 5,500 SF retail | | |

| Infrastructure Projects in the Oak Cliff Gateway TIF District Using Other Sources of Funding | | | | | | |
|---|---|---|---|---|---|---|
| **Project** | **Location** | **Calendar Year Complete** | **Status** | **Project Description** | **Source of Funds** | **Amount** |
| Colorado Boulevard | I-35 to Blaylock Street | 2002 | Complete | Streetscape: Paving, Lighting, Trees and Irrigation | 1995 Bond Funds | $500,000 |
| Streetscape | Streets around Methodist Hospital | 2018 | NCTCOG issued notice to proceed. Construction to begin early 2017 | Streetscape: Paving, Lighting, Trees and Irrigation | 2006 Bond Funds | $1,600,000 |
| | | | | | NCTCOG Sustainable Devel. Grant | $1,750,000 |
| Oak Cliff Streetcar Phase I | Union Station to Methodist Regional Medical Center | 2014 | Complete | Route runs from Union Station, across Houston St Viaduct, along Zang Boulevard and Colorado Boulevard, to Beckley Avenue | TIGER I Grant | $26,000,000 |
| | | | | | RTR Local Funds | $13,600,000 |
| | | | | | DART Love Field | $9,000,000 |
| Oak Cliff Streetcar Phase II | Methodist Regional Medical Center to Bishop Arts | 2016 | Construction to begin fall 2015 with substantial completion estimated summer 2016 | Route runs from Methodist Regional Medical Center, south on Beckley Avenue, then south on Zang Boulevard to Davis | Texas Mobility Funds | $15,000,000 |
| | | | | | **Total** | **$67,450,000** |

# Value and Increment Revenue Summary

The TIF district's assessed 2016 tax value was $233,531,941 for the Oak Cliff Gateway Sub-district (original boundary area). This represents an increase of $193,434,318 or 482% over the base year value and an increase of 4% over last year's final value. The district was expanded in 2014 to include a new Bishop Arts/Jefferson Sub-district with an assessed 2016 tax value of $135,594,618, an increase of $30,452,539 or 29%. The combined 2016 taxable value for the entire district is approximately $369,126,559 a 154% increase over the adjusted base taxable value. This increase includes the construction of Zang Triangle, Alexan Trinity, the Jefferson Tower redevelopment and property value increases on several other properties throughout the district.

With the participation of the City and Dallas County, this increase will result in the collection of approximately $1,854,651 total in incremental revenue for the district for the 2016 tax year.

## Objectives, Programs, and Success Indicators

The Oak Cliff Gateway TIF District was established by Ordinance Number 21466 on November 11, 1992. The Oak Cliff Gateway TIF District expiration date was set as December 31, 2012, but the district has been extended for an additional 10 years to December 31, 2022. The TIF Project Plan and Reinvestment Zone Financing Plan was originally approved by Ordinance Number 23033 on February 12, 1997. The most recent TIF Project Plan and Reinvestment Zone Financing Plan amendment included revised development goals, listed below, for the district:

The following specific objectives and development program set the framework for the planned public improvements within the Oak Cliff Gateway TIF District and, in italics, specific actions addressing these objectives:

- Improve the infrastructure within and adjacent to the district to promote investment.

  *Street reconstruction projects on Beckley Avenue, Zang Boulevard, Greenbriar Lane, Tilden Street, Jefferson Boulevard and Colorado Boulevard (Blaylock Street to I-35) are completed. Median improvements and streetscape were completed in FY 2009 along both sides of Zang Boulevard from Colorado Boulevard to Oakenwald and on Colorado Boulevard itself as a part of the Lake Cliff Tower development. More infrastructure and streetscape improvements were completed in 2009 in association with the Bishop Colorado Retail Plaza project at 1222 North Bishop Avenue. Streetscape improvements along Zang Boulevard, adjacent to the Zang Triangle project, were completed in 2012. In FY 2006, the staff secured $1,600,000 in 2006 City Bond funds, and in FY 2011 staff and Lang Partners (the developer for Zang Triangle) secured an additional $1,750,000 in NCTCOG Sustainable Development grant funding for streetscape improvements in selected areas near Methodist Medical Center. Engineering work for this Sustainable Development project is complete and construction is anticipated to being in early 2017. During 2014, construction was completed on the first phase of the Oak Cliff streetcar project from downtown to the intersection of Colorado Boulevard and Beckley Avenue. Construction continues on the adjacent roadway. The second phase of the streetcar project was completed in August 2016.*

- The amended Plan has a goal of adding 1,572,556 square feet of new residential construction (both single family/townhome units and apartment units). Previously the goal was to add 2,500 market rate apartments and 250 townhome units.

  *Since the start of the district, a total of 1,168 apartment units have been constructed. An additional 908 apartment units are planned. A total of 30 townhome units have been completed and another 53 are planned*



Rendering of the planned Bishop Arts Station project

- The amended Plan goal is to add 393,139 square feet of new commercial construction, to include retail, restaurant, and office space

  *To date 560,259 square feet of retail/commercial space or office space including medical office facilities has been added in the district and another 101,302 square feet is planned as part of the three new Bishop Arts projects (exceeding the Plan goal). Alexan Trinity adds 6 additional live/work units, for a total of 8,493 square feet of potential commercial space.*




Charles A. Sammons Trauma & Critical Care Tower,
(Image courtesy Methodist Health System)



Jefferson Tower, new ground floor retail

The Oak Cliff Gateway TIF District Board of Directors met four times during FY 2016:

The board includes up to 5 representatives to be appointed by the Council and one each appointed by the governing bodies of Dallas County, Dallas County Community College District, Dallas County Hospital District, and Dallas ISD.

The following members represent the City on the board:

- Don Raines, City representative (Chair), (attended 4 of 4 meetings)
- April Allen – City representative, (attended 3 of 4 meetings)
- Cristine Baril – City representative, (attended 4 of 4 meetings)
- Alexander Kosarow - City representative, (attended 2 of 4 meetings)
- Daniel Powell - City representative, (attended 1 of 1 meeting, *only in position part of the year*),
- Michael Mendoza - City representative, (attended 3 of 3 meetings, *only in position part of the year*),

The following board members represent the taxing jurisdictions:

- Orlando Alameda – DISD representative (Attended 2 of 4 meetings)
- Rick Loessberg – Dallas County representative (Attended 3 of 4 meetings)
- Steve Park – DCCCD representative (attended 3 of 4 meetings)
- Sue Pickens – DCHD representative (Attended 1 of 4 meetings)

During FY 2016 the City Council approved eleven items directly or indirectly associated with the Oak Cliff Gateway TIF District. The council actions are listed below.

- On October 28, 2015, Council approved Resolution 15-1970 authorizing Supplemental Agreement No. 5 to the professional services contract with Pacheco Koch Consulting Engineers for additional engineering services for drainage improvements to the existing downstream stormwater system for the streetscape and urban design improvements on Bishop Avenue from Eighth Street to Jefferson Boulevard - Not to exceed $208,460, from $1,003,295 to $1,211,755 - Financing: 2006

- On November 10, 2015, Council held a public hearing and approved Ordinance 29939 regarding a City Plan Commission authorized hearing to determine the proper zoning on property zoned a portion of Tract 1C within Planned Development District No. 160; portions of Subdistrict A, B, C, D, E, and J within Planned Development District No. 468; a portion of Subdistricts 3 and 6 within Planned Development District No. 830; and Conservation District No. 7, in an area generally bound by East Colorado Boulevard, Marsalis Avenue, East 8th Street, Davis Street, Zang Boulevard, both sides of West 8th Street, North Adams Avenue, properties on the south side of West 7th Street between North Adams Avenue and

North Llewellyn Avenue, properties on the north side of West Davis Street between North Adams Avenue and North Madison Avenue, West Davis Street, Elsbeth Avenue, West 5th Street, and Zang Boulevard with consideration given to a zoning category that would allow for a historic building demolition delay and an ordinance granting the amendments

- On December 9, 2015 Council approved Ordinance 29943 authorizing an amendment to Tax Increment Financing Reinvestment Zone Number Three (Oak Cliff Gateway TIF District) and the Project Plan and Reinvestment Zone Financing Plan for the Oak Cliff Gateway TIF District to clarify language related to planned improvements as part of creating recreational amenities and entry portals allowing pedestrian and bicycle access into the Trinity River corridor/trail system amending Ordinance No. 23033, previously approved on February 12, 1997, as amended, to reflect this amendment.

- On December 9, 2015 Council approved Resolution 15-2209 authorizing an amendment an amendment to the Oak Cliff Gateway TIF District Grant Program to update the program map consistent with the current boundaries of the TIF district and add additional criteria related to grant consideration.

- On December 9, 2015 Council approved Resolution 15-2246 authorizing an amendment to the TIF development agreement with Bishop Arts LLC, previously approved on December 10, 2014, by Resolution No. 14-2180, as amended to (1) increase the Bishop Arts Phase I development agreement by $25,000 for additional project costs that benefit the Oak Cliff Gateway TIF District to be used towards the cost of a parking consultant study to ensure that adequate parking will be available to support the economic activity in the area and will be payable upon completion of the study and any related conditions; and (2) extend project deadlines for Phase I by six months - Not to exceed $25,000 - Financing: Oak Cliff Gateway TIF District Funds (*Project: Bishop Arts Phase I)*

- On February 24, 2016 Council approved Resolution 16-0331 accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Three (Oak Cliff Gateway TIF District), submitted by the Oak Cliff Gateway TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law

*The following four items relate to the Bishop Arts Station project:*

- On March 23, 2016 Council approved Resolution 16-0466 authorizing a development agreement with Alamo Manhattan BAD, LLC and/or its affiliates in an amount not to exceed $11,250,000, payable from future Oak Cliff Gateway TIF District funds in consideration of the development of the Bishop Arts Station project on property currently addressed at 202, 204, and 235 West Davis Street and

pending an abandonment process acquisition of a portion of City owned right-of way at 138 West Davis Street in Tax Increment Financing Reinvestment Zone Number Three (Oak Cliff Gateway TIF District) - Not to exceed $11,250,000 - Financing: Oak Cliff Gateway TIF District Funds (subject to appropriations).

- On April 27, 2016, Council approved Resolution 16-0637 authorizing a public hearing to be held on June 15, 2016 to receive comments on the proposed change of use for property located at 138 West Davis Street purchased with Community Development Block Grant funds from the U. S. Department of Housing and Urban Development.

- On May 25, 2016, Council approved Ordinance 30091 abandoning portions of Zang Boulevard to Alamo Manhattan BAD, LLC, the abutting owner, containing a total of approximately 8,579 square feet of land, located near the intersection of Zang Boulevard and Davis Street, and authorizing the quitclaim - Revenue: $220,476, plus the $20 ordinance publication fee.

- On June 15, 2016, Council held a public hearing and approved Resolution 16-1020 authorizing a public hearing to be held on June 15, 2016 to receive comments on the proposed change of use for property located at 138 West Davis Street purchased with Community Development Block Grant funds from the U. S. Department of Housing and Urban Development.

- On September 14, 2016, Council held a public hearing and approved Ordinance 30190 granting a new subdistrict and the reduction of Shopfront Overlay No. 7 on properties zoned Subdistrict E, WMU-8 within Planned Development District No. 468, the Oak Cliff Gateway Special Purpose District, generally on the north side of East Davis Street, between North Zang Boulevard and North Beckley Avenue and on the northeast corner of West Neely Street and North Zang Boulevard Recommendation of Staff and CPC: Approval of a new subdistrict, subject to a development plan and conditions; and approval of the reduction of Shopfront Overlay No. 7 Z156-222(SM) (*Project: Crescent Bishop Arts Phase I)*

# Budget and Spending Status

| Oak Cliff Gateway TIF District<br>Projected Increment Revenues to Retire TIF Fund Obligations | | | |
|---|---|---|---|
| **Category** | **TIF Budget[1]** | **Allocated** | **Balance** |
| **Oak Cliff Gateway Sub-district:**<br>• Public Infrastructure Improvements *including Streets, Streetscape, Water, Wastewater, Utility Burial*<br>• Façade Improvements<br>• Environmental Remediation and Demolition<br>• Pedestrian Linkages/Lighting<br>• Economic Development Grants | $34,304,927 | $18,319,760 | $15,985,167 |
| **Bishop/Jefferson Sub-district:**<br>• Public Infrastructure Improvements *including Streets, Streetscape, Water, Wastewater, Utility Burial*<br>• Façade Improvements<br>• Environmental Remediation and Demolition<br>• Pedestrian Linkages/Lighting<br>• Economic Development Grants | $34,927,465 | $16,250,000 | $18,677,465 |
| Educational/Training Facilities | $740,584 | $0 | $740,584 |
| Administration and implementation[2] | $2,822,064 | $858,706 | $1,963,358 |
| **Total Project Costs** | **$72,807,006** | **$35,428,466** | **$37,378,540** |

[1] *Budget shown above in current dollars; TIF Project Plan shows the budget in net present value.*
[2] *TIF administration costs shown are expended or committed through FY 2015. FY 2016 costs are not included.*





Photo courtesy of Zangtriangle.com/gallery

Examples of development progress made: Zang Triangle (left) and Oaks Trinity (formerly Alexan Trinity, right).

| Oak Cliff Gateway TIF District Amended Project Plan Budget | |
|---|---|
| **Category** | **TIF NPV Budget*** |
| **Oak Cliff Gateway Sub-district:**<br>• Public Infrastructure Improvements *including Streets, Streetscape, Water, Wastewater, Utility Burial*<br>• Façade Improvements<br>• Environmental Remediation and Demolition<br>• Pedestrian Linkages/Lighting<br>• Economic Development Grants | $9,116,977 |
| **Bishop/Jefferson Sub-district:**<br>• Public Infrastructure Improvements *including Streets, Streetscape, Water, Wastewater, Utility Burial*<br>• Façade Improvements<br>• Environmental Remediation and Demolition<br>• Pedestrian Linkages/Lighting<br>• Economic Development Grants | $18,554,050 |
| Educational/Training Facilities | $200,000 |
| Administration and Implementation | $750,000 |
| **Total** | $28,621,027 |
| ** As approved in the most recent amended Project Plan and Reinvestment Zone Financing Plan.* | |

| Oak Cliff Gateway TIF District M/WBE Participation | | | | |
|---|---|---|---|---|
| **Project** | **Contractor** | **Contract Award Amount** | **Minority Participation in Dollars (% of contract)** | |
| Oak Cliff TIF Project | Tiseo Paving Company | $1,964,830 | $383,731 | (19.53%) |
| Lake Cliff Tower Project | CST Environmental | $648,800 | $533,768 | (82.27%) |
| Lake Cliff Tower Project | Mid-Continental Phase II-IV | $2,184,825 | $535,500 | (24.51%) |
| Lake Cliff Tower Streetscape | Texas Standard | $363,530 | $363,530 | (100.00%) |
| Zang Triangle | Billy Nabors Demolition and Mission Site Services | $1,537,981 | $652,841 | (42.45%) |
| Alexan Trinity | Salcedo Group Mission Site Services | $369,396 | $225,130 | (60.95%) |
| | Totals (% of all contracts) | $7,069,362 | $2,694,500 | 38.12% |
| *1. M/WBE participation is shown above for public improvements. It was not applicable for Walgreens.*<br>*2. The City's Business Inclusion and Development program provides goals for minority and women-owned business participation.* | | | | |

# FY 2017 Work Program

- Continue coordination efforts for implementation of current and potential development projects.

- Continue to actively market the district with emphasis on high-density mixed-use development with a sustainable mix of retail, commercial/office and residential development in key target areas.

- Work closely with the City of Dallas Public Works and Transportation department to coordinate the completion of infrastructure improvements funded by the City's 2006 Bond Program and the North Central Texas Council of Government's Sustainable Development Grant for the area.

- Coordination with the City of Dallas Trinity River Development Office and Park Department to ensure a cohesive and coordinated effort and to ensure that the TIF District Project Plan and Master Plan are not adversely affected or compromised and to ensure the planned pedestrian and vehicular linkages to the Trinity River Corridor are preserved.

- Continue to evaluate updated plans for the Horseshoe Project, the Texas Department of Transportation scheduled reconstruction of I-30 from Sylvan Avenue to I-35 and I-35 from Eighth Avenue to I-30. Assess the impact on developable properties adjacent to both I-30 and to I-35.

- Strategic planning for the district to encourage alternative modes of transportation and connections to parks/trails.

# Pending TIF Items

- Consideration of the FY 2016 Oak Cliff Gateway TIF District Annual Report and a recommendation to the Dallas City Council for approval.

- Consideration of an amended TIF funding proposal for the Oxygen project.

# FY 2016 Financials

**City of Dallas, Texas**
**Oak Cliff Area Gateway Tax Increment Financing District**
**Reinvestment Zone Number Three**
**As of September 30, 2016**

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

**1. Amount and source of revenue in the tax increment fund established for the zone:**

| | |
|---|---|
| $4,128 | Interest Income |
| $1,623,164 | Ad Valorem Taxes (Collected in FY'2015-16 based on 2015 tax year Final Tax Roll) |
| $1,627,292 | Total Revenue |

**2. Amount and purpose of expenditures from the fund:**

| | |
|---|---|
| $0 | Administrative Expense (FY 2016 costs are to be determined) |
| $1,096,625 | Non-Capital outlay* |
| $146,235 | Capital outlay * |
| $0 | Additional Subsidy in Form of Grant (in lieu of interest expense) |
| $1,242,860 | Total Expenditures |

* These expenditures are for the following Projects:

| | |
|---|---|
| Zang Triangle Project | $1,096,521 |
| Alexan Trinity Project | $146,235 |
| Other | $105 |
| Total | $1,242,860 |

**3. a. Amount of Principal and Interest due-on outstanding bonded indebtedness is as follows:**
Oak Cliff Gateway TIF District has incurred no bonded indebtedness as of September 30, 2016.

**b. The zone has the following contingent obligations reimbursed from available TIF funds as of September 30, 2016:**

| | Balance Due (Since Inception) | | | Payments/Adjustments To Date | | | |
|---|---|---|---|---|---|---|---|
| | | Accrued | | | Accrued | | Net Bal. |
| Project Description | Principal | Add'l Subsidy (1) | Total Due | Principal | Add'l Subsidy (1) | Total Paid | Due |
| Jefferson at Kessler Heights | $1,500,000 | $676,404 | $2,176,404 | $1,500,000 | $676,404 | $2,176,404 | $0 |
| Lake Cliff Tower Redevelopment | $3,950,086 | $862,205 | $4,812,291 | $3,950,086 | $862,205 | $4,812,291 | $0 |
| Bishop Colorado Retail Plaza | $350,000 | $0 | $350,000 | $350,000 | $0 | $350,000 | $0 |
| Zang Triangle Project | $7,250,000 | $0 | $7,250,000 | $7,051,513 | $0 | $7,051,513 | $198,487 |
| Alexan Trinity Project | $4,000,000 | $0 | $4,000,000 | $230,119 | $0 | $230,119 | $3,769,881 |
| **Totals** | **$17,050,086** | **$1,538,609** | **$18,588,695** | **$13,081,718** | **$1,538,609** | **$14,620,327** | **$3,968,368** |

**c**. The Zone entered into a development agreement with Lang Partners, LLC for the Zang Triangle project in an amount not to exceed $7,250,000 and began reimbusing the developer in fiscal year 2012. The developer is anticipated to be paid off by June of 2017.
**d.** The Zone entered into a development agreement with ATA Apartments Limited Partnership for the Alexan Trinity project in an amount not to exceed $4,000,000. The zone began reimbursements in fiscal year 2015 and the developer is anticipated to be paid off by June of 2018.
**e.** The Zone entered into a development agreement (as amended) with Bishop Arts, LLC for the Bishop Arts Phase I project in an amount not to exceed $5,025,000 with reimbursement to begin after project completion and upon availbility of TIF funds. A portion $25,000 for the shared cost of a parking will be reimbursed upon completion of the study requirements.
**f.** The Zone previouly received authorization to enter into a development agreement with RWI Green Development LLC for the Oxygen project in an amount not to exceed $4,600,000; however, the project has been on hold.
**g.** The Zone entered into a development agreement with Alamo Manhattan Bishop Arts I, LLC for the Bishop Arts Phase I project in an amount not to exceed $11,250,000 with reimbursement to begin after project completion and upon availbility of TIF funds.
**(1)** Additional Subsidy in Form of Grant (in lieu of interest expense)

**4. Tax increment base and current captured appraised value retained by the zone:**

| Taxing Jurisdiction | Taxable Value 2016 | Base Years 1992 & 2014 Value | Est. Captured Value 2016** |
|---|---|---|---|
| City of Dallas-Zone A & B | $233,531,941 | $40,097,623 | $193,434,318 |
| City of Dallas-Bishop/Jefferson Sib-district | $135,594,618 | $105,142,079 | $30,452,539 |
| Dallas County-Zone A & B | $233,486,941 | $40,050,663 | $193,436,278 |
| Dallas County-Bishop/Jefferson Sib-district | $135,436,079 | $105,090,479 | $30,345,600 |

** Based on Certified Taxable Values. Final values will be determined on February 01, 2017.

**5. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:**

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

| Taxing Jurisdiction | Assessment Per $100 | Amount of Estimated 2016 Increment*** |
|---|---|---|
| City of Dallas-Zone A & B | 0.78250 | $1,286,580 |
| City of Dallas-Bishop/Jefferson Sib-district | 0.78250 | $214,462 |
| Dallas County-Zone A & B | 0.24310 | $305,658 |
| Dallas County-Bishop/Jefferson Sib-district | 0.24310 | $47,951 |
| Total for all Jurisdictions | $2.05120 | $1,854,651 |

*** Participation rates are as follows:

| Taxing Jurisdiction | Rate | Tax Years |
|---|---|---|
| City of Dallas-Zone A & B | 85% | 2014-2044 |
| City of Dallas-Bishop/Jefferson Sub-district | 90% | 2014-2044 |
| Dallas County-Zone A & B | 65% | 2014-2034 |
| Dallas County-Bishop/Jefferson Sib-district | 65% | 2014-2034 |

B. The total amount of estimated tax increment to be billed for the 2016 tax year is $1,854,651 For the 2015, the zone collected increment of $1,623,164.

**City of Dallas, Texas**
**Oak Cliff Area Gateway Tax Increment Financing District Fund**
**Balance Sheet as of September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|---|---|---|---|---|---|---|
| Assets: | | | | | | |
| Pooled cash and cash equivalents | $384,429 | $82,234 | $14,645 | $51,303 | $1,721,013 | $482,293 |
| Interest receivable | $517 | $2,165 | $78 | $81 | $56 | $1,585 |
| Total assets | $384,946 | $84,398 | $14,723 | $51,384 | $1,721,069 | $483,878 |
| Liabilities and Fund Balance (Deficit): | | | | | | |
| Liabilities: | | | | | | |
| Accounts and contracts payable | $0 | $83,884 | $0 | $0 | $1,685,000 | $0 |
| Due to general fund | $32,516 | $32,516 | $12,165 | $12,165 | $0 | $0 |
| Advances from developers | $0 | $0 | $0 | $0 | $0 | $0 |
| Accrued liability | ($2,879) | ($2,879) | ($2,879) | ($2,879) | ($2,879) | ($2,879) |
| Total liabilities | $29,637 | $113,521 | $9,286 | $9,286 | $1,682,121 | ($2,879) |
| Fund Balance (Deficit): | | | | | | |
| Fund Balance (Deficit) | $355,309 | ($29,122) | $5,437 | $42,098 | $38,949 | $486,758 |
| Total Liabilities and Fund Equity | $384,946 | $84,398 | $14,723 | $51,384 | $1,721,069 | $483,878 |
| | ($0) | $0 | $0 | $0 | $0 | $0 |

**Oak Cliff Area Gateway Tax Increment Financing District Fund**
**Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)**
**For the Period September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | ITD | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|---|---|---|---|---|---|---|---|
| Revenues: | | | | | | | |
| Tax increment-Governmental | $8,294,856 | $1,324,054 | $972,026 | $667,459 | $811,126 | $433,545 | $516,230 |
| Tax increment-Intergovernmental | $6,767,746 | $299,110 | $270,426 | $169,546 | $1,586,058 | $836,965 | $997,827 |
| Interest income | $406,803 | $3,886 | $1,329 | $386 | $3,549 | $5,010 | $1,584 |
| Grant from City/Developer contribution | $309,480 | $0 | $0 | $0 | $0 | $0 | $184,480 |
| Net increase(decrease) in fair value of investments | $6,321 | $242 | $335 | ($67) | ($1,135) | ($188) | $1,374 |
| Total revenues | $15,785,207 | $1,627,292 | $1,244,117 | $837,323 | $2,399,598 | $1,275,332 | $1,701,495 |
| Expenditures: | | | | | | | |
| Administrative expenses | $859,562 | $0 | $98,407 | $60,694 | $36,132 | $38,141 | $52,465 |
| Non-Capital outlay | $9,156,854 | $1,096,625 | $1,096,386 | $438,290 | $2,360,317 | $177,398 | $0 |
| Capital outlay | $4,037,524 | $146,235 | $83,884 | $375,000 | $0 | $1,507,602 | $0 |
| Interest and fiscal charges | $1,376,146 | $0 | $0 | $0 | $0 | $0 | $106,359 |
| Total expenditures | $15,430,086 | $1,242,860 | $1,278,676 | $873,984 | $2,396,449 | $1,723,141 | $158,824 |
| Excess (Deficiency) of Revenues over Expenditures | $355,121 | $384,431 | ($34,559) | ($36,661) | $3,149 | ($447,809) | $1,542,671 |
| Fund balance (Deficit) at beginning of year as previously reported | $0 | ($29,122) | $5,437 | $42,098 | $38,949 | $486,758 | ($1,055,914) |
| Prior period restatement | $188 | $0 | $0 | $0 | $0 | $0 | $0 |
| Fund balance (Deficit) at beginning of year, as restated | $188 | ($29,122) | $5,437 | $42,098 | $38,949 | $486,758 | ($1,055,914) |
| Fund balance (deficit) at end of year | $355,309 | $355,309 | ($29,122) | $5,437 | $42,098 | $38,949 | $486,758 |

**Note: Fiscal year 2015-16 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.**

City of Dallas, Texas
Oak Cliff Gateway Area Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2016
(Unaudited)

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.

2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).

3. The Zone's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.

4. The Zone's Financial Plan permits expenditures not to exceed $2,822,064 (in current $) over the life of the TIF to reimburse the City for administrative costs. The Zone began reimbursing the General Fund in fiscal year 1998-99. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.

5. All project costs resulting in capital improvements that are owned by the City of Dallas are capitalized.

6. "Due to general fund" amount of $32,516 at September 30, 2016 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

**AGENDA ITEM # 17**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 2

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 45 Q R and T– V

## SUBJECT

A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Four, (Cedars TIF District), submitted by the Cedars TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

## BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 21492 on December 9, 1992, establishing Tax Increment Financing Reinvestment Zone Number Four, (Cedars TIF District), as amended. On April 9, 1997, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 23092, as amended.

The Cedars TIF District's 2016 assessed taxable value was $139,297,453. This represents an increase of $103,996,693 (294.6%) over the 1992 base year value and an increase of $34,184,845 (32.5%) over the taxable value for 2015. The increase over the previous year's taxable value is largely attributed to the completion of the South Side Flats by Jefferson ($31,683,480) project. With the participation of the City and Dallas County, the increase over the base year value will result in the collection of approximately $586,162 in total incremental revenue for the District.

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

On December 9, 1992, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Four, the Cedars TIF District by Ordinance No. 21492, as amended.

On April 9, 1997, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Cedars TIF District by Ordinance No. 23092, as amended.

On December 5, 2016, the Cedars TIF District Board of Directors recommended that the FY 2016 Annual Report be accepted and approved.

Information about this item was provided to the Economic Development Committee on February 6, 2017.

## FISCAL INFORMATION

No cost consideration to the City

February 22, 2017

**WHEREAS,** the City recognizes the importance of its role in local economic development initiatives and programs; and

**WHEREAS,** the City has established Tax Increment Financing Reinvestment Zone Number Four, ("Cedars TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment in the Cedars area pursuant to Ordinance No. 21492, authorized by the City Council on December 9, 1992, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

**WHEREAS,** on April 9, 1997, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Cedars TIF District by Ordinance No. 23092, as amended; and

**WHEREAS,** the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

**WHEREAS,** on December 5, 2016, the Cedars TIF District Board of Directors passed a motion accepting the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Four and recommending approval of same by the City Council.

**NOW, THEREFORE,**

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

**Section 1.** That the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Four, (Cedars TIF District), City of Dallas, Texas, as of September 30, 2016, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

**Section 2.** That the City Manager is hereby authorized to submit the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Four to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and to the State Comptroller, as required by state law.

**Section 3.** 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.

**Exhibit A**

# Cedars TIF District
# FY 2016
# Annual Report




The Lorenzo Hotel Project
(Source: TEOF Hotel)

City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 671-9825
http://www.dallas-ecodev.org/

## October 1, 2015 to September 30, 2016

# Cedars Tax Increment Financing District



# Table of Contents

Mission ..... 4
District Accomplishments ..... 4
Past, Current and Anticipated Projects ..... 6
Value and Increment Revenue Summary ..... 11
Objectives, Programs and Success Indicators ..... 12
Year-End Summary of Meetings ..... 19
Pending TIF Items ..... 23
Budget and Spending Status ..... 23
FY 2017 Work Program ..... 24
Appendix: Financials ..... 25

# Mission

The mission of the Cedars TIF District is to capitalize on its proximity to Downtown Dallas and major transportation arteries to attract new residential and commercial development, facilitate growth and increase its tax base.

The Dallas City Council established the Cedars TIF District and the Board of Directors by Ordinance No. 21492, on December 9, 1992, as amended. The TIF District took effect on January 1, 1993 and is scheduled to terminate on December 31, 2022 (including collection of the 2022 increment in calendar year 2023 and any related matters to be concluded in 2023).

The District's participating taxing jurisdictions are the City of Dallas, Dallas County, Dallas County Hospital District (DCHD) and Dallas Independent School District (DISD). The annual participation rates for the taxing jurisdictions are as follows:

- The City's annual participation rate was 100% in 1993 through 2012. Its participation rate decreased to 90% in 2013 and thereafter.
- Dallas County's participation rate was 65% in 1993 through 2012. The county's annual participation rate increased to 75% in 2013 and thereafter.
- DCHD's participation rate was 65% in 1993 through 2012.
- DISD's County's participation rate was 50% in 1993 through 2012.

# District Accomplishments

Since the District's creation City Council has approved nine projects and two initiatives for TIF funding (please refer to the Past, Current and Anticipated Projects section on Pages 6 – 10).

On June 22, 2011, City Council approved an amendment to the Cedars TIF District Project Plan and Reinvestment Zone Financing Plan to:

1. Extend the term of the TIF District for a 10-year period from December 31, 2012 through December 31, 2022;
2. Decrease the City of Dallas' participation after tax year 2012 from 100% to 90%;
3. Direct the City Manager to negotiate an increase in Dallas County's participation rate after tax year 2012 from 65% to 75%; and
4. Amend the Cedars TIF Infrastructure Improvements - Street Construction/ Streetscape/ Water/Wastewater/ Drainage Improvements/ East-West Corridor

Construction budget line item to include Public Open Spaces and Economic Development Grants.

The term extension will allow for additional development activities which are needed to continue the District's revitalization. It would also increase the District's ability to expend its budget of $7,216,097 (1992 net present value) and satisfy the goal of redeveloping the area into an attractive business and residential community that can serve as a vital connection between Downtown Dallas and the rest of City.

Additionally, the planning and design work for a 2006 Bond project that will extend Belleview Street from Akard Street to Ervay Street continued during the fiscal year. It is anticipated the extension will improve the east-west flow of traffic through the District. The 1400 Belleview project, which was completed in FY 2014-2015, will be located along the street's new segment.







1815 Browder Street Townhomes
(Source: Dallas Office of Economic Development)

# Past, Current and Anticipated Projects

| Projects Within the TIF District Utilizing TIF Funding[1] | | | | | | |
|---|---|---|---|---|---|---|
| **Project** | **Location** | **Calendar Year Complete** | **Status** | **Units/Square Feet[2]** | **Approximate Investment / Assessed Value[3]** | TIF Investment[4] |
| Metroplex Greenhaven Landscaping Service | 1919 South Harwood Street | 2002 | Complete | 11,368 square feet of commercial space | $447,610 (assessed value) | $12,089 |
| McKee Row Homes I | 1500-1510 McKee Street | 2005 | Complete | 6 row homes | $636,680 (assessed value) | $143,350 |
| McKee Row II | 1512-1516 McKee Street | 2006 | Complete | 3 row homes | $278,432 (assessed value) | $10,045 |
| Seegar Row Homes | 1525-1603 Seegar Street | 2006 | Complete | 7 row homes | $1,033,070 (assessed value) | $25,000 |
| Buzz | 1111 South Akard Street | 2007 | Complete | 49 condos | $6,459,113 (assessed value) | $459,061 |
| Millers Ferry Row | 1803-1823 South Ervay Street, 1602 Beaumont Street and 1817 Millers Ferry Row | 2007 | Complete | 13 row homes | $1,856,383 (assessed value) | $185,490 |
| The Beat at South Side Station | 1001 Belleview Street | 2009 | Complete | 75 condos (City's Affirmative Fair Housing Marketing Plan) | $16,077,896 (assessed value) | $798,257 |
| The Belleview (aka 1400 Belleview) | 1400 Belleview Street | 2015 | Complete | 164 apartments (all units affordable), and 5,000 square feet of flex space | $4,920,000 (assessed value) | $1,657,916 |
| Belleview Browder District-wide Improvements | Along Belleview Street from Browder Street to South Akard Street; Gould Street from Belleview Street to Sullivan Drive; Browder Street from Belleview Street to Sullivan Drive; and Sullivan Drive from Browder Street to South Ervay Street | 2015 | Complete | N/A | $848,746 (approximate investment) | $441,225 |

| Projects Within the TIF District Utilizing TIF Funding[1] (continued) | | | | | | |
|---|---|---|---|---|---|---|
| **Project** | **Location** | **Calendar Year Complete** | **Status** | **Units/Square Feet[2]** | **Approximate Investment / Assessed Value[3]** | TIF Investment[4] |
| The Lorenzo (Plaza) Hotel | 1011 South Akard Street | 2017 | Under Construction | 220 hotel rooms and 1,800 square feet of commercial space | $34,085,071 (approximate planned investment) | $2,285,071 |
| | | | **Subtotal** | **317 residential units, 220 hotel rooms, and 18,168 square feet of commercial and flex space** | **$66,643,001** | **$6,017,504** |
| *Per the TIF program mixed-income housing requirement, the project is providing at least 20% of units as affordable.* | | | | | | |

| Projects Within the TIF District Utilizing Tax Abatements[1] | | | | | | |
|---|---|---|---|---|---|---|
| **Project** | **Location** | **Calendar Year Complete** | **Status** | **Units/Square Feet[2]** | **Approximate Investment / Assessed Value[3]** | Approximate Tax Abatement |
| South Side Flats by Jefferson[5] | 1210 South Lamar | 2016 | Complete | 290 apartments and 6,560 square feet of retail space | $31,683,480 (assessed value) | $1,938,897 |
| | | | **Subtotal** | **290 residential units and 6,560 square feet of retail space** | **$31,683,480** | **$1,938,897** |

| Projects Within the TIF District That Are Not Utilizing TIF Funding[6] | | | | | | |
|---|---|---|---|---|---|---|
| **Project** | **Location** | **Calendar Year Complete** | **Status** | **Units/Square Feet[2]** | **Approximate Investment / Assessed Value[3]** | TIF Investment[4] |
| 1519 Beaumont St | 1519 Beaumont Street | 1995 and 2010 | Complete | 5 apartments | $1,169,602 (assessed value) | $0 |
| Cedars Corner (Hotel Newland) | 1108 South Akard Street | 1998 | Complete | 20 apartments | $699,250 (assessed value) | $0 |
| Dallas Police Association Headquarters[7] | 1412 North Griffin Street | 2003 | Complete | 11,150 square feet of office space | $645,640 (assessed value) | $0 |
| Resource One Credit Union expansion | 1200 Belleview Street | 2003 | Complete | 13,430 square feet of office space | $470,050 (assessed value) | $0 |
| Dallas Police Headquarters[7] | 1400 South Lamar Street | 2003 | Complete | 358,758 square feet of office space | $16,547,480 (assessed value) | $0 |
| Cedars Social | 1326 South Lamar Street | 2005 | Complete | 3,000 square feet of commercial space | $42,250 (assessed value) | $0 |
| Urban Lofts – Akard | 1203-1223 and 1204-1218 Urban Lofts Drive | 2008 | Complete | 15 town homes | $2,613,050 (assessed value) | $0 |
| Off the Bone BBQ | 1734 South Lamar Street | 2008 | Complete | 829 square feet of commercial space | $256,850 (assessed value) | $0 |
| Edison's | 1724 Cockrell Avenue | 2008 | Complete | 15,000 square feet of commercial space | $612,600 (assessed value) | $0 |
| Buzzworks | 2001 Gould St. | 2016 | Complete | 2100 square feet of flex space | $251,220 (assessed value) | $0 |
| Browder Park Place | 1815 Browder Street | TBD | Under construction | 6 town homes | For Sale at $395,000-$425,000 | $0 |
| Galleries on Hickory | 1509, 1513, 1517, 1521 and 1527 Hickory St; and 1814, 1818 and 1820 Browder St | TBD | 3 complete; 21 planned-2 under construction | 24 detached single-family units (for sale) | $6,931,700 (approximate investment) | $0 |
| Four Corners Brewery | 1311 S. Ervay St. | TBD | Under construction | Microbrewery relocation/ Warehouse improvements | TBD | $0 |
| Wall Street Lofts | 1710 Wall Street | 2016 | Under Construction | 8 town homes | $2,700,000 (approximate planned investment) | $0 |
| Digit 1919 | 1919 Akard St. | 2017 | Under Construction | 102 apartment units | $7,000,000 (planned investment) | $0 |

| Projects Within the TIF District That Are Not Utilizing TIF Funding[6] | | | | | | |
|---|---|---|---|---|---|---|
| **Project** | **Location** | **Calendar Year Complete** | **Status** | **Units/Square Feet[2]** | **Approximate Investment / Assessed Value[3]** | TIF Investment[4] |
| David Weekly Homes | 918 Powhattan | TBD | Under Construction | 43 detached homes | TBD | TBD |
| | | | **Subtotal** | **180 residential units, 385,438 square feet of office space and 18,829 square feet of commercial space** | **$39,939,692** | $0 |

| Projects Adjacent to the TIF District[6] | | | | | | |
|---|---|---|---|---|---|---|
| **Project** | **Location** | **Calendar Year Complete** | **Status** | **Units/Square Feet[2]** | **Approximate Investment / Assessed Value[3]** | TIF Investment[4] |
| Southside on Lamar (includes the Urban Market on its lower level) | 1409 South Lamar Street | 2001 | Complete | 455 loft apartments and 2,000 square feet of retail | $31,759,850 (assessed value) | $0 |
| Gilley's | 1135 South Lamar Street | 2003 | Complete | 91,650 square feet | $2,850,000 (assessed value) | $0 |
| Poor David's Pub | 1319 South Lamar Street | 2004 | Complete | 5,382 square feet | $197,970 (assessed value) | $0 |
| Club Jos Rieles | 1701 South Lamar Street | 2005 | Complete | 4,840 square feet | $312,580 (assessed value) | $0 |
| DCCCD Offices[7] | 1601 South Lamar Street | 2008 | Complete | 83,383 square feet | $4,096,250 (assessed value) | $0 |
| The Dallas Convention Center Hotel (Omni Dallas Hotel) | 555 South Lamar Street | 2011 | Complete | 1,001 hotel rooms | $200,000,000 (assessed value) | $0 |
| NYLO Dallas South Side Hotel | 1325 South Lamar Street | 2012 | Complete | 76 hotel rooms | $5,000,00 (assessed value) | $0 |
| | | | **Subtotal** | **455 residential units; 103,872 square feet of commercial space; 83,383 square feet of office space; and 1,001 hotel rooms** | **$244,216,650** | **$0** |

[1] *All information updated as of September 30, 2016.*

[2] *Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage.*

[3] *Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed).*

[4] *Principal amount that is not to be exceeded per the development agreement. TBD indicates that development agreement has not yet been adopted. Asterisk indicates investment also includes interest not shown*

[5] *Project is receiving a ten-year real property tax abatement from the City.*

[6] *Selected significant projects included.*

[7] *Project is tax-exempt; value given is either DCAD market value or an approximation of the anticipated market value.*

| TIF District Initiatives | | | | |
|---|---|---|---|---|
| **Activity** | **Scope** | **Status** | **Investment** | **Source** |
| Cedars Traffic Study | Whole District | Complete | $88,149 | Cedars TIF funds |
| **South Side Pedestrian Improvement Project** (funded through a Sustainable Development Grant from NCTCOG using federal Congestion Mitigation and Air Quality funds (CMAQ) | South Lamar Street and Belleview Street | Complete | $4,532,170 | Federal grant |
| | | | $500,000 | 1995 Bond funds (local match) |
| | | | $66,521 | Cedars TIF funds (approved in FY 2007) |
| | | | $566,521 | Matthews Southwest |
| | | | $230,000 | 1998 Bond funds |
| | | | $207,830 | Cedars TIF funds / District-wide Improvements Set-aside (approved in FY 2012) |
| | | | $207,830 | Matthew Southwest (additional match) |
| | | **Total:** | **$6,399,021** | |

## Value and Increment Revenue Summary

The Cedars TIF District's 2016 assessed taxable value was $139,297,453. This represents an increase of $103,996,693 (294.6%) over the 1992 base year value and an increase of $34,184,845 (32.5%) over the taxable value for 2015. The increase over the previous year's taxable value is largely attributed to the completion of the South Side Flats by Jefferson ($31,683,480). With the participation of the City and Dallas County, the increase over the base year value will result in the collection of approximately $586,162 in total incremental revenue for FY 2016 for the District.

# Objectives, Programs and Success Indicators

The Cedars Final Project Plan and Reinvestment Zone Financing Plan was approved on April 9, 1997. The Plan has been amended three times, most recently on June 22, 2011. Its defined development goals are summarized below:

- Improve the infrastructure within and adjacent to the District to promote new investment.

  *A list of the specific projects that have contributed to the fulfillment of the goal is as follows:*

  - *On October 23, 2013, City Council approved up to $490,700 in TIF Funding for the Galleries on Hickory project. The project includes infrastructure and streetscaping improvements at: (1) 1509, 1513, 1517, 1521 and 1527 Hickory Street; (2) 1814, 1818, and 1820 Browder Street; (3) the adjoining alley between Browder Street and Ervay Street; (4) along Hickory Street beyond the project site; and (5) a second alley between Beaumont Street and Hickory Street. This has led to the construction of one home single-family new to date.*

  - *On September 25, 2013, City Council approved up to $441,225 in TIF Funding for the Belleview Browder District-wide Improvements project. The project, which was completed during the fiscal year, included the construction of several needed public improvements (franchise utility relocation, street lighting, street improvements, streetscape improvements and water-wastewater/drainage improvements) that were not included in the 1400 Belleview project's original scope of work. These improvements replaced sub-standard public infrastructure and provided much of the needed infrastructure to allow the redevelopment of approximately 6.05 acres of property that is adjacent to the project.*

  - *On September 25, 2013, City Council approved up to $2,285,071 in TIF Funding for the Plaza Hotel (Lorenzo Hotel) project which will include infrastructure and streetscape improvements along South Akard Street and West Griffin Street. The project commenced during the fiscal year.*

  - *On June 27, 2012, City Council approved up to $207,830 in additional TIF funding to match up to $207,830 in additional funding from Matthew Southwest for cost overruns related to the Southside Pedestrian Improvement project. City Council had previously approved $66,521 in TIF funding for the project on May 23, 2007. This leveraged approximately $5,098,691 in private and federal funds for sidewalk and streetscape improvements on Lamar Street and along Belleview Street from the Convention Center to the Cedars DART station. The project was completed during FY 2013.*

- *On June 22, 2011, City Council approved up to $1,657,916 in TIF funding for the 1400 Belleview project which included infrastructure improvements along Belleview Street from Browder Street to Akard Street, Gould Street from Belleview Street to Sullivan Street, and Browder Street from Belleview Street to Sullivan Street. The project was completed.*

- *On April 11, 2007, City Council approved up to $192,000 in TIF funding for the Millers Ferry Row Town Homes project which included streetscape improvements along Ervay Street. The project was completed during FY 2007.*

- *On August 9, 2006, City Council approved up to $1,500,000 in TIF funding for The Beat at South Side Station project which included street and streetscape improvements on Belleview Street, Lamar Street, and Powhattan Street. On August 27, 2008, City Council approved an extension for the deadlines to complete the project and reduced its TIF funding by $700,000. The project was completed during FY 2009.*

- *On September 14, 2005, City Council approved up to $564,462 in TIF funding for the Buzz Condominiums project which included street and streetscape improvements on Akard Street and Griffin Street. On November 29, 2006, the Cedars TIF Board approved an extension for the deadlines to complete the project and reduced its TIF funding by $100,000. The project was completed during FY 2007.*

- Add 700 residential units

  *Since inception 650 residential units have been completed within the Cedars TIF District. Construction has commenced on an additional 180 units. Collectively, the 830 units represent 118% of the goal. Multifamily developers continue to show interest in the District for town home style developments and denser mid- to high-rise developments.*

  *In addition, the South Side on Lamar project has added 455 residential units adjacent to the District.*

***To date 1,105 residential units have been completed within or adjacent to the Cedars TIF District.***




The Galleries on Hickory Project Townhomes
(Source: Dig It Development)



Dallas County Community College District to create the Hospitality Training Academy at 1400 Belleview's Flex Space
(Source: 1400 Belleview GP, LLC)

- Add 400 hotel/motel rooms

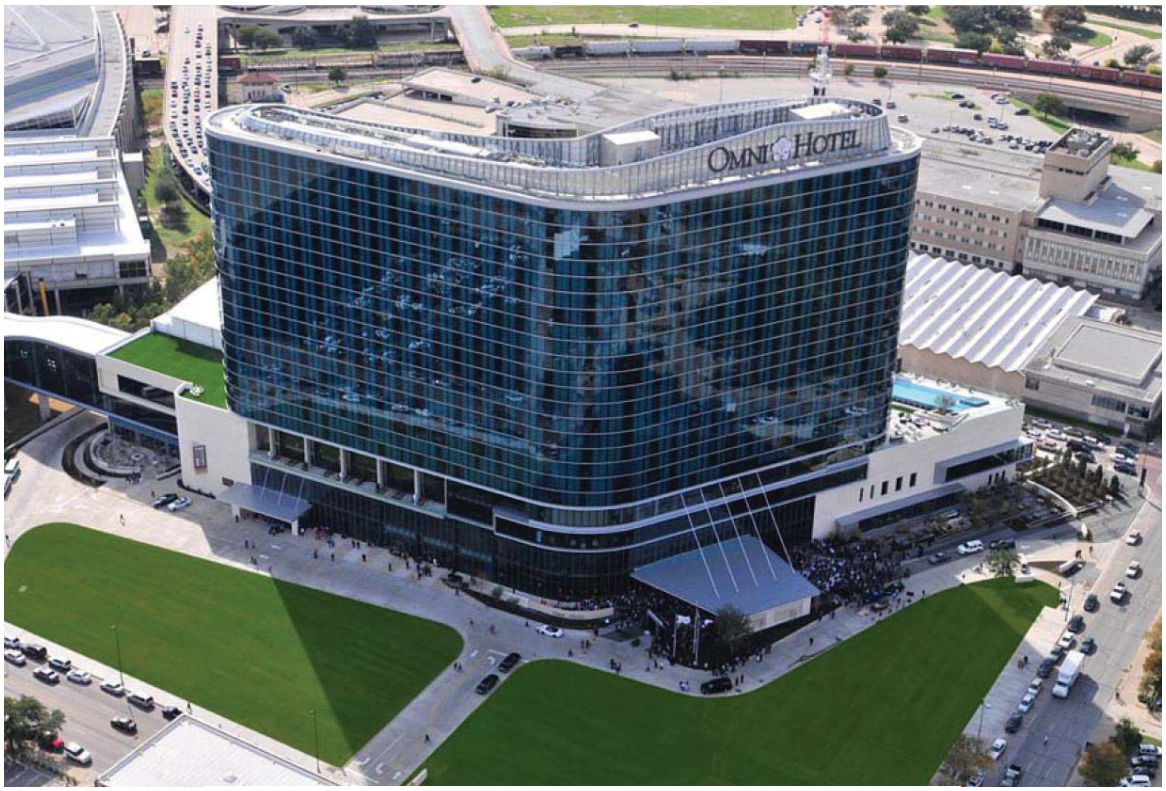
  *There are currently 220 hotels rooms under construction within the Cedars TIF District as part of the Plaza Hotel (Lorenzo Hotel) project (55.0% of the goal). No additional hotel/motel rooms have been added within the District since its inception nor are there any others planned.*

  *In addition, 1,077 hotel/motel rooms have been added adjacent to the District since its inception. A list of the specific projects is as follows:*

  - *The NYLO Dallas South Side Hotel, which is located at the northwest corner of Lamar Street and Belleview Street, opened in FY 2012. The boutique-style hotel contains 76 guest rooms.*

  - *The Omni Hotel, which is located north of the District along Lamar Street, opened in FY 2011. The 4-star hotel features 1,001 guest rooms, 100,000 square feet of meeting space and multiple dining options.*

  ***To date 1,077 motel/hotel rooms have been added within or adjacent to the Cedars TIF District. An additional 220 hotel/motel rooms are under construction while no others are currently planned.***




Omni Hotel
(Source: www.dallasnews.com)

- Add 55,000 square feet of retail space

*Since inception approximately 35,197 square feet of retail and flex space has been added to the Cedars TIF District. An additional 8,360 square feet is under construction while another 9,000 is planned. Collectively, this represents 95.6% of the goal. A list of the specific projects is as follows:*

- *On September 25, 2013, City Council approved up to $2,285,071 in TIF funding for the Plaza Hotel project. It will include approximately 1,800 square feet of commercial space within repurposed shipping containers on the southeast corner of the hotel's parking lot.*

- *Cedars Social opened in October 2010. It is located on the northeast corner of Lamar Street and Belleview Street. The renovated restaurant represents approximately 3,000 square feet of retail space that was retained in the District.*

- *Off the Bone Barbeque, which is located at 1734 South Lamar Street, enclosed its patio space during FY 2011. The renovation enabled the restaurant to nearly double its size to 829 square feet.*

- *Metroplex Greenhaven Landscaping Service (located at 1919 South Harwood Street) added 11,368 square feet of retail space within the District since its creation while Edison's reception hall (located at 1725 Cockrell Avenue) added 15,000 square feet.*

- *Upon completion at the Belleview project, it added approximately 5,000 square feet of flex space, which plans are underway for Dallas County Community College District to occupy as training space.*

- *The South Side Flats by Jefferson project will add 6,560 square feet of retail space within the District while the expansion of the Dallas Heritage Village Education & Visitor Center is expected to add an additional 9,000 square feet.*

*In addition, approximately 141,872 square feet of retail and entertainment space was added adjacent to the District. A list of the specific projects is as follows:*

- *On April 22, 2015, City Council approved up to $1,405,000 in TIF funding and a Chapter 380 grant for up to $450,000 in support of the Alamo Drafthouse Cinema project. The project is located at the south corner of Cadiz and Lamar Streets (TOD TIF District). In February 2016, Alamo opened its doors, adding approximately 38,000 square feet of commercial and entertainment space.*

- *Gilley's, which is located at 1135 South Lamar Street, added approximately 91,650 square feet of entertainment space immediately southwest of the District. The venue was completed in 2001.*

- *Poor David's Pub, which is located at 1707 South Lamar Street, added approximately 5,382 square feet of entertainment space just southwest of the District. The venue was completed in 2004.*

- *Club Jos Rieles opened at 1701 South Lamar Street opened during fiscal year 2014. It retained approximately 4,840 square feet of entertainment space immediately southwest of the District. The building was previously occupied by the Bellagio Entertainment Center and Brooklyn Jazz Café.*

- *Urban Market opened at 1409 South Lamar on the lower level of Southside on Lamar in September 2008. It added 2,000 square feet of grocery store space adjacent to the District.*

***To date approximately 139,069 square feet of retail, entertainment and flex space has been added within or adjacent to the Cedars TIF District. An additional 46,360 square feet is under construction while another 9,000 is planned***

- Add 300,000 square feet of service center/flex office space

*Since inception approximately 394,473 square feet of service center/flex office space has been added within the Cedars TIF District (132% of the goal). A list of the specific projects, which were completed in 2003 and 2016, is as follows:*

- *November 2016, Buzzworks added 2,100 square feet of office/flex space. Additionally, Full City Rooster Coffee Roasting Studio occupies a portion of another Buzzworks 9,035 square foot building.*

- *Dallas Police Association Headquarters added 11,150 square feet of office space.*

- *Resource One Credit Union's expansion added 13,430 square feet of office space.*

- *Dallas Police Headquarters added 358,758 square feet of office space.*

*In addition, the renovation of the Dallas County Community College District (DCCCD) building at 1601 South Lamar Street added approximately 83,363 square feet of office space adjacent to the District.*

***To date 477,836 square feet of service center/flex office space has been completed within or adjacent to the Cedars TIF District. Currently there are no additional service center/flex office space under construction or planned.***




Jack Evans Police Headquarters – Dallas Police Department
[Source: crimeblog.dallasnews.com (Photo by Stewart F. House/Getty Images)]



Dallas County Community College District
(Source: www.corgan.com)

# Year-End Summary of Meetings

Based on amended composition the Cedars TIF Board can consist of up to nine members, including six City of Dallas appointees and one appointee each from Dallas County, the Dallas Independent School District (DISD) and the Dallas County Hospital District appointee (DCHD). The TIF Board, which consisted of the following members, met once during the fiscal year:

- Orlando Alameda, DISD appointee (did not attend the meeting)
- Michael J. Barrett, Chair and City appointee (attended the meeting)
- Chase Evans, City appointee (did not attend the meeting)
- Rick Loessberg, Dallas County appointee (did attend the meeting)
- Jill B. Louis, City appointed (did not attend the meeting)
- Kendra Ramick, City appointee (attended the meeting)
- John E. McBride, City appointee (did not attend the meeting)
- Sue Pickens, DCHD (attended the meeting)
- Mark R. Stephens, City appointee (attended the meeting)

The Dallas City Council approved seven items during the fiscal year related to the District, items are summarized below:

- On February 24, 2016, The City Council approved Resolution Number 16-0332 accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Four, (Cedars TIF District), submitted by the Cedars TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City.

- On December 09, 2015, City Council approved to authorize (1) amendment of the Loan Agreement between TEOF Hotel LP, a Texas limited partnership, and the City of Dallas to provide for refinancing of the developer’s first lien loan and third lien (mezzanine) loan for development of the Lorenzo Hotel project located at 1011 South Akard Street; (2) incorporation of the mezzanine loan into first lien place together with the

Construction Loan and increasing the total senior loan from $12,912,615 to $18,000,000 including an increase of $1,997,572 in total project cost in return for which Lawrence E. Hamilton, Lawrence E. Hamilton III, and Texas Educational Opportunity Fund will convert $415,000 of mezzanine debt into additional equity, Lawrence E. Hamilton, Lawrence E. Hamilton III, and TEOF Hotel LP will forego $350,000 of mezzanine loan payments, and Lawrence E. Hamilton will provide the City with a personal payment and completion guaranty; and (3) the City Manager or his designee to execute any necessary documents related to amending the Loan Agreement with TEOF Hotel LP - Financing: No cost consideration to the City.

- On December 09, 2015, City Council approved Resolution Number 15-2220 to authorize Supplemental Agreement No. 1 to the contract with Gensler for design and construction document services for security improvements to the lobby desk area at the Jack Evans Police Headquarters, located at 1400 South Lamar Street, and to perform seven building assessments to identify security enhancements at the Police Substations (list attached) - Not to exceed $124,338, from $49,900 to $174,238 - Financing: 2006 Bond Funds.

- On June 22, 2016, City Council passed Resolution Number 16-1126, Addendum 13 to authorize an amendment to Resolution No. 15-2214, previously approved on December 9, 2015, for the Loan Agreement between TEOF Hotel LP, a Texas limited partnership, and the City of Dallas to provide for refinancing of the developer's first lien loan for development of the Lorenzo Hotel project located at 1011 South Akard Street from $12,912,615 to $17,850,000 - Financing: No cost consideration to the City.

- On January 27, 2016, City Council approved Resolution Number 16-0207 to hold a public hearing to receive comments to amend the City of Dallas Thoroughfare Plan to change the dimensional classification of Akard Street from IH-30 to Corinth Street from a standard four-lane undivided (S-4-U) roadway within 60-feet of right-of-way to a special two-lane undivided (SPCL 2U) roadway with bicycle facilities within 60-feet of right-of-way; and at the close of the hearing, authorize an ordinance implementing the change - Financing: No cost consideration to the City.

- On March 23, 2016, City Council approved Resolution Number 16-0476, a public hearing to receive comments regarding an application for and an ordinance granting a Subdistrict 2 (Moderate Density Mixed Use Corridors) on property zoned Subdistrict 6 (Old City Park Institutional) within Planned Development District No. 317, the Cedars Area Special Purpose District on the southeast line of Gano Street, northwest of Beaumont Street Recommendation of Staff and CPC: Approval Z156-158(WE).

- On April 13, 2016, City Council approved Resolution Number 16-0580, a public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for an alcoholic beverage manufacturing use and a new subdistrict on property zoned Subdistrict 2, Mixed Use Corridor, within Planned Development District No. 317, the Cedars Area Special Purpose District on the east corner of Browder Street and Blakeney Street Recommendation of Staff and CPC: Approval of a new subdistrict subject to conditions; and approval of a Specific Use Permit for an alcoholic beverage manufacturing use for a two-year period with eligibility for automatic renewals for additional five-year periods, subject to a site/landscape plan and conditions Z156-127(SM).



The Lorenzo (Plaza) Hotel Project room view, and Kolache Corner under construction (Source: Office of Economic Development)



# Pending TIF Items

Review and Recommend for Dallas City Council to approve a 1-year Extension Request from July 31, 2016 to July 31, 2017 to the Development Agreement with TEOF HOTEL LP for the Plaza Hotel Project's Certificate of Occupancies for the renovated hotel and the commercial/retail structure, previously approved by Resolution Nos. 13-1711 and 13-1712, amended by Resolution Number 14-1890; and

Approval of the FY 2016 Annual Report is the Cedars TIF District's only pending item

# Budget and Spending Status

The Cedars TIF District's Project Plan and Reinvestment Zone Financing Plan established a budget for the public improvement expenditures that are necessary to support private investment. The District's budget and spending to date are provided on the following charts:

**Cedars TIF District**
**Projected Increment Revenues to Retire TIF Fund Obligations**

| Category | TIF Budget (Total Dollars) | Allocated | Balance |
|---|---|---|---|
| Infrastructure Improvements - Street Construction/Streetscape/Water/Wastewater/Drainage Improvements/East-West Corridor Construction/ Public Open Spaces/ Economic Development Grants | $20,601,286 | $6,380,004 | $14,221,282 |
| Environmental Remediation | $1,000,000 | $0 | $1,000,000 |
| Education/Educational Facility Improvements/Public Improvements Adjacent to Educational Facilities | $1,500,000 | $0 | $1,500,000 |
| Administration and Implementation* | $1,187,237 | $858,841 | $328,396 |
| **Total Project Costs** | **$24,288,523** | **$7,238,845** | **$17,049,678** |

*The Cedars TIF term was extended by a ten-year period and is now set to terminate in 2022. Estimated TIF Collections show potential capacity in the district based on current projections, not actual current cash status. Actual capacity to be determined by new construction. Values adjusted as of September 30, 2016 to reflect current projections.*

**TIF administration costs shown are expensed through FY 2016. FY 2016 cost not included.*

| Cedars TIF District<br>Project Plan Budget | |
|---|---|
| **Category** | **TIF Budget (NPV)** |
| Infrastructure Improvements – Street Construction/Streetscape/Water/Wastewater/Drainage Improvements/East-West Corridor Construction/Public Open Spaces/Economic Development Grants | $4,356,097 |
| Environmental Remediation | $1,000,000 |
| Education/Educational Facility Improvements/Public Improvements Adjacent to Educational Facilities | $1,500,000 |
| Administration and Implementation | $360,000 |
| **Total Project Costs** | **$7,216,097** |
| *All values discounted to 1992 dollars at 5.00% annually. Actual expenditures will depend on the timing of project costs.* | |

# FY 2017 Work Program

The FY 2017 Work Program for the Cedars TIF District includes:

- Continue working with the Public Works and Transportation Department to finalize the alignment design for the Belleview Street extension between Akard and Ervay Streets. Design is complete as of October 2016 and plans are to award a construction contract in FY 2017 and complete work by FY 2018.

- Continue encouraging development projects within the District in accordance with its final Project Plan and Reinvestment Zone Financing Plan.

# Appendix: Financials

| | | | | | | |
|---|---|---|---|---|---|---|
| **City of Dallas, Texas** | | | | | | |
| **Cedars Tax Increment Financing District Fund** | | | | | | |
| **Balance Sheet as of September 30, 2016 (Unaudited)** | | | | | | |
| **With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)** | | | | | | |
| | | | | | | |
| | | | | | | |
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| **Assets:** | | | | | | |
| **Pooled cash and cash equivalents** | | $2,368,676 | $1,767,116 | $1,407,849 | $2,217,696 | $2,516,226 |
| **Interest receivable** | | $3,185 | $2,848 | $1,507 | $2,500 | $2,702 |
| | | | | | | |
| **Total assets** | | $2,371,861 | $1,769,964 | $1,409,356 | $2,220,197 | $2,518,928 |
| | | | | | | |
| **Liabilities and Fund Balance (Deficit):** | | | | | | |
| **Liabilities:** | | | | | | |
| **Accounts and contracts payable** | | $0 | $0 | $0 | $459,760 | $0 |
| **Due to general fund** | | $12,770 | $12,770 | $12,770 | $12,770 | $0 |
| **Accrued liability** | | $0 | $0 | $9,059 | $7,297 | $0 |
| | | | | | | |
| **Total liabilities** | | $12,770 | $12,770 | $21,829 | $479,828 | $0 |
| | | | | | | |
| **Fund Balance (Deficit):** | | | | | | |
| **Fund Balance - Restricted** | | $2,359,091 | $1,757,194 | $1,387,527 | $1,740,369 | $2,518,928 |
| | | | | | | |
| **Total Liabilities and Fund Equity** | | $2,371,861 | $1,769,964 | $1,409,356 | $2,220,196 | $2,518,928 |
| | | ($0) | ($0) | ($0) | ($0) | ($0) |

| | | | | | | |
|---|---|---|---|---|---|---|
| **City of Dallas, Texas** | | | | | | |
| **Cedars Tax Increment Financing District Fund** | | | | | | |
| **Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)** | | | | | | |
| **For the Period September 30, 2016 (Unaudited)** | | | | | | |
| **With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)** | | | | | | |
| | | | | | | |
| | | | | | | |
| | ITD | 2016 | 2015 | 2014 | 2013 | 2012 |
| **Revenues:** | | | | | | |
| **Tax increment-Governmental** | $4,020,207 | $482,036 | $352,698 | $325,263 | $307,123 | $355,544 |
| **Tax increment-Intergovernmental** | $2,793,964 | $104,125 | $78,506 | $116,633 | $377,101 | $435,454 |
| **Interest income** | $198,500 | $16,143 | $9,501 | $6,290 | $11,682 | $11,300 |
| **Grant from City** | $125,000 | $0 | $0 | $0 | $0 | $0 |
| **Net increase (decrease) in fair value of investments** | ($266) | ($408) | $3,860 | ($1,993) | ($2,684) | ($229) |
| | | | | | | |
| **Total revenues** | $7,137,405 | $601,897 | $444,566 | $446,193 | $693,223 | $802,068 |
| | | | | | | |
| **Expenditures:** | | | | | | |
| **Administrative expenses** | $859,302 | $0 | $50,171 | $44,715 | $59,414 | $50,226 |
| **Non-Capital Outlay** | $209,309 | $0 | $0 | $0 | $0 | $861 |
| **Capital outlay** | $3,706,503 | $0 | $24,728 | $754,319 | $1,412,368 | $5,033 |
| **Interest and fiscal charges** | $3,472 | $0 | $0 | $0 | $0 | $0 |
| | | | | | | |
| **Total expenditures** | $4,778,586 | $0 | $74,899 | $799,034 | $1,471,782 | $56,121 |
| | | | | | | |
| **Excess (Deficiency) of Revenues over Expenditures** | $2,358,819 | $601,897 | $369,666 | ($352,841) | ($778,559) | $745,947 |
| | | | | | | |
| **Fund balance (Deficit) at beginning of year** | | | | | | |
| **as previously reported** | $0 | $1,757,194 | $1,387,527 | $1,740,369 | $2,518,928 | $1,772,981 |
| | | | | | | |
| **Prior period restatement** | $272 | $0 | $0 | $0 | $0 | $0 |
| | | | | | | |
| **Fund balance (Deficit) at beginning of year, as restated** | $272 | $1,757,194 | $1,387,527 | $1,740,369 | $2,518,928 | $1,772,981 |
| | | | | | | |
| **Fund balance (deficit) at end of year** | $2,359,091 | $2,359,091 | $1,757,194 | $1,387,527 | $1,740,369 | $2,518,928 |
| | | | | | | |
| **Note: Fiscal year 2015-16 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.** | | | | | | |
| | | | | | | |
| | | | | | | |

**City of Dallas, Texas**
**Cedars Tax Increment Financing District**
**Reinvestment Zone Number Five**
**As of September 30, 2016**

Chapter 311.016 of V.C.T.A. requires the following information
as part of the annual report on the status of the TIF District.
Information is contained in detail on the attached financial statements.

**1. Amount and source of revenue in the tax increment fund established for the zone:**

| | |
|---|---|
| $15,736 | Interest Income |
| $586,162 | Ad Valorem Taxes (Collected in FY'2015-16 based on 2015 Final Tax Roll) |
| $601,897 | Total Revenue |

**2. Amount and purpose of expenditures from the fund:**

| | |
|---|---|
| | Administrative Expense for |
| $0 | FY 2016 is to be determined. |
| $0 | Non-Capital outlay |
| $0 | Capital outlay * |
| $0 | Additional Subsidy in Form of Grant (in lieu of interest expense) |
| $0 | Total Expenditures |

**3. a. Amount of Principal and Interest due-on outstanding bonded indebtedness is as follows:**

Cedars TIF District has incurred no bonded indebtedness as of September 30, 2016.

**b. The Zone has entered into an agreement with CMAQ for the sustainable development on Lamar street under a grant of $66,521 with anticipated completion in 2017.**

**c. The Zone entered into an agreement with 1400 Belleview GP, LLC to dedicate an amount not to exceed $441,225 for the Belleview Browder District-wide Improvements project. Reimbursement of its TIF-eligible project costs began in fiscal year 2014 and was fully reimbursed during fiscal year 2015 from available TIF funds.**

**d. The Zone entered into an agreement with TEOF Hotel LLC to dedicate an amount not to exceed $2,285,071 for the Plaza Hotel project. Reimbursement of up to $1,000,000 for the project's public infrastructure improvements will be made pursuant to an approved monthly draw schedule and/or submission of invoices for completed work, subject to the availability of TIF funds. After the project's completion, the reimbursement of $1,285,071 for TIF-eligible project costs will be made in in five annual payments of $257,014, subject to the availability of TIF funds.**

**e. The Zone entered into a development agreement with Dig It! Development, LLC to dedicate an amount not to exceed $490,700 for the Galleries on Hickory project. Reimbursement of the project's TIF-eligible project costs will begin after its completion, subject to the availability of TIF funds.**

**4. Tax increment base and current captured appraised value retained by the Zone:**

| Taxing Jurisdiction | Taxable Value 2016 | Base Year 1992 Value | Est. Captured Value 2016** |
|---|---|---|---|
| City of Dallas | $139,297,453 | $35,300,760 | $103,996,693 |
| Dallas County | $139,344,953 | $35,300,760 | $104,044,193 |

****** Based on Certified Tax Values. Final values will be determined on February 01, 2017.

**5. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:**

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

| Taxing Jurisdiction | Assessment Per $100 | Amount of Estimated 2016 Increment |
|---|---|---|
| City of Dallas | 0.70425 | $732,397 |
| Dallas County | 0.18233 | $189,699 |
| Total for all Jurisdictions | $0.88658 | $922,095 |

B. The total amount of estimated tax increment to be billed for the 2016 tax year is $922,095. For the 2015 tax year, the zone collected $586,162 in increment.

## Notes to Financials

City of Dallas, Texas
Cedars Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2015
(Unaudited)

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.

2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).

3. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.

4. The Zone's Financial Plan provides for staffing and other administrative expenses by the City of Dallas not to exceed $1,187,237 (in current $) over the life of the TIF. The City began billing the Zone for administrative costs in FY 1999. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.

5. "Due to general fund" amount of $12,770 at September 30, 2016 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

6. The Zone has no advances outstanding as of September 30, 2016.

7. All project costs resulting in capital improvements that are owned by the City are capitalized by the City.

**AGENDA ITEM # 18**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 2, 14

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 45 K L P Q

## SUBJECT

A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Five, (City Center TIF District), submitted by the City Center TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

## BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 22802 on June 26, 1996, establishing Tax Increment Financing Reinvestment Zone Number Five, (City Center TIF District). On February 12, 1997, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 23034, as amended.

The City Center TIF District's assessed tax value in 2016 was $1,402,808,059. This represents an increase of 108% ($728,056,565) over the assessed value of the adjusted base year value of $674,751,494 and an increase of 17% ($206,431,378) from the previous year 2015 value. With the participation of the City and Dallas County, the District's value will result in the collection of approximately $5,485,993 (City $4,599,552; County $886,441) in incremental revenue for the City Center TIF District for the 2016 tax year.

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

On June 26, 1996, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Five, the City Center TIF District, by Ordinance No. 22802, as amended.

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

On February 12, 1997, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the City Center TIF District, by Ordinance No. 23034, as amended.

On December 8, 2016, the City Center TIF District Board of Directors recommended the FY 2016 Annual Report be accepted and approved.

Information about this item was provided to the Economic Development Committee on February 6, 2017.

**FISCAL INFORMATION**

No cost consideration to the City

February 22, 2017

**WHEREAS,** the City recognizes the importance of its role in local economic development initiatives and programs; and

**WHEREAS,** the City has established Tax Increment Financing Reinvestment Zone Number Five, (City Center TIF District or District) and established a Board of Directors for the District to promote development or redevelopment in the City Center area pursuant to Ordinance No. 22802, authorized by the City Council on June 26, 1996, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

**WHEREAS,** on February 12, 1997, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the City Center TIF District by Ordinance No. 23034, as amended; and

**WHEREAS,** the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

**WHEREAS,** on December 8, 2016, the City Center TIF District Board of Directors passed a motion accepting the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Five and recommending approval of same by the City Council.

**NOW, THEREFORE,**

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

**Section 1.** That the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Five, (City Center TIF District), City of Dallas, Texas, as of September 30, 2016, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

**Section 2.** That the City Manager is hereby authorized to submit the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Five, to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District; and the State Comptroller, as required by state law.

**Section 3.** 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.

# Exhibit A
# City Center TIF District
# FY 2016 Annual Report



FAIRFIELD RESIDENTIAL

*West End*

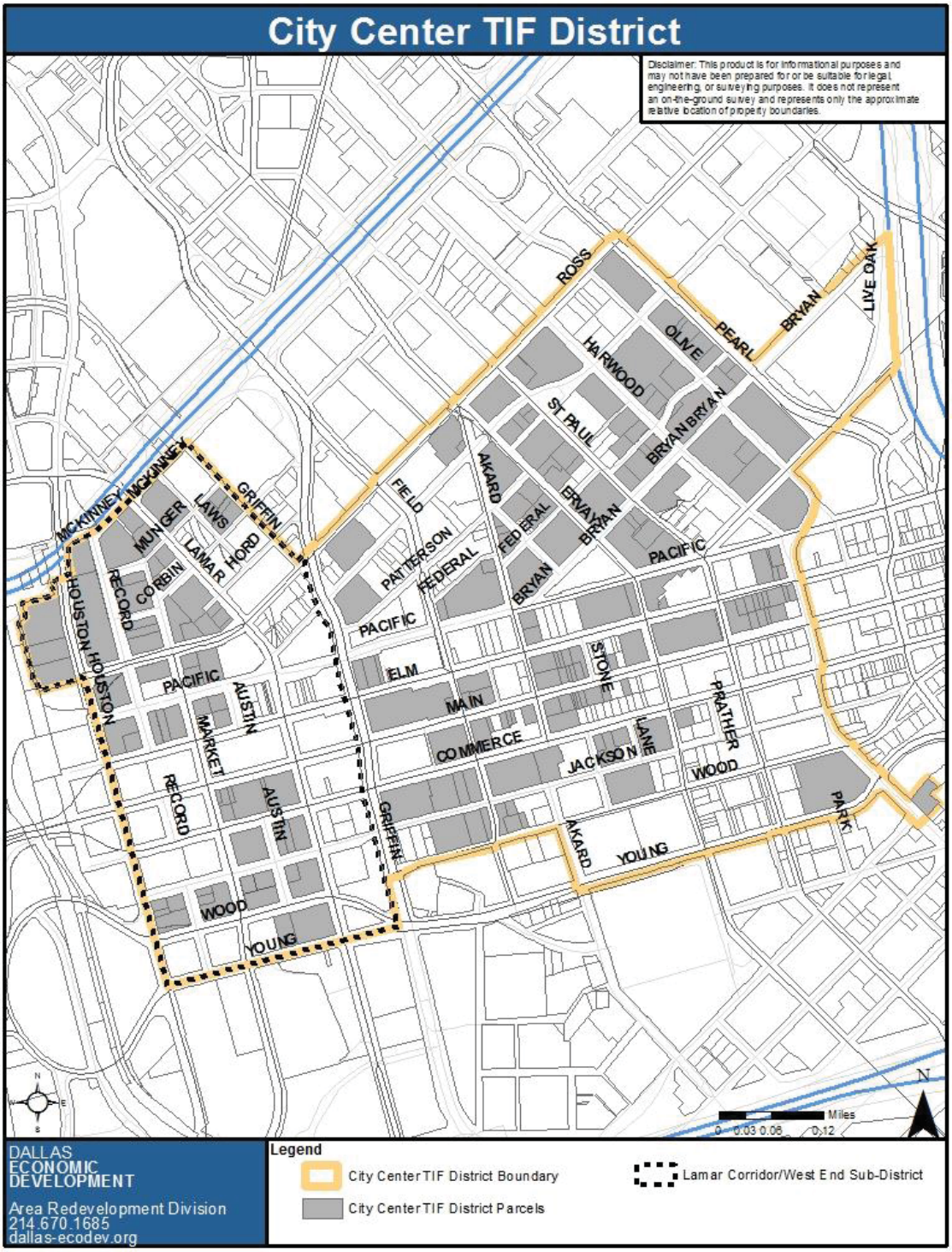
Print #160718492
Date: 07/18/16
Lat/Lon: 32.781866 -96.808181
Order No. 56566
Aerial Photography, Inc. 954-568-0484

City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 670-1221
http://www.dallas-ecodev.org/

**October 1, 2015 to September 30, 2016**

# Map of Reinvestment Zone Number Five
# City Center Tax Increment Financing District



# Table of Contents

Mission Statement ..... 4
District Accomplishments ..... 4
Value and Increment Revenue Summary ..... 12
Objectives, Programs, and Success Indicators ..... 12
Year-End Summary of Meetings ..... 19
Budget and Spending Status ..... 22
M/WBE Participation ..... 22
FY 2017 Work Program ..... 24
Appendix A - District Financials ..... 25

# Mission Statement

The mission of the City Center TIF District is to promote redevelopment, stabilization, and growth of the downtown area. An accompanying goal is the stabilization and growth of the value of the area's tax base and a positive reversal of urban decay. During the 2013 fiscal year the district's mission was expanded to include creation of a strong real estate investment climate in the West End Area, establishment of a sustainable neighborhood that connects the core of downtown, to the Farmers Market, Cedars area along Lamar Street, West End, Victory Park, and Design District across the Trinity River to West Dallas while providing more residential, retail and office opportunities.

The Dallas City Council established the City Center TIF District by Ordinance Number 22802 on June 26, 1996. The City Center TIF District took effect on January 1, 1997. In 2012, the termination date of the City Center Sub-District was extended for 10 years to December 31, 2022 (including collection of the 2022 increment in calendar year 2023 and any related matters to be concluded in 2023) or when the budget of the zone has been collected. The Lamar Corridor/West End Sub-district term was established for 25 years, January 1, 2012 to December 31, 2037, unless any Sub-district is terminated prior to such date. The City of Dallas and Dallas County are the two remaining participating jurisdictions.

# District Accomplishments

The City Center TIF District has been an instrumental part in creating a positive climate in the historic downtown core, Lamar Corridor and West End Historic District. From its inception through FY 2016, thirty-nine projects have generated approximately $983M in new investment.

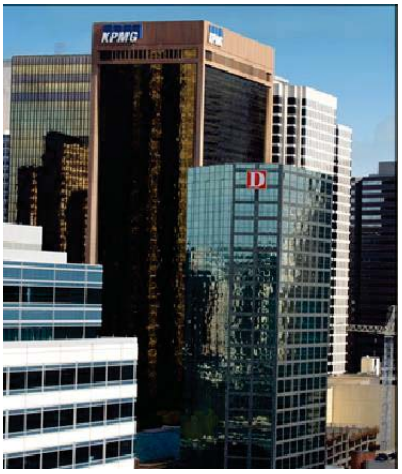
On November 12, 2014, the City Center TIF District Project and Financing Plan was amended, removing certain parcels from the City Center TIF District boundary and thereby adjusting the base year value. The 12 accounts (9 addresses) were removed because redevelopment of the properties was not anticipated or would not occur during the remaining term of the City Center sub-district. Additionally, the City Center sub-district does not have the financial capacity to support redevelopment of any of the properties that were removed from the District boundary.

During the fiscal year, the Downtown 360 Plan update contract was authorized and one project in the district was approved for TIF funding.

**717 N. Harwood**
The project includes the renovation of 400,000 square feet of office space and 7,000 square feet of retail space located at 717 North Harwood Street, the former KPMG Centre Building. In addition, the redevelopment effort includes significant ground floor and streetscape improvements.

The total project cost, including acquisition and tower improvements, is $80,381,000. The total required private investment to qualify for TIF funding is $25,000,000. This threshold is based on the lower level and street improvements that will impact the public realm. TIF funding for the project is in an amount not to exceed $1,650,000.




Several other City Center TIF District Projects are under construction:

**Thanksgiving Tower (1601 Elm Street)**
Thanksgiving Tower, a 50-story office tower originally built in 1982, was designed as a Class AA office building. 1601 Elm Holdings, LP acquired the property and is restoring and renovating the 1,374,520 gross square feet office building with the goal of increasing occupancy. The work includes façade and ground floor improvements to create a better pedestrian environment and connections within the downtown core while adding retail space. The $173,745,558 project ($96M investment required for TIF funding) is expected to be complete January 2017.





**Mid Elm Lofts (1512, 1514 and 1516 Elm Street)**
The project involves rehabilitation and redevelopment of the three historic buildings into 25 lofts and ground floor, basement and roof top retail/restaurant space. Total project cost is estimated to be $13,900,000.





**211 North Ervay**
211 N. Ervay is an 18-story building constructed in 1958. The renovation of the building includes 15,000 square feet of retail/restaurant space and 144,000 square feet of office/commercial space. The total investment is $9,665,000 and the project completion is December 2016.



Other City Center TIF District projects have completed construction during the fiscal year:

**Hartford Building**





Renovation of an office building constructed in 1960, that was 50% leased with some floors closed off from use for over a decade into updated office and retail space. The building improvements were completed during the fiscal year and is now 95% leased. City Council approved a deadline extension for the existing park near the building that is part of this project. Total project cost is $5,561,448.

## Fairfield Residences at West End




New construction of a 200,000 square foot residential (278 units) project and 130,000 square foot parking structure. The total investment is $35,000,000. A grand opening for the completed project was held in September 2016.

## Browder Street Plaza Improvements and Retail Activation

In March 2012, the Office of Economic Development, in conjunction with Downtown Dallas, Inc., Downtown 360 Plan and the City Design Studio, issued a Request for Proposal for Browder Street Plaza retail development and leasing/management opportunities. The retail component of Browder Street Plaza, between Commerce Street and Jackson Street, adds activity along this pedestrian thoroughfare and complements the improvements that were completed on the site during this fiscal year. The City of Dallas allocated $500,000 for the public space improvements, based on Hocker Design Group's conceptual design for landscaping, shade, street furniture, paving, and other pedestrian and plaza improvements. The City has a Management contract with Hamilton DPL Development Inc. and Hamilton DPL, LP, winner of the solicitation. The space is now occupied with food trucks, tables and chairs, and shade structure.





Note that project details described as District Accomplishments may differ from the City Center TIF District Project chart that begins on the following page. The above describes the required thresholds for TIF funding rather than the total expected project investment, residential units, retail square footage, etc.

## City Center TIF District Projects[1]

### Projects Within TIF District Utilizing TIF Funding

| Project | Location | Calendar Year Complete | Status | Units/ SF[2] | Approx. Value[3] | TIF Investment[4] |
|---|---|---|---|---|---|---|
| Kirby Building | 1509 Main Street | 1999 | Complete | 156 apartment units; 15,000 SF retail | $12,887,600 | $470,891 |
| Wilson Building | 1623 Main Street | 1999 | Complete | 135 apartment units; 10,000 SF retail | $18,500,000 | $3,883,691 |
| Magnolia Building | 1401 Commerce Street | 1999 | Complete | 330 hotel rooms | $32,547,680 | $594,486 |
| Stone Street Gardens | 1525 Main, 1520 Elm Streets | 2002 | Complete | 29,000 SF retail | $2,399,990 | $292,062 |
| Universities Center at Dallas | 1901 Main Street | 2002 | Complete | 20,000 SF educational space | See 1900 Elm Street | $2,236,550 |
| Merriman Architects | 300 N. Field Street | 2002 | Complete | 40,000 SF office space | $1,350,000 | $50,000 |
| Davis Building | 1309 Main Street | 2003 | Complete | 183 apartment units; 15,000 SF retail | $24,472,000 | $1,350,000 |
| Hart Furniture Building | 1929-1933 Elm Street | 2003 | Complete | 16,600 SF retail | $1,627,240 | $1,392,443 |
| Thompson Bldg | 1520-22 Main Street | 2004 | Complete | 19,000 SF retail | $2,300,000 | $1,171,629 |
| Dallas Power & Light Bldgs | 1506 &1512 Commerce Street | 2005 | Complete | 154 apartment units; 28,000 SF retail | $12,628,000 | $6,864,909 |
| Interurban Building | 1500 Jackson | 2005 | Complete | 134 apartments units; 20,000 SF grocery store | $18,641,460 | $5,536,038 |
| Gulf States | 1415 Main Street | 2007 | Complete | 64 apartment units; 5,000 SF retail | $9,115,000 | $5,075,848 |
| Republic Tower | 350 N. Ervay Street | 2007 | Complete | 227 apartment units | $35,080,120 | $5,114,468 |
| 1608 Main Street & Pedestrian | 1608 Main Street | 2008 | Complete (Shell & Interior) | 8,000 SF retail; 4,000 SF office | $1,500,000 | $1,555,512 |
| Joule Hotel | 1530 and 1524 Main Street | 2008 | Complete | 114 hotel rooms; 15,000 SF retail | $20,238,080 | $9,375,792 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Mosaic (Fidelity Union) | 318 North Akard Street | 2007 | Complete | 440 apartment units; 23,000 SF retail | $62,500,000 | $9,000,000 |
| Metropolitan | 1200 Main Street | 2007 | Complete | 273 condo units; 10,000 SF retail | $66,201,370 | $4,750,000 |
| Liberty State Bank Relocation Project | 600 S. Harwood Street | 2014 | Complete | 2,000 SF retail; 2,000 SF office | $1,200,400 | $985,000 |
| 711 Elm Street | 711 Elm Street | 2015 | Complete | 3,000 SF retail | $2,200,000 | $124,000 |
| Hartford Building | 400 N. St. Paul Street | 2016 (adjacent park, 2016) | Complete; park under construction | 161,082 office; 12,396 SF retail | $4,220,000 | $1,200,000 |
| Fairfield Residences @ West End[9] | 1777 N. Record Street | 2016 | Complete | 278 apartment units | $ 32,854,400 | $5,500,000 |
| 211 N. Ervay Street | 211 N. Ervay Street | 2016 | Under Construction | 144,000 SF office; 22,000 retail | $13,458,630 | $2,000,000 |
| Thanksgiving Tower | 1601 Elm Street | 2017 | Under Construction | 200,000 SF office; 10,000 SF retail | $96,000,000 | $6,000,000 |
| Mid Elm Lofts[9] | 1512-1516 Elm Street | 2017 | Under Construction (demo) | 25 apartment units; 17,736 SF retail | $18,900,000 | $3,900,000 |
| 717 N. Harwood | 717 N. Harwood | 2017 | Under Construction | 400,000 SF office; 7,000 SF retail | $25,000,000 | $1,650,000 |
| **Subtotal** | | **2,069 residential units; 444 hotel rooms; 20,000 SF educational; 951,082 SF office; 287,732 SF retail** | | | $515,821,970 | $80,073,319 |
| **Projects Within TIF District Not Utilizing TIF Funding[5]** | | | | | | |
| **Project** | **Location** | **Calendar Year Complete** | **Status** | **Units/ SF** | **Approx. Value** | **TIF Investment** |
| Majestic Lofts (Titche-Goettinger) | 1900 Elm Street | 1997 | Complete | 129 apartment units; 15,000 SF retail | $15,417,840 | $0 |
| Sheraton Hotel | 400 North Olive Street | 1998 | Complete | 1,844 hotel rooms | $109,752,740 | $0 |
| Santa Fe II (SoCo Lofts) | 1122 Jackson Street | 1999 | Complete | 205 condo units | $34,759,210 | $0 |
| 2020 Live Oak | 2020 Live Oak Street | 2000 | Complete | 130,000 SF office | $8,500,000 | $0 |
| Jackson Street Lofts | 1300 Jackson Street | 2002 | Complete | 8 condo units; 5,000 SF retail | $3,048,440 | $0 |

| | | | | | | |
|---|---|---|---|---|---|---|
| 1505 Elm | 1505 Elm Street | 2004 | Complete | 65 condo units | $14,301,820 | $0 |
| Dallas Rooftop Gardens | 1217 Main Street | 2006 | Complete | 28,000 SF retail | $1,135,000 | $0 |
| Third Rail Lofts (additional information on following page) | 1407 Main Street | 2007 | Complete | 84 apartment units; 20,000 SF retail space | $24,185,000 | Chapter 380 funds |
| U.S. Post Office Building | 400 N. Ervay Street | 2011 | Complete | 5,000 SF retail; 78 apartment units | $14,288,110 | $0 |
| First Baptist Church Expansion | 1707 San Jacinto Street | 2013 | Complete | 1,500,000 SF church space | $100,513,040 (non-taxable) | $0 |
| 1025 Elm Street | 1025 Elm Street | 2013 | Complete | 130 hotel rooms | $12,532,560 | $0 |
| One Dallas Center (Patriot Tower) | 350 N. St. Paul | 2014 | Complete | 300,000 SF office reno; 276 apartment units | $89,130,200 | 10 yr tax abatement on 90% added value |
| One Main Place Westin Conversion | 1201 Main Street | 2016 | Complete | 326 hotel rooms 4,800 SF retail | $25,000,000 | $0 |
| 1700 Commerce | 1700 Commerce | 2016 | Complete | 176 hotel rooms; 3,763 SF retail | $14,569,920 | $0 |
| **Subtotal** | | **845 residential units; 2,476 hotel rooms; 430,000 SF office; 81,563 SF retail; 1,500,000 SF church space** | | | **$467,133,880** | **$0** |

## Projects Utilizing and Not Utilizing TIF Funding

| | | | |
|---|---|---|---|
| **Total** | **2,914 residential units; 2,920 hotel rooms; 20,000 educational; 1,381,082 SF office; 369,295 SF retail; 1,500,000 SF church space** | **$982,955,850** | **$80,073,319** |

*[1] All information updated as of September 30, 2016.*

*[2] Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage.*

*[3] Based upon: a) market value of comparable projects for anticipated projects, b) private investment stated in the development agreement for projects that are approved or under construction, or c) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF District for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.*

*[4] Total amount reimbursed by the TIF district for the corresponding TIF project (includes accrued interest) as of September 30, 2016, except for Mosaic (approved TIF investment listed, as project has not been fully reimbursed)*

*[5] Selected significant projects included.*

*[6] Includes full value of exempt properties, including historic and homestead.*

*[7] Includes other incentives not shown. Contact City of Dallas Office of Economic Development for more information.*

*[8] Note that two previously approved City Center TIF funded projects, the Purse Building and Flora Lofts, have been removed. These projects missed one or more contingencies required under the approved resolutions. It is possible that they will reapply for City Center TIF District funding.*

*[9] Per the TIF program mixed-income housing requirement, noted projects are providing at least 10% of units as affordable.*

## District Initiatives

| Activity | Scope | TIF Investment | Status |
|---|---|---|---|
| Metropolitan Garage | Up to 600 public parking spaces | $450,000 | 3-year lease expired January 2005 |
| Retail Study | Determine needs for District | $150,000 | Complete |
| Parking Study | Determine needs for District | $380,154 | Complete |
| N/S Streetscape | 5 North/South Streets from Young to Ross Avenue | $5,403,602 | Complete |
| Park Master Plan | Determine priority sites for District | $182,500 | Complete |
| Affordable Housing | % of annual increment transferred to Housing Dept. to assist with affordable housing development throughout the City | $1,620,566 | $3,120,566 out of $5 million funded |
| Dalpark Garage | Original Lease of 444 parking spaces for public use (150 short-term spaces); Amended Lease to only 150 spaces in 2010 | $2,358,780 | Lease in place until 6/30/2015 ($1,686,842 spent) |
| Dallas County Courthouse Plaza | Improvements to public space (lighting, trees, seating, etc.) | $2,625,000 | Complete |
| Fire Corridor | 1600 Block of Elm Street | $149,135 | Phase I Design Complete ($63,000 spent) |
| Third Rail Lofts Garage | 370 public parking spaces; 95 parking spaces for adjacent residential developments | *$8,500,000 | Complete |
| CityPark Program | 600 parking spaces (converted to public use from current garages) | *$1,125,000 | Program ended 2010 ($1,027,818 spent) |
| Retail Initiative Phase I | 40,000 – 60,000 s.f. of retailers through tenant start-up cost assistance | *2,500,000 | 32,699 square feet of occupied retail space; $2,219,212 spent |
| Retail Initiative Phase II | Additional retail recruitment and retention of critical retailers | **$700,000 | 25,942 square feet retained/occupied; $548,830 spent |
| Urban Market Retention | Retention of Urban Market for two years | **$550,000 City assistance | City assistance matched by private stakeholder funds; Assistance ended 2008 |
| Vacant Building Improvement Initiative | To reduce the number of downtown vacant buildings | Staff time only | Four buildings were completely renovated/ two demolished/ six under repair |
| News Rack Ordinance | Reduce visual clutter by install uniformed, regulated newspaper racks | Staff time only | Uniformed newspaper racks installed. |
| Downtown Wayfinding Master Plan Update | Update master plan to include the expansion of DART and change in development areas downtown | $25,000 | Approved partial funding of update |
| Downtown Parks Master Plan Update | Re-evaluate priority park sites identified in original plan and propose any new park sites downtown | Staff Time Only | Consultants engaged and update began |
| Ground Floor Activation Program | Program to provide incentives to downtown building owners to renovate and tenant their vacant ground floor space | $8,300,000 over the life of the Zone | Program implementation underway |
| Browder Street Plaza Improvements & Retail | Public space improvements and contract to provide retail (food truck) activation | ***$500,000 City | Complete |

| | | | |
|---|---|---|---|
| Activation | | assistance | |

* The Third Rail Lofts Garage, CityPark Garages, and Retail Initiative will be paid from Chapter 380 funds through a release of $12.5 million in TIF funds.
**Phase II of the Retail Initiative and Urban Market assistance was funded through Public/Private Partnership Funds.
*** $500,000 in bond funds for public space improvements

# Value and Increment Revenue Summary

The base value is the total appraised value of all taxable real property in the Zone, as determined by the Dallas Central Appraisal District certified property tax roll. The base value is established the year the TIF is created and/or when a property is placed within a TIF boundary.

The City Center TIF District's financing plan and boundary was amended September 2013 to add properties along the Lamar Street corridor and properties in the West End Historic District. As a result of the boundary amendment, two sub-districts were created: (1) City Center Sub-district and (2) Lamar Corridor/West End Sub-district. Each sub-district has its own base value. In November 2014, the plan and boundary was further amended to remove certain parcels from the City Center Sub-district. The map on page 2 of this document depicts the boundaries of the Zone, including the boundary of each sub-district.

City Center Sub-district
The sub-district's 2014 adjusted base year value is $577,655,884. The 2016 assessed tax value for the sub-district is $1,252,144,749. This represents an increase of $674,488,865 (117%) over the adjusted base year value. The district's value increased by $181,834,848 (17%) from the previous year. The increase of the base year will result in an estimated collection of approximately $5,039,723 (City $4,222,300; County $817,423) in incremental revenue.

Lamar Corridor/West End Sub-district
The sub-district's 2012 base year value is $97,095,610. The 2016 assessed tax value for the sub-district is $150,663,310. This represents an increase of 53,567,700 (55%) over the base year value. The district's value increased by $25,596,530 (19.5%) from the previous year. This increase will result in an estimated collection of approximately $446,269 (City $377,251; County $69,018) in incremental revenue.

# Objectives, Programs, and Success Indicators

On February 12, 1997, the Dallas City Council adopted Ordinance Number 23034 which approved the City Center Tax Increment Financing District Final Project Plan and Reinvestment Zone Financing Plan, as amended. The goals of the plan are as follows:

- Make the City Center area a safer place to live and work
- Improve access to the City Center area
- Improve the image of the City Center area
- Take advantage of the existing building stock
- Develop a diverse mix of land uses within the City Center area
- Increase recreational opportunities in the City Center area

The following objectives and actions items set the framework for the planned public improvements within the City Center TIF District in 1997:

- Improve street and pedestrian lighting within the City Center TIF District.

  *Improvements to five north/south streets (Field, Akard, Ervay, St. Paul and Harwood Streets to the Transit Mall) were completed in 2008. An extension of the north/south improvement project (from the Transit Mall to Ross Avenue) was also completed in 2008. These improvements included widened sidewalks, street repaving, street furniture, lighting, new crosswalks and street trees. Both Lamar and Griffin are planned for improvements. The 2015/2016 Downtown 360 Plan update will further examine key corridors within the City Center TIF District and beyond and recommendations for further improvements are anticipated.*

- Improve the pedestrian environment through landscaping, lighting and design standards for surface parking lots.

  *Ordinance No. 25487 approved by City Council on January 28, 2004, required commercial parking garages and surface parking lots to comply with certain parking lot enhancements such as improved lighting, stripping and landscaping. The ordinance also required the installation of wrought iron fencing but only if financed by the City Center TIF District. A fencing program was completed in 2007 that installed enhanced fencing along commercial surface parking lots located within the City Center TIF District.*

  *Pedestrian improvements in the downtown core/retail district were completed for the North/South Streets between Young and Ross Avenue. This work created a retail and pedestrian friendly environment with improved lighting, sidewalks, lighting and public art (terrazzo panels) on Field, Akard, Ervay, St. Paul and Harwood Streets focusing on the core district between Elm and Commerce Streets. Browder Street pedestrian plaza improvements are complete, enhancing the block's connection and providing street-level activation between Commerce Street and Jackson Street.*

- Provide public parking to encourage redevelopment of underutilized downtown office and retail space.

*On October 13, 2004, City Council authorized an agreement with Downtown Dallas Inc. to implement the City Park program. The program provided public, short-term parking space in garages in the downtown retail core in support of retail redevelopment efforts within the core. The CityPark program ended in 2010, but provided $1,027,818 over six years for the conversion of existing private garages to public use through equipment signage, marketing and the use of the City's public parking rates. The following garages participated in the program and provided a minimum of 150 public parking spaces:*

- *DalPark Garage (1600 Commerce)*
- *Davis Lot Garage (1407 Main Street)*
- *Star Parking Garage (1300 Ross Avenue)*
- *Metropolitan Garage (1310 Elm Street)*



*Although the CityPark program has expired, the City continues to lease 150 low cost, transient parking spaces at the Dalpark Garage to assist with retail efforts. The Dalpark Garage lease was extended in FY 2015 for a five year period, from July 31, 2015 to June 30, 2020.*

*Additionally, the developer of the Third Rail Lofts (1407 Main Street) received an $8.5 million loan with a forgivable interest component to construct a parking garage providing 370 public parking spaces for 10 years, parking for adjacent residential projects and assist in the development of 20,000 square feet of retail space.*

*A Downtown Parking Strategy was completed during FY 2011 as a component of the Downtown Dallas 360 Area Plan.*

*As a result of the extension of the City Center Sub-districts term and increase in budget, funds have been allocated to a Parking Initiative budget line item that will support expansion of public parking. The funds will be used to acquire or lease other parking spaces in the Zone or the greater downtown area if it benefits the Zone. Parking funds may be used to incentivize the construction of private parking garages that provide public parking by either over building the garage to include public spaces or dedicating spaces in the garage for public use.*

- Coordinate linkages with the new DART light rail transit mall by extending streetscape improvements from the transit mall to the Arts District, Main Street, public open spaces and City Hall.

  *Construction of pedestrian linkages connecting the DART light rail transit mall with the Main Street Retail District, public open spaces, City Hall and the Convention Center are underway.*

  *In July of 2010, the McKinney Avenue Transit Authority received a $4.9 million grant from the Federal Transit Administration and matching grant of $5 million from the North Central Texas Council of Government to complete the M-Line loop that branches off of McKinney Avenue*



*at Olive Street. Construction of the Olive/St. Paul Street Loop is complete. The line improves connectivity between Uptown, Downtown, Klyde Warren Park, the Arts District and DART downtown transit mall.*

*The creation of a circulator system the downtown area was recommended by the Downtown Dallas 360 Area Plan. In September 2013, City Council approved funding to participate in the two year pilot program D-Link, a special service from DART that provides residents, workers and visitors a way to get to some of the city's most popular arts, dining and historic destinations. The free bus route includes destinations such as American Airlines Center, Klyde Warren Park, the Perot Museum of Nature and Science, The Sixth Floor Museum, Dallas Arts District, the Bishop Arts District and many other cultural, arts and entertainment-related stops. DART, Downtown Dallas and the City of Dallas shared the $1.4 million annual cost of the program. On September 14, 2016, City Council approved a one-year extension of the Funding Agreement to allow for continuation of the D-Link.*

- Direct overall development of the City Center area through the application of design standards for public improvements and design guidelines for private development.

  *Standards for public improvements have been established. Development projects requesting TIF funding are required to design and construct public improvements in accordance with established guidelines. All City Center TIF District proposed projects are reviewed by the City Design Studio and the Peer Review Panel.*

- Encourage development of residential housing and hotels, including conversions of existing office space.

  *TIF reimbursement provided through the City Center TIF District encouraged multiple residential redevelopment projects while reducing the amount of vacant obsolete space by 5.9 million square feet and increasing the number of downtown residents. Completed projects that converted existing office space include the following: Kirby Building, Wilson Building, Majestic Lofts, Davis Building, Santa Fe II, Gulf States Building, Dallas Power & Light Buildings, 1505 Elm Condominiums, Jackson Street Lofts, Republic Tower, Interurban Building, Mosaic, 1200 Main Street, Magnolia Hotel, Sheraton Hotel, 1516 Elm Street, Hart Furniture, Merriman Architects, 2020 Live Oak, 1217 Main, Houseman Building, 400 S. Akard, the Joule Hotel, 711 Elm and Hartford Building (includes conversion to any use).*

- Encourage redevelopment of street-front retail.

  *A Retail Initiative aimed at stimulating the creation of a retail district in downtown Dallas, initially focusing on 40,000 to 60,000 square feet in the Main Street*

*District, was approved in 2003. Phase I of the Initiative included $2.5 million in funding for tenant start-up costs, rent subsidies, and a Leasing/Marketing Partner. Phase I of the Retail Initiative brought several unique retail establishments to downtown; however, most of these stores have not remained open.*

*Phase II of the Initiative, with $700,000 in funding and a program goal of 16,000 to 20,000 square feet of retail, was approved. Jos. A. Bank (5,142 square feet) opened under the extended initiative. While many of the initial uses have closed, many of the spaces were able to attract new businesses without further subsidy, as a result of the initial TIF investment. Conversions of structures such as the Stone Street Gardens Buildings, the Thompson Building, 1608 Main Street, Davis Building, Dallas Power and Light Building, Metropolitan and Mosaic add to the amount of improved retail space.*

*The City of Dallas Main Street District Initiative Loan and Grant Program was amended to allow expenditures for a comprehensive update of the Downtown Parking Strategy and creation of a Retail Activation Strategy to identify and prioritize improvements needed to support retail recruitment efforts in the Downtown area. Both documents were completed and approved during FY 2011.*

| Original Tenant | Address | Square Footage | Status | Current Tenant |
|---|---|---|---|---|
| CADD | 1608 Main Street | 3,750 | Closed | Traffic Los Angeles |
| CVS | 1404 Main Street | 14,500 | Open | CVS |
| Jason's Deli | 1409 Main Street | 5,600 | Open | Jason's Deli |
| Jimmy John's | 1414 Elm Street | 1,380 | Open | Jimmy John's |
| Jos. A. Bank | 1508 Commerce Street | 5,142 | Open | Jos A. Bank |
| Swirll | 1311 Main Street | 5,193 | Closed | Union Park GastroPub |
| Urban Market | 1500 Jackson Street | 20,000 | Closed | Vacant |
| Benji's | 1511 Main Street | 2,006 | Closed | Accent Optical |
| Crimson in the City | 1514 Commerce Street | 2,500 | Closed | Studio 1514 (Salon) |
| Footgear | 1608 Elm Street | 3,000 | Closed | N/A |
| Kul Design Studio | 1303 Main Street | 9,706 | Closed | Empire Rock Bar |
| TOTAL SQUARE FOOTAGE IMPROVED | | 72,777 | | |
| TOTAL SQUARE FOOTAGE OCCUPIED | | 26,622 | | |

*In addition to the multitude of restaurants in the City Center TIF District, there are several additional retailers open within the Main Street core including the Spa at the Joule Hotel, the AT&T Store at 208 S. Akard, Downtown Pawz in the*

*Wilson Building and Kettledrum Allie Boutique located in the Gulf States Building (1415 Main Street).*

- Encourage redevelopment of school property and improve educational and training facilities within the district.

  *University of North Texas (UNT) relocated its administrative offices to the Universities Center at Dallas building and purchased the Titche-Goettinger Building located at 1900 Elm Street.*

  *In 2014, UNT completed a $29 million renovation of the building aimed at housing the universities new law school. Downtown's first public law school, UNT Dallas College of Law, began its inaugural class August 2014. In addition to the project's interior improvements, the façade of the building facing Main Street Garden Park was renovated to include windows, opening up the building to the downtown community.*

- Complement and protect existing historic structures.

  *Through the efforts of the City Center TIF District and the City of Dallas Historic Preservation Program, the following historic buildings within the TIF District have been improved – Kirby Building, Wilson Building, Magnolia Building, Davis Building, Stone Street Gardens, Gulf States Building, Dallas Power & Lig*ht *Buildings, Thompson Building, 1608 Main Street, Hart Furniture Building, 1530 Main Street, Republic Tower, the Interurban Building, and Mosaic (Fidelity Union Life Buildings). The Main Street National Register Historic District nomination was completed and accepted by the National Park Service. The city supported the expansion of the District to include buildings on the southern side of Downtown. The new expanded Downtown National Register Historic District was accepted by the National Park Service.*

<u>Original and amended City Center Sub-district development program includes</u>:

- Original - 2,500 residential units
- ***Amended – Add residential units to complete original goal of 2,500 residential units***

  *To date 2,611 residential units have been built in the City Center sub-district, representing approximately 104% of the development program goal. Below is a chart showing residential projects completed within the City Center TIF District:*

| CITY CENTER – COMPLETED RESIDENTIAL UNITS | | | |
|---|---|---|---|
| PROJECT | LOCATION | UNITS | YEAR COMPLETED |
| 1900 Elm (Titche-Goettinger) | 1900 Elm Street | 129 | 1997 |
| SoCo Lofts | 1122 Jackson Street | 205 | 2000 |
| The Kirby – Residences on Main | 1509 Main Street | 156 | 2000 |
| Wilson Building | 1623 Main Street | 135 | 2000 |
| Residences on Jackson | 1300 Jackson Street | 8 | 2002 |
| Davis Building | 1309 Main Street | 183 | 2003 |
| 1505 Elm Street Condominiums | 1505 Elm Street | 65 | 2004 |
| Interurban Building | 1500 Jackson Street | 134 | 2005 |
| Dallas Power & Light | 1506-12 Commerce Street | 154 | 2005 |
| Gulf States Building | 1415 Main Street | 64 | 2007 |
| Gables at Republic Center | 325 N. St. Paul, Tower I | 227 | 2007 |
| Fidelity Union Life Towers (Mosaic) | Pacific/Bryan/Akard | 440 | 2007 |
| Metropolitan | 1200 Main Street | 273 | 2007 |
| 1407 Main Street | 1407 Main Street | 84 | 2008 |
| U.S. Post Office Building | 400 N. Ervay Street | 78 | 2011 |
| One Dallas Center (Patriot Tower) | 350 N. St. Paul | 276 | 2014 |
| TOTAL RESIDENTAL UNITS COMPLETED | | 2,611 | |

- Original – Absorption of 3.5 million square feet of the currently vacant office space in the district
- ***Amended - Absorption of additional 1,000,000 square feet of vacant office space in the sub-district***

  *To date, 6.87 million square feet of previously vacant office space located within the City Center TIF District has been renovated representing 196% of the original development goal.*

  *Completed projects include Santa Fe II, 2020 Live Oak, Sheraton Hotel, Majestic Lofts, Kirby Building, Wilson Building, Magnolia Building, Hart Furniture, 1505 Elm, Davis Building, Dallas Power and Light, Interurban Building, Jackson Building, Republic Tower, 1530 Main Street, Gulf States, 1217 Main Street, Mosaic, 1200 Main Street, Magnolia Hotel, Sheraton Hotel, 1516 Elm Street, Hart Furniture,1217 Main Street, Houseman Building, 400 S. Akard Street, Joule Hotel, 1025 Elm Street, U.S. Post Office Building, One Dallas Center (Patriot Tower), Westin Hotel (One Main Place), 1700 Commerce and Hartford Building.*

- Absorption of 300,000 square feet of retail space
- ***Amended – Activate 300,000 square feet of vacant ground floor and/or retail space in the downtown core.***

  *To date, approximately 588,603 square feet of retail space, including Neiman Marcus, has been improved, representing 196% of the development program goal. The Main Street Retail Initiative has assisted in adding retail tenants to the growing number of those already established. Jos. A. Bank, CVS, Jason's Deli and Jimmy John's opened as part of the Retail Initiative. 7-11 opened a convenience store on the ground floor of the Metropolitan.*

Lamar Corridor/West End Sub-district's development program includes:

- Add 2,500 residential units to the sub-district.

  *Fairfield Residences at West End is the first Lamar Corridor/West End Sub-district residential project completed since this sub-district was created. The project has added 278 apartments to the area, accounting for 11% of the sub-district goal.*

- Activate 500,000 square feet of vacant ground floor and/or retail space in the sub-district.

  *Approximately, 3,000 square feet of vacant ground floor space has been renovated as part of the 711 Elm Street TIF project.*

- Absorb vacant office space in the sub-district.

  Since the inception of the Lamar Corridor/West End sub-district and as of FY 2016, no new vacant office space has been converted. However, several new property purchases by established office-focused real estate firms have positioned the sub-district to become an up-and-coming creative/innovative office marketplace.

# Year-End Summary of Meetings

The City Center TIF District Board of Directors met six (6) times during FY 2016, October 8, 2015, December 10, 2015, January 14, 2016, March 10, 2016, June 9, 2016 and August 11, 2016.

The City Center TIF District Board of Directors consists of nine (9) members including six (6) City of Dallas appointees, one (1) Dallas Independent School District (DISD) appointee, one (1) Dallas County appointee and one (1) Dallas County Community College District appointee. During FY 2016, the City Center TIF Board consisted of the following members:

Board Member List
Larry James – City Appointee (Attended 5 of 6 meetings)
Jon Ruff – City Appointee (Attended 5 of 6 meetings)
Evan Beattie – City Appointee (Attended 5 out of 6 meeting)
Vacant – City Appointee
Vacant – City Appointee
Vacant – City Appointee
Orlando Alameda – DISD Appointee (Attended 6 of 6 meetings)
Rick Loessberg – Dallas County Appointee (Attended 5 of 6 meetings)
Clyde Porter – DCCCD Appointee (Attended 2 of 6 meetings)

During FY 2016, the City Council approved eleven (11) items associated with the City Center TIF District. The council actions are listed below.

- On October 14, 2015, City Council approved Resolution No. 15-1892, authorizing a development agreement with WC 717 N Harwood Property, LLC, to reimburse TIF eligible project costs for streetscape and redevelopment project improvements in an amount not to exceed $1,650,000, a portion of which is in the form of an Economic Development TIF Grant, for the 717 North Harwood Redevelopment Project from revenues accruing to Tax Increment Financing Reinvestment Zone Five (City Center TIF District) - Not to exceed $1,650,000 - Financing: City Center TIF District Funds (subject to appropriations)

- On November 10, 2015, City Council approved Resolution No. 15-2055, authorizing amendments to Resolution Nos. 14-1275 and 14-1276 previously approved on August 13, 2014 to: (1) extend the Certificate of Occupancy and construction completion deadlines for the Mid Elm Lofts redevelopment project from June 30, 2016 to June 30, 2017; and (2) revise the development entity from RREAF Holdings, LLC to Mid Elm TIF, Inc. - Financing: No cost consideration to the City

- On January 27, 2016, City Council approved Resolution No. 16-0192, authorizing a professional services contract with Moore, Iacofano, Goltsman, Inc., (MIG, Inc.) for the preparation of an update to the City's Downtown Dallas 360 Plan adopted by City Council on April 13, 2011 - Not to exceed $250,000 - Financing: Downtown Connection TIF District Funds

- On January 27, 2016, City Council approved Resolution No. 16-0209, conducting a public hearing to receive comments to amend the City of Dallas Central Business District Streets and Vehicular Circulation Plan to change the proposed rights-of-way on (1) Record Street from Wood Street to Young Street from 80-feet to 64-feet of right-of way; and (2) Market Street from Wood Street to Young Street from 80-feet to 67-feet of right-of-way; and at the close of the hearing, authorize an ordinance implementing the change - Financing: No cost consideration to the City

- On February 24, 2016, City Council approved Resolution No. 16-0333, accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Five, (City Center TIF District), submitted by the City Center TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

- On April 27, 2016, City Council approved Resolution No. 16-0623, authorizing the first amendment to the development agreement and the Chapter 380

economic development grant agreement with Fairfield at Ross LLC for development of the Fairfield West End Residences in the City Center TIF District to extend the completion deadlines to September 30, 2016 - Financing: No cost consideration to the City

- On April 27, 2016, City Council approved Resolution No. 16-0687, authorizing a twenty-year development, operation, and maintenance agreement with Dallas Hartford, L.L.C. for the development, operation, and maintenance of parkland for Federal Plaza located at 1900 Federal Street – Financing: No cost consideration to the City

- On June 22, 2016, City Council approved Resolution No. 16-1091, authorizing a Chapter 380 economic development grant agreement with Jacobs Engineering Group, Inc. in an amount up to $277,500 to encourage the relocation of the company headquarters to 1999 Bryan Street and stimulate business development activity in the City of Dallas, pursuant to the Public/Private Partnership Program - Not to exceed $277,500 - Financing: Public/Private Partnership Funds

- On June 22, 2016, City Council approved Resolution No. 16-1137, conducted a public hearing to receive comments regarding an application to amend Section 51A-7.1000 West End Sign District to create a subdistrict within the West End Special Provision Sign District to allow an attached sign/supergraphic on an historic structure at the northeast corner of Elm Street and Record Street and an ordinance granting the amendments

- On August 10, 2016, City Council approved Resolution No. 16-1175, authorizing the first amendment to the development agreement with Dallas Hartford, LLC for the Hartford Building project to (1) extend the completion deadlines for the public improvements on the Open Space portion of the Hartford Building redevelopment project from June 30, 2016 to December 31, 2016; and (2) split the approved TIF funding into two phases, thereby allowing for separate reimbursement for the Hartford Building and the Open Space - Financing: No cost consideration to the City

- On September 14, 2016, City Council approved Resolution No. 16-1455, authorizing a Funding Agreement between Dallas Area Rapid Transit, Downtown Dallas, Inc. and the City of Dallas for a one-year extension of the D-Link, downtown shuttle service operation - Not to exceed $400,000 - Financing: Convention and Event Services Current Funds (subject to annual appropriations)

# Budget and Spending Status

| City Center TIF District<br>Projected Increment Revenues to Retire TIF Fund Obligations | | | |
|---|---|---|---|
| **Category** | **TIF Budget[1]** | **Allocated/Expended [3]** | **Balance** |
| Original City Center TIF Collection [2] | $75,696,253 | $75,696,253 | $0 |
| Public Infrastructure Improvements | $8,500,000 | $4,951,743 | $3,548,257 |
| Parking | $5,500,000 | $0 | $5,500,000 |
| Redevelopment/Development Projects | $40,972,111 | $16,284,144 | $24,687,967 |
| District Wide Improvements | $4,000,000 | $0 | $4,000,000 |
| Affordable Housing | $6,500,000 | $0 | $6,500,000 |
| Ground Floor Activation | $8,300,000 | $0 | $8,300,000 |
| Plan Implementation/Administration | $2,500,000 | $219,461 | $2,280,539 |
| **Total Project Costs** | **$151,968,546** | **$97,151,601** | **$54,816,763** |

[1]Budget shown above in total dollars (including interest earnings and potential parking revenue), as approved in the Project Plan and Reinvestment Zone Financing Plan for the District.

[2]This amount represents the total amount of TIF funds expended from 1997 to 2012.

[3]Allocated/Expended amounts are TIF funds committed and/or spent to district projects through FY 2016.

[4] TIF administration costs shown are expended or committed through FY 2015; FY 2016 costs not included.

# M/WBE Participation

TIF projects must comply with the Business Inclusion and Development ("BID") Plan and the City's Fair Share goals of certified minority/women-owned business enterprises ("M/WBE") participation for both public and private improvements.

TIF assisted projects are not required to be publically bid. As a result, TIF projects are privately bid and are monitored to ensure compliance with the City's BID Plan and Fair Share Goals. Reporting is not required until project or benchmark completion.

| City Center TIF M/WBE Participation | | | | |
|---|---|---|---|---|
| **Project** | **Contractors** | **Total Construction Amount** | **M/WBE Contract Amount** | **M/WBE Participation** |
| Streetscape | HOK | $1,584,154 | $664,945 | 41.97% |
| Kirby | Gibson | $440,000 | $42,724 | 9.71% |
| Magnolia | Bell | $586,300 | $96,329 | 16.43% |
| Parking | Kittelson | $380,155 | $135,335 | 35.60% |
| Stone Street | Village Interiors | $979,000 | $185,814 | 18.98% |
| Park Master Plan | Carter and Burgess | $365,000 | $9,000 | 2.47% |
| Hart Furniture Bldg | Harrison Walker | $1,143,129 | $202,615 | 17.72% |
| Thompson Building | Nedderman & Assoc. | $2,000,464 | $241,822 | 12.09% |
| Streetscape Construction | Northern Pipeline Construction Co. | $2,780,691 | $1,141,540 | 41.05% |
| Elm St. Fire Corridor | Architexas | $63,000 | $17,762 | 28.19% |
| Retail Marketing/Leasing | Dallas Downtown Partnership | $247,500 | - | 0.00% |
| DP&L | Various | $5,169,921 | $2,724,525 | 52.70% |
| Wayfinding Signs | Bunting Graphics | $553,886 | $72,320 | 13.06% |
| Interurban Building | Andres Construction | $5,228,415 | $1,966,491 | 37.61% |
| Gulf States Building | Various | $3,703,168 | $876,480 | 23.67% |
| Republic Center | Various | $2,168,806 | $52,936 | 2.44% |
| Joule Hotel | Various | $13,528,365 | $544,982 | 4.03% |
| N/S Streetscapes | Texas Standard Construction | $1,619,260 | $615,318 | 38.00% |
| Metropolitan | Certified/LVI Environmental | $3,868,400 | $967,100 | 25.00% |
| 1608 Main Street Pedestrian way | Nedderman & Assoc. | $476,700 | $132,893 | 27.88% |
| 1608 Main Street | Nedderman & Assoc. | $1,455,660 | $361,868 | 24.86% |
| Mosaic | Certified/LVI Environmental | $8,882,955 | $2,492,880 | 28.06% |
| Liberty State Bank | Various | $1,647,499 | $503,220 | 30.54% |
| 711 Elm | Various | $304,030.55 | $88,074 | 28.97% |
| Fairfield West End | Various | $28,920,233 | $9,501,341 | 32.85% |
| Hartford Building | | tbd | tbd | tbd |
| **TOTALS** | | **$88,096,692** | **$23,638,314** | **26.83%** |

# FY 2017 Work Program

The work items for FY 2017 for the City Center TIF District are as follows:

- Adoption of the City Center FY 2016 Annual Report.
- Continue support of OED office/ business retention efforts in the downtown core.
- Identify and support opportunities for improving physical connections between the Downtown Core and surrounding districts including the Convention Center, Victory, Lamar Corridor, and West End neighborhoods.
- Complete existing projects
- Identify and promote redevelopment of key properties in the District
- Implement Ground Floor Activation Strategy for district and continue to investigate monetizing program's annual funding source
- Complete City audit of completed TIF projects and begin reimbursement
- Continue to work with Planning and Neighborhood Vitality's Mobility Division on various downtown transportation projects.
- City Council consideration of various proposed development projects
    - Flora Lofts (potential City Center TIF District Affordable Housing funding)
    - West End Marketplace (Factory Six03)
    - Corgan Building Expansion (Crescent Real Estate)
    - Purse Building
    - Thanks-Giving Square (potential District-Wide Improvement funding)

# Appendix A - District Financials

**City of Dallas, Texas**
**City Center Tax Increment Financing District Fund**
**Balance Sheet as of September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|
| Assets: | | | | | |
| Pooled cash and cash equivalents | $5,334,354 | $3,384,837 | $2,143,150 | $443,278 | $654,055 |
| Interest receivable | $27,901 | $4,082 | $2,302 | $520 | $5,670 |
| Accounts receivable-Parking | $7,173 | $12,199 | $11,759 | $10,827 | $8,155 |
| Total assets | $5,369,428 | $3,401,118 | $2,157,212 | $454,625 | $667,880 |
| Liabilities and Fund Balance (Deficit): | | | | | |
| Liabilities: | | | | | |
| Accounts payable | $15,000 | $0 | $998,500 | $0 | $0 |
| Advances from developers | $2,605,543 | $4,360,278 | $4,725,961 | $4,872,894 | $6,348,609 |
| Due to general fund | $37,490 | $37,490 | $37,490 | $37,490 | $0 |
| Accrued liability | ($3,565) | ($3,565) | ($3,565) | ($3,565) | ($3,565) |
| Total liabilities | $2,654,467 | $4,394,202 | $5,758,385 | $4,906,818 | $6,345,044 |
| Fund Balance (Deficit): | | | | | |
| Fund Balance (Deficit) | $2,714,960 | ($993,084) | ($3,601,174) | ($4,452,194) | ($5,677,164) |
| Total Liabilities and Fund Equity | $5,369,427 | $3,401,118 | $2,157,212 | $454,625 | $667,880 |
| | ($0) | ($0) | ($0) | ($0) | ($0) |

**City Center Tax Increment Financing District Fund**
**Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)**
**For the Period September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | ITD | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|---|
| Revenues: | | | | | | |
| Tax increment-Governmental | $85,062,590 | $3,363,323 | $2,578,452 | $1,860,846 | $2,282,715 | $1,963,730 |
| Tax increment-Intergovernmental | $4,510,914 | $559,545 | $407,412 | $334,755 | $0 | $344,557 |
| Affordable housing contribution | $307,787 | $0 | $0 | $7,787 | $0 | $300,000 |
| Interest income | $10,123,199 | $37,987 | $14,768 | $0 | ($3,613) | $9,998 |
| Parking Revenue | $1,423,044 | $165,447 | $144,987 | $144,957 | $136,030 | $107,943 |
| Net increase in fair value of investments | ($276,588) | $481 | $7,262 | ($595) | ($4,912) | ($193) |
| Total revenue | $101,150,947 | $4,126,783 | $3,152,880 | $2,347,750 | $2,410,220 | $2,726,035 |
| Expenditures: | | | | | | |
| Administrative expenses | $2,332,227 | $0 | $58,331 | $76,004 | $85,460 | $48,421 |
| Affordable housing participation | $3,745,566 | $0 | $0 | $0 | $625,000 | $1,500,000 |
| Non-capital outlay | $69,307,936 | $195,104 | $198,714 | $1,111,251 | $162,346 | $448,753 |
| Capital outlay | $9,891,148 | $0 | $55,100 | $49,500 | $0 | $0 |
| Interest and fiscal charges | $8,658,712 | $223,635 | $232,645 | $259,975 | $312,444 | $396,415 |
| Total expenditures | $93,935,589 | $418,738 | $544,790 | $1,496,730 | $1,185,250 | $2,393,588 |
| Excess (Deficiency) of Revenues over Expenditures | $7,215,358 | $3,708,044 | $2,608,089 | $851,020 | $1,224,970 | $332,447 |
| Other financing sources (uses): | | | | | | |
| Developer Participation | $5,416,002 | $0 | $0 | $0 | $0 | $0 |
| Transfer out | ($10,000,000) | $0 | $0 | $0 | $0 | $0 |
| Total other financing sources | ($4,583,998) | $0 | $0 | $0 | $0 | $0 |
| Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses | $2,631,360 | $3,708,044 | $2,608,089 | $851,020 | $1,224,970 | $332,447 |
| Fund balance (Deficit) at beginning of year as previously reported | $0 | ($993,084) | ($3,601,174) | ($4,452,194) | ($5,677,164) | ($6,009,610) |
| Prior period restatement | $83,600 | $0 | $0 | $0 | $0 | $0 |
| Fund balance (Deficit) at beginning of year, as restated | $83,600 | ($993,084) | ($3,601,174) | ($4,452,194) | ($5,677,164) | ($6,009,610) |
| Fund balance (deficit) at end of year | $2,714,960 | $2,714,960 | ($993,084) | ($3,601,174) | ($4,452,194) | ($5,677,164) |

**Note: Fiscal year 2015-16 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.**

**City Center Tax Increment Financing District**
**Reinvestment Zone Number Five, City of Dallas, Texas**
**As of September 30, 2016**

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

**1. Amount and source of revenue in the tax increment fund established for the zone:**

| | |
|---|---|
| $38,469 | Interest Income |
| 165,447 | Parking Income |
| 3,922,867 | Ad Valorem Taxes (Collected in FY'2015-16 based on 2015 Final Tax Roll) |
| $4,126,783 | Total Revenue |

**2. Amount and purpose of expenditures from the fund:**

| | |
|---|---|
| $0 | Administrative Expense (FY 2016 costs to be determined) |
| $0 | Affordable Housing Participation |
| $195,104 | Non-Capital outlay* |
| $0 | Capital outlay* |
| $223,635 | Additional Subsidy in Form of Grant (in lieu of interest expense) |
| $418,738 | Total Expenditures |

***** These expenditures are detailed as follows:

| | Total Expenditures | Capital Outlay | Non-capital Outlay |
|---|---|---|---|
| Parking Subsidy-Dalpark Garage | $195,000 | $0 | $195,000 |
| Miscellaneous | $104 | $0 | $104 |
| Total Expenditures | $195,104 | $0 | $195,104 |
| | $0 | | |

**3. a. Amount of Principal and Interest due-on outstanding bonded indebtedness:**
None. City Center TIF District has incurred no bonded indebtedness.

**b**. The zone had the following contingent obligations at September 30, 2016 which are being reimbursed from availabe TIF funds:

| | | Balance Due (Since Inception) | | | Payments To Date | | | |
|---|---|---|---|---|---|---|---|---|
| | | | Accrued | | | Accrued | | Net Balance |
| Developer | Project | Principal | Add'l Subsidy **(1)** | Total Due | Principal | Add'l Subsidy **(1)** | Total Paid | Due |
| Post Properties, Inc. | Wilson Building | $3,400,000 | $483,691 | $3,883,691 | $3,400,000 | $483,691 | $3,883,691 | $0 |
| Hall Financial Group | Kirby Building Redev. | $435,797 | $35,094 | $470,891 | $435,797 | $35,094 | $470,891 | $0 |
| Holtze Magnolia | Magnolia Building Redev. | $570,000 | $24,486 | $594,486 | $570,000 | $24,486 | $594,486 | $0 |
| Republic Center, LLP. | Republic Building Redev. | $750,000 | $88,921 | $838,921 | $750,000 | $88,921 | $838,921 | $0 |
| Stone Place Mall Investors | Stone Place Mall | $276,000 | $16,062 | $292,062 | $276,000 | $16,062 | $292,062 | $0 |
| Elm Street Development | Hart Furniture Building | $1,333,191 | $59,252 | $1,392,443 | $1,333,191 | $59,252 | $1,392,443 | $0 |
| Main Street Investors JV | Thompson Building | $1,065,000 | $106,629 | $1,171,629 | $1,065,000 | $106,629 | $1,171,629 | $0 |
| Hamilton DPL Development | DP&L Bldg. Restoration | $6,503,159 | $361,750 | $6,864,909 | $6,503,159 | $361,750 | $6,864,909 | $0 |
| TIF Hotel, Inc. | Joule Hotel Redev. | $8,500,000 | $875,792 | $9,375,792 | $8,500,000 | $875,792 | $9,375,792 | $0 |
| Barker-Nichols, LLC | Interurban Building | $5,000,000 | $536,038 | $5,536,038 | $5,000,000 | $536,038 | $5,536,038 | $0 |
| Ervay Residential Partners, Inc. | Republic Center Tower I | $4,605,000 | $509,468 | $5,114,468 | $4,605,000 | $509,468 | $5,114,468 | $0 |
| GS Murray Development, Inc. | Gulf States Building Redev. | $4,666,650 | $409,198 | $5,075,848 | $4,666,650 | $409,198 | $5,075,848 | $0 |
| Gonzalo 1200 Main, LLC. | 1200 Main Street Redevel. | $4,750,000 | $1,220,990 | $5,970,990 | $4,750,000 | $1,220,990 | $5,970,990 | $0 |
| WLK Mosaic Owner, LP. | Fidelity Union Bldg. Redev. | $9,000,000 | $3,879,696 | $12,879,696 | $6,394,457 | $3,842,686 | $10,237,143 | $2,642,553 |
| SandCap 711 Elm Partners, LP | 711 Elm Street Garage | $124,000 | $0 | $124,000 | $124,000 | $0 | $124,000 | $0 |
| | **Totals** | **$50,978,797** | **$8,607,066** | **$59,585,863** | **$48,373,254** | **$8,570,056** | **$56,943,311** | **$2,642,553** |
| **Principal** | | | | | | | | **$2,605,543** |
| **Accrued Interest** | | | | | | | | **$37,010** |
| **Total** | | | | | | | | **$2,642,553** |

**(1)** Additional Subsidy in Form of Grant (in lieu of interest expense)

**c. The Zone has entered into a development agreement for each of the following projects, but has not begun reimbursement as of September 30, 2016:**

| Developer | Project Name | Maximum TIF Award |
|---|---|---|
| Fairfield Investment Company, LLC | Fairfield Residences at West End | $5,500,000 |
| 1601 Elm Holdings, LP | Thanksgiving Tower | $6,000,000 |
| WC 717 Harwood Propert, LLC. | 717 Harwood St. Bldg. | $1,650,000 |
| Dallas Hartford, LLC | Hartford Building | $1,200,000 |
| Alterra 211 North Ervay, LLC | 211 N. Ervay | $2,000,000 |
| RREAF Holdings (Mid Elm), LLC | Mid Elm Lofts | $3,900,000 |

Note: Reimbursement shall begin after project completion and upon availability of TIF funds.

**4. Tax increment base and current captured appraised value retained by the zone:**

| Taxing Jurisdiction | Taxable Value 2016 | Base Year 1996 Value | Est. Captured Value 2016** |
|---|---|---|---|
| City of Dallas-City Center Sub-District Zone A | $1,250,944,349 | $577,242,124 | $673,702,225 |
| City of Dallas-City Center Sub-District Zone B | $1,200,400 | $413,760 | $786,640 |
| City of Dallas-Lamar Sub-District | $150,663,310 | $97,095,610 | $53,567,700 |
| Dallas County-City Center Sub-District Zone A | $1,323,677,193 | $577,242,124 | $746,435,069 |
| Dallas County-City Center Sub-District Zone B | $1,200,400 | $413,760 | $786,640 |
| Dallas County-Lamar Sub-District | $150,663,310 | $97,095,610 | $53,567,700 |

****** Based on Certified Taxable Values. Final values will be determined on February 01, 2017.

**5. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:**

a. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

| Taxing Jurisdiction | Assessment Per $100 | % Captured Value Used | Amount of Estimated 2016 Increment |
|---|---|---|---|
| City of Dallas-City Center Sub-District Zone A | 0.78250 | 62.60% | $4,217,376 |
| City of Dallas-City Center Sub-District Zone B | 0.78250 | 62.60% | $4,924 |
| City of Dallas-Lamar Sub-District | 0.78250 | 70.43% | $377,251 |
| Dallas County-City Center Sub-District Zone A | 0.24310 | 10.94% | $816,563 |
| Dallas County-City Center Sub-District Zone B | 0.24310 | 10.94% | $861 |
| Dallas County-Lamar Sub-District | 0.24310 | 12.88% | $69,018 |
| Total for all Jurisdictions | $3.07680 | $2.30388 | $5,485,992 |

b. The total amount of estimated tax increment to be billed for the 2015 tax year is $5,486,761. For the 2015 tax year, increment in the amount of $3,922,867 was received.

City of Dallas, Texas
City Center Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2016
(Unaudited)

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.

2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).

3. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.

4. The Zone's Financial Plan permits expenditures not to exceed $4,660,402 over the life of the TIF to reimburse the City for administrative costs which is made up of the original allocation $2,160,402 and an additional $2,500,000 over the extended period of the district. The Zone began reimbursing the General Fund for administrative costs in FY'1998-99. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.

5. "Due to general fund" amount of $37,490 at September 30, 2016 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

6. The Zone has received advances from developers to fund improvements that have been completed. Following developer advance including principal and interest was outstanding at September 30, 2016:

   $2,642,553 for Fidelity Union Building advance bears interest at 4.87% compounded semi-annually.

7. All project costs resulting in capital improvements which are owned by the City are capitalized by the City of Dallas.

**AGENDA ITEM # 19**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 2

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 45 L M Q and R

## SUBJECT

A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Six, (Farmers Market TIF District), submitted by the Farmers Market TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

## BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 23521 on May 27, 1998, establishing Tax Increment Financing Reinvestment Zone Number Six, (the Farmers Market TIF District). On August 25, 1999, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 24001, as amended.

The Farmers Market TIF District’s assessed 2016 tax value was $289,539,899, an increase of $253,825,808 over the amended base year (note that County base and County taxable value may vary). This property value change represents 711% increase from the adjusted base value. The 2016 tax value increased $79,970,275 (38%) over the 2015 tax value. The total revenue collected in 2016 is expected to be $1,954,022 ($1,787,568 City and $166,454 County).

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

On May 27, 1998, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Six, the Farmers Market TIF District by Ordinance No. 23521.

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

On August 25, 1999, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Farmers Market TIF District, as amended, by Ordinance No. 24001.

On March 27, 2013, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Farmers Market TIF District, as amended, by Ordinance No. 28951.

On December 12, 2016, the Farmers Market TIF District Board of Directors recommended that the FY 2016 Annual Report be accepted and approved.

Information about this item was provided to the Economic Development Committee on February 6, 2017.

**FISCAL INFORMATION**

No cost consideration to the City

February 22, 2017

**WHEREAS,** the City recognizes the importance of its role in local economic development initiatives and programs; and

**WHEREAS,** the City has established Tax Increment Financing Reinvestment Zone Number Six, ("Farmers Market TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment in the Farmers Market area pursuant to Ordinance No. 23521, authorized by the City Council on May 27, 1998, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

**WHEREAS,** on August 25, 1999, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Farmers Market TIF District by Ordinance No. 24001, as amended; and

**WHEREAS,** on March 27, 2013, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Farmers Market TIF District by Ordinance No. 28951, as amended; and

**WHEREAS,** the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone and a copy of the report shall be forwarded to the State Comptroller; and

**WHEREAS,** on December 12, 2016, the Farmers Market TIF District Board of Directors passed a motion accepting the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Six and recommending approval of same by the City Council.

**NOW, THEREFORE,**

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

**Section 1.** That the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Six, (Farmers Market TIF District), City of Dallas, Texas, as of September 30, 2016, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

**Section 2.** That the City Manager is hereby authorized to submit the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Six to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law.

**Section 3.** 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.

# EXHIBIT A
# Farmers Market TIF District
# FY 2016 Annual Report

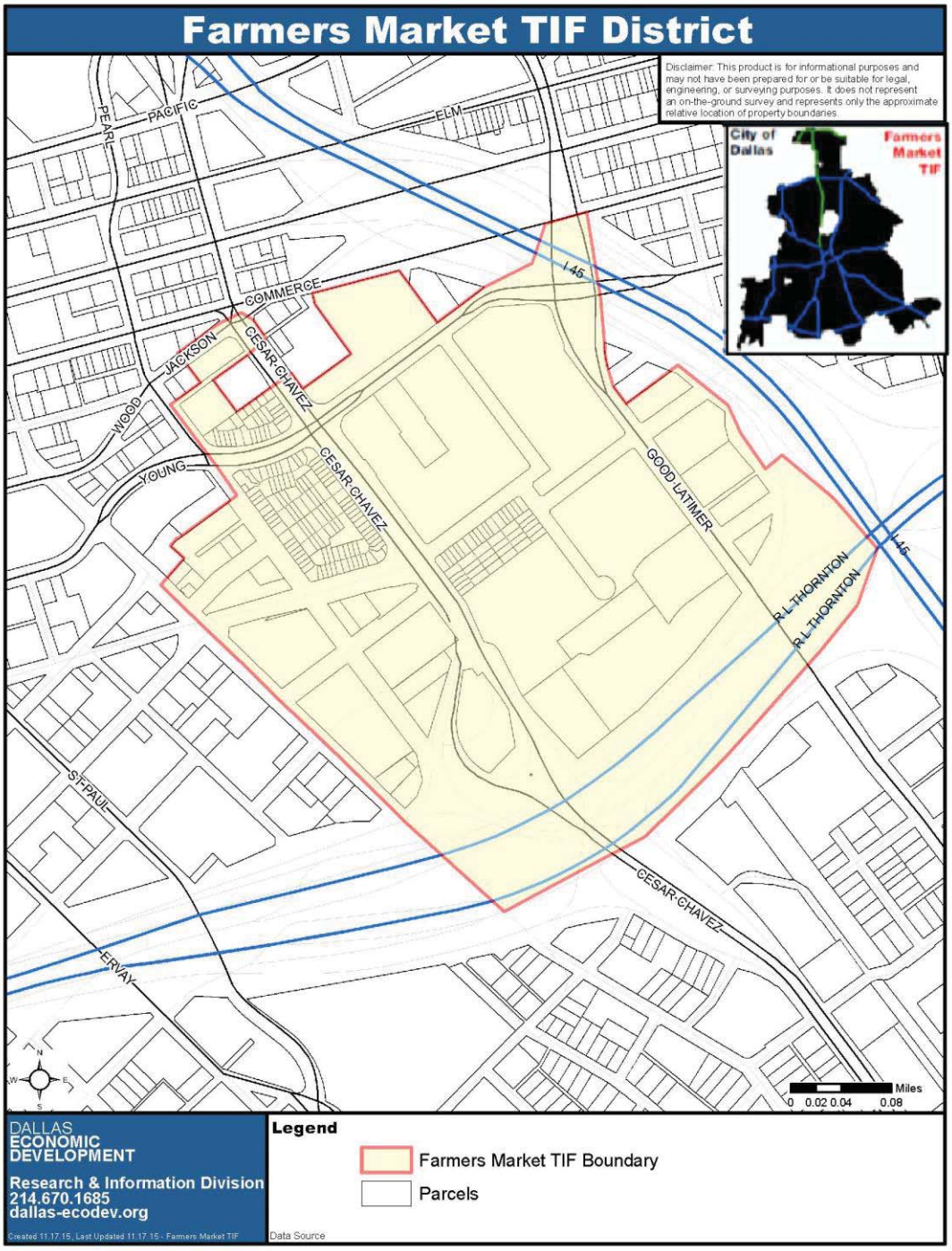



City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 670-1221
http://www.dallas-ecodev.org.

## October 1, 2015 to September 30, 2016

# Reinvestment Zone Number Six
# Farmers Market Tax Increment Financing District



# Table of Contents

Mission Statement ..... 4
Farmers Market TIF District Accomplishments ..... 4
Farmers Market/ Deep Ellum Connector Walkway ..... 5
Value and Increment Revenue Summary ..... 15
Development Goals and Objectives ..... 15
Year-End Summary of Meetings ..... 18
Pending TIF Items ..... 19
Budget and Spending Status ..... 20
FY 2017 Work Program ..... 21
Appendix: Financials ..... 22

# Mission Statement

The mission of the Farmers Market Tax Increment Financing District is to provide a source of funding for public infrastructure improvements to promote the redevelopment, stabilization and growth of the Farmers Market TIF District area. An accompanying goal is the stabilization and growth of the value of the area's tax base and support of the Dallas Farmers Market.

The Dallas City Council established the Farmers Market TIF District by Ordinance Number 23521 on May 27, 1998. The Farmers Market TIF District took effect on October 1, 1998.

In 2013, the Project and Reinvestment Zone Financing Plan was amended to increase the geographic area of the Farmers Market TIF District to include properties located south and east of the existing boundary and extend the term of the District to December 31, 2028 and other related changes as approved by Ordinance 28951. In 2015, the Project and Reinvestment Zone Financing Plan was further amended to increase the geographic area of the Farmers Market TIF District to include properties located on the east side of Harwood Street, south of Canton Street and to adjust the TIF Budget to reflect an increase in TIF collections. As per the amendments, the City of Dallas and Dallas County are the two participating jurisdictions; the City's participation is 90%, and the County's participation is 40%.

# Farmers Market TIF District Accomplishments

The Farmers Market TIF District was initially created to facilitate the redevelopment of vacant and underutilized land adjacent to the Dallas Farmers Market. The District was amended to promote redevelopment of the Dallas Farmers Market. With more new residential development under construction and planned, the area is maturing as a major contributor to the revitalization and growth of the downtown area.



Phase 1A of The Park at Farmers Market features 620 apartment units and a clubhouse. Public improvements in Phase 1A include the extension of Marilla Street into the project, construction of Farmers Market Way, streetscape improvements and street lighting. Construction of Phase 1B, with 284 apartment units, is completed on the site immediately south of Phase 1A.

Phase II, a 17-unit townhouse development at the northeast corner of Canton Street and South Cesar Chavez Boulevard, were completed during the summer of 2000. Public improvements for Phase II include streetscape improvements, street lighting, wastewater and water improvements.



Camden Phase 1A apartments



Camden Phase II - 17 Town Homes

Farmers Market/Deep Ellum Connector Walkway provides connectivity from the District to the Deep Ellum entertainment District, it was completed in 2002. Improvements such as lighting and benches in conjunction with the Bark Park Central project were completed and banners were installed in 2004. Recently, Deep Ellum Foundation with the support of the Farmers Market TIF funds added lighting to the Art Park and commissioned new art work.



Farmers Market/ Deep Ellum Connector Walkway



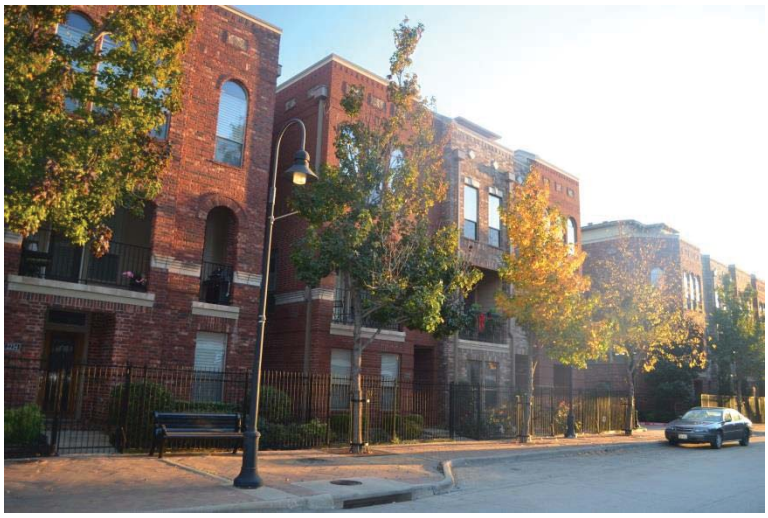
Lighting and open space improvements

The Harlan Building was completed in 2005. The renovation of the structure provides 10,000 square feet of retail/commercial space and 5 residential units. The public improvements associated with the project included water and wastewater improvements, paving, streetscape, demolition, environmental remediation and façade improvements.



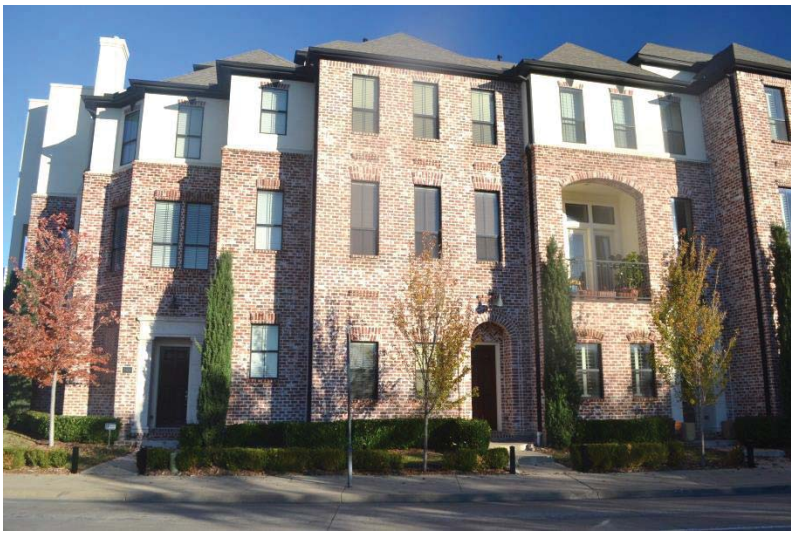
The Harlan Building

Perry Homes has constructed forty-four, three story townhomes - the Farmers Market Way Townhomes (Cityview at Farmers Market Townhomes) at the corner of Farmers Market Way and Cesar Chavez Boulevard. The public improvements associated with the project included streetscape, paving and pedestrian lighting and utility burial on Farmers Market Way Street.



Perry Homes – Cityview at Farmers Market

An additional 28 townhomes were built in 2010 and 2011 along Young Street at Cesar Chavez.



Texas InTownHomes, LLC is constructing 108 single-family townhomes called Farmers Market Square, at the southeast corner of Canton Street and Pearl Street. The total private cost of the Farmers Market Square Project is approximately $47.7 million. The cost of related TIF eligible public improvements is $3,000,000. These improvements include, but are not limited to paving, streetscape and pedestrian lighting improvements on Cesar Chavez Boulevard, Canton Street, Marilla Street and Pearl Street. The project construction started in December 2011 and as of the end of the fiscal year, 99 townhomes were complete with nine under construction. All units have been sold.



Farmers Market Redevelopment Plan is underway to revitalize the Dallas Farmers Market in to a vibrant urban neighborhood includes multiple components:

- Shed 1 is renovated and now operating as a marketplace for local farmers, farm merchants and vendors to sell produce and other farm-related products. It has capacity for 119 stalls
- Shed 2 has been renovated and contains 24,148 square feet of retail space. It is active with restaurants, specialty food vendors and other retail vendors. Part of the Shed 2 redevelopment is the Mudhen restaurant, located just north of the Shed 2 parking lot. Shed 2 grand opening was May 6, 2016
- Harvest Lofts Mixed Use Project (Sheds 3 and 4) is currently under construction and will have 240 residential units, 16,000 square feet of retail space and 300 public parking spaces (to be purchased by City of Dallas). Residential and retail space is expected to be delivered first quarter of calendar year 2017
- 2101 and 2111 Taylor Street project will include 60 residential units and 25,000 square feet of commercial space. Construction will begin first quarter of calendar year 2017
- North Texas Food Bank purchased the Farmers Market Administration Building in 2014 and relocated its administration office to that site in 2015
- Construction of the futsal fields and community gardens on land east of southbound Cesar Chavez Boulevard is scheduled to begin in the first quarter of calendar year 2017



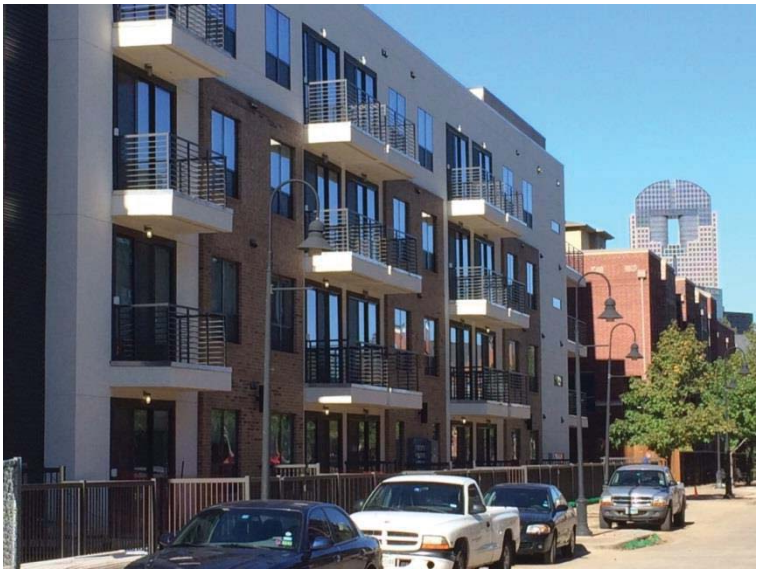
Mudhen Restaurant





Street view between Taylor Building and Farmers Market Shed 2
Harvest Lofts (Shed 3 and 4) in distance – late summer 2015 (left) and late summer 2016 (right)

Wood Partners LLC has completed construction of 313 apartments called Alta Farmers Market on a 4.7-acre site east of the Farmers Market.



Alta Farmers Market

Alliance Residential has completed the 340 unit Broadstone apartment complex at the northeast corner of Cesar Chavez Boulevard and Interstate 30.



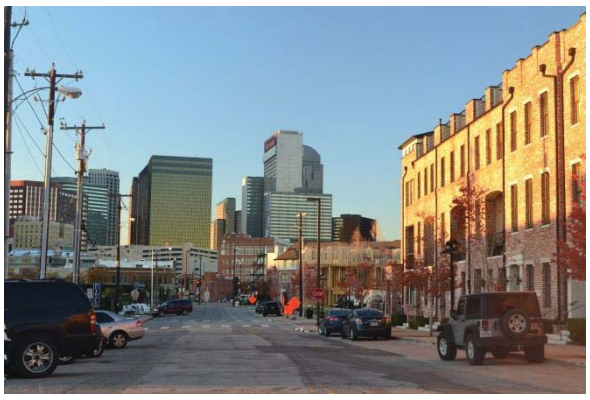
Eat the Yard is a veteran owned urban farming business to grow a diverse selection of produce and herbs, using environmentally friendly methods. The proposed project will be located at the southeast corner of Taylor Street and Good Latimer Street, two blocks from the Dallas Farmers Market. On May 25, 2016 City Council authorized a ten-year lease agreement, with two five-year renewal options with Farmers Assisting Returning Military, a Texas 501(c)(3) non-profit corporation, to be used as an urban farm.




The Pearl Street Gateway Improvement Project includes utility burial (overhead to underground conversion) on Pearl Street. The completed project includes removal of three utility poles at the intersection of Pearl Street and Marilla Street. TIF funding from the Farmers Market district-wide improvement set-aside funds in an amount not to exceed $277,348 is being used for this project.



Before Utility Burial



After Utility Burial

Total private development in the Farmers Market TIF District completed so far is approximately $305.3 million and an additional $71.2 million investment is under construction or planned in the area.



Banners/Streetscape



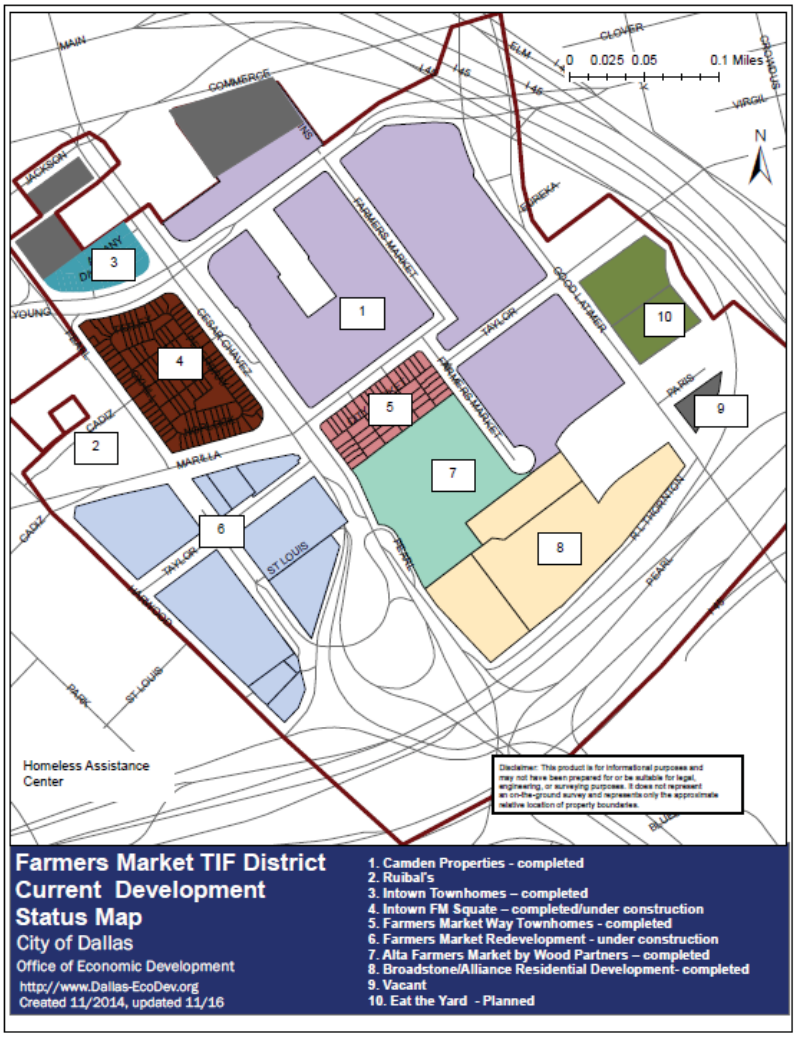

Ruibal's at Farmers Market

| Farmers Market TIF District Projects[1] | | | | | | |
|---|---|---|---|---|---|---|
| **Projects Within TIF District Utilizing TIF Funding** | | | | | | |
| **Project** | **Location** | **Year Complete** | **Status** | **Units/ SF[2]** | **Approx. Value[3]** | **TIF Investment[4]** |
| The Park at Farmers Market Phase 1A Apts. | 2210 & 2410 Canton St. | 2001 | Complete | 620 apartments | $79,480,490 | $3,456,274 |
| Townhomes Project, Phase IIA | 2205 Canton St. | 2001 | Complete | 17 Townhomes | $6,419,000 | $162,225 |
| Farmers Market/Deep Ellum Connector Walkway | | 2002 | Complete | N/A | N/A | $697,970[5] |
| Bark Park Central improvements in Farmers Market/Deep Ellum Connector | | 2004 | Complete | N/A | N/A | |
| Harlan Building Redevelopment Project | 2018 Cadiz St. | 2005 | Complete | 5 units 10,00 SF commercial | $1,089,000 | $649,900 |
| Farmers Market Project Phase IB-Apartments | 625 S Good Latimer Expwy. | 2005 | Complete | 284 apartments | $37,164,810 | $742,031 |
| Farmers Market Square | | | Complete (99)/ Under Construction (9) | 108 Townhomes | $50,543,870 completed $4,594,897 (anticipated) | $3,000,000 |
| Farmers Market Redevelopment Phase I | | 2015 | Complete | Design work for the Farmers Market Redevelopment | N/A | $1,664,832 |
| Farmers Market Redevelopment Phase II[7]: | | | Complete /Under Construction /Planned | Shed 1 Project (room for 119 stalls/20,000 sf), Shed 2 (24,148 sf retail + 6,310 restaurant) Shed 3 and 4 (Harvest Lofts) (240 apts, 16,000 sf retail, parking for project and public); Taylor | $66,571,645 (anticipated) | $18,503,195 |

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | | Street (60 apts, 25,000 sf commercial and Futsal Projects | | |
| **Total of projects within TIF using TIF funding<br>909 apartment units completed<br>116 townhomes completed<br>60,459 square feet commercial use completed<br>249 residential units under construction<br>16,000 square feet retail/restaurant/commercial space under construction<br>60 residential units planned<br>25,000 square feet retail/restaurant/commercial space planned** | | | | | **$174,697,170 Completed + $71,166,542 Under Construction and Planned = $245,863,712** | **$28,876,427** |
| **Projects Within TIF District Not Utilizing TIF Funding[5]** | | | | | | |
| Farmers Market Way Townhomes | 1000 S. Cesar Chavez Blvd. | 2007 | Complete | 44 Townhomes | $22,168,240 | $0 |
| 2100 Downtown Townhomes | 2140 Young St. (various) | 2010/2011 | Complete | 28 Townhomes | $12,567,200 | $0 |
| Alta Farmers Market | 1110 S Cesar Chavez Blvd | 2015 | Complete | 313 Units | $62,600,000 | $0 |
| Alliance Residential | 835 S. Good Latimer | | Complete | 340 Units | $27,529,770 | $0 |
| Eat the Yard | | | Planned | Urban Farm | - | $0 |
| Life Storage | 717 S. Good Latimer | | Complete | Self-Storage Facility | $5,700,000 | $0 |
| **Total of projects within TIF NOT using TIF funding<br>653 apartment units completed<br>72 townhomes completed** | | | | | **$130,565,210 Completed<br>$0 Under construction** | **$0** |

| | | |
|---|---|---|
| **Total**<br>**1,562 apartment units completed**<br>**188 townhomes completed**<br>**60,459 square feet commercial use completed**<br>**249 residential units under construction**<br>**16,000 square feet retail/restaurant/commercial space under construction**<br>**60 residential units planned**<br>**25,000 square feet retail/restaurant/commercial space planned** | **$305,262,380 Completed**<br>**+ $71,166,542 Under Construction and Planned**<br>**= $376,428,922** | **$28,876,427** |

*[1] All information updated as of September 30, 2016.*
*[2] Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage.*
*[3] Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) City GIS & DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF District for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.*
*[4] Principal amounts not to be exceeded per the development agreement.*
*[5] TIF Investment for Farmers Market/Deep Ellum connector includes the TIF investment for the Bark Park Central improvements, Lighting near Art Park and Open space improvements ($25,000) and Pearl Street conceptual design work ($25,000).*
*[6] Development Agreement with 2100 Downtown Condominium LLC was rescinded.*
*[7] Per the TIF program mixed-income housing requirement, the project is providing at least 20% of units as affordable.*




## Value and Increment Revenue Summary

The Farmers Market TIF District's assessed 2016 tax value was $289,539,899, an increase of $253,825,808 over the amended base year (note that County base and County taxable value may vary). This property value change represents 711% increase from the adjusted base value. The 2016 tax value increased $79,970,275 (38%) over the 2015 tax value. From the inception of the District, approximately 96.5% of the increment is from new construction and 3.5% is from the general appreciation. The total revenue collected in 2016 is expected to be $1,954,022.

## Development Goals and Objectives

On August 25, 1999, the City Council passed Ordinance Number 24001 as amended, which approved the Farmers Market Tax Increment Financing District Project Plan and Reinvestment Zone Financing Plan. Among the goals of the Plan are:

- Goal 1: Create additional taxable value attributable to new private investment in projects in the Farmers Market TIF District totaling approximately $114,000,000 over the term of the District.
  *Total private development in the Farmers Market TIF District completed so far is approximately $305.3 million and an additional $71.2 million investment is under construction or planned in the area (330% of goal).*

- Goal 2: Create urban neighborhood in southeast quadrant of downtown that capitalizes on proximity to the Dallas Farmers Market and supports concepts developed in the Downtown 360 Plan.
  *City of Dallas initiated an effort to promote the redevelopment of the Dallas Farmers Market and this effort to convert the southeast quadrant of downtown into a vibrant urban neighborhood is well underway.*

- Goal 3 – Facilitate redevelopment of the current Dallas Farmers Market area to adapt to changing market conditions and anchor the neighborhood.
  *Dallas Farmers Market Shed 1 has been renovated as part of the Farmers Market Redevelopment Project to include improvements to meet the existing market conditions. A diversified tenant mix in Shed 1 and the addition of Shed 2 restaurants and retail support the changing neighborhood*

- Goal 4 – Improve pedestrian, transit, bicycle and vehicular connections from the Farmers Market TIF District to the Downtown Core, Government District, Deep Ellum Entertainment District and Dallas Heritage Village/Cedars neighborhood.
  *On September 14, 2016, City Council authorized funding of the D-Link to continue downtown shuttle service, which now provides circulation to and from Farmers Market. Staff and the Board will continue to seek ways to improve pedestrian, transit, bicycle and vehicular connections from the District to various destinations. It is anticipated that the 2015/2016 update to the Downtown 360 Plan will focus on such connections. The locally preferred DART downtown extension (D2) alternative (Jackson Street through the south-east quadrant of downtown) would connect Farmers Market with other downtown neighborhoods and beyond. However, efforts are underway to refine D2 as a subway. Alignment and DART stations are yet to be determined.*

- Goal 5 – Generate approximately $16.5 million in total TIF collections through the end of the term of the TIF District in 2028 (final collection in 2029).
  *This initial goal was set in net present value (NPV). Collections to date equal $5.62M NPV. Since the inception of the Farmers Market TIF District, the tax value has increased by* 711% *from the inception of the District in 1998. Investment in the expanded boundary is anticipated to continue in the upcoming fiscal year.*

- Goal 6 – Diversify retail and commercial uses in the Farmers Market TIF District.
  *40,459 square feet of retail space plus an additional 20,000 square feet of space that accommodates up to 119 farm-related produce and product stalls in Shed 1*

*(photo) are complete in the Farmers Market TIF District. The updated Farmers Market sheds and restaurant Mudhen along with the Harvest Loft retail being built provides diversification of retail and commercial space in the District.*

- Goal 7 – Encourage the development of housing in the Farmers Market TIF District that is available to households with diverse income levels.
  *The Farmers Market TIF adopted the Mixed-income Housing Guidelines to promote housing for diverse income levels for development receiving TIF funding initiated after 2014.*

- Goal 8 – Develop 1,700 housing units within the Farmers Market TIF District; and 100,000 square feet of commercial, restaurant and farmers market space.
  *Since the creation of the Farmers Market TIF District, 1,750 residential units (103% of goal) (1,562 apartments, 188 townhomes) and 60,459 square feet of commercial space (60.5% of goal) has been completed. Currently, an additional 249 residential units are under construction and 60 residential units are planned. The development that will occur in the next few years will exceed the commercial use goal with 41,000 square feet of retail/restaurant/office space under construction or planned.*

- Goal 9 – Encourage the redevelopment of the current Dallas Farmers Market are including the sale of some City-owned property in the area and some street reconfigured to create a more usable site.
  *Portion of the development are complete while other phases are currently under construction with a mix of residential, retail/restaurant, office and recreational space. The City anticipates purchasing the 300 public parking spaces in FY 2016-2017.*



Shed 1 – helping to meet several Farmers Market TIF District Goals

# Year-End Summary of Meetings

During the period of October 1, 2015, through September 30, 2016, the Farmers Market TIF Board met two times, on December 15, 2015 and on February 29, 2016.

The Board members are: Neal Sleeper, Chair - City Representative (2 of 2 meetings), Lily Mak – City Representative (1 of 2 meetings), Brett Combs - City Representative (2 of 2 meetings), Jim Ingendorf - City Representative (2 of 2 meetings) and Rick Loessberg – Dallas County Representative (1 of 2 meetings). During the Fiscal Year, but after the last TIF Board Meeting, several new Board Members were appointed. The current Farmers Market TIF District Board of Directors are: Neal Sleeper (Chair), Rick Loessberg, Marilyn Pippin, George J. Robinson, Mark Ruibal and Matthew Vermillion.

During the fiscal year, the City Council approved six items directly/indirectly associated with the Farmers Market TIF District:

On January 27, 2016, City Council approved Resolution No. 16-0192, authorizing a professional services contract with Moore, Iacofano, Goltsman, Inc., (MIG, Inc.) for the preparation of an update to the City's Downtown Dallas 360 Plan adopted by City Council on April 13, 2011 - Not to exceed $250,000 - Financing: Downtown Connection TIF District Funds

On February 24, 2016, City Council approved Resolution No. 16-0334, authorizing a resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Six, (Farmers Market TIF District), submitted by the Farmers Market TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City.

On May 25, 2016, City Council approved Resolution No. 16-0872, authorizing a ten-year lease agreement, with two five-year renewal options with Farmers Assisting Returning Military, a Texas 501(c)(3) non-profit corporation, for approximately 89,445 square feet of land located at 606 and 700 South Good Latimer Expressway to be used as an urban farm for the period June 1, 2016 through May 31, 2026 - Revenue: $272,172.

On June 22, 2016, City Council approved Resolution No. 16-1061, authorizing the Second Amendment to the Master Agreement with DFM Developer, Ltd. and the Second Amendment to the Development Agreement with Taylor Street 2111, LP, for the Farmers Market Redevelopment, Phase II, 2101 and 2111 Taylor Street Project, to (1) extend the start date from April 1, 2016 to December 31, 2016; and (2) extend the completion deadline from December 31, 2018 to December 31, 2019 - Financing: No cost consideration to the City.

On June 22, 2016, City Council approved Resolution No. 16-1090, authorizing a Chapter 380 economic development grant agreement in an amount not to exceed $670,000 with DFM Developer, Ltd., in accordance with the approved Master Agreement for the Redevelopment of the Farmers Market, executed pursuant to City Council Resolution No. 13-0447, as amended, for remaining streetscape and infrastructure improvements - pursuant to Chapter 380 of the Texas Local Government Code in accordance with the City's Public/Private Partnership Program - Not to exceed $670,000 - Financing: Public Private Partnership Funds

On September 14, 2016, City Council approved Resolution No. 16-1455, authorizing a Funding Agreement between Dallas Area Rapid Transit, Downtown Dallas, Inc. and the City of Dallas for a one-year extension of the D-Link, downtown shuttle service operation - Not to exceed $400,000 - Financing: Convention and Event Services Current Funds (subject to annual appropriations)

## Pending TIF Items

- FY 2016 Annual Report, Farmers Market TIF District.
- Purchase of Public Parking Garage (300 spaces)

# Budget and Spending Status

Each TIF District establishes a budget for the public improvement expenditures necessary to support private investment in the district in the Project Plan and Reinvestment Zone Financing Plan. The Farmers Market TIF District budget and spending to date is shown in the following table:

**Farmers Market TIF District**
**Projected Increment Revenues to Retire TIF Fund Obligations**

| Category | TIF Budget[1] | Allocated[2] | Balance |
|---|---|---|---|
| Phase IA[3] | $17,089,818 | $8,125,410 | $8,964,408 |
| Deep Ellum Connector[4] | $672,970 | $672,970 | $0 |
| Phase IB | $742,031 | $742,031 | $0 |
| Phase II[5] | $4,502,982 | $3,162,225 | $1,340,757 |
| Harlan Building | $1,298,118 | $701,142 | $596,976 |
| Farmers Market Area Improvements | $22,392,803 | $20,168,027 | $2,224,776 |
| TIF Administration[6] | $1,700,000 | $716,696 | $983,304 |
| **Total** | **$48,398,723** | **$34,288,501** | **$14,110,222** |

*1. Budget shown above in current dollars*

*2. Allocated includes money expended and committed for existing and future projects.*

*3. Phase 1A and Phase II includes $7,654,743, funds advanced by the City.*

*4. Deep Ellum Connector includes – Lighting near Art Park and Open Space Improvements (AA)- $25,000 &Pearl Street conceptual design – 25,000.*

*5. Phase II includes Farmers Market Square and Phase IIA*

*6. TIF administration fee includes funds expended or committed through FY 2015; FY 2016 costs to be determined*

*7. NPV value of $19,238,514*

**Farmers Market TIF District**
**Project Plan Budget**

| Category | TIF Budget (in NPV) | TIF Budget (Current Dollars) |
|---|---|---|
| Phase IA | $4,162,445 | $17,089,818 |
| Deep Ellum Connector | $197,138 | $672,970 |
| Phase IB | $336,434 | $742,031 |
| Phase II | $1,666,033 | $4,502,982 |
| Harlan Building Redevelopment | $162,475 | $1,298,118 |
| Farmers Market Area Improvements | $11,948,989 | $22,392,803 |
| Administrative | $765,000 | $1,700,000 |
| **Total** | $19,238,514 | $48,398,723 |

| | Farmers Market M/WBE Participation | | | |
|---|---|---|---|---|
| **Project** | **Contractor** | **Total Contract** | **Contract Awarded** | **% Minority Participation** |
| Marilla St. & Farmers Market Way Infrastructure | Tiseo Paving Company | $15,466,589 | $1,791,031 | 11.58% |
| Marilla St. & Farmers Market Way Streetscaping | Gibson & Assoc.,Inc. | $21,761,854 | $1,863,606 | 9.42% |
| Marilla St. & Farmers Market Way Streetscaping – contract increase | Gibson & Assoc., Inc. | $1,272,337 | $120,872 | 9.50% |
| Good Latimer Expwy Streetscaping | Gibson & Assoc., Inc | $1,834,207 | $425,536 | 23.20% |
| Canton St. & S. Cesar Chavez Blvd Infrastructure | New Star Grading & Paving | $295,908 | $197,045 | 66.59% |
| Farmers Market Townhomes Phase IIA Water & Waste Water | Saber Development Corporation | $4,477,258 | $138,795 | 3.10% |
| Camden Farmers Market Ph. 1B, parcel 1 – Streetsc Water & Waste Water | Gibson & Assoc., Inc. | $2,384,950 | $617,702 | 25.9% |
| Harlan Building Redevelopment | Nedderman & Assoc. | $3,693,182 | $650,000 | 17.6% |
| Farmers Market Square | Fenway Development | $3,103,062 | $1,402,584 | 45.2% |
| Farmers Market Redevelopment – Shed 2 | Benge GC | $1,784,987 | $311,807 | 17.47% |
| Total | | $56,074,334 | $7,518,978 | 13.41% |

Includes only completed construction projects.

# FY 2017 Work Program

- Monitor and assist completion of the Farmers Market Redevelopment Project and Farmers Market Square Project.
- Support the development of the Eat the Yard and Liberty State Bank Preservation Phase II developments.
- Promote development in the vacant property within the District.
- Continue facilitating partnership with Farmers Market and other organizations in strengthening the Farmers Market TIF District.
- Support connectivity initiatives to assist in tying Farmers Market with other downtown neighborhoods.

# Appendix: Financials

**City of Dallas, Texas**
**Farmers Market Tax Increment Financing District Fund**
**Balance Sheet as of September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|
| Assets: | | | | | |
| Pooled cash and cash equivalents | $2,048,369 | $2,508,902 | $5,053,473 | $4,365,029 | $3,745,656 |
| Interest receivable | $2,754 | $3,064 | $5,324 | $4,758 | $5,315 |
| Total assets | $2,051,123 | $2,511,967 | $5,058,797 | $4,369,787 | $3,750,971 |
| Liabilities and Fund Balance (Deficit): | | | | | |
| Liabilities: | | | | | |
| Accounts & contracts payable | $0 | $1,314,000 | $3,000,000 | $0 | $0 |
| Advances from developers | $2,496 | $2,496 | $2,496 | $2,496 | $2,496 |
| Advances from City | $4,491,169 | $4,491,169 | $4,491,169 | $4,491,169 | $4,491,169 |
| Due to general fund | $16,786 | $16,786 | $16,786 | $16,786 | $0 |
| Accrued liability | $32,729 | $32,243 | $22,759 | $22,759 | $22,759 |
| Total liabilities | $4,543,180 | $5,856,694 | $7,533,211 | $4,533,211 | $4,516,425 |
| Fund Balance (Deficit): | | | | | |
| Fund Balance (Deficit) | ($2,492,057) | ($3,344,727) | ($2,474,414) | ($163,424) | ($765,454) |
| Total Liabilities and Fund Equity | $2,051,123 | $2,511,967 | $5,058,797 | $4,369,787 | $3,750,971 |
| | $0 | $0 | $0 | $0 | $0 |

**Farmers Market Tax Increment Financing District Fund**
**Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)**
**For the Period September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | ITD | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|---|
| Revenues: | | | | | | |
| Tax increment-Governmental | $8,759,203 | $1,251,470 | $991,485 | $756,083 | $666,754 | $584,035 |
| Interest income | $562,623 | $12,325 | $11,932 | $19,793 | $18,168 | $18,636 |
| Other revenue-developer reimbursement savings | $217,974 | $0 | $0 | $0 | $0 | $0 |
| Proceeds from sale of land | $433,711 | $0 | $0 | $0 | $433,711 | $0 |
| Net increase in fair value of investments | ($9,144) | ($2,398) | $5,778 | ($4,001) | ($4,639) | ($299) |
| Total revenues | $9,964,368 | $1,261,397 | $1,009,194 | $771,875 | $1,113,994 | $602,372 |
| Expenditures: | | | | | | |
| Administrative expenses | $717,302 | $0 | $75,836 | $78,056 | $74,253 | $48,461 |
| Non-Capital outlay | $659,220 | $48,176 | $139,020 | $108 | $744 | $229 |
| Capital outlay | $10,551,334 | $360,551 | $1,664,652 | $3,004,700 | $4,000 | $25,000 |
| Debt service payment-Principal | $432,967 | $0 | $0 | $0 | $432,967 | $0 |
| Interest and fiscal charges | $1,058,458 | $0 | $0 | $0 | $0 | $0 |
| Total expenditures | $13,419,282 | $408,726 | $1,879,508 | $3,082,865 | $511,964 | $73,690 |
| Excess (Deficiency) of Revenues over Expenditures | ($3,454,914) | $852,671 | ($870,314) | ($2,310,990) | $602,030 | $528,682 |
| Fund balance (Deficit) at beginning of year as previously reported | $0 | ($3,344,727) | ($2,474,414) | ($163,424) | ($765,454) | ($1,294,135) |
| Prior period restatement | $962,857 | $0 | $0 | $0 | $0 | $0 |
| Fund balance (Deficit) at beginning of year, as restated | $962,857 | ($3,344,727) | ($2,474,414) | ($163,424) | ($765,454) | ($1,294,135) |
| Fund balance (deficit) at end of year | ($2,492,057) | ($2,492,057) | ($3,344,727) | ($2,474,414) | ($163,424) | ($765,454) |

**Note: Fiscal year 2015-16 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.**

**Farmers Market Tax Increment Financing District**
**Reinvestment Zone Number Six, City of Dallas, Texas**
**As of September 30, 2016**

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

**1. Amount and source of revenue in the tax increment fund established for the zone:**

| | |
|---|---|
| $9,928 | Interest Income |
| $0 | Other revenue-developer reimbursement savings |
| $0 | Proceeds from sale of land |
| $1,251,470 | Ad Valorem Taxes (Collected in FY'2015-16 based on 2015 Final Tax Roll) |
| $1,261,397 | Total Revenue |

**2. Amount and purpose of expenditures from the fund:**

| | |
|---|---|
| $0 | Administrative Expense (FY 2016 costs to be determined) |
| $48,176 | Non-Capital outlay (1) |
| $360,551 | Capital outlay (1) |
| $0 | Additional Subsidy in Form of Grant (in lieu of interest expense) |
| $408,726 | Total Expenditures |

(1) These expenditures were for the following projects:

| | Capital | Non-Capital | Total |
|---|---|---|---|
| Farmers Market Redevelopment-Shed 1 | $0 | | $0 |
| Farmers Market Redevelopment-Phase I Design | $350,832 | $0 | $350,832 |
| Peral Street Gateway Improvements | $9,719 | | $9,719 |
| Total | $360,551 | $0 | $360,551 |

**3. a. Amount of Principal and Interest due-on outstanding bonded indebtedness is as follows:**
Farmers Market TIF District has incurred no bonded indebtedness as of September 30, 2016.

**b. The zone has the following contingent obligations reimbursable from available TIF funds as of September 30, 2016:**

| Source of Funds | Project | Advance Principal | Accrued Add'l Subsidy **(1)** | Total (P & I) Outstanding |
|---|---|---|---|---|
| City of Dallas | Park at Farmers Market | $4,491,169 | $5,848,115 | $10,339,284 |
| Camden Realty | Townhomes Phase IIA | $335,840 | $154,768 | $490,608 |
| Camden Realty | Townhomes Phase IB | $742,031 | $244,610 | $986,641 |
| Cadiz Street Properties | Harlan Building redevelopment | $649,900 | $51,242 | $701,142 |
| | Total | $6,218,940 | $6,298,735 | $12,517,675 |
| Less: payments | | $1,727,771 | $450,620 | $2,178,391 |
| Net Balance Outstanding | | $4,491,169 | $5,848,115 | $10,339,284 |

**c. The Zone has entered into a development agreement for each of the following projects and their status is as follows as of September 30, 2016:**

| Developer | Project Name | Principal TIF Award | Maximum TIF Award | Less Payments Principal | Accrued Add'l Subsidy **(1)** | Total P & I | **Net Bal. Remaining** |
|---|---|---|---|---|---|---|---|
| DFM Developer, Ltd. | Farmers Market Area Redev.-Phase I | 1,664,832 | 1,664,832 | 1,664,832 | 0 | 1,664,832 | **0** |
| DFM 1, LLC. | Farmers Market Area Redev.-Shed 1 | 300,000 | 300,000 | 300,000 | 0 | 300,000 | **0** |
| DFM 2, LLC. | Farmers Market Area Redev.-Shed 2 | 355,477 | 355,477 | 0 | 0 | 0 | **355,477** |
| DFM Developer, Ltd. | Farmers Market Area Redev.-Sheds 3 & 4 | 8,536,486 | 8,536,486 | 0 | 0 | 0 | **8,536,486** |
| FM Futsal, Ltd. | Farmers Market Area Redev.-Futsal | 589,888 | 589,888 | 0 | 0 | 0 | **589,888** |
| Taylor Street 2111, LP | Farmers Market Area Redev.-2101 & 2111 Tayloer St. | 3,553,480 | 3,553,480 | | | 0 | **3,553,480** |
| | Total | 15,000,163 | 15,000,163 | 1,964,832 | 0 | 1,964,832 | **13,035,331** |

*reimbursements began in fiscal year 2015 and will continue each year after project completion and upon availabiltiy of TIF funds
**(1)** Additional Subsidy in Form of Grant (in lieu of interest expense)

**4 Tax increment base and current captured appraised value retained by the zone:**

| Taxing Jurisdiction | Taxable Value 2016 | Base Year 1996 Value | Est. Captured Value 2016* |
|---|---|---|---|
| City of Dallas | $289,539,899 | $35,714,091 | $253,825,808 |
| Dallas County | $289,497,871 | $118,319,554 | $171,178,317 |

***** Based on Certified Taxable Values. Final values will be determined on February 01, 2017.

**5 Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:**

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

| Taxing Jurisdiction | Assessment Per $100 | Amount of Estimated 2016 Increment |
|---|---|---|
| City of Dallas | 0.70425 | $1,787,568 |
| Dallas County | 0.09724 | $166,454 |
| Total for all Jurisdictions | $1.51879 | $1,954,022 |

B. The total amount of estimated tax increment to be billed for the 2016 tax year is $1,954,022. For the 2015 tax year, increment in the amount of $1,251,470 was received.

City of Dallas, Texas
Farmers Market Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2016
(Unaudited)

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.

2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).

3. The Zone's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.

4. The Zone's Financial Plan permits expenditures not to exceed $1,112,684 (in current $) of the TIF to reimburse the City for administrative costs. The City began billing the Zone for administrative costs in FY'1998-99. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.

5. The Zone has received advances from City of Dallas to fund improvements that have been made by the Department of Public Works and Transportation. The City used the funds from the 1985 bond program that were allocated to fund these public improvements in the TIF district. Funds advanced by the City, which bear interest from the date of advance, include the following:

   $1,791,030 advance as of March 11, 1999 bears interest at 5.20% compounded annually;

   $1,995,017 advance as of September 25, 2000 bears interest at 5.20% compounded annually;

   $478,886 advance as of October 01, 2001 bears interest at 5.20% compounded annually; and

   $226,237 advance as of September 25, 2002 bears interest at 5.20% compounded annually; and

6. All project costs resulting in capital improvements that are owned by the City of Dallas are capitalized.

7. "Due to general fund" amount of $16,786 at September 30, 2016 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

**AGENDA ITEM # 20**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 2, 6, 14

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 44 D H M P Q R; 45 A E F J K N

## SUBJECT

A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Seven, (Sports Arena TIF District), submitted by the Sports Arena TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

## BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 23688 on October 28, 1998, establishing Tax Increment Financing Reinvestment Zone Number Seven, (Sports Arena TIF District). On August 25, 1999, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 24002, as amended. The termination date of the TIF District was extended by 10 years to December 31, 2028 on May 23, 2012 by Ordinance No. 28672.

The Sports Arena TIF District’s assessed tax value in 2016 was $881,411,626. This represents an increase of 1283% ($817,681,257) over the 1998 and 2012 adjusted base year assessed value of $63,730,369 and an increase of 25.4% ($178,517,703) from the previous year 2015 value. With the participation of the City and Dallas County, the district's value will result in the collection of approximately $6,249,544 (City $5,758,520; County $491,024) in incremental revenue for the Sports Arena TIF District for the 2016 tax year.

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

On October 28, 1998, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Seven, the Sports Arena TIF District, by Ordinance No. 23688, as amended.

On August 25, 1999, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Sports Arena TIF District, by Ordinance No. 24002, as amended.

On January 19, 2017, the Sports Arena TIF District Board of Directors recommended the FY 2016 Annual Report be accepted and approved.

Information about this item was provided to the Economic Development Committee on February 6, 2017.

## FISCAL INFORMATION

No cost consideration to the City

February 22, 2017

**WHEREAS,** the City recognizes the importance of its role in local economic development initiatives and programs; and

**WHEREAS,** the City has established Tax Increment Financing Reinvestment Zone Number Seven, ("Sports Arena TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment in the Sports Arena area pursuant to Ordinance No. 23688, authorized by the City Council on October 28, 1998, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

**WHEREAS,** on August 25, 1999, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Sports Arena TIF District, by Ordinance No. 24002, as amended; and

**WHEREAS,** the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

**WHEREAS,** on January 19, 2017, the Sports Arena TIF District Board of Directors passed a motion accepting the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Seven and recommending approval of same by the City Council.

**NOW, THEREFORE,**

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

**Section 1.** That the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Seven (Sports Arena TIF District), City of Dallas, Texas, as of September 30, 2016, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

**Section 2.** That the City Manager is hereby authorized to submit the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Seven to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and to the State Comptroller, as required by state law.

**Section 3.** 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.

**Exhibit A**

# Sports Arena TIF District
# FY 2016
# Annual Report

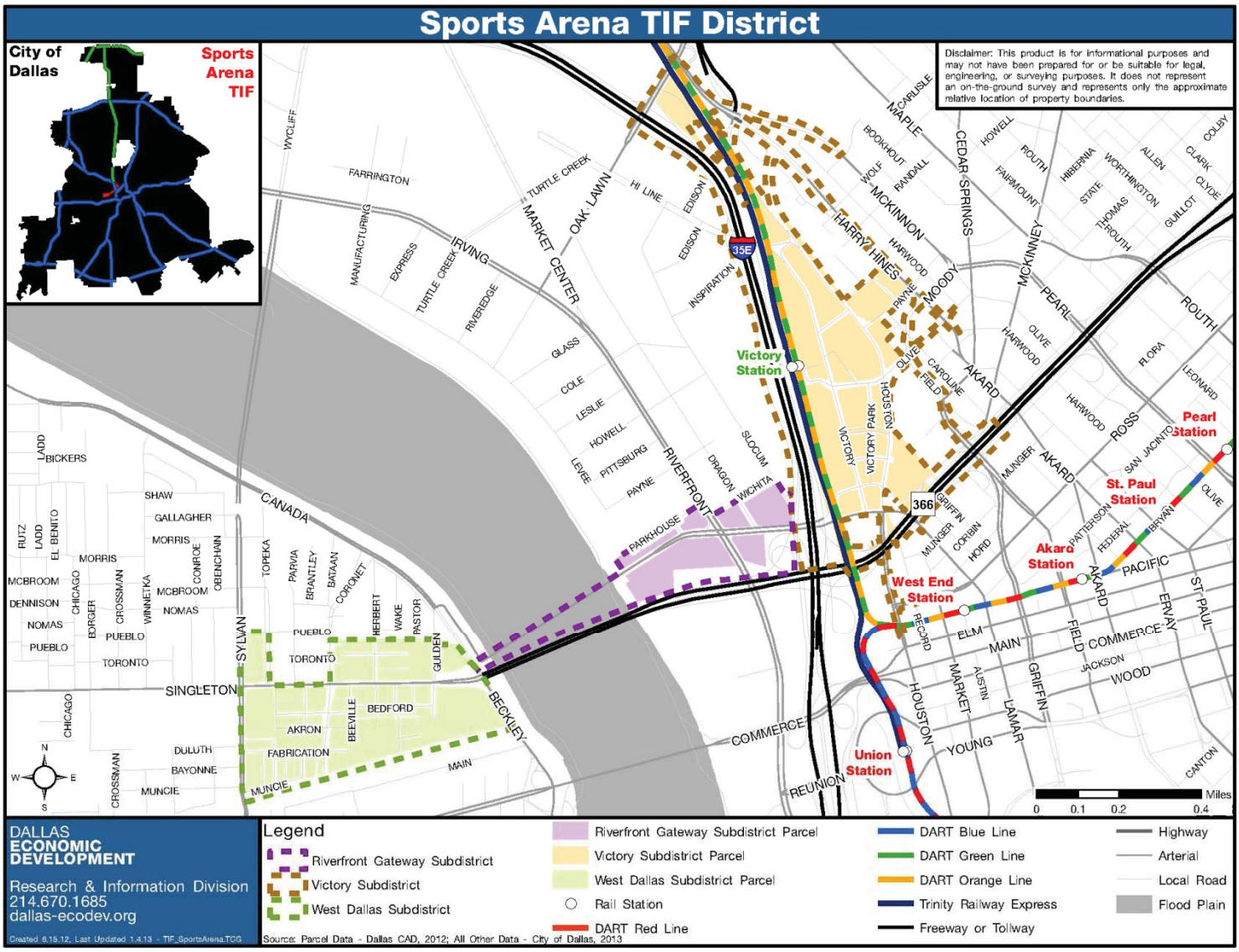


*Medialon 2007*

City of Dallas
Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 670-1685
http://www.dallas-ecodev.org/

## October 1, 2015 to September 30, 2016

# Amended Reinvestment Zone Number Seven
# Sports Arena Tax Increment Financing District



# Mission

The mission of the Sports Arena TIF District ("District" or "Zone") is to generate tax increment sufficient enough to reimburse costs of roadway improvements and other public improvements in the District that were beneficial to the redevelopment of the area around the American Airlines Center (AAC). The mission of the district was amended in 2012 to provide a means of funding needed improvements to shift AAC event parking from surface parking lots to structured parking within the Victory area, facilitate redevelopment in West Dallas that currently serves as a gateway from the west to the Victory area, improve occupancy rates of retail space in the Victory area and create new retail opportunities in the West Dallas area.

Dallas City Council created the Sports Arena TIF District (Reinvestment Zone Number Seven) by Ordinance No. 23688 on October 28, 1998. The District took effect January 1, 1999 and its original termination date was December 31, 2018, or when all district project costs and any interest on these costs were paid in full. The termination date of the TIF District was extended by 10 years to December 31, 2028 on May 23, 2012, by Ordinance No. 28672. The City Dallas participation rate in all three sub-districts is 90%. Dallas County's participation rate in the Victory Sub-district is 45% while the participation rate for the Riverfront Gateway and West Dallas Sub-districts is 55%.

Since its inception, the Sports Arena TIF has leveraged over $1.6 billion in new development completed or begun through fiscal year 2016. District development includes, 3,922 residential units, 251 hotel rooms, 389,200 square feet of retail space, and 1,021,000 square feet of office space.

# District Accomplishments

During the fiscal year, the following projects in the Victory Sub-district either started or completed construction.

**Projects Completed During FY 2016 – Victory Sub-district**

***Camden Victory Park***, Construction of 423 residential units on the parking lot north of the American Airlines Center completed during the fiscal year.






***Victory Park Lane Improvement Project***, Construction of infrastructure improvements that enhance pedestrian movement by widened sidewalks and provided more space for outside dining and activity, increase pedestrian safety by calming vehicular traffic and encourage mid-block crossings on Victory Park Lane completed during the fiscal year.



***Olive Street Improvement Project***, Construction of infrastructure improvements that reduced the street's width to better accommodate pedestrians, added a crosswalk at Victory Park Lane and reoriented the AT&T Plaza to direct event patrons to the retail component of the Victory project along Victory Park Lane completed during the fiscal year.



***Two-Way Conversion of Houston Street and Victory Avenue***, An amendment of the City of Dallas Thoroughfare Plan was approved in 2014 to convert Houston Street and Victory Avenue from a one-way to two-way operation. Conversion of the two streets changed the character and experience of the roadways and improved bicycle circulation throughout the sub-district by providing a dedicated bicycle track on both sides of Houston Street connecting to the current terminus of the KATY Trail and extending it throughout the sub-district.



## Projects Starting or Continuing Construction During FY 2016 – Victory Sub-district

**KATY Station**, 28-story, 461 unit residential tower with 2,000 square feet of ground floor retail space continued construction during the fiscal year. Construction completion is anticipated in 2017.





**The Ascent**, high rise residential tower with 302 units and 3,000 square feet of ground floor retail space continued construction during the fiscal year. Construction completion is anticipated in 2017.

**Victory Place**, a 25-story, 352 unit residential high rise tower with 8,250 square feet of ground floor retail space continued construction during the fiscal year. Construction completion is anticipated in 2017.



**Placemaking Project**, construction of this phased project continued throughout the fiscal year. The project will: (1) construct vertical improvements to complete redesigned streets within the sub-district (Victory Park Lane, Houston Street, Victory Avenue and Olive Street); (2) replacing existing directories along Victory Park Lane with directories that can display up-to-date tenant listings and locations as well as seasonal or promotional messages; (3) install adaptable seating along sidewalks and pedestrian nodes activating the public realm; and (4) install district markers and banners that uniquely identify Victory Park.



**The 23 Dallas**, construction began during the fiscal year on a 23 story mixed-use development that will feature 285 apartment homes 23,000 square feet of restaurant and retail space and Cinepolis Luxury Cinemas-Victory Park, an eight-screen, 700-seat luxury movie theater. Anticipated construction completion is 2018.





**Retail Redevelopment, Garage Renovations**, construction began during the fiscal year to make improvements to an existing garage in the Victory Sub-district. The project includes the completion of the garage and vertical transportation as well as skinning the garage with ground floor retail and restaurant space. The shell construction will complete in 2017, tenant finish-out and occupancy expected in 2018.






## Projects Completed and Started Construction During FY 2016 – West Dallas Sub-district

***Trinity Groves – Restaurant Incubator***, Construction of over 100,000 square feet of restaurant space, a brewery, event space and a restaurant incubator completed during the fiscal year.






**Trinity Groves Mixed Use – Phase I**, TIF funding for this project was approved by City Council in April of 2014. Construction of approximately 34,200 square feet of retail space, 349 multifamily units and 237,100 square feet of parking began during the fiscal year. Project completion is anticipated for 2018.





# TIF Related Projects[1]

| Project | Location | Calendar Year Complete | Status | Units/ SF[2] | Approx. Value[3] | TIF Investment[4] |
|---|---|---|---|---|---|---|
| **Projects Located Within the TIF District Utilizing TIF Funding** | | | | | | |
| TIF Infrastructure | | 2001 | Complete | - | - | $23.9M |
| South Parking Garage[6] | 2401 Victory Park Ln | 2014 | Existing | 629 Space Parking Garage | $10,763,920 | $12,825,000 |
| North Parking Garage | 2503 Victory Ave | 2015 | Completed | 1,200 Space Parking Garage | $20,143,910 | $33,271,841 |
| Victory Park Lane Improvement Project | Victory Park Ln | 2016 | Completed | - | - | $1,226,500 |
| Olive Street Improvement Project | Olive St | 2016 | Completed | - | - | $825,100 |
| Two-Way Conversion (Houston St & Victory Ave) | Houston St & Victory Ave | 2016 | Completed | - | - | $3,718,000 |
| Trinity Groves – Restaurant Incubator | Singleton Blvd & Gulden Ln | 2016 | Completed | 106,000 sf retail/restaurant space | $3,037,060 | $3,505,000 |
| Placemaking Project | Olive St., Victory Ave, Houston St, Victory Park Ln | 2017 | Under Construction | - | - | $5,974,804 |
| Trinity Groves Mixed Use – Phase I | | 2018 | Under Construction | 349 Apts. 34,200 sf retail | $57,585,916 | $13,950,000 |
| **Projects Located Within the TIF District Not Utilizing TIF Funding** | | | | | | |
| American Airlines Center[5] | 2500 Victory Ave | 2001 | Complete | 840,000 sf entertainment space | $200,649,190 | $0 |
| Center Operating Company | 2427 N. Houston St | 2001 | Complete | parking garage | $3,816,450 | $0 |
| Platinum Parking Garage | 1620 Lyte St. | 2001 | Complete | 2,000 space parking garage | $41,361,770 | $0 |
| W Dallas Victory Hotel & Residences | 2408, 2430 & 2440 Victory Park Ln. | 2006 | Complete | 145 condos 251 hotel rooms 42,500 sf retail | $144,935,410 | $0 |
| The Terrace | 2323 N. Houston St | 2006 | Complete | 97 condos 24,000 sf retail | $31,366,570 | $0 |
| The Vista | 2345 N. Houston St | 2007 | Complete | 127 apts 28,000 sf retail | $25,860,000 | $0 |
| Victory Plaza Buildings | 3030 & 3090 Olive St | 2007 | Complete | 65,000 retail 155,000 office | $43,474,990 | $0 |
| Cirque | 2500 N Houston St | 2008 | Complete | 252 apts 11,000 sf retail | $66,645,000 | $0 |
| One Victory Park | 2323 Victory Ave | 2008 | Complete | 9,000 sf retail 430,000 office | $112,000,000 | $0 |
| The House by Starck & Yoo | 2200 Victory Ave | 2009 | Complete | 150 condos 30,000 sf retail | $86,439,240 | $0 |
| Arpeggio Victory Park | 2425 Victory Ave | 2014 | Completed | 378 apts | $66,100,000 | $0 |
| Moda | 2711 Harry Hines Blvd | 2014 | Completed | 263 apts 3,500 sf retail | $46,000,000 | $0 |
| SkyHouse Dallas | 2200 N. Lamar St | 2015 | Completed | 336 Apts. 5,000 sf retail | $67,107,680 | $0 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Camden Victory Park | 2825 Alamo St. | 2016 | Under Construction | 425 Apts. | $61,086,630 | $0 |
| Katy Station | 1400 Alamo St. 3111 N. Houston St. | 2017 | Under Construction | 461 Apts. 2,000 sf retail | 185,000,000 | $0 |
| The Ascent | 2500 Alamo St. | 2017 | Under Construction | 302 Apts. 3,000 sf retail | $120,000,000 | $0 |
| Victory Place | 1611 Payne | 2017 | Under Construction | 352 Apts. 3,000 sf retail | $120,000,000 | $0 |
| Garage Renovations | 2401 Victory Park Ln | 2017 | Under Construction | 19,500 sf retail | $15,000,000 | $0 |
| The 23 Dallas | 2100 Victory Ave | 2018 | Under Construction | 285 Apts. 23,000 sf retail 44,000 sf cinema | $80,000,000 | $0 |
| Hines Office Bldg | 2371 Victory Ave | 2018 | Announced | 436,000 office | $70,000,000 | $0 |
| | | | **Subtotal** | **3,922 res. units 251 hotel rooms 408,700 sf retail 1,021,000 sf office 884,000 sf entertainment 3,625 spaces parking garage** | $1,678,373,736 | $99,196,245 |

*[1] All information updated as of September 30, 2016.*
*[2] Based upon information gathered from the developer. May be updated for completed projects based on actual unit mix and square footage.*
*[3] Based upon 1) approximate private investment for anticipated projects, or 2) DCAD market value for completed projects (unless project has not yet been assessed). Arena value includes roads and parking. Values may not be fully captured by the TIF District for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.*
*[4] Sports Arena TIF funds were dedicated for infrastructure for the TIF district, not individual projects.*
*[5] Tax-exempt property.*

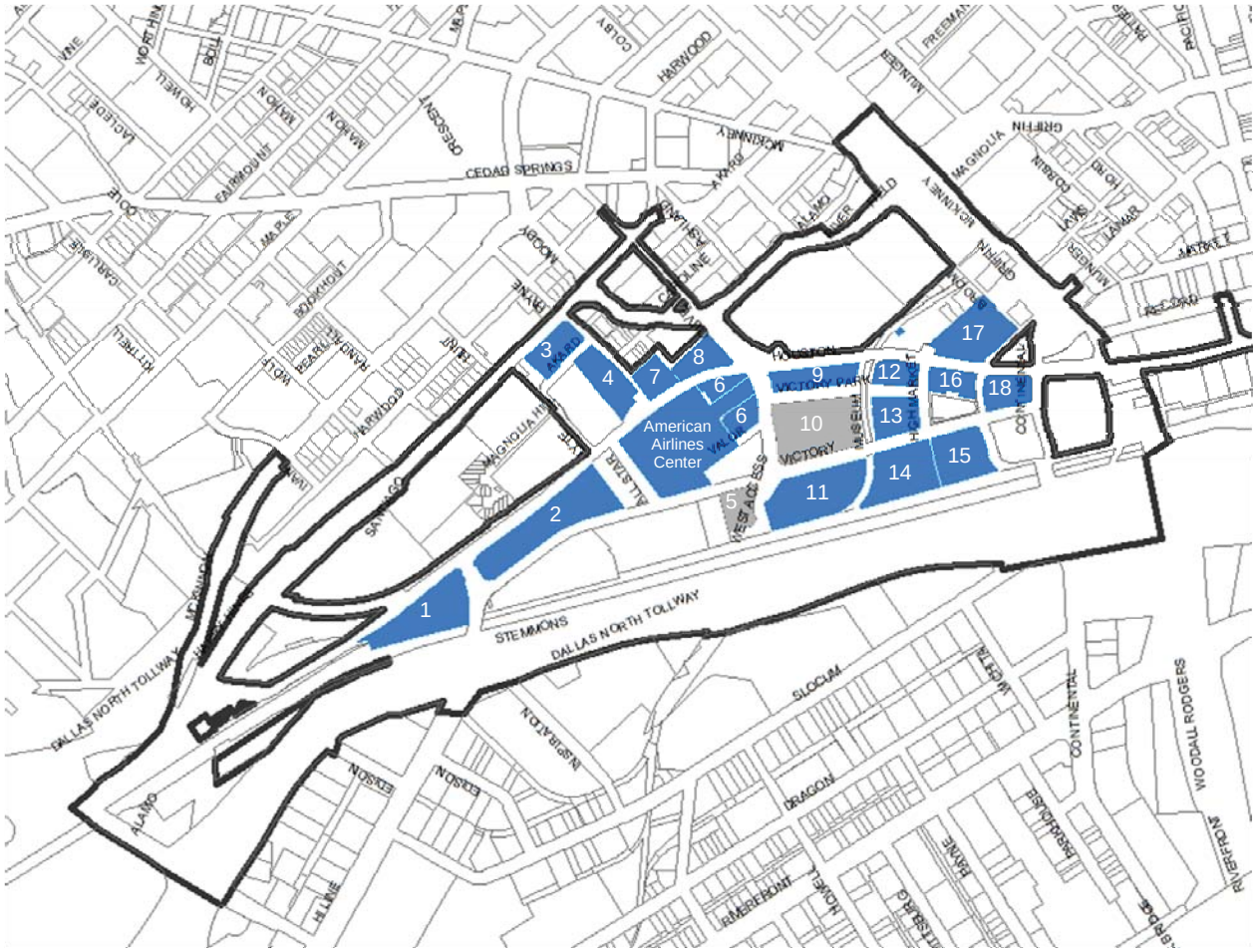
## Projects Adjacent to TIF[1]

| Project | Location | Calendar Year Complete | Status | Units/ SF[2] | Approx. Value[3] | TIF Investment |
|---|---|---|---|---|---|---|
| Perot Museum of Nature and Science | 2201 N. Field St. | 2012 | Completed | 180,000 sf | $137,294,800 | $0 |
| The Alexan Skyline Apartments | 3333 Harry Hines Blvd | 2016 | Completed | 365 apts 6,410 sf retail | $66,054,550 | $0 |
| CVS | 2501 N. Field St. | 2016 | Completed | 10,000 sf retail | $2,970,400 | $0 |
| | | | **Subtotal** | **365 apts; 196,410 sf retail** | **$206,319,750** | **$0** |

*[1] All information updated as of September 30, 2016.*
*[2] Based upon information gathered from the developer. May be updated for completed projects based on actual unit mix and square footage.*
*[3] Based upon 1) approximate private investment for anticipated projects, or 2) DCAD market value for completed projects (unless project has not yet been assessed). Arena value includes roads and parking. Values may not be fully captured by the TIF District for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.*

| District Initiatives | | | | |
|---|---|---|---|---|
| **Activity** | **Scope** | **Status** | **Investment** | **Source** |
| Orange Roadways | Improvements to Houston St, McKinney Ave., Ross Ave., Continental Ave., Lamar Street and Wichita St. | Complete | $20,988,088 | TIF Funding |
| Woodall Rodgers Plaza | Improvements to Woodall Rodgers Plaza between McKinney Ave., Continental Ave., and Houston Street | Complete | $2,000,000 | TIF Funding |
| District Wide Technical Studies | Parking, traffic, vehicular and pedestrian circulation, place making and retail design for Victory Sub-district | Complete | $700,000 | TIF Funding |
| Central Core Connector Project (Dallas Bikeway System) | Bikeway program implemented through the use of shared lanes on roadways going through the American Airlines Center/Victory area, the West End, Downtown, and Deep Ellum. | Phase I Complete | $90,452 Total (Downtown Dallas Inc. - $41,000; City of Dallas Streets Department - $12,188; TIF Funding - $37,264 – divided by four TIF districts) | TIF Funding (Deep Ellum, City Center, Downtown Connection and Sports Arena TIF Districts) & Dallas Downtown, Inc. |
| **Other Initiatives** | | | | |
| Victory Sustainable Development Project | Victory Park Lane, DART Street, Laws Street, and related public improvements, including lighting improvements to the Katy Trail. | Roadway construction completed November 2007. Katy Trail lighting completed August 2009 | $8,505,000 | Sustainable Development Funds and developer match |
| Trinity Strand/Katy Trail Connection | Trail connecting the Katy Trail over Goat Hill, through Stemmons Park, to the base of the Trinity Strand Trail at Oak Lawn Avenue | Under Construction | $310,620 | 2006 Bonds for engineering |
| | | | Total budget: $8.5 million | Remainder to be raised |

# Development Location Map – Victory Sub-district




**Legend – Victory Sub-district Projects**

1. Katy Station
2. Camden Victory Park
3. Moda
4. Victory Place
5. North parking Garage
6. Victory Plaza Buildings
7. The Ascent
8. Cirque
9. W Victory Hotel and Residences
10. South Parking Garage/Renovations
11. Arpeggio
12. The Vista
13. The 23 Dallas
14. Proposed Hines Office Building
15. One Victory Park
16. The Terrace
17. SkyHouse Dallas

*For project information, refer to charts on Pages 8 and 9.*

# Value and Increment Revenue Summary

The base value of the Zone is the total appraised value of all taxable real property in the District, as determined by the Dallas Central Appraisal District's certified property tax roll for the base year value. The base value is established the year when a property is placed within TIF boundaries.

The Sports Arena TIF District's original assessed 1998 tax value was $16,423,773. The district's financing plan was amended in 2012 to create three sub-districts: Victory Park, Riverfront Gateway, and West Dallas. As a result, each sub-district will have its own base value.

**Victory Park Sub-district** – In 2012, the Victory Park sub-district's amended base value was $33,515,323. The sub-district's appraised value in 2016 was $836,285,928, an increase of $170,432,782 (25.6%) from 2015's sub-district value ($665,853,146). This increase will result in an estimated collection of approximately $6,124,600 in incremental revenue.

**Riverfront Gateway Sub-district** – In 2012, the Riverfront Gateway sub-district's base value was $18,624,970. The sub-district's appraised value in 2016 was $19,880,440, an increase of $322,154 (1.7%) from 2015's sub-district value ($19,558,286). This increase will result in an estimated collection of approximately $10,520 in incremental revenue.

**West Dallas Sub-district** – In 2012, the West Dallas sub-district's base value was $11,598,966. The sub-district's appraised value in 2016 was $25,245,258, an increase of $7,762,767 (44.4%) from 2015's sub-district value ($17,482,491). This increase will result in an estimated collection of approximately $114,424 in incremental revenue.

The Zone's (includes all sub-districts) total value in 2016 was $881,411,626, an increase of $178,517,703 (25.4%) from 2015's total district value ($702,893,923). This increase in total district value will result in an estimated collection of approximately $6,249,544 in total incremental revenue for the Sports Arena TIF District in June 2017.

# Objectives, Programs, and Success Indicators

The original Sports Arena TIF District Project and Reinvestment Zone Financing Plan were adopted August 25, 1999.

In 2012, the District's Project and Reinvestment Zone Financing Plan was amended and the goals and objectives were revised to include additional public improvements as well as private development in the District.

Specific actions addressing these objectives follow in italics:

- Attract 250,000 square feet of additional retail space.

  *During the fiscal year, approximately 230,700 square feet of retail space (includes theater space) completed, continued or began construction within the Zone. A total of 243,200 square feet of additional retail space (included theater space) has completed, continued or began construction since 2012 (97% of the total goal).*

- Attract 3,000 additional residential units including town home, multifamily and condominium units.

  *One residential project in the Victory Sub-district of the Zone completed construction during the 2016 fiscal year (Camden Victory Park), adding 425 apartments. The Ascent, Katy Station and Victory Place began construction and The 23 Dallas began construction of residential units during the 2016 fiscal year. Upon completion these residential projects will add 1,400 units to the Victory sub-district.*

  *During fiscal year 2016, construction of 349 residential units continued as part of the Trinity Groves Mixed Use Project – Phase I in the West Dallas Sub-district.*

  *In total 3,151 residential units have completed construction or are currently under construction (105% of the total goal) since 2012.*

- Increase recreational opportunities and improve connections to the City of Dallas trails and open space system in the Sports Arena TIF District, especially the Trinity River, Trinity Strand Trail, Katy Trail and proposed Continental Pedestrian Bridge.

  *Continental Avenue Bridge Project – The Bridge was permanently closed to vehicular traffic on July 8, 2013. The construction cost for the Continental Avenue Bridge and West Dallas Gateway project was funded by private donations and bond funds. The bridge reopened for pedestrians only in 2015, providing a new outdoor destination with recreational amenities,*

*parking at the West Dallas Gateway and non-motorized vehicular access across the Trinity River.*

*Katy Trail Extension – As part of the two-way conversion of Houston Street* a dedicated bicycle track on both sides of Houston Street was constructed, connecting to the current terminus of the KATY Trail and extending it throughout the sub-district improving bicycle circulation.

- Increase the utilization of structured parking to provide public and American Airlines Center (AAC) event parking.

  *Construction of the North Parking Garage providing AAC event parking completed in 2015. 425 spaces in South Parking Garage provide additional AAC structured parking. These two facilities enabled the redevelopment of approximately 12.3 ± acres previously used for surface parking.*

- Improve access and connectivity between the Victory, Riverfront Gateway Sub-district and West Dallas Sub-districts.

  *Improvements to the bike trail and pedestrian network, Continental Bridge improvements and ongoing work at Trinity Groves is intended to improve connectivity within the Sports Arena TIF District.*

## Year-End Summary of Meetings and Council Items

The Sports Arena TIF District Board of Directors met three (3) times during FY 2016: January 14, 2016; May 16, 2016; August 15, 2016.

The Sports Arena TIF District Board of Directors consists of nine (9) members, including six (6) City of Dallas appointees, one (1) Dallas Independent School District (DISD) appointee, one (1) Dallas County appointee and one (1) Dallas County Hospital District (DCHD) appointee. During FY 2015, the Sports Arena TIF Board consisted of the following members:

Noel Aveton – City Appointee (Attended 3 of 3 meetings)
Eva Elvove – City Appointee (Attended 3 of 3 meetings)
Herbert Goodman – City Appointee (Attended 1 of 3 meetings)
Daniel Powell – City Appointee (Attended 2 of 2 meetings) – Term expired July 1, 2016
Eliza Solender – City Appointee (Attended 3 of 3 meetings)
Arman Rupani – City Appointee (Attended 0 of 3 meetings)
Orlando Alameda – DISD Appointee (Attended 3 of 3 meetings)
Rick Loessberg – Dallas County Appointee (Attended 1 of 3 meetings)
Sue Pickens – DCHD Appointee (Attended 2 of 3 meetings) – Retired form DCHD in September of 2016

During FY 2016, the City Council approved thirteen (13) items directly or indirectly associated with the Sports Arena TIF District. The council actions are listed below.

- On October 28, 2015, City Council approved Resolution Nos. 15-1986, authorizing a Chapter 380 economic development grant agreement with Argos Ready Mix (South Central) Corp. and West Dallas Investments, L.P. in an amount not to exceed $2,500,000 for the relocation of Argos Ready Mix (South Central) Corporation's Corp. existing operations in the West Dallas/Trinity Groves area to a more compatible location and construction of new facilities at the new site - Not to exceed $2,500,000 - Financing: 2012 Bond Funds ($1,100,000) and General Obligation Commercial Paper Funds ($1,400,000).

- On October 28, 2015, City Council approved Resolution No. 15-1987, authorizing an agreement with West Dallas Investments, L.P. that details general redevelopment commitments by West Dallas Investment L.P. and future City commitment of public funds and incentives that will benefit property owned or to be purchased by West Dallas Investment L.P., in the West Dallas area.

- On October 28, 2015, City Council approved Resolution No. 15-1974, authorizing (1) the receipt and deposit of funds in the amount of $200,181 from Victory Park UST Joint Venture I, LP for City-provided materials, equipment and labor related to the construction of nine traffic signals at the intersections of Continental Avenue and Houston Street/Victory Avenue, Lamar Street and Victory Avenue, Houston Street and Lamar Street, Houston Street and Olive Street, Olive Street and Victory Avenue, Houston Street and Payne Street, All Star Way and Houston Street, All Star Way and Victory Avenue, Hi Line Drive and Houston Street/Victory Avenue as part of the larger "Victory Park Two Way Conversion" project; and (2) an increase in appropriations in the amount of $200,181 in the Capital Projects Reimbursement Fund - Not to exceed $200,181- Financing: Capital Projects Reimbursement Funds.

- On October 28, 2015, City Council approved Ordinance No. 29919 and Resolution No. 15-2009, authorizing An ordinance abandoning portions of a utility easement, a sanitary sewer easement, a water easement and a fire apparatus access road to Magnolia Station, LLC, the abutting owner, containing a total of approximately 46,248 square feet of land, located near Lyte Street and its intersection with Magnolia Hill Court and North Houston Street - Revenue: $5,400, plus the $20 ordinance publication fee.

- On January 27, 2016, City Council approved Ordinance No. 30009 and Resolution No. 16-0212 authorizing An ordinance abandoning an alley to West Dallas Investments, LP, the abutting owner, containing a total of approximately 1,786 square feet of land, located near the intersection of Sylvan Avenue and Singleton Boulevard and providing for the dedication of approximately 1,536 square feet of land needed for right-of-way - Revenue: $5,400, plus the $20 ordinance publication fee.

- On February 24, 2016, City Council approved Resolution No. 16-0335, accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Seven, (Sports Arena TIF District), submitted by the Sports Arena TIF

District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law.

- On February 24, 2016, City Council approved Resolution No. 16-0370, authorizing an amendment of the terms of the grant agreement with Victory Park UST Joint Venture I, L.P. for the Victory Placemaking Project, previously authorized by Resolution No. 15-0688 on April 8, 2015, to limit the consideration for the approved TIF Subsidy in the amount of $5,974,804 to the design and modification of existing public infrastructure and streetscape improvements within the district, including the purchase of streetscape amenities (planters, benches, kiosks and directories, district markers and other fixtures, furnishings and equipment) for the project since such improvements benefit the entire district and were not necessitated by any one particular private investment project.

- On February 24, 2016, City Council approved Resolution No. 16-0371, authorizing an amendment to the terms of the grant agreement with Victory Park UST Joint Venture I, LP, (UST) for the Victory South Parking Garage to (1) replace the requirement to increase the property value of Blocks D, G, K and M by $50M with the requirement to invest a minimum of $100M in the development of Block M only; and (2) require investment in Block K for construction of a parking facility providing district parking as consideration for such amendment.

- On March 23, 2016, City Council approved Ordinance No. 30039 and Resolution No. 16-0478, authorizing a public hearing to receive comments regarding a City Plan Commission authorized hearing to determine proper zoning on property zoned Planned Development District No. 582, the Victory Planned Development District with consideration being given to appropriate zoning for the area including use, development standards, parking, and other appropriate regulations on property generally east of Stemmons Freeway and north of Woodall Rogers Freeway and an ordinance granting the amendments Recommendation of Staff: Approval, subject to a revised conceptual plan and staff's recommended conditions Recommendation of CPC: Approval, subject to a revised conceptual plan and conditions Z145-170(SM).

- On March 23, 2016, City Council approved Ordinance No. 30043 and Resolution No. 16-0482, authorizing a public hearing to receive comments regarding a City Plan Commission authorized hearing with consideration being given to expand and modify the sign regulations for properties within the Victory Special Provision Sign District Overlay generally east of Stemmons Freeway and north of Woodall Rogers Freeway and an ordinance granting the amendments Recommendation of Staff: Approval, subject to staff’s recommended conditions Recommendation of CPC: Approval, subject to conditions SPSD145-001.

- On August 10, 2016, City Council approved Resolution No. 16-1176, authorizing an amendment to the development agreement with Trinity Groves, LLC, for the Trinity Groves Retail/Restaurant Project to extend the completion date for the project by one year, from June 30, 2015 to June 30, 2016.

- On September 28, 2016, City Council approved Ordinance No. 30232 and Resolution No. 16-1608, conducting a public hearing to receive comments regarding a City Plan Commission authorized hearing to determine the proper zoning on property zoned Planned Development District No. 891 and an IR Industrial Research District with consideration given to expanding the Planned Development District, in an area generally bounded by Singleton Boulevard, Parvia Avenue, Muncie Street, and Beckley Avenue and authorizing an ordinance granting the amendments - Recommendation of Staff and CPC: Approval, subject to a revised Area Regulating Plan and conditions Z156-302(PT).

- On September 28, 2016, City Council approved Ordinance No. 30235 and Resolution No. 16-1612, conducting a public hearing to receive comments on a proposed municipal setting designation to prohibit the use of groundwater as potable water beneath property owned by West Commerce Investments LLC, located near the intersection of West Commerce Street and Beckley Avenue and adjacent street rights-of-way; and authorizing an ordinance authorizing support of the issuance of a municipal setting designation to West Commerce Investments LLC, by the Texas Commission on Environmental Quality and prohibiting the use of groundwater beneath the designated property as potable water - Recommendation of Staff: Approval.

| Sports Arena TIF District<br>Projected Increment Revenues to Retire TIF Fund Obligations | | | |
|---|---|---|---|
| **Category** | **Budget** | **Total Committed or Spent** | **Total Remaining** |
| **Original Improvements** | | | |
| **Total Original Improvements** | $38,588,359 | $38,389,665 | $198,694 |
| **Victory Sub-district Amended Budget** | | | |
| **West Dallas Set-Aside** | $12,275,615 | $2,213,673 | $10,061,942 |
| **Tier One Improvements** | $47,679,815 | $46,158,701 | $1,521,114 |
| North Parking Garage | | | |
| South Parking Garage | | | |
| Economic Development TIF Grants | | | |
| **Tier Two Improvements** | $52,713,819.52 | $13,903,582 | $38,810,238 |
| Additional North Parking Garage | | | |
| Additional South Parking Garage | | | |
| Other District Improvements: | | | |
| Open Space/Connectivity, Special Studies | | | |
| Infrastructure Improvements and Retail | | | |
| **Total Victory Sub-District[1]** | $151,257,609 | $100,665,621 | $50,591,988 |
| **Category** | **Total Budget** | **Total Committed or Spent** | **Total Remaining** |
| **West Dallas Sub-district** | | | |
| Economic Development Grants, Retail Incentives, Infrastructure Improvements, Technical Studies Environmental/Demolition | | | |
| **Total West Dallas Sub-District** | $90,468,603 | $17,455,000 | $73,013,603 |
| **Riverfront Gateway Sub-district** | | | |
| Economic Development Grants, Infrastructure Improvements, Environmental/Demolition Open Space, Connectivity and Retail | | | |
| **Total Riverfront Gateway Sub-district** | $10,095,051 | $0 | $10,095,051 |
| **Administration and Implementation[2]** | $997,010 | $663,131 | $333,879 |
| **Total Amended Budget** | **$291,406,631** | **$157,173,417** | **$134,233,215** |
| **Original Sports Arena TIF District Budget** | $46,961,785 | | |

[1] Victory Sub-district's Total Budget includes original improvements and amended budgets.

[2] Total Committd or Spent Administration and Implementaiton total does not include FY 2016 costs.

** Revenues shown above are in current dollars, over the life of the TIF as of September 30, 2016.*

| Sports Arena TIF District<br>Project Plan Budget | |
|---|---|
| **Category** | **TIF Budget*** |
| **Original Improvements**** | **$23,498,088** |
| **Victory Sub-district Amended Budget** | |
| **Tier One Improvements** | **$13,547,539** |
| North Parking Garage | |
| South Parking Garage | |
| Economic Development TIF Grants | |
| **Total Tier One Improvements** | |
| **Tier Two Improvements** | **$22,301,524** |
| Additional North Parking Garage | |
| Additional South Parking Garage | |
| Other District Improvements: | |
| Open Space/Connectivity, Special Studies | |
| Infrastructure Improvements and Retail | |
| **Total Tier Two Improvements** | |
| **Total Victory Sub-District** | **$35,849,063** |
| **Category** | **TIF Budget*** |
| **West Dallas Sub-district** | |
| Economic Development Grants, Retail Incentives, Infrastructure Improvements, Technical Studies | |
| Environmental/Demolition | |
| **Total West Dallas Sub-District** | **$31,120,420** |
| **Riverfront Gateway Sub-district** | |
| Economic Development Grants, Infrastructure Improvements, Environmental/Demolition | |
| Open Space, Connectivity and Retail | |
| **Total Riverfront Gateway Sub-district** | **$3,595,888** |
| **Administration and Implementation** | **$345,546** |
| **Total Amended Budget** | **$94,409,005** |
| **Original Sports Arena TIF District Budget** | $25,498,568 |

** All values in Victory Sub-district were discounted to NPV 1999 dollars.*

** All values in Riverfront Gateway and West Dallas Sub-districts are in NPV 2013 dollars.*

# M/WBE Participation

Although public bidding is not required for TIF projects, all TIF-funded projects must follow the City's adopted Business Inclusion and Development Plan and make a good faith effort to include certified Minority and Women-Owned Business (M/WBE) participation in TIF reimbursed projects. The BID Plan goal for TIF projects is 25 percent M/WBE participation in construction costs of TIF awarded subsidy.

**Sports Arena TIF Project M/WBE Participation** (completed projects only)

| Project | Total Construction Contract Amount | Local M/WBE Amount | Non-Local M/WBE Amount | Total M/WBE Participation | Total M/WBE Participation Percentage |
|---|---|---|---|---|---|
| North Parking Garage | $21,756,462 | $2,329,577 | $64,522 | $2,394,099 | 11% |
| Olive Street Improvement Project | $698,649 | $156,275 | $32,500 | $188,775 | 27% |
| Victory Park Lane Improvement Project | $1,892,078 | $741,046 | $34,344 | $775,390 | 41% |
| Placemaking Project - I | $1,750,586 | $713,499 | $6,285 | $719,784 | 41% |
| **Totals** | **$26,097,775** | **$3,940,397** | **$137,651** | **$4,078,048** | **16%** |

# FY 2017 Work Program

The FY 2017 Work Program for the Sports Arena TIF District is as follows:

- Adoption of the Sports Arena TIF District FY 2016 Annual Report
- Promote projects in the Riverfront Gateway Sub-District
- Work with Public Works Department and CityDesign Studio on final roadway alignments for the West Dallas Gateway Project (City bond project) and Thoroughfare Plan amendments for the project
- City Council consideration of Operation and Maintenance Agreement, naming rights and signage for North Parking Garage in Victory Sub-district
- Continue annual reimbursement of completed projects in Victory Sub-district
- Complete audit of TIF projects completed during FY 2016 and begin reimbursement in June of 2017

# Appendix: District Financials

**City of Dallas, Texas**
**Sports Arena Area Tax Increment Financing District Fund**
**Balance Sheet as of September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|
| Assets: | | | | | |
| Pooled cash and cash equivalents | $3,030,325 | $2,601,939 | $4,919,187 | $5,605,046 | $15,423 |
| Accrued parking revenue receivable | $17,672 | $0 | $0 | $0 | $0 |
| Interest receivable | $4,073 | $12,027 | $5,220 | $6,068 | ($1,668) |
| Total assets | $3,052,070 | $2,613,966 | $4,924,407 | $5,611,114 | $13,755 |
| Liabilities and Fund Balance (Deficit): | | | | | |
| Liabilities: | | | | | |
| Accounts and contracts payable | $0 | $11,852 | $1,597,653 | $680,662 | $0 |
| Advances from developers | $0 | $0 | $0 | $0 | $81,944 |
| Due to general fund | $26,583 | $26,583 | $26,583 | $26,583 | $14,270 |
| Accrued liability | $0 | $0 | $168,907 | $0 | $0 |
| Total liabilities | $26,583 | $38,435 | $1,793,143 | $707,245 | $96,214 |
| Fund Balance (Deficit): | | | | | |
| Fund Balance (Deficit) | $3,025,486 | $2,575,531 | $3,131,264 | $4,903,869 | ($82,459) |
| Total Liabilities and Fund Equity | $3,052,069 | $2,613,966 | $4,924,406 | $5,611,114 | $13,755 |
| | ($0) | ($0) | ($0) | ($0) | ($0) |

**Sports Arena Area Tax Increment Financing District Fund**
**Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)**
**For the Period September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | ITD | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|---|
| Revenues: | | | | | | |
| Tax increment-Governmental | $35,153,483 | $4,591,316 | $3,643,978 | $3,031,552 | $3,137,644 | $3,104,948 |
| Tax increment-Intergovernmental | $19,676,957 | $293,993 | $126,844 | $81,341 | $2,559,694 | $2,533,135 |
| Parking Revenue | $227,592 | $141,451 | $86,142 | $0 | $0 | $0 |
| Interest income | $1,189,496 | $30,473 | $19,979 | $20,251 | $18,774 | $10,469 |
| Developer Participation | $1,189,939 | $0 | $20,000 | $0 | $0 | $0 |
| Net increase (decrease) in fair value of investments | $68,681 | ($1,290) | $5,977 | ($4,968) | $4,405 | $1 |
| Total revenues | $57,506,149 | $5,055,942 | $3,902,920 | $3,128,176 | $5,720,517 | $5,648,553 |
| Expenditures: | | | | | | |
| Administrative expenses | $663,970 | $0 | $91,586 | $111,782 | $48,152 | $81,078 |
| Non-Capital outlay | $4,807,131 | $874,800 | $878,053 | $2,351,427 | $680,887 | $21,500 |
| Capital outlay | $33,042,069 | $3,021,108 | $3,382,982 | $2,437,572 | $1,200 | $0 |
| Interest and fiscal charges | $18,320,368 | $710,078 | $106,032 | $0 | $3,951 | $2,233,682 |
| Total expenditures | $56,833,539 | $4,605,986 | $4,458,653 | $4,900,781 | $734,189 | $2,336,260 |
| Excess (Deficiency) of Revenues over Expenditures | $672,610 | $449,956 | ($555,733) | ($1,772,605) | $4,986,328 | $3,312,293 |
| Fund balance (Deficit) at beginning of year as previously reported | $0 | $2,575,531 | $3,131,264 | $4,903,869 | ($82,459) | ($3,394,752) |
| Prior period restatement | $2,352,877 | $0 | $0 | $0 | $0 | $0 |
| Fund balance (Deficit) at beginning of year, as restated | $2,352,877 | $2,575,531 | $3,131,264 | $4,903,869 | ($82,459) | ($3,394,752) |
| Fund balance (deficit) at end of year | $3,025,486 | $3,025,486 | $2,575,531 | $3,131,264 | $4,903,869 | ($82,459) |

**Note: Fiscal year 2015-16 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.**

**Financial Status of the Zone**
**City of Dallas, Texas**
**Sports Arena Tax Increment Financing District**
**Reinvestment Zone Number Seven**
**As of September 30, 2016**

Section 311.016 of the Tax Increment Financing Act requires the following information as part of the annual report on the status of the TIF District.
Information is contained in detail on the attached financial statements.

1. **Amount and source of revenue in the tax increment fund established for the Zone:**

| | |
|---|---|
| $29,183 | Interest Income |
| $141,451 | Parking Revenue |
| $4,885,309 | Ad Valorem Taxes (Collected in FY'2015-16 based on 2015 Final Tax Roll) |
| $0 | Developer Participation |
| $5,055,942 | Total Revenue |

2. **Amount and purpose of expenditures from the fund:**

| | |
|---|---|
| $0 | Administrative Expense (FY 2016 costs to be updated |
| $874,800 | Non-Capital outlay * |
| $3,021,108 | Capital outlay * |
| $710,078 | Additional Subsidy in Form of Grant (in lieu of interest expense) |
| $4,605,986 | Total Expenditures |

* These expensditures were for the following projects:

| | Total | Capital | Non-Capital |
|---|---|---|---|
| North Parking Garage Enhancements | $0 | $0 | $0 |
| North Parking Garage Improvements | $1,282,957 | $1,282,957 | $0 |
| South Parking Garage Grant | $855,000 | $0 | $855,000 |
| Olive Street Public Imp. | $825,100 | $825,100 | $0 |
| Victory Park Lane Public Imp. | $913,051 | $913,051 | $0 |
| N. Parking Garage Related Professional Services | $19,800 | $0 | $19,800 |
| Total | $3,895,908 | $3,021,108 | $874,800 |

3. **a. Amount of Principal and Interest due-on outstanding bonded indebtedness is as follows:**
Sports Arena TIF District has incurred no bonded indebtedness as of September 30, 2016.

**b. The zone has reimbursed the following contingent obligations from available TIF funds as of September 30, 2016:**

| Developer | Project | Advance Principal | Accrued Add'l Subsidy **(1)** | Total Outstanding |
|---|---|---|---|---|
| Center Operating Company | Houston Street Extension | $21,241,017 | $13,451,642 | $34,692,660 |
| Center Operating Company | Woodall Rodgers Plaza | $2,000,000 | $1,701,821 | $3,701,821 |
| Total | | $23,241,017 | $15,153,464 | $38,394,481 |
| Less: payments | | $23,241,017 | $15,153,463 | $38,394,480 |
| Net Balance Outstanding | | $0 | $0 | $0 |

**c. The Zone has entered into a development agreement for each of the following projects, but has not begun reimbursement as of September 30, 2016:**

| | | | Maximum | | Payments | | | |
|---|---|---|---|---|---|---|---|---|
| Developer | Project Name | Principal TIF Award | Accrued Add'l Subsidy **(1)** | Total TIF Award | Principal | Accrued Add'l Subsidy **(1)** | Total | Net Rem. Balance |
| Anland GP, LP | North Parking Garage | $21,800,000 | $6,430,193 | $28,230,193 | $3,523,523 | $816,110 | $4,339,633 | $23,890,560 |
| Victory Park UST Joint Venture I, L.P. | South Parking Garage | $12,825,000 | $0 | $12,825,000 | $2,565,000 | $0 | $2,565,000 | $10,260,000 |
| Anland GP, LP | North Parking Garage Enhancements | $3,600,000 | $0 | $3,600,000 | $3,600,000 | $0 | $3,600,000 | $0 |
| Victory Park UST Joint Venture I, L.P. | Victory Park Lane Improvement Project | $1,226,500 | $0 | $1,226,500 | $913,051 | $0 | $913,051 | $313,449 |
| Victory Park UST Joint Venture I, L.P. | Olive Street Improvement Project | $825,100 | $0 | $825,100 | $825,100 | $0 | $825,100 | $0 |
| Victory Park UST Joint Venture I, L.P. | Two Way Conversion Project | $3,718,000 | $0 | $3,718,000 | $0 | $0 | $0 | $3,718,000 |
| Trinity Groves, LLC | Trinity Groves-Restaurant Incubator | $3,505,000 | $0 | $3,505,000 | $0 | $0 | $0 | $3,505,000 |
| Victory Park UST Joint Venture I, L.P. | Placemaking Project | $5,974,804 | $0 | $5,974,804 | $0 | $0 | $0 | $5,974,804 |
| Trinity Groves Residential I, L.P. | Trinity Groves Mixed Use Phase I | $13,950,000 | $0 | $13,950,000 | $0 | $0 | $0 | $13,950,000 |
| Total | | $67,424,404 | $6,430,193 | $73,854,597 | $11,426,674 | $816,110 | $12,242,784 | $61,611,813 |

*Reimbursement shall begin after meeting project completion, City audit of project and upon availabiltiy of TIF funds
**(1)** Additional Subsidy in Form of Grant (in lieu of interest expense)

4. **Tax increment base and current captured appraised value retained by the zone:**

| | Taxable Value 2016 | Base Year 1998 Value | Est. Captured Value 2016** |
|---|---|---|---|
| City of Dallas-Victory Sub-District | $836,285,928 | $33,515,323 | $802,770,605 |
| City of Dallas-Riverfront Sub-District | $19,880,440 | $18,624,970 | $1,255,470 |
| City of Dallas-West Dallas Sub-District | $25,245,258 | $11,590,076 | $13,655,182 |
| Dallas County-Victory Sub-District | $836,200,928 | $405,570,974 | $430,629,954 |
| Dallas County-Riverfront Sub-District | $19,880,440 | $18,624,970 | $1,255,470 |
| Dallas County-West Dallas Sub-District | $25,245,258 | $11,590,076 | $13,655,182 |

******Based on DCAD Certified Taxable Value. The final values will be determined on February 01, 2017.

5. **Captured appraised value by the municipality and other taxing units, the total amount of tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:**

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

| Taxing Jurisdiction | Assessment Per $100 | Amount of Estimated 2016 Increment |
|---|---|---|
| City of Dallas-Victory Sub-District | 0.70425 | $5,653,512 |
| City of Dallas-Riverfront Sub-District | 0.70425 | $8,842 |
| City of Dallas-West Dallas Sub-District | 0.70425 | $96,167 |
| Dallas County-Victory Sub-District | 0.10940 | $471,088 |
| Dallas County-Riverfront Sub-District | 0.13371 | $1,679 |
| Dallas County-West Dallas Sub-District | 0.13371 | $18,258 |
| Total for all Jurisdictions | $2.48956 | $6,249,544 |

B. The total amount of estimated tax increment to be billed for the 2016 tax year is $6,249,544. For the 2015 tax year, increment in the amount of $4,885,309 was received.

City of Dallas, Texas
Sports Arena Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2016
(Unaudited)

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.

2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).

3. The Zone's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.

4. The Zone's Financial Plan permits expenditures not to exceed $765,000 (in Current $) over the life of the TIF to reimburse the City for administrative costs. The City began reimbursing the general fund for administrative costs in FY'1998-99. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.

5. The Zone fully reimbursed the developer for a total amount of $38,308,587 to date, including principal of $23,159,074 and accrued interest of $15,149,513, and had no advances outstanding at September 30, 2016.

6. All expenditures resulting in capital improvements that are owned by the City are capitalized on the City's books.

7. "Due to general fund" amount of $26,583 at September 30, 2016 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

**AGENDA ITEM # 21**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 2, 6

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 34 X Y; 44 B C D F G H M & 45 E J

## SUBJECT

A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eight, (Design District TIF District), submitted by the Design District TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

## BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 26021 on June 8, 2005, as amended, establishing Tax Increment Financing Reinvestment Zone Number Eight, (Design District TIF District). On April 12, 2006, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 26303, as amended.

The Design District TIF District's assessed tax value in 2016 was $671,033,704. This represents an increase of $389,159,951 or 138% over the base years (2005 and 2013) value and an increase of 13% over last year’s final value. With the participation of the City and Dallas County, this increase will result in the collection of approximately $3,246,406 total in incremental revenue for the Design District TIF District for the 2016 tax year.

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

On June 8, 2005, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Eight, the Design District TIF District by Ordinance No. 26021, as amended.

On April 12, 2006, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Design District TIF District by Ordinance No. 26303, as amended.

On January 5, 2017, the Design District TIF District Board of Directors recommended that the FY 2016 Annual Report be accepted and approved.

Information about this item was provided to the Economic Development Committee on February 6, 2017.

## FISCAL INFORMATION

No cost consideration to the City

February 22, 2017

**WHEREAS,** the City recognizes the importance of its role in local economic development initiatives and programs; and

**WHEREAS,** the City has established Tax Increment Financing Reinvestment Zone Number Eight, ("Design District TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment in the Design District area pursuant to Ordinance No. 26021, authorized by the City Council on June 8, 2005, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

**WHEREAS,** on April 12, 2006, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Design District TIF District by Ordinance No. 26303, as amended; and

**WHEREAS,** the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

**WHEREAS,** on January 5, 2017, the Design District TIF District Board of Directors passed a motion accepting the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Eight and recommending approval of same by the City Council.

**NOW, THEREFORE,**

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

**Section 1.** That the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Eight, (Design District TIF District), City of Dallas, Texas, as of September 30, 2016, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

**Section 2.** That the City Manager is hereby authorized to submit the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Eight to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and to the State Comptroller, as required by state law.

**Section 3.** 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.

Exhibit A

# Design District TIF District
# FY 2016
# Annual Report

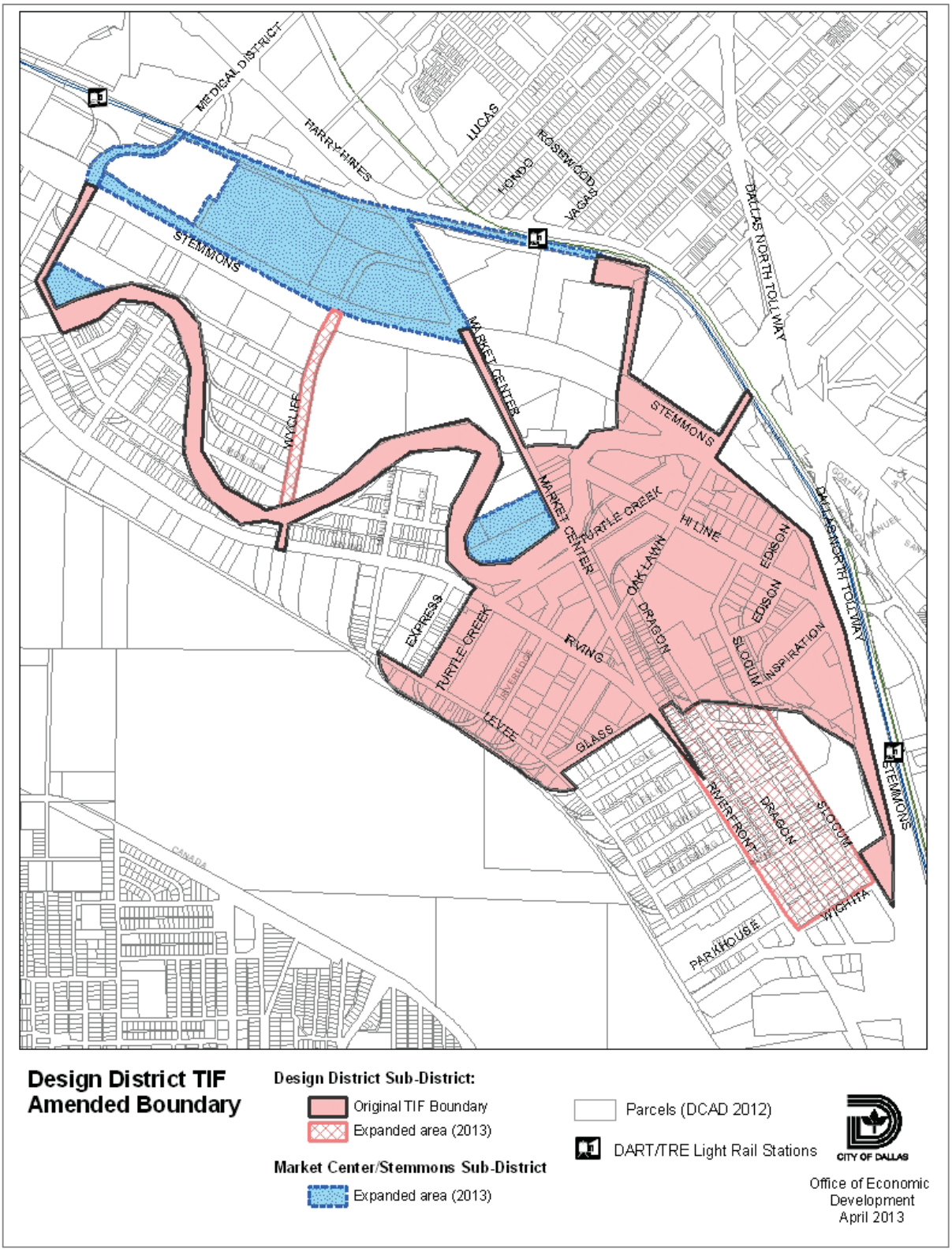


City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 671-9821
http://www.dallas-ecodev.org/area_redevelopment.html

## October 1, 2015 to September 30, 2016

# Reinvestment Zone Number Eight
# Tax Increment Financing District



# Table of Contents

Mission Statement ..... 4
District Accomplishments ..... 4
TIF District Development Project Map ..... 11
Value and Increment Summary ..... 11
Objectives, Programs, and Success Indicators ..... 12
Year-End Summary of Meetings ..... 15
Pending TIF Items ..... 16
Budget and Spending Status ..... 17
FY 2017 Work Program ..... 19
Appendix A – Financials ..... 20

*Front cover shows the Alexan Riveredge project under construction during this fiscal year.*

# Mission Statement

The mission of the Design District TIF District is to provide a source of funding for public infrastructure improvements that will assist in redeveloping an industrial and warehouse district to take full advantage of the expanding DART light rail system, to promote transit oriented development, and to improve access to the Trinity River and the quality of development adjacent to the Trinity Corridor. The Design District TIF District duration began on January 1, 2006, and will terminate on December 31, 2027, (including collection of the 2027 increment in calendar year 2028 and any related matters to be concluded in 2028).

# District Accomplishments

Dallas City Council established the Design District TIF District by Ordinance Number 26021 on June 8, 2005. The District was established to assist in the transformation of the old Stemmons Industrial area into a diversified, pedestrian friendly, mixed-use neighborhood near the heart of Downtown Dallas. The Design District TIF Board adopted the final Project Plan and Reinvestment Zone Financing Plan in 2006.

In February 2009, the TIF Board adopted a “Design District TIF Strategic Implementation Plan” to guide the next phases of development and improvements in the District.

During FY 2011, initial reimbursement process began for the “1525 Turtle Creek at the District” TIF project (apartments now called Alta 1900 Lofts). Public improvements associated with the TIF project were completed in late 2009-early 2010 and the Alta 1900 Lofts received a final certificate of occupancy in April 2010.

During FY 2012, the TIF Board approved by-law amendments to reflect changes in state law for TIF Board composition recognizing that only taxing jurisdictions that participate financially can have representation and a change in the TIF design review process to have that function undertaken as part of the City Design Studio Peer Review Panel. The TIF Board also approved a set of master design guidelines and mixed-income housing guidelines.

The TIF Board and City Council approved a development agreement with Texas Security Bank for the Turtle Creek Median district-wide improvement project dedicating up to $116,356 in TIF reimbursement for median and signage improvements along Turtle Creek Boulevard from Irving Boulevard to Market Center Boulevard. The median project was completed in 2013.

Also approved in FY 2012 was a development agreement with Friends of the Trinity Strand Trail to dedicate up to $400,000 for the design and engineering of the Trinity Strand Trail Soft Surface Trail Design Project. The proposed soft surface trail would be approximately 2 miles of decomposed granite trail mostly on top of the banks of the Old

Trinity Meanders extending from Farrington Street east of Medical District Drive, crossing below Wycliff Avenue, crossing Market Center Boulevard at street level and terminating at the Hi Line Drive trail plaza. Pedestrian bridges, low water crossings, and small plazas/overlooks will also be included in the design. The design study was completed in mid-2014.

During FY 2013, an expansion of the TIF district and plan amendment was approved by Ordinance Number 29037 to create two subdistricts within the Design District TIF District: (a) Design District Sub-District (original district boundary plus additional property along Slocum/Dragon Streets and Riverfront Boulevard) and (b) Market Center/Stemmons Sub-District (an expansion area to facilitate the redevelopment of the Dallas Apparel Mart site).

Two development agreements were also approved: 1) an agreement with Market Center Land, L.P., ("MCL"), an affiliate of Crow Holdings for the Apparel Mart Redevelopment Masterplan and 2) an agreement with Dallas Proton Treatment Center, LLC working in conjunction with MCL on a Phase I Dallas Proton Treatment Center (DPTC) project for a TIF funding dedication up to $7,025,000.

The multi-phased MCL master plan proposes medical/office, a hotel, residential, and mixed uses for the site bordered by Stemmons Freeway, Medical District Drive, Market Center Boulevard, and the Trinity Railway Express. The DPTC project experienced financial difficulties and has not moved forward. This TIF agreement authorization expired in December 2015.

During FY 2014, staff continued to work with PM Realty Group and the North Central Texas Council of Governments (NCTCOG) on the completion of the "Edison/Hi Line/Stemmons/Rail Transit Underpass Connection" project awarded funding in 2010.

The TIF Board adopted a set of "Guidelines for Wayfinding and Gateway Signage" to encourage consistency with signage improvements whether as a district-wide improvement or in conjunction with a development project.

In FY 2015, the TIF Board and City Council approved a development agreement for the Alexan Riveredge project dedicating up to $7,800,000 in TIF reimbursement for public infrastructure and an economic development grant in support of the project. The Board also held preliminary discussions on potential district-wide funding requests and approved a general process and set of criteria for evaluating those requests.

Initial projects within the District completed, under construction or in the development stage are shown in the table below. During FY 2016, staff also had discussions with development groups on other prospective projects.

## Design District TIF District Projects[1]

### Projects Within TIF District Utilizing TIF Funding

| Project | Location | Calendar Year Complete | Status | Units/ SF[2] | Approx. Value[3] | TIF Investment[4] |
|---|---|---|---|---|---|---|
| 1525 Turtle Creek at the District (*now* Bell Design District)[7] | 1500 Block of Turtle Creek Blvd. at Oak Lawn Ave. | 2010 | Complete | 214 residential units | $38,000,000 | $4,402,000* |
| Alexan Riveredge[8] | 150 Turtle Creek Blvd. | 2017 | Under const. | 309 residential units | $42,000,000 | $7,800,000 |
| | | | **Subtotal** | **523 units** | **$80,000,000** | **$12,202,000** |

### Projects Within TIF District Not Utilizing TIF Funding[5]

| Project | Location | Calendar Year Complete | Status | Units/ SF | Approx. Value | TIF Investment |
|---|---|---|---|---|---|---|
| International on Turtle Creek | 150 Turtle Creek Blvd. | 2006 | Complete | 157,640 square feet showroom & retail space | $13,450,000 | $0 |
| Trinity Lofts & Work/Live Showrooms | 1403 Slocum St. & 1430 Dragon St. | 2007 | Complete | ~92 units & 28,063 square feet showroom (164,030 square feet total) | $17,865,330 | $0 |
| Alta Design District | 1531 Inspiration Dr. | 2009 | Complete | 309 residential units | $49,000,000 | $0 |
| Alexan Design District (*now* Camden Design District) | 1551 Oak Lawn Ave. | 2009 | Complete | 355 residential units | $55,250,100 | $0 |
| Green Zone, arts venue | 161 Riveredge Dr. | 2008 | Complete | 2,520 square feet performance space | $844,740 | $0 |
| Dallas Contemporary [6] | 161 Glass St. | 2010 | Complete | 6,000 square feet office space & 11,000 square feet gallery space for Center; & 22,000 square feet office/retail for tenants | $2,583,670 | $0 |
| 1400 Hi Line | 1400 Hi Line Dr. | 2012 | Complete | 314 residential units; 29,000 square feet retail | $86,880,000 | $0 |
| Avant Apartments | 1955 Market Center Blvd. | 2013 | Complete phased opening | 301 residential units | $43,338,000 | $0 |
| Renaissance Hotel Conference Center expansion | 2222 N. Stemmons Frwy. | 2014 | Complete | 50,000 square feet meeting space | $11,700,000 | $0 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Alta Strand | 1931 Market Center Blvd. | 2017 | Under const. | 400 residential units | $54,396,000 | $0 |
| Virgin Hotel (Dunhill Partners) | 1909 Hi Line Dr. | 2019 | Planned | 233 hotel rooms | $54,000,000 | $0 |
| Hotel/Apartments (Dunhill Partners) | 1645 & 1700 Stemmons Frwy. | 2020 | Planned | 250 hotel rooms; 100 apartments | $51,000,000 | $0 |
| Office Tower (Dunhill Partners) | 1605 & 1615 N. Stemmons Frwy. | 2020 | Planned | 240,000 square feet office space | $45,000,000 | $0 |
| | | | **Subtotal** | **1,871 units; 214,703 square feet retail/showroom; 13,520 square feet gallery/arts venue; 298,000 square feet office; 50,000 square feet hotel space; 483 hotel rooms** | **$485,307,840** | $0 |
| **Projects Utilizing and Not Utilizing TIF Funding** | | | | | | |
| | | | Total | **2,394 residential units; 214,703 square feet retail/showroom; 13,520 square feet gallery/arts; 298,000 square feet office; 50,000 square feet hotel space; 483 hotel rooms** | **$565,307,840** | **$12,202,000** |

*[1] All information updated as of September 30, 2016.*
*[2] Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage.*
*[3] Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF District for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.*
*[4] Principal amount not to be exceeded per the development agreement. TBD indicates that development agreement has not yet been adopted. Asterisk indicates investment also includes interest not shown.*
*[5] Selected significant projects included.*
*[6] Tax-exempt property. Amount shown is approximate investment in improvements.*
*[7] Per the TIF program requirements when the development agreement was executed, the project provided 20% of units as affordable during the time period December 2009 – December 2012.*
*[8] Per current TIF program mixed-income housing requirement, the project will provide at least 20% of units as affordable.*

The City and community partners have District-wide initiatives have been ongoing. The Trinity Strand Trail (formerly known as the Old Trinity Trail) Master Plan improvements are an integral part of attracting new mixed-use development in the Trinity River corridor and creating a vibrant neighborhood with recreational opportunities in the Design

District area. A total of over $16 million has been raised to date including the value of land donations.

Two trailheads are now complete at Hi Line Drive (by the river channel) in 2009 and the Turtle Creek Plaza and trailhead along Turtle Creek Boulevard between Market Center and Irving Boulevards in 2010. A Phase 1, 2.5-mile concrete trail (main/spine trail) running along the old Trinity River from Stemmons Freeway to Medical District Drive is complete and officially opened in 2015. In addition, as discussed above, TIF funds were approved for the design of a soft surface trail that would parallel the Phase I concrete trail on the opposite banks. The design phase, including construction level plans, was completed in mid-2014.






Trinity Strand Trail, phase I is open for the public to enjoy

The Hi-Line Drive pedestrian improvement project is now complete. The project was funded through the North Central Texas Council of Governments (NCTCOG)'s Regional Transportation Council's 2006 Sustainable Development Program. The improvements were constructed concurrently with TIF public improvements as part of the "1525 Turtle Creek at the District" project.

The Edison/Hi Line/Stemmons/Rail Transit Underpass Connection project is complete. The $1.4 million pedestrian improvement project was part of the 2009 North Central Texas Council of Governments (NCTCOG) Sustainable Development (SD) Call for Projects. PM Realty Group was the private sponsor with the 1400 Hi Line mixed use development. The public infrastructure improvements included pedestrian and crosswalk improvements along Edison Street between Stemmons Freeway and Hi Line Drive, along southbound Stemmons frontage road and improvements to the underpass of Hi Line Drive under Stemmons Freeway. These improvements built on the 2006 SD Hi Line Drive improvements to create a stronger connection to the Victory DART Light Rail and TRE train stations and further enhance the gateway from downtown/Victory into the Design District.

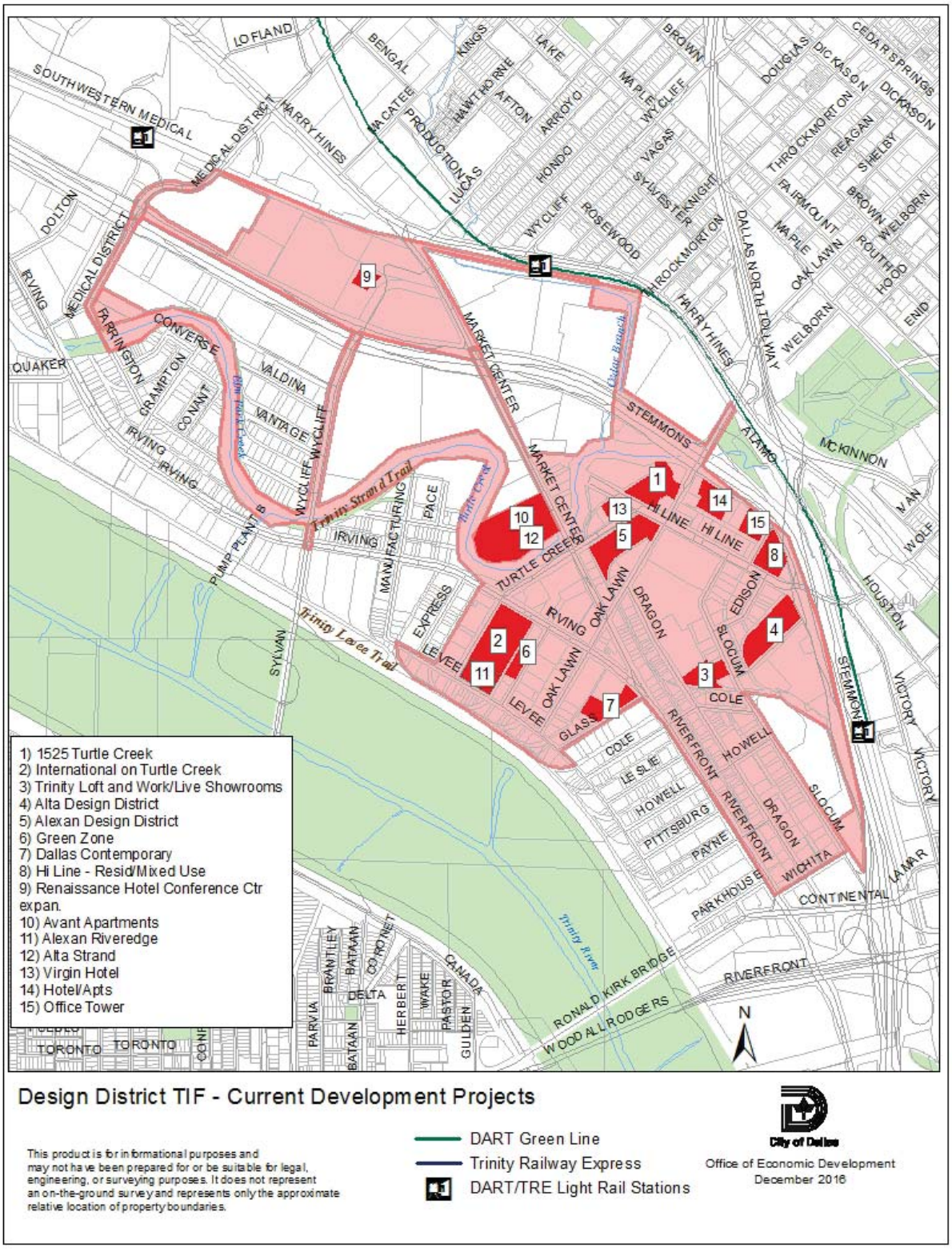
Currently the Friends of the Trinity Strand Trail is working with the City to explore funding for future phases that would connect to the medical center area and

connections with the Katy Trail. In addition, there has been dialogue with the Friends of Reverchon Park on the feasibility of connecting Reverchon Park to Stemmons Park and the Trinity Strand Trail via the existing culverts underneath the Dallas North Tollway and Harry Hines Boulevard.

| District Initiatives | | | | |
|---|---|---|---|---|
| **Activity** | **Scope** | **Status** | **Investment** | **Source** |
| **Trinity Strand Trail Master Plan.** Public/private partnership including the non-profit Friends of the Trinity Strand Trail. | To create a fully assessable hike, bike, and jogging trail system along the course of the original Trinity River as it winds northwest of downtown. Approximately 7.8 miles. Total cost estimated at $30 million. Phase 1 includes 2.5 miles of concrete trail from Stemmons Freeway to Farrington Drive, connecting to the Trinity River via Sylvan Ave. | *Underway.* The Master Plan for Trinity Strand Trail was adopted in December 2004 by the Dallas' Park & Recreation Board. City bond funds are committed and private fundraising continues.<br><br>Construction began in 2013 on Phase 1, 2.5 miles of concrete trai and was completed in 2015. The trailhead at Turtle Creek Plaza was completed in May 2010 and the Hi Line trailhead was completed summer 2009.<br><br>2012 bond funds allocated are for design and construction of a trail segment between IH35/Oak Lawn and Inwood Road.<br><br>TIF funding for the design of a soft surface trail to parallel the Ph I concrete trail was approved in FY 12 and the design completed in 2014. | $1 million for design and match for federal funds. | 2003 Bond Program |
| | | | $2.5 million for trail development | 2006 Bond Program |
| | | | $3.36 million for trail design & construction | 2012 Bond Program |
| **Trinity Strand Trail Master Plan *continued*** | | | $4,536,039 *(required local match $1,134,010 part of City bond funds)* | NCTCOG funds – Regional Toll Revenue (RTR) initiative |
| | | | $1.1 million additional funds raised. Land donations valued at $4.2 million will benefit and assist with linkage of the Trinity Strand and Katy Trails | Individuals and foundations, including Eugene McDermott and Hoblitzelle Foundations and Texas Parks and Wildlife grant |
| | | | TIF funding up to $400,000 from district wide improvement funds. | TIF funds |

| | | | | |
|---|---|---|---|---|
| **Turtle Creek Boulevard Public Improvements** | Design and construction of street paving, storm drainage, water and wastewater improvements on Turtle Creek Blvd. from Market Center Blvd. to Levee St. | *Completed in fall 2009.* | $3,587,746 | 2003 Bond Funds & Water Utilities Capital Funds |
| **Regional Transportation Council (RTC) Sustainable Development Program** – Design District TIF Walking/Bike Improvements | Pedestrian improvements will be constructed along Hi-Line Dr. between Stemmons Frwy. & the Trinity Meanders | *Complete.* Funding approved by the RTC in 2006. Interlocal Agreement approved by City Council, June 2008. Design completed September 2008. Improvements completed summer 2009 | $1,037,236 total includes:<br>$829,789<br>$207,447 | <br>RTC funds<br>TIF funds |
| **Regional Transportation Council (RTC) 2009-10 Sustainable Development Program** – Edison/Hi Line/ Stemmons/Rail Transit Underpass Connection | Pedestrian improvements along Edison St. between Stemmons Frwy. and Hi Line Dr. and along Stemmons frontage and Hi Line passing under Stemmons Freeway toward the Victory DART Light Rail & TRE stations. | Project was selected by the RTC in June 2010.<br><br>*Construction has been completed in 2013*. | $1,438,829 total includes:<br>$1,151,063<br>$287,766 | <br>RTC funds<br>Private local match |
| **Trinity River Corridor Project** | Multi-faceted project involving transportation, flood protection, and recreational improvements.<br><br>Several projects are adjacent or close to the TIF district (*shown on the right*) | *Complete:*<br>Margaret Hunt Hill Bridge<br><br>Sylvan Bridge (2014)<br><br>Riverfront Blvd improv. (2014-16)<br><br>Continental Bridge pedestrian/bike (2014) | $120 million<br><br>$42 million<br><br>$42 million<br><br>$10.6 million | Multiple funding sources incl. private<br><br>TXDOT<br><br>City/County/NCTCOG<br><br>City/private |

# TIF District Development Project Map



# Value and Increment Summary

The Design District TIF District's assessed 2016 taxable value was $671,033,704 for the district as amended in 2013. This represents an increase of $389,159,951 or 138% over the base years (2005 and 2013) value and an increase of 13% over last year's final value. For the individual sub-districts, the Design District Sub-District 2016 taxable value was $543,129,404, an increase of 180% of the base year and the Market Center/Stemmons Sub-District taxable value was $127,904,300 an increase of 45% over the base year.

The positive increase in the District's tax base can be attributed on an approximate percentage basis for the Design District Sub-District to new construction (77%), property transactions (6%), and appreciating property values (17%). For the Market Center/Stemmons Sub-District on an approximate percentage basis the increase is attributed to new construction (95%) and appreciating property values (5%).

The TIF District anticipates collecting approximately $3,246,406 in incremental tax revenue for tax year 2016.

# Objectives, Programs, and Success Indicators

The final Design District Project Plan and Reinvestment Zone Financing Plan was adopted in April 2006 and amended in June 2013. Among the goals of the Plan are:

- To create additional taxable value attributed to new private investment in projects in the Design District TIF District totaling approximately $1 billion.
  *$565 million in new investment is completed, underway or planned (56% of the goal)*

- To attract new private development in the District totaling approximately 1.4 million square feet of retail/showroom/gallery space, 500,000 square feet of office space, 550 hotel rooms, and 4,500 new residential units.

  *Approximately 2,434 residential units, 214,703 square feet of new or upgraded retail/showroom space, 13,520 square feet of gallery/arts space, 298,000 square feet of office space, and 500 hotel rooms are completed, under construction or planned. (53% of the residential, 16% of the retail, 60% of the office, and 88% of the hotel room goal.)*



Alta Strand apartments under construction with Trinity Strand Trail in foreground

- To reach ridership at the future DART Market Center light rail station averaging 2,500 riders per weekday by 2017.



*This portion of the DART Green Line has been completed and the Market Center light rail opened in December 2010. During the first year of operations average daily ridership was 281. Average daily ridership was 546 as of the September 2016 reporting period, an increase of 3% over last year.*

Market Center DART Station

- To improve the access and connections to the DART light rail system within the Design District TIF District.

  *Streetscape and open space improvements constructed as part of the approved "1525 Turtle Creek at the District' project have provided more pedestrian accessibility in the northern gateway of the District. Improvements completed this year near Edison Street and Hi Line Drive connecting through the underpass at Stemmons Freeway will provide improved access from the District to the Victory DART Light Rail and TRE Stations. The expansion of the TIF district boundary in 2013 may also facilitate future opportunities to connect to multiple stations.*

- To support the conversion of the Design District area from industrial and warehousing land uses to a mixed-use, transit oriented neighborhood that complements the Victory development and the Trinity River Project.

  *Mixed-use projects like the completed Trinity Lofts and others in the planning stages show positive movement for the District. The Trinity Lofts project was a mixture of new construction and conversion – the site previously had an 88,000 square foot warehouse/office and was redeveloped into 164,030 square feet of residential and showroom space. For other projects in the district approximately 219,676 square feet of space was demolished for new residential construction/showroom upgrade and 196,640 square feet of space converted into upgraded showrooms or new retail, gallery and office uses.*

  *Some former showroom buildings or vacant commercial properties have been repurposed for new uses including restaurants, a coffee house, and Bowl Lounge (bowling alley).*







Restaurant spaces – Pie Tap (left) and Oak (right)

- To increase recreational opportunities, public open space and improve connections to the City of Dallas trails and open space system, including the Trinity Strand Trail, in the District.

  *The Master Plan for the Trinity Strand Trail has been adopted and initial funding of over $12 million for design and trail development has been secured. Two trailheads are now completed at Turtle Creek Plaza along Turtle Creek Boulevard between Market Center and Irving Boulevards and at the western end of Hi Line Drive (by the river channel). Construction of Phase I of the trail from Stemmons Freeway to Medical District Drive was completed and the trail officially opened in 2015. The design project for a soft surface trail to parallel the Phase I concrete trail was completed in 2014. A civic plaza*

*at Oak Lawn Avenue and Hi Line Drive has also been completed as part of the "1525 Turtle Creek at the District" project. Funding for additional phases of the trail to connect to the medical center area and Katy Trail is being explored.*

- To generate approximately $76.9 million (net present value) in increment over 20 years of collections.

  *The District's 2016 total taxable value of $671,033,704 for the amended district. The revised budget figure of $76.9 million was approved in a 2013 plan amendment and 2014 was the first year that expanded areas began generating increment. The estimated collection for 2016 is 19% behind projections made with the final plan amendment.*

## Year-End Summary of Meetings

The Design District TIF District Board of Directors met once during the fiscal year from October 1, 2015 to September 30, 2016. The Board approved and forwarded one items to City Council.

The Board, based on amended composition, can consist of up to seven members, including six City of Dallas appointees and one Dallas County appointee. During FY 2016 the Board members were (FY 2016 Board meetings attended): Jamie Slagel – City Representative, *Chair part of year* (1 of 1 meetings), Pat Priest, City Representative, Vice-Chair (0 of 1 meetings), *term limited as of July 2016*, Larry Bennett (1 of 1 meetings), Brian Keith – City Representative (1 of 1 meetings) *only served part of the year*, and Rick Loessberg – Dallas County Representative (1 of 1 meetings). *City Representatives appointed after the last meeting include: Tayo Ayanlola, Ryan Garcia, Michael Kutner, and Ed Oakley.*

During the fiscal year, the City Council approved seven items associated with the Design District TIF District:

- On January 27, 2016, the City Council passed Ordinance Number 29990 granting a private license to DD Dunhill, LLC and DE Design Borrower LLC for the use of approximately 4,350 square feet to install, maintain and use a statue, electrical conduit and wiring, lighting, sensors, paving and landscaping on a portion of Hi Line Drive right-of-way, near its intersection with Oak Lawn Avenue - Revenue: $2,000 one-time fee, plus the $20 ordinance publication fee. *Related to Dunhill Partners project.*

- On January 27, 2016, the City Council passed Ordinance Number 29991 abandoning a portion of Levee Street to AR Apartments, LLC, the abutting owner, containing approximately 2,052 square feet of land, located near the intersection of Turtle Creek Boulevard and Levee Street, and authorizing the quitclaim - Revenue:

$65,664, plus the $20 ordinance publication fee. *Related to Alexan Riveredge project.*

- On February 24, 2016, the City Council passed Resolution Number 16-0336 accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eight, (Design District TIF District), submitted by the Design District TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law.

- On March 23, 2016, the City Council held a public hearing and passed Ordinance Number 30040 granting a new Subdistrict on property zoned Subdistrict 1 within Planned Development District No. 621, the Old Trinity and Design District Special Purpose District, at the west corner of Hi Line Drive and Turtle Creek Boulevard Recommendation of Staff and CPC: Approval, subject to a tower exhibit and revised conditions Z156-131(RB). *Related to Dunhill Partners project.*

- On March 23, 2016, the City Council held a public hearing and passed Ordinance Number 30041 granting a new Subdistrict on property zoned Subdistrict 1 within Planned Development District No. 621, the Old Trinity and Design District Special Purpose District, at the west corner of North Stemmons Freeway Access Road and Edison Street Recommendation of Staff and CPC: Approval, subject to a tower exhibit and revised conditions Z156-140(RB). *Related to Dunhill Partners project.*

- On March 23, 2016, the City Council held a public hearing and passed Ordinance Number 30042 granting a new Subdistrict on property zoned Subdistrict 1 within Planned Development District No. 621, the Old Trinity and Design District Special Purpose District, on the southwest line of North Stemmons Freeway Access Road, east of Oak Lawn Avenue Recommendation of Staff and CPC: Approval, subject to a tower exhibit and revised conditions Z156-141(RB)*Related to Dunhill Partners project.*

- On August 24, 2016, the City Council held a public hearing and passed Ordinance Number 30169 granting a new Subdistrict on property zoned Subdistrict 1 within Planned Development District No. 621, the Old Trinity and Design District Special Purpose District, on the southwest line of North Stemmons Freeway Access Road, east of Oak Lawn Avenue Recommendation of Staff and CPC: Approval, subject to a tower exhibit and revised conditions Z156-141(RB)

## Pending TIF Items

- Consideration of the FY 2016 TIF District Annual Report and a recommendation to the City Council for approval.

# Budget and Spending Status

Each TIF District establishes a budget for the public improvement expenditures necessary to support private investment in the district in the Project Plan and Reinvestment Zone Financing Plan. The current TIF District budget, as amended in 2013 is shown below:

| Design District TIF District<br>Projected Increment Revenues to Retire TIF Fund Obligations | | | |
|---|---|---|---|
| **Category** | **TIF Budget[1]** | **Allocated[2]** | **Balance** |
| **Design District Sub-District:**<br>Paving & Streetscape<br>Wayfinding & District Signage<br>Water, Wastewater & Storm<br>Open Spaces, Plazas, Portals, Civic<br>Environmental Remediation & Demolition<br>Utility Burial<br>Economic Development Grants | $81,486,155 | $12,525,000* | $68,961,153 |
| **Market Center/Stemmons Sub-District:**<br>Paving & Streetscape<br>Wayfinding & District Signage<br>Water, Wastewater & Storm<br>Open Spaces, Plazas, Portals, Civic<br>Environmental Remediation & Demolition<br>Utility Burial<br>Economic Development Grants | $29,730,246 | $0 | $29,730,246 |
| Trinity Strand Trail | $7,488,086 | $400,000 | $7,088,086 |
| Administration and implementation[3] | $4,492,852 | $304,666 | $4,188,186 |
| **Total Project Costs** | **$123,197,339** | **$13,229,668** | **$109,967,671** |

[1] *Budget shown above in current dollars; TIF Project Plan shows the budget in net present value.*

[2] *Allocated amount includes $222,896 in interest accrued as of FY 2013 (September 30, 2013). No additional interest has accrued since.*

[3] *TIF administration costs shown are expended or committed through FY 2015. FY 2016 costs are not included.*

| Design District TIF District<br>Project Plan Budget | |
|---|---|
| **Category** | **TIF NPV Budget*** |
| **Design District Sub-District:**<br>Paving & Streetscape<br>Wayfinding & District Signage<br>Water, Wastewater & Storm<br>Open Spaces, Plazas, Portals, Civic<br>Environmental Remediation & Demolition<br>Utility Burial<br>Economic Development Grants | $47,487,686 |
| **Market Center/Stemmons Sub-District:**<br>Paving & Streetscape<br>Wayfinding & District Signage<br>Water, Wastewater & Storm<br>Open Spaces, Plazas, Portals, Civic<br>Environmental Remediation & Demolition<br>Utility Burial<br>Economic Development Grants | $23,088,979 |
| Trinity Strand Trail | $4,000,000 |
| Administration and Implementation | $2,400,000 |
| **Total** | $76,976,666 |
| ** As approved in the Project Plan and Reinvestment Zone Financing Plan.* | |

| Design District TIF M/WBE Participation | | | |
|---|---|---|---|
| **Project** | **Contractor** | **Total Contract Award Amount** | **Percentage Minority Participation** |
| Phase I – 1525 Turtle Creek Project development site public improvements | Spoor Electric & KDA Landscapes | $1,108,021 | 44.4% |
| Phase II & III – 1525 Turtle Creek Project district-wide improvements | John Burns Construction Company of Texas & Metheny Landscape Development | $3,473,759 | 30.2% |
| Turtle Creek Median Project | focusEGD & ArtOGrafx | $100,105 | 48.5% |
| Trinity Strand Trail Soft Surface Design Project | Bowman-Melton, Integrated; Environmental Solutions; Di Sciullo-Terry Stanton & Associates; and Jakan Engineering, PLLC | $387,495 | 39.8% |
| Alexan Riveredge | McPherson Electric, Inc Mission Site Services | $680,446 | 80.6% |
| **Total** | | **$5,749,826** | **$2,292,250 (39.9%)** |

# FY 2017 Work Program

The FY 2017 work program includes:

- Continue coordination efforts for implementation of current development projects.
- Attracting $40 million in taxable value, including new development.
- Continue working with stakeholders on potential district wide improvements such as connections to trails and open space, signage and other projects benefiting the District.
- Investigate additional sources of funding for the District.

# Appendix A – Financials

**City of Dallas, Texas**
**Design District Tax Increment Financing District Fund**
**Reinvestment Zone Number Eight**
**As of September 30, 2015**

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

**1. Amount and source of revenue in the tax increment fund established for the zone:**

| | |
|---|---|
| $48,580 | Interest Income |
| $2,614,555 | Ad Valorem Taxes (Collected in FY'2014-15 based on 2014 Final Tax Roll) |
| $0 | Affordable Housing Buyout |
| $2,663,134 | Total Revenue |

**2. Amount and purpose of expenditures from the fund:**

| | |
|---|---|
| $0 | Administrative Expense (FY 2016 costs are to be determined) |
| $0 | Non-Capital outlay |
| $0 | Capital outlay |
| $0 | Additional Subsidy in Form of Grant (in lieu of interest expense) |
| $0 | Total Expenditures |

**3. a. Amount of Principal and Interest due-on outstanding bonded indebtedness:**
Design District TIF District has incurred no bonded indebtedness as of September 30, 2016.

**b**. The Zone entered into a development agreement with Alta Block 1500, LLC for the development of the "1525 Turtle Creek at the District" project in the TIF in an amount not to exceed $4,402,000 plus additional subsidy in form of grant (in lieu of interest) on certain public improvements. The developer was fully reimbursed in fiscal year 2014.

**c**. The Zone has authorized a development agreement with Dallas Proton Treatment Center, LLC for the development of the Dallas Proton Treatment Center in an amount not to exceed $7,025,000; however, the authorization expired in December 2015.

**4 The zone has reimbursed the following obligations from available TIF funds as of September 30, 2015:**

| Project | Advance Principal | Accrued Add'l Subsidy **(1)** | Less Payments | Total (P & I) Outstanding |
|---|---|---|---|---|
| 1525 Turtle Creek Project | $4,402,000 | $222,896 | $4,624,896 | $0 |
| Total | $4,402,000 | $222,896 | $4,624,896 | $0 |

**(1)** Additional Subsidy in Form of Grant (lieu of interest expense)

**5. Tax increment base and current captured appraised value retained by the zone:**

| Taxing Jurisdiction | Taxable Value 2016 * | Base Year 2005 Value | Est. Captured Value 2016** |
|---|---|---|---|
| City of Dallas | $671,033,704 | $281,873,753 | $389,159,951 |
| Dallas County-Zone A & B | $543,119,404 | $193,915,663 | $349,203,741 |
| Dallas County-Mkt. Center/Stemmons SD | $127,904,300 | $87,957,090 | $39,947,210 |

* 2016 taxable value shown for participating taxing jurisdictions. County values are approximate and will vary slightly from the City value due to different exemption levels.

****** Based on Certified Taxable Values. Final values will be determined on February 01, 2017.

**6. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:**

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

| Taxing Jurisdiction | Assessment Per $100*** | Amount of Estimated 2017 Increment**** |
|---|---|---|
| City of Dallas | 0.70425 | $2,740,659 |
| Dallas County-Zone A & B | 0.13371 | $466,903 |
| Dallas County-Mkt. Center/Stemmons SD | 0.09724 | $38,845 |
| Total for all Jurisdictions | $0.93520 | $3,246,406 |

***City of Dallas participates at 90% for zone A & B for tax years 2008-2023 and 90% for Market Center/Stemmons for tax years 2014-2027. Dallas County participates at 55% for zone A & B for tax years 2008-2023 and 40% for Market Center/Stemmons sub-district for tax years 2014-2027.

****The District began collecting increment in 2009.

B. The total amount of estimated tax increment to be billed for the 2015 tax year is $3,246,406. For the 2015 tax year, increment in the amount of $2,614,555 was received.

**City of Dallas, Texas**
**Design District Tax Increment Financing District Fund**
**Balance Sheet as of September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|
| Assets: | | | | | |
| Pooled cash and cash equivalents | $7,272,154 | $4,613,287 | $2,467,791 | $1,126,233 | $740,193 |
| Interest receivable | $9,778 | $5,510 | $2,592 | $1,317 | $1,276 |
| Total assets | $7,281,932 | $4,618,797 | $2,470,383 | $1,127,550 | $741,468 |
| Liabilities and Fund Balance (Deficit): | | | | | |
| Liabilities: | | | | | |
| Accounts and contracts payable | $0 | $0 | $0 | $17,428 | $0 |
| Due to general fund | $11,135 | $11,135 | $11,135 | $11,135 | $0 |
| Total liabilities | $11,135 | $11,135 | $11,135 | $28,564 | $0 |
| Fund Balance (Deficit): | | | | | |
| Fund Balance (Deficit) | $7,270,796 | $4,607,662 | $2,459,248 | $1,098,986 | $741,468 |
| Total Liabilities and Fund Equity | $7,281,932 | $4,618,797 | $2,470,383 | $1,127,550 | $741,468 |
| | $0 | $0 | $0 | $0 | $0 |

**Design District Tax Increment Financing District Fund**
**Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)**
**For the Period September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | ITD | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|---|
| Revenues: | | | | | | |
| Tax increment-Governmental | $10,199,752 | $2,213,363 | $1,844,597 | $1,589,921 | $1,191,274 | $950,774 |
| Tax increment-Intergovernmental | $1,847,761 | $401,192 | $320,286 | $291,020 | $220,252 | $180,059 |
| Interest income | $111,507 | $47,841 | $21,469 | $8,986 | $5,454 | $3,812 |
| Affordable Housing Buyout | $524,600 | $0 | $0 | $0 | $524,600 | $0 |
| Net increase (decrease) in fair value of investments | $10,268 | $739 | $9,755 | ($1,204) | ($428) | ($96) |
| Total revenues | $12,693,887 | $2,663,134 | $2,196,107 | $1,888,723 | $1,941,151 | $1,134,550 |
| Expenditures: | | | | | | |
| Administrative expenses | $304,964 | $0 | $34,240 | $30,285 | $54,321 | $50,483 |
| Non-Capital Outlay | $451,319 | $0 | $13,453 | $437,692 | $0 | $0 |
| Capital outlay | $4,443,911 | $0 | $0 | $60,485 | $1,495,747 | $808,297 |
| Interest and fiscal charges | $222,896 | $0 | $0 | $0 | $33,566 | $72,365 |
| Total expenditures | $5,423,091 | $0 | $47,693 | $528,461 | $1,583,634 | $931,145 |
| Excess (Deficiency) of Revenues over Expenditures | $7,270,796 | $2,663,134 | $2,148,414 | $1,360,262 | $357,518 | $203,404 |
| Fund balance (Deficit) at beginning of year as previously reported | $0 | $4,607,662 | $2,459,248 | $1,098,986 | $741,468 | $538,064 |
| Fund balance (deficit) at end of year | $7,270,796 | $7,270,796 | $4,607,662 | $2,459,248 | $1,098,986 | $741,468 |

**Note: Fiscal year 2015-16 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.**

City of Dallas, Texas
Design District Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2016

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.

2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).

3. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.

4. The Zone's Financial Plan permits expenditures not to exceed $4,492,852 (in current $) over the life of the TIF to reimburse the City for administrative costs. The Zone began reimbursing the general fund in fiscal year 2009-10. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.

5. All project costs resulting in capital improvements that are owned by the City are capitalized by the City.

6. "Due to general fund" amount of $11,135 at September 30, 2016 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

**AGENDA ITEM # 22**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 13

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 26 P T and U

## SUBJECT

A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Nine, (Vickery Meadow TIF District), submitted by the Vickery Meadow TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

## BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 25964 on April 27, 2005, establishing Tax Increment Financing Reinvestment Zone Number Nine (Vickery Meadow TIF District). On December 14, 2005, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 26181, as amended.

The Vickery Meadow TIF District's 2016 assessed taxable value was $434,323,020. This represents an increase of $269,543,930 (163.6%) over the 2005 base year value and an increase of $43,230,607 (11.1%) over the taxable value for 2015. The increase over the previous year's taxable value is largely attributed to appreciation of property that encompasses The Shops at Park Lane ($22,859,740) and Half Priced Books ($9, 247,130). With the participation of the City and Dallas County, the increase over the base year value will result in the collection of approximately $2,040,582 in total incremental revenue for the District.

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

On April 27, 2005, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Nine, the Vickery Meadow TIF District, by Ordinance No. 25964, as amended.

On December 14, 2005, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Vickery Meadow TIF District by Ordinance No. 26181, as amended.

On December 19, 2016, the Vickery Meadow TIF Board of Directors recommended the FY 2016 Annual Report be accepted and approved.

Information about this item was provided to the Economic Development Committee on February 6, 2017.

## FISCAL INFORMATION

No cost consideration to the City

February 22, 2017

**WHEREAS,** the City recognizes the importance of its role in local economic development initiatives and programs; and

**WHEREAS,** the City has established Tax Increment Financing Reinvestment Zone Number Nine, (Vickery Meadow TIF District or District) and established a Board of Directors for the District to promote development or redevelopment in the Vickery Meadow area pursuant to Ordinance No. 25964, authorized by the City Council on April 27, 2005, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

**WHEREAS,** on December 14, 2005, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Vickery Meadow TIF District by Ordinance No. 26181, as amended; and

**WHEREAS,** the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

**WHEREAS,** on December 19, 2016, the Vickery Meadow TIF District Board of Directors passed a motion accepting the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Nine and recommending approval of same by the City Council.

**NOW, THEREFORE,**

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

**Section 1.** That the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Nine, (Vickery Meadow TIF District), City of Dallas, Texas, as of September 30, 2016, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

**Section 2.** That the City Manager is hereby authorized to submit the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Nine, to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and the State Comptroller, as required by state law.

**Section 3.** 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.

**Exhibit A**

# Vickery Meadow TIF District
# FY 2016
# Annual Report



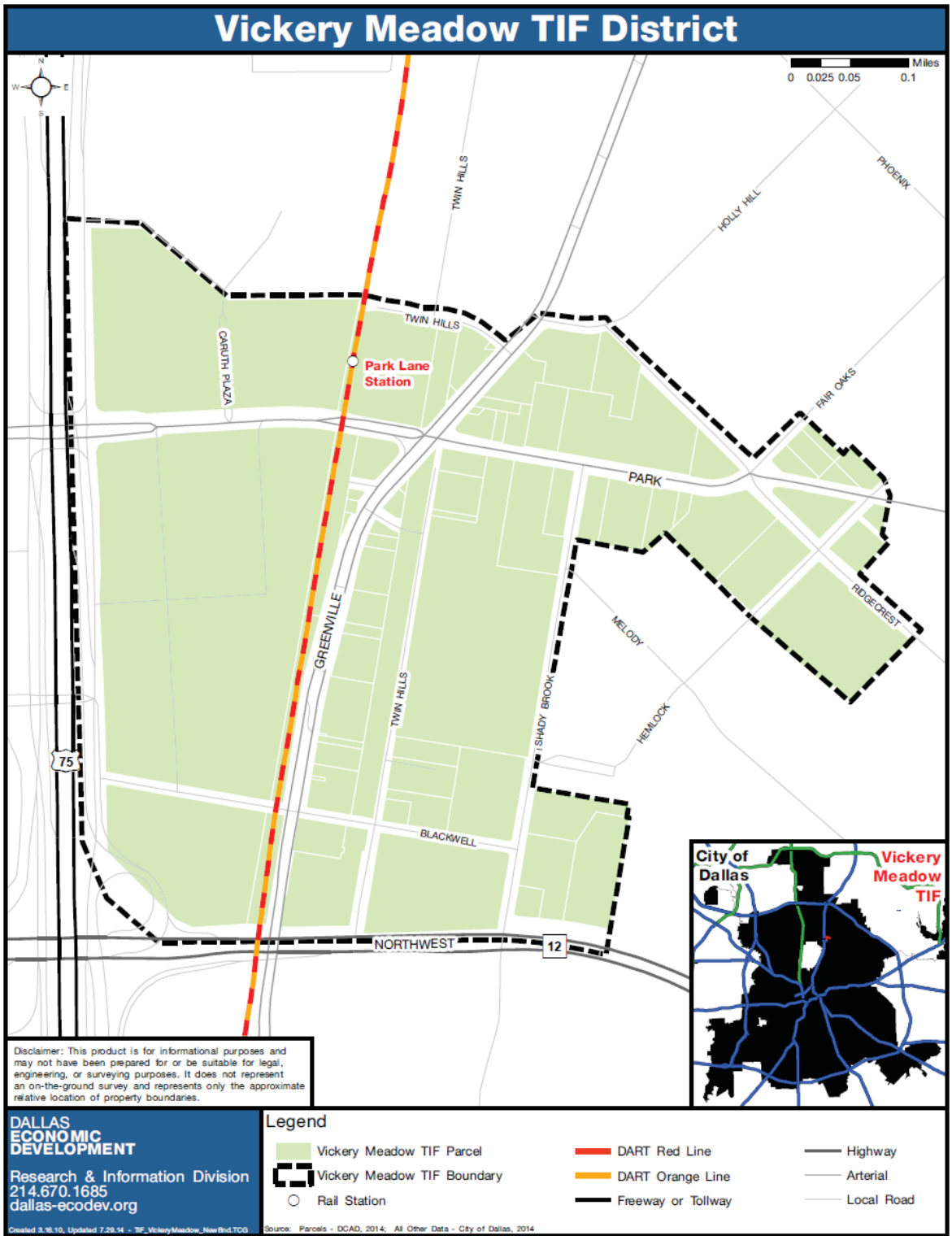
(Source: Northwood Retail, LLC)

City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 671-9825
http://www.dallas-ecodev.org

## October 1, 2015 to September 30, 2016

# Reinvestment Zone Number Nine
# Vickery Meadow Tax Increment Financing District



# Table of Contents

Mission Statement……..4
District Accomplishments……....4
Past, Current and Anticipated Projects……7
Value and Increment Summary……..10
Objectives, Programs, and Success Indicators……10
Year-End Summary of Meetings……12
Pending TIF Items……13
Budget and Spending Status……..13
FY 2017 Work Program……15
Appendix A – Financials……..16

# Mission Statement

The mission of the Vickery Meadow TIF District is to provide a source of funding to enhance private investment in the real estate market for the Vickery Meadow TIF District area. The Vickery Meadow Tax Increment Financing (TIF) District represents the outgrowth of the City of Dallas' effort to provide a model for redeveloping functionally and structurally obsolete commercial and rental residential areas within a district to take full advantage of the DART light rail system, promote transit oriented development and implement context sensitive urban design standards.

The Dallas City Council established the Vickery Meadow TIF District by Ordinance Number 25964 on April 27, 2005. The Vickery Meadow TIF District took effect on January 1, 2006, and will terminate on December 31, 2027, (including collection of the 2027 increment in calendar year 2028 and any related matters to be concluded in 2028) or when the budget of $33.4 million (2006 dollars) has been collected. The City of Dallas and Dallas County are the two participating jurisdictions. The City's participation is 80%, and the County's participation is 55% of taxes generated by the properties within the district by the respective taxing jurisdictions.

# District Accomplishments

The District was established to facilitate the creation of a catalyst mixed-use development on North Central Expressway and Park Lane (The Shops at Park Lane) and stimulate redevelopment activities within the District's remaining areas, including the area generally known as "Five Points" (located generally around the intersection of Park Lane, Ridgecrest Road and Fair Oaks Avenue).

In FY 2016, F21 Red, Fransesca's, and Carlen's Luxury Optical opened stores in The Shops at Park Lane. And another three expected retail stores to open by FY 2017. These openings for Northwood Retail, LLC achieve the following lease rates:

- Retail space – 95.0% leased
- Office space – 100.0% leased
- Resident space – 96.0% leased

Sales activity at The Shops at Park Lane continues to be strong as most of its retailers perform in the top 20% of their national sales averages.

Northwood Retail, LLC also completed the construction of a five story, Class A mixed-use development (Block A) during FY 2015. Its build-out includes approximately 35,000 square feet of retail space, 122,000 square feet of office space, 176 parking spaces (100 underground and 76 surface parking) and a 10,000 square foot community park.

Block A is the first component of The Shops at Park Lane's second phase. The Shops Hotel pad site is still available (adjacent to Block E) as is the 2-acre parcel on Block A North. There are no current active development plans for those two sites. Construction of 179 apartments on the second residential component at Galleries of Park Lane began leasing at end of 2016, in total will consist of 246 apartments.



Galleries at Park Lane Apartments
(Source: Northwood Retail, LLC)

Additionally, the first phase of Half Price Books, Records, Magazines, Inc.'s (aka Half Price Books) multi-phase plan to redevelop the former Parker Plaza site was completed in 2015. It included the demolition of two dilapidated structures and the conversion of a vacant warehouse into a REI sporting goods store that contains 34,296 square feet of retail space. Although Half Price Books has not determined when construction on the second phase will commence, the company is marketing the project to include 16,184 square feet of retail/restaurant space and 335 parking spaces just north adjacent to REI.




The REI sporting goods store that was built as part of Half Price Books' multi-phase plan to redevelop the former Parker Plaza site
(Source: Dallas Office of Economic Development)

# Past, Current and Anticipated Projects

| Projects Within TIF District Utilizing TIF Funding[1] | | | | | | |
|---|---|---|---|---|---|---|
| **Project** | **Location** | **Status** | **Year Complete** | **Units/Square Feet[2]** | **Approximate Investment/ Assessed Value[3]** | **TIF Investment[4]** |
| "The Shops at Park Lane"<br><br>Phase I | SE corner of Park Lane and Central Expressway | Phase I construction is complete | 2009 | 325 apartment units; 554,000 square feet* of retail space; 97,000 square feet of office space; and parking structures | $221,650,000 (assessed value) | $20,000,000** |
| Half Price Books Mixed-use Project<br><br>Phase II | 6730 Shady Brook Lane | Planned | TBD | Approximately 6,184 square feet of retail/ 10,000 office space | $626,910 (assessed value)<br><br>$3,100,000 (approximate planned investment) | TBD |
| Library Mixed-use Project (Acacia Apartments' former site) | 8255 Park Lane | Planned | TBD | TBD | $1,575,800 (assessed value) | TBD |
| **Total** | | | | **325 apartment units; 560,184 square feet of retail/restaurant space; 107,000 square feet of office space; a parking structures** | **$223,852,710 (assessed value)**<br><br>**$3,100,000 (approximate planned investment)** | **$20,000,000** |

*[1] All information updated as of September 30, 2016.*

*[2] Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage.*

*[3] Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF District for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.*

*[4] Principal amount not to be exceeded per the development agreement.*

| Projects Within TIF District That Are Not Utilizing TIF Funding[1] | | | | | | |
|---|---|---|---|---|---|---|
| **Project** | **Location** | **Status** | **Year Complete** | **Units/Square Feet[2]** | **Approximate Investment/ Assessed Value[3]** | **TIF Investment** |
| "The Shops at Park Lane"<br><br>Phase II | SE corner of Park Lane and Central Expressway | The construction of Phase II's second component- 179 units (Block E) completed. | Block A & E 2015, 2016<br><br>Block E & A: TBD | 246 apartment units; approximately 35,000 square feet of retail space; approximately 122,000 square feet of office space; 176 parking spaces and a 10,000 square foot community park<br><br>Hotel Pad (E) and 2-ac A North yet to be developed | $39,971,230 (assessed value)<br><br>(approximate planned investment TBD) | $0 |
| Half Price Books Mixed-use Project<br><br>Phase I | 5929 and 5905 East Northwest Highway | Phase I Complete | 2015 | Approximately 34,296 square feet of retail space, and Starbucks location | $8,620,220 (assessed value) | $0 |
| DART Park Lane light rail station (Red and Orange Lines) | 8169 Park Lane | Complete | 1997 | 1,200 parking spaces | $3,836,900 (assessed value) | $0 |
| **Total** | | | | **246 apartment units; 69,296 square feet of retail/restaurant space; 122,000 square feet of office space; 1376 parking spaces; and 10,000 square feet of open green space** | **$52,428,350 (assessed value)** | **$20,000,000** |

[1] *All information updated as of September 30, 2016.*

[2] *Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage.*

[3] *Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF District for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.*

| District Initiatives | | | | |
|---|---|---|---|---|
| **Activity** | **Scope** | **Status** | **Investment** | **Source** |
| **Vickery Meadow Improvement District (VMID) – TREC 2006 Community Grant** | The Real Estate Council (TREC) of Dallas awarded a grant to be used to create a Planned Urban Design (Neighborhood Plan) for the Vickery Meadow Community | Organizational stages. James Harwick + Partners, Inc. architectural design firm was hired to complete the plan. The plan was completed in 2009 and was adopted by the VMID Executive Board January 15, 2010. | $78,000 total Includes:<br>$50,000<br>$28,000 | TREC of Dallas<br>VMID funds |
| **The Real Estate Council Foundation, McCormack, Baron Salazar (MBS) – Economic Development Action Plans** | The Real Estate Council Foundation and private donations provided financial support to engage McCormack Baron Salazar to develop action plans for economic development in three City Council designated areas:<br>1. Lancaster Corridor<br>2. South Dallas/Fair Park<br>3. Five Points in Vickery Meadow | The Development Action Plans by MBS were released in January 2011. | $750,000 min Includes:<br>$275,000<br>$275,000<br>$200,000 | The Real Estate Council Foundation of Dallas<br>MBS Investment<br>Private Donations |
| **HUD Community Challenge Grant for Transit Oriented Development and Affordable Housing** | Community Challenge Planning Grant from HUD used for planning and preconstruction activities related to affordable housing and transit oriented development for 7 DART stations. Completed 5 area plans, including the Vickery Meadow area plan. Also funded preconstruction and design work for a mixed-use development anchored by a new VM branch library. | City Council authorized a professional services contract with Fregonese Associates, Inc. for the related planning activities on December 14, 2011.<br>City Council authorized a professional services contract with DMA Development Company, LLC for the related activities on September 25, 2013 | Total federal grant Amount: $2,225,000/ $2,670,000 overall<br>Approximately $950,000 spent in for the Vickery Meadow TIF District including $445,000 as the local match | $505,000 HUD Funds<br>$445,000 TIF Funds |
| **Vickery Community Court Initiative at former Fire Station** | 6742 Greenville Avenue to repurpose for community court, associated offices, and lease space to serve Vickery Meadow Neighborhood | Undergoing zoning change to utility or government installation**- 6,453 sq. ft building for court, law and social service offices. And tenant lease space for office use**. | TBD | TBD |

# Value and Increment Summary

The Vickery Meadow TIF District's 2016 assessed taxable value was $434,323,020. This represents an increase of $269,543,930 (163.6%) over the 2005 base year value and an increase of $43,230,607 (11.1%) over the taxable value for 2015. The increase over the previous year's taxable value is largely attributed to appreciation of properties at The Shops at Park Lane ($22,859,740) and Half Priced Books ($9,247,130). With the participation of the City and Dallas County, the increase over the base year value will result in FY 2016 collection of approximately $2,040,582 in total incremental revenue for the District.

# Objectives, Programs and Success Indicators

The Vickery Meadow Final Project Plan and Reinvestment Zone Financing Plan were approved on December 14, 2005. The plans' development goals are provided below:

- Facilitate private development within the Vickery Meadow TIF District to stimulate and diversify the area's economy, eliminate unemployment or underemployment, and develop or expand business, transportation, and commercial activity.

  *Approximately $466 million in private investment is planned as part of full build-out of The Shops at Park Lane. The project is anticipated to create 2,600 new jobs.*

- Secure new private development consisting of at least 850,000 square feet of retail space, 200 hotel rooms, 625 residential units (rental and owner occupied), and 410,000 square feet of office space.

  *The following progress has been made since the District's creation:*

  - *Approximately 623,296 square feet of retail and restaurant space has been built while an additional 6,184 is planned. Collectively, this represents 73.3% of the goal.*

  - *0 hotel rooms have been built or are planned (0.0% of the goal)*

  - *571 residential units have been built offering various types of housing for sale and rental at the Shop of Park Lane. Collectively, this represents 91% of the goal.*

  - *219,000 square feet of office space has been built and another 16,453 square feet is being planned or converted into office space (57% of the goal).*

- Focus on traffic improvements and the redevelopment of properties within the Five-Points area as increment funds accumulate and can be supplemented with non-TIF sources.

  *Staff is currently working with the Vickery Meadow Public Improvement District (PID) and other stakeholders to address these issues.*

- Generate additional taxable value totaling approximately $322 million as a result of new private investment projects within the TIF District.

  *The FY 2016 taxable value for The Shops at Park Lane and Half-Priced Books was $270,868,360. (84% of the goal).*

- Encourage the redevelopment of the "Park Lane" site and improve pedestrian connections between the existing DART Park Lane light rail station to increase density while providing enhanced urban design for the TIF District.

  *The following progress has been made since the District's creation:*

  – *Staff is working with DART and Northwood Retail, LLC to identify potential funding for the construction of a pedestrian platform that would extend from the light rail station to the south side of Park Lane.*

  – *Pedestrian connection improvements for the Park Lane Station and its surrounding vicinity were studied but remain unfunded.*

  – *Staff is investigating improved pedestrian connections between Park Lane and NorthPark Center.*

- Increase commuters' use of the DART Park Lane light rail station from 2,183 passengers per weekday in 2007 to 3,500 passengers by 2012.

  *During the fiscal year the Park Lane light rail station serviced approximately 2,361 riders per weekday. Although this is a decrease of 194 riders (8%) below the approximate 2,555 riders that were serviced per weekday during FY 2015, it represents an increase of 192 riders (9%) over the 2,169 riders that used the station during FY 2007. Accordingly, staff will continue to work with DART to increase the station's daily ridership and monitor the progress of public improvements that are made within the station's surrounding area.*

- Generate approximately $32.2 million (2006 NPV) in increment over a 20-year period.

*This increase has generated approximately $10,749,597 in incremental revenue since the District's creation (20.5% of the goal).*

# Year-End Summary of Meetings

Based on amended composition the Vickery Meadow TIF Board can consist of up to seven members, including six City of Dallas appointees and one from Dallas County. The board, which met once during the fiscal year, consisted of the following members:

- Gay W. Donnell – City Representative (attended meeting)
- Brian Driesse – City Representative (attended meeting)
- Michon Fulgham – Chair and City Representative (attended meeting)
- Jake Golvach – City Representative (attended meeting)
- Douglas J. Lattner – City Representative (attended meeting)
- Rick Loessberg – Dallas County Representative (attended meeting)
- Raj Narayanan – City Representative (attended meeting)

The Dallas City Council approved one item during the fiscal year related to the District. The item is summarized below:

- On February 24, 2016, the City Council approved Resolution Number 16-0337, accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Nine, (Vickery Meadow TIF District), submitted by the Vickery Meadow TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City.

# Pending TIF Items

The Vickery Meadow TIF District's pending items include the following:

- Approval of the FY 2016 Annual Report
- Provide support as warranted for the redevelopment of the vacant site at 8255 Park Lane to include a Library

# Budget and Spending Status

The Vickery Meadow TIF District's Project Plan and Reinvestment Zone Financing Plan established a budget for public improvement expenditures that are necessary to support private investment. The District budget and spending to date are provided on the following charts:

**Vickery Meadow TIF District**
**Projected Increment Revenues to Retire TIF Fund Obligations**

| Category | TIF Budget[1] | Allocated[2] | Balance |
|---|---|---|---|
| **"Park Lane" Project:** Environmental remediation, interior/exterior demolition, street/utility improvements & relocation, streetscape improvements, land acquisition, enhanced pedestrian area design & acquisition, engineering & design, non-project costs | $32,653,946 | $32,653,946 | $0 |
| **Five-Points Area Improvements:** Environmental remediation, interior/exterior demolition, street/utility improvements & relocation, streetscape improvements, land acquisition, park/plaza design & acquisition, DART related improvements, engineering & design, non-project costs | $16,326,973 | $0 | $16,326,973 |
| **Administration and Implementation[3]** | $3,583,934 | $294,040 | $3,289,894 |
| **Total Project Costs** | **$52,564,853** | **$32,947,986** | **$19,616,867** |

[1] *Budget shown above in total dollars; TIF Project Plan shows the budget in net present value.*

[2] *Allocated amount includes any interest accrued as of September 30, 2016. Additional interest of approximately $8.5 million is expected to accrue prior to final payment and categories impacted are shown with an *.*

[3] *Administration and Implementation amount shown is through FY 2016 and includes $50,000 for District audits through 2012 and $2,500 for consultant fees. FY 2016 cost not included.*

## Vickery Meadow TIF District
## Project Plan Budget

| Category | TIF Budget (NPV)* |
|---|---|
| **"Park Lane" Project:**<br>- Environmental remediation, interior/exterior demolition, street/utility improvements & relocation, streetscape improvements, land acquisition, enhanced pedestrian area design & acquisition, engineering & design, non-project costs | $20,000,000 |
| **Five-Points Area Improvements:**<br>- Environmental remediation, interior/exterior demolition, street/utility improvements & relocation, streetscape improvements, land acquisition, park/plaza design & acquisition, DART related improvements, engineering & design, non-project costs | $10,000,000 |
| **Administration and implementation** | $2,195,100 |
| **Total** | $32,195,100 |

** As approved in the Project Plan and Reinvestment Zone Financing Plan in 2006 dollars.*

*** Budget is for the 20-year term of the District.*

## Vickery Meadow TIF District
## Affordable Housing Set-aside

| Budget* | Allocated | Balance |
|---|---|---|
| $1,000,000 | $445,000 | $555,000 |

** Funds deposited in the Vickery Meadow TIF District Tax Increment Fund by Harvest NPE, L.P. to support the development of affordable housing within the District in lieu of the developer constructing affording housing units as part of The Shops at Park Lane Project.*

# FY 2017 Work Program

The FY 2017 work program for the Vickery Meadow TIF District is as follows:

- Identify additional redevelopment sites, potential developers and continue to seek growth in the District through the attraction of mixed-use, high-density development.

- Provide assistance with the implementation of The Shops at Park Lane development project.

- Work with the DART, Vickery Meadow Public Improvement District and other entities on improvement initiatives for the Vickery Meadow area.

- Investigate additional funding sources for District-wide improvements that include a pedestrian platform that would extend from the Park Lane Light Rail Station across Park Lane.

- Reevaluate the issuance of TIF Bonds for the District.

# Appendix A – Financials

**City of Dallas, Texas**
**Vickery Meadow Tax Increment Financing District Fund**
**Balance Sheet as of September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|
| Assets: | | | | | |
| Pooled cash and cash equivalents | $716,249 | $680,407 | $669,670 | $1,146,374 | $1,103,841 |
| Interest receivable | $963 | $852 | $740 | $771 | $2,737 |
| Total assets | $717,212 | $681,259 | $670,410 | $1,147,145 | $1,106,578 |
| Liabilities and Fund Balance (Deficit): | | | | | |
| Liabilities: | | | | | |
| Accounts and contracts payable | $0 | $0 | $0 | $0 | $0 |
| Due to general fund | $13,625 | $13,625 | $13,625 | $13,625 | $0 |
| Total liabilities | $13,625 | $13,625 | $13,625 | $13,625 | $0 |
| Fund Balance (Deficit): | | | | | |
| Fund Balance (Deficit) | $703,587 | $667,634 | $656,785 | $1,133,520 | $1,106,578 |
| Total Liabilities and Fund Equity | $717,212 | $681,259 | $670,410 | $1,147,145 | $1,106,578 |
| | $0 | $0 | $0 | $0 | $0 |

**City of Dallas, Texas**
**Vickery Meadow Tax Increment Financing District Fund**
**Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)**
**For the Period September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | ITD | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|---|
| Revenues: | | | | | | |
| Tax increment-Governmental | $8,691,608 | $1,441,253 | $1,199,674 | $1,211,882 | $1,109,114 | $1,159,842 |
| Tax increment-Intergovernmental | $1,760,988 | $302,329 | $237,223 | $246,736 | $195,403 | $239,953 |
| Interest income | $94,243 | $8,449 | $4,862 | $3,470 | $2,556 | $6,723 |
| Affordable housing payment | $1,000,000 | $0 | $0 | $0 | $0 | $0 |
| Net increase (decrease) in fair value of investments | $996 | ($477) | $1,539 | ($639) | ($2,367) | ($136) |
| Total revenues | $11,547,835 | $1,751,553 | $1,443,298 | $1,461,449 | $1,304,706 | $1,406,382 |
| Expenditures: | | | | | | |
| Administrative expenses | $294,040 | $0 | $38,249 | $43,184 | $29,356 | $31,828 |
| Non-Capital Outlay | $517,800 | $8,600 | $10,200 | $445,000 | $10,000 | $19,100 |
| Capital outlay | $0 | $0 | $0 | $0 | $0 | $0 |
| Principal retirement | $2,348,339 | $784,623 | $404,412 | $485,793 | $219,413 | $409,302 |
| Interest and fiscal charges | $7,684,070 | $922,377 | $979,588 | $964,207 | $1,018,996 | $953,698 |
| Total expenditures | $10,844,248 | $1,715,600 | $1,432,449 | $1,938,184 | $1,277,765 | $1,413,928 |
| Excess (Deficiency) of Revenues over Expenditures | $703,587 | $35,953 | $10,849 | ($476,735) | $26,942 | ($7,546) |
| Fund balance (Deficit) at beginning of year as previously reported | $0 | $667,634 | $656,785 | $1,133,520 | $1,106,578 | $1,114,124 |
| Fund balance (Deficit) at beginning of year, as restated | $0 | $667,634 | $656,785 | $1,133,520 | $1,106,578 | $1,114,124 |
| Fund balance (deficit) at end of year | $703,587 | $703,587 | $667,634 | $656,785 | $1,133,520 | $1,106,578 |

**Note: Fiscal year 2015-16 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.**

**City of Dallas, Texas**
**Vickery Meadow Tax Increment Financing District**
**Reinvestment Zone Number Nine**
**As of September 30, 2016**

Chapter 311.016 of V.C.T.A. requires the following as part of the annual report on the status of the TIF District. Information is contained in detail on the financial statements.

**1. Amount and source of revenue in the tax increment fund established for the zone:**

| | |
|---|---|
| $7,971 | Interest Income |
| $0 | Affordable housing payment |
| $1,743,581 | Ad Valorem Taxes (Collected in FY'2015-16 based on 2015 Final Tax Roll) |
| $1,751,553 | Total Revenue |

**2. Amount and purpose of expenditures from the fund:**

| | |
|---|---|
| $0 | Administrative Expense for FY 2016 is to be determined. |
| $8,600 | Non-Capital Outlay (1) |
| $784,623 | Principal retirement |
| $922,377 | Additional Subsidy in Form of Grant (in lieu of interest expense) |
| $1,715,600 | Total Expenditures |

(1) These expenditures were incurred for the following services:

| | |
|---|---|
| TIF annual audit | $8,600 |
| Other | $0 |
| Total | $8,600 |

**3. The Zone began reimbursing the General Fund for administrative costs in fiscal year 2009-10.**

**4. a. Amount of Principal and Interest due-on outstanding bonded indebtedness is as follows:**

Vickery Meadow TIF District has incurred no bonded indebtedness as of September 30, 2016.

**b. The zone has reimbursed the following contingent obligations from available TIF funds as of September 30, 2016:**

| Developer | Project | Advance Principal | Accrued Add'l Subsidy **(1)** | Less Payments | Total Outstanding |
|---|---|---|---|---|---|
| Northwood PL Holdings, LLC | The Shops at Park Lane | $20,000,000 | $7,937,806 | ($10,032,410) | $17,905,397 |
| Total | | $20,000,000 | $7,937,806 | ($10,032,410) | $17,905,397 |

**Reimbursement of the project's outstanding TIF-eligible project costs are subject to the availability of TIF funds.**

**(1)** Additional Subsidy in Form of Grant (in lieu of interest expense)

**5. Tax increment base and current captured appraised value retained by the zone:**

| Taxing Jurisdiction | Taxable Value 2016* | Base Year 2005 Value | Est. Captured Value 2016* |
|---|---|---|---|
| City of Dallas | $434,323,020 | $164,779,090 | $269,543,930 |
| Dallas County | $434,323,020 | $170,131,750 | $264,191,270 |

*2016 Taxable value shown for participating taxing jurisdictions. County values are approximate and will vary slightly from the City value due to different exemption levels.

**Based on DCAD Certified Taxable Value. The final values will be determined on February 01, 2017.

**6. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:**

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

| Taxing Jurisdiction | Assessment Per $100*** | Amount of Estimated 2016 Increment*** |
|---|---|---|
| City of Dallas | 0.62600 | $1,687,345 |
| Dallas County | 0.13371 | $353,237 |
| Total for all Jurisdictions | $0.75971 | $2,040,582 |

***Participation rates for City of Dallas and Dallas County are 80% and 55% respectively for tax years 2008 - 2027.

B. The total amount of estimated tax increment to be billed for the 2016 tax year is $2,040,582. For the 2015 tax year, increment in the amount of $1,743,581 was received.

**7. Independent audits of the TIF for fiscal years 2007, 2008, 2009, 2010, 2011, and 2012, as approved by the board in an amount not to exceed 50,000, were completed by Grant Thornton LLP, the City's external auditors. Total cost for the audits was $34,900. The balance of the approved funds were used for an audit of fiscal year 2013. The TIF Board approved an additional amount of $20,000 for the audit of fiscal years 2014 and 2015. Audits for fiscal years 2013, 2014 and 2015 were conducted by Grant Thornton LLP.**

## Notes to Financials

City of Dallas, Texas
Vickery Meadow Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2016

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.

2. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.

3. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).

4. The Zone's Financial Plan permits expenditures not to exceed $2,195,100 over the life of the TIF to reimburse the City for administrative costs. The Zone began reimbursing the general fund in fiscal year 2009-10. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.

5. The TIF entered into a development agreement with a developer on December 14, 2005 to reimburse the developer for TIF eligible costs up to principal amount of $20.0 million plus accrued interest thereon, at an interest rate of 4.86%, for the construction of the Park Lane Project. The developer satisfied all contingencies as required by the terms of the agreement and the liability for the principal amount of $20.0 million plus the accrued interest was recorded in fiscal year 2008-09. The TIF began reimbursing the developer in fiscal year 2009-10. The developer obligation balance, including principal and accrued interest, outstanding at September 30, 2016 is $17,905,397.

6. "Due to general fund" amount of $13,625 at September 30, 2016 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

**AGENDA ITEM # 23**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 2

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 34 T U X Y & 44 C

## SUBJECT

A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Ten, (Southwestern Medical TIF District), submitted by the Southwestern Medical TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

## BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 25965 on April 27, 2005, establishing Tax Increment Financing Reinvestment Zone Number Ten, (the Southwestern Medical TIF District). On January 11, 2006, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 26204, as amended.

The Southwestern Medical TIF District's assessed 2016 tax value was $217,960,787, an increase of $150,549,733 over the base year value 223.3% (increased from base value). The 2016 tax value increased $27,848,229 (14.6%) from the 2015 tax value. The total increment revenue collected in 2016 is expected to be $1,143,727. The actual construction that occurred in FY 2016 will be reflected on the FY 2017 tax roll.

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

On April 27, 2005, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Ten, the Southwestern Medical TIF District by Ordinance No. 25965.

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

On January 11, 2006, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Southwestern Medical TIF District, by Ordinance No. 26204, as amended.

On December 5, 2016, the Southwestern Medical TIF District Board of Directors recommended that the FY 2016 Annual Report be accepted and approved.

Information about this item was provided to the Economic Development Committee on February 6, 2017.

**FISCAL INFORMATION**

No cost consideration to the City

February 22, 2017

**WHEREAS,** the City recognizes the importance of its role in local economic development initiatives and programs; and

**WHEREAS,** the City has established Tax Increment Financing Reinvestment Zone Number Ten, ("Southwestern Medical TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment in the Southwestern Medical area pursuant to Ordinance No. 25965, authorized by the City Council on April 27, 2005, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

**WHEREAS,** on January 11, 2006, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Southwestern Medical TIF District by Ordinance No. 26204, as amended; and

**WHEREAS,** the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

**WHEREAS,** on December 5, 2016, the Southwestern Medical TIF District Board of Directors passed a motion accepting the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Ten and recommending approval of same by the City Council.

**NOW, THEREFORE,**

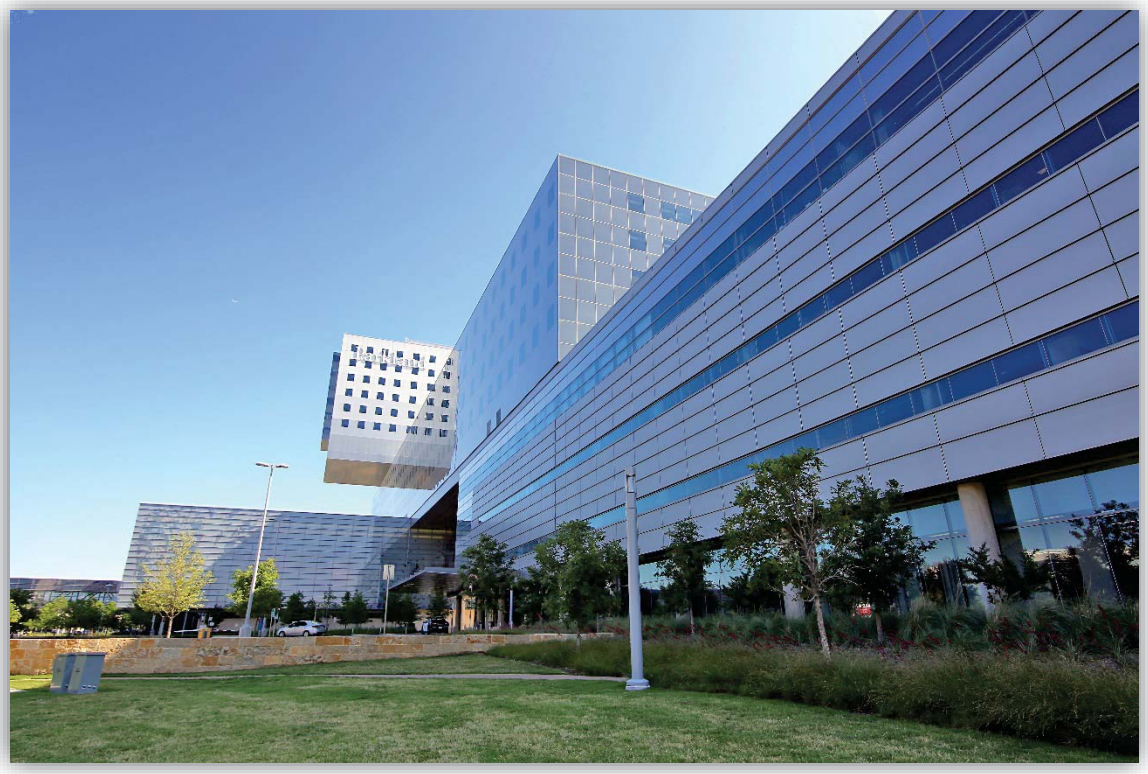
**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:**

**Section 1.** That the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Ten, (Southwestern Medical TIF District), City of Dallas, Texas, as of September 30, 2016, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

**Section 2.** That the City Manager is hereby authorized to submit the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Ten, to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District; and to the State Comptroller, as required by state law.

**Section 3.** 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.

# Southwestern Medical TIF District
# FY 2016
# Annual Report

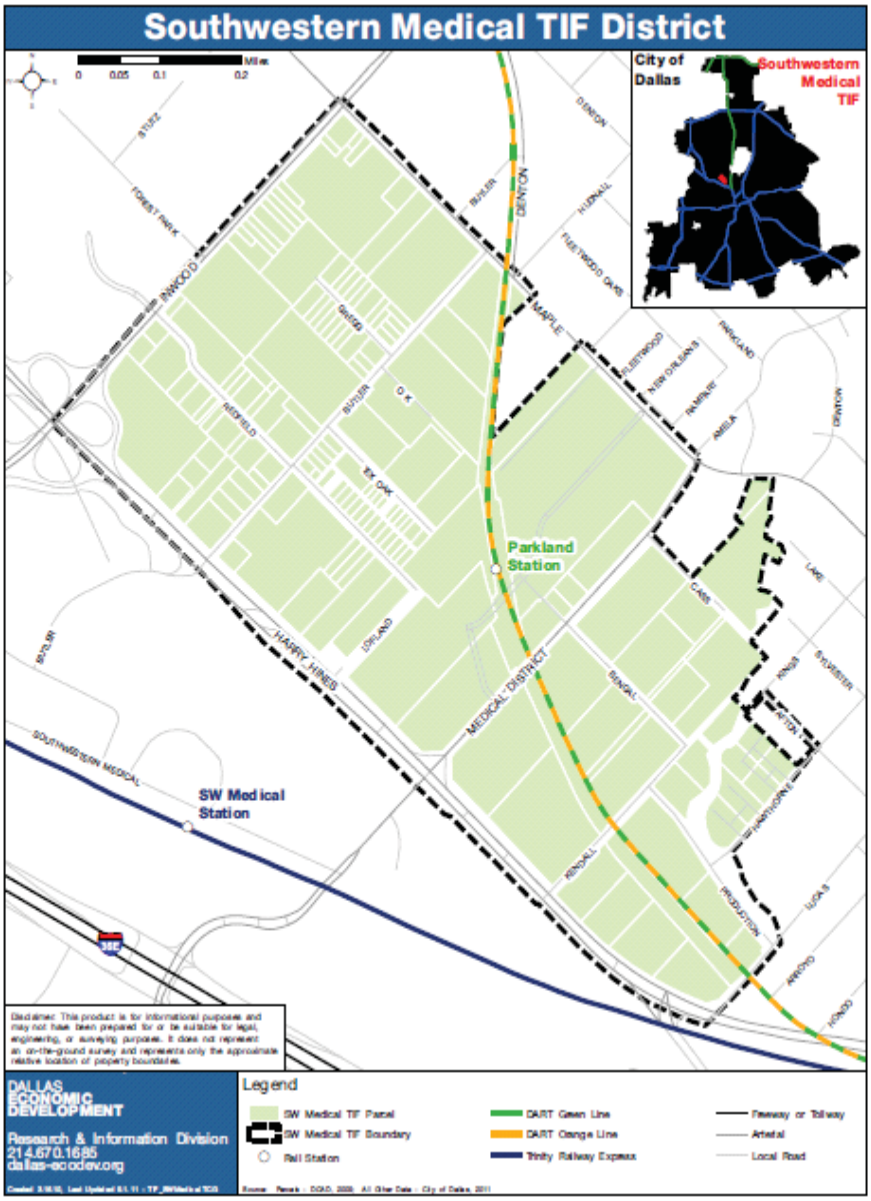


City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 671-9821
http://www.dallas-ecodev.org.

## October 1, 2015 to September 30, 2016

# Reinvestment Zone Number Ten
# Southwestern Medical Tax Increment Financing District



# Table of Contents

Mission Statement ..... 4
Southwestern Medical TIF District Accomplishments ..... 4
Current Development Status in the District ..... 9
Southwestern Medical TIF District Projects ..... 9
Value and Increment Revenue Summary ..... 10
Objectives, Programs, and Success Indicators ..... 10
Year-End Summary of Meetings ..... 12
Pending TIF Items ..... 13
Budget and Spending Status ..... 13
M/WBE Participation ..... 14
FY 2017 Work Program ..... 15
Appendix – Financials ..... 16

# Mission Statement

The mission of the Southwestern Medical Tax Increment Financing District is to provide a source of funding for public infrastructure improvements anticipated to enhance the real estate market for the Southwestern Medical TIF District area. The Southwestern Medical TIF District represents the outgrowth of the City of Dallas' effort to provide a model for redeveloping a former industrial and warehouse district to take full advantage of the expanding DART light rail system, to promote transit oriented development, especially in areas that are major employment centers like the Medical District, and to implement appropriate urban design standards.

The Dallas City Council established the Southwestern Medical TIF District by Ordinance Number 25965 on April 27, 2005 and amended. The Southwestern Medical District took effect on January 1, 2006 and is scheduled to terminate on December 31, 2027 (including collection of the 2027 increment on calendar year 2028 and any related matters to be concluded in 2028) or when the budget of $27.5 million (2006 dollars) has been collected. The City of Dallas and Dallas County are the two participating jurisdictions; The City's participation is 80%, and the County's participation is 55% of incremental revenue collected.

# Southwestern Medical TIF District Accomplishments

The initial project for the Southwestern Medical TIF District is the Colonial Reserve at Medical District (formerly Cityville Southwestern Medical District). In 2007, FirstWorthing completed the first phase of this transit oriented development, including approximately 45,000 square feet of retail/office space and 278 apartment units near the Southwestern Medical District/Parkland light rail station. Current taxable value as per the Dallas Central Appraisal District (DCAD) is $37.8 million.

FirstWorthing, after completing the first phase (now called the Colonial Reserve at Medical District), sold their remaining land holdings to Trammel Crow Residential Development (TCR) and Ronald McDonald House. Vibe Medical District Apartments (formerly The Alexan Southwestern) is a residential, transit oriented development, and includes 396 luxury apartments, completed in 2009. The project is comprised of approximately 377,816 square feet of residential space, located at 2140 Medical District Drive. Current taxable value as per the DCAD is $56.3 million.

Adjacent to the Vibe Medical District Apartments, Ronald McDonald House constructed 60 units of low-cost, temporary lodging/dorm facilities for families with children receiving medical care, totaling approximately 64,000 square feet of space, located at 4707 Bengal Street.

The Link on Maple (formerly Maple Garden LP.), a 120 apartment complex at 5219 Maple Avenue, adjacent to Parkland East Parking Lot (EPL) started leasing their units in summer of 2012. Current taxable value as per the DCAD is $15.1 million.

Parkland Memorial Hospital owns 21.5% of the land within the District. Parkland undertook a major construction project, replacing the outdated main hospital facility with a new one. The $1.2 billion Parkland expansion plan include a 17-story hospital surrounded by new clinics and parking garage located around the planned Southwestern Medical District/Parkland DART light rail station. The construction work started with demolition at the corner of Harry Hines Boulevard and Medical District Drive to make way for new buildings and construction of East Parking Lot at the corner of Maple Avenue and Medical District Drive is in progress. Construction was completed on the new facility in late 2014, with its official grand opening occurring in August 2015.

UT Southwestern Medical Center and Children's Medical Center, located just outside of the district, are planning significant expansion within the next decade. In addition to the recent expansion of the main hospital and completion a new surgery center, Children's expects to complete a third tower at the main hospital, and a new Ambulatory Care Pavilion over the next five to ten years.

UT Southwestern Medical Center's new William P. Clements Jr. University Hospital opened December 2014. The new $800 million, 460-bed hospital facility located at 6201 Harry Hines Boulevard, was designed to carry out UT Southwestern's patient-care mission, while also incorporating space for physician training and for clinical research aimed at developing ever more effective, high-quality treatments for patients.

DART Green Line expansion (NW corridor) is completed and the Southwestern Medical District/Parkland light rail station was opened in December 2010. The Orange Line runs parallel with the Green Line through Downtown Dallas to Bachman Station in Northwest Dallas, which opened in 2014. During FY 2016, on an average, the Southwestern Medical District/Parkland light rail station serviced 2,486 passengers per week day, a 4.0% increase in ridership compared to last year.

Total taxable private development in the Southwestern Medical TIF District is valued at approximately $194.5 million. Listed below are the projects in the Southwestern Medical TIF District at various stages of development.



New Parkland Hospital



The New Parkland Hospital



Colonial Reserve




The Link on Maple



Parkland Ambulatory Center



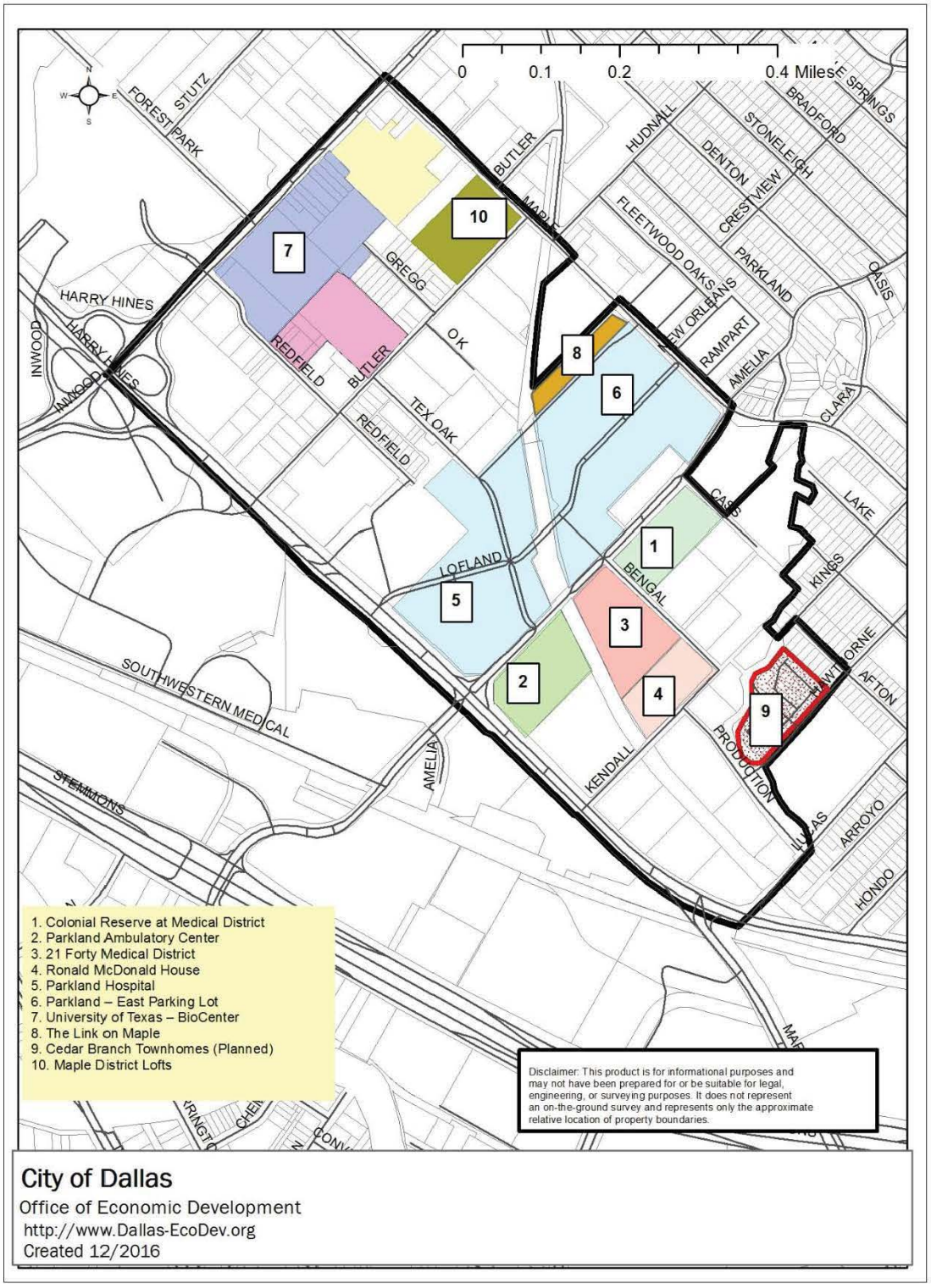
Ronald McDonald House




Vibe Medical District Apts.




Maple District Lofts


0 0.1 0.2 0.4 Miles
STUTZ
FOREST PARK
BUTLER
MAPLE
HUDNALL
BRADFORD
STONELEIGH
DENTON
CRESTVIEW
FLEETWOOD OAKS
PARKLAND
OASIS
HARRY HINES
INWOOD
GREGG
REDFIELD
OAK
TEX OAK
NEW ORLEANS
RAMPART
AMELIA
CLARA
CASS
LAKE
KINGS
LOFLAND
BENGAL
SOUTHWESTERN MEDICAL
STEMMONS
KENDALL
PRODUCTION
AFTON
ARROYO
HONDO
7
10
8
6
1
5
3
2
4
9
1. Colonial Reserve at Medical District
2. Parkland Ambulatory Center
3. 21 Forty Medical District
4. Ronald McDonald House
5. Parkland Hospital
6. Parkland – East Parking Lot
7. University of Texas – BioCenter
8. The Link on Maple
9. Cedar Branch Townhomes (Planned)
10. Maple District Lofts
Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.
City of Dallas
Office of Economic Development
http://www.Dallas-EcoDev.org
Created 12/2016

# Current Development Status in the District
# Southwestern Medical TIF District Projects

## Southwestern Medical TIF District Projects[1]

### Projects Within TIF District Utilizing TIF Funding

| Project | Location | Calendar Year Complete | Status | Units/ SF[2] | Approx. Value[3] | TIF Investment[4] |
|---|---|---|---|---|---|---|
| Cedar Branch Townhomes | 4623 Hawthorne Avenue | 2017 | Planned | 112 Townhomes | $41,398,336 | $7,898,366 |
| Cedar Branch Bridge | Adj to Cedar Branch TH | 2019 | Planned | Bridge | TBD | $826,500 |
| Total | | | | | $41,398,336 | $8,724,866 |

### Projects Within TIF District Not Utilizing TIF Funding[5]

| Project | Location | Calendar Year Complete | Status | Units/ SF | Approx. Value | TIF Investment |
|---|---|---|---|---|---|---|
| Colonial Reserve | 2222 Medical District Drive | 2007 | Complete | 278 res. units; 45,000 SF commercial | $37,815,000 | $0 |
| Vibe Medical District Apts | 2140 Medical District Dr. | 2009 | Complete | 396 units | $56,316,000 | $0 |
| Parkland Ambulatory Center [6] | 4900 Harry Hines Boulevard | 2006 | Complete | 62,267 SF medical office | $20,487,430 (non-taxable) | $0 |
| Ronald McDonald House[6] | 4707 Bengal Street | 2009 | Complete | 64,000 SF lodging for 60 families | $15,091,920 (non-taxable) | $0 |
| Maple Garden Apartments | 5219 Maple Avenue | 2011 | Complete | 120 apartments | $15,128,000 | $0 |
| Parkland Hospital [6] | 5201 Harry Hines Boulevard | 2014 | Complete | 2,000,000 SF medical space | $1,009,892,210 (non-taxable) | $0 |
| Maple Avenue Lofts By Glenbrook Residential Inc | 5415 Maple Avenue | 2015 | Complete | 342 residential units | $43,805,540 | $0 |

| | | |
|---|---|---|
| Total - Taxable | $194,462,876 | |
| Total - (Non-Taxable) | $1,045,471,560 | $0 |
| **Completed:** 1136 res. units; 45,000 SF retail; 2,062,267 SF medical office and 64,000 SF lodging. | $153,064,540 Completed | |
| 112 Res. Units | $41,398,336 Planned | $8,724,866 |

*[1] All information updated as of September 30, 2016.*
*[2] Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage.*
*[3] Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF district for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.*
*[4] Principal amount not to be exceeded per the development agreement. TBD indicates that development agreement has not yet been adopted. Asterisk indicates investment also includes interest not shown.*
*[5] Selected significant projects included.*
*[6] Tax-exempt properties.*

## Value and Increment Revenue Summary

The Southwestern Medical TIF District encompasses approximately 245.7 acres. The base value is the total appraised value of all taxable real properties in the Southwestern Medical TIF District as determined by the Dallas Central Appraisal District in the certified roll. The Southwestern Medical District's assessed 2016 tax value was $217,960,787, an increase of $150,549,733 over the base year value 223.3% (increased from base value). The 2016 tax value increased $27,848,229 (14.6%) from the 2015 tax value. The total increment revenue collected in 2016 is expected to be $1,143,727. The actual construction that occurred in FY 2016 will be reflected on the FY 2017 tax roll.

## Objectives, Programs, and Success Indicators

The final Southwestern Medical Project Plan and Reinvestment Zone Financing Plan in January 2006 and amended in December 2008. Among the goals of the Plan are:

- Additional taxable value attributed to new private investment in projects in the Southwestern Medical TIF District shall total approximately $280 million.

  *Completed projects within the district have contributed approximately $194.46 million (69.5% of goal) in additional taxable value from the inception of the District. Planned projects will contribute approximately $41.3 million (14.8% of goal). Total complete and planned projects of the term of the district will reach 84.2% of goal.*

- New private development in the Southwestern Medical TIF District shall add a total of approximately 300,000 square feet of retail/office space and at least 3,000 new apartment units.

  *Projects completed within the district contribute a minimum of 2,171,267 square feet of retail and medical space (723.8% of goal) and 1,136 residential units completed (37.9% of goal). In addition, the Parkland Hospital expansion plan* alone features 2,000,000 sf medical space (included in retail/office goal), 17-story hospital surrounded by new clinics and parking garages, valued approximately $1.2 billion (non-taxable).

- Ridership at the Southwestern Medical District/Parkland light rail station shall average 4,000 - 5,000 riders per weekday by 2015.

  *During FY 2016, on an average, the Southwestern Medical District/Parkland light rail station serviced 2,486 passengers per week day, a 4.0% increase in ridership compared to last year.*

- Improve the access and connections to the DART light rail system within the Southwestern Medical TIF District.

  *The Southwestern Medical District/Parkland light rail stations opened in 2010 and currently serve the district. Staff and the Board will continue to foster working relationships with Parkland, DART, and potential developers to encourage access and connections to this rail station. The Colonial Reserve at Southwestern Medical District development includes streetscape improvements along Medical District Drive and Bengal Streets.*

- Support the conversion of the Southwestern Medical area from industrial and warehousing land uses to a mixed-use, transit oriented neighborhood that complements the Medical District.

  *Staff and the Board will continue to foster a working relationship with Parkland, DART, and potential developers to encourage transit oriented development that complements the district. The Colonial Reserve at Southwestern Medical, Vibe Medical District Apartments projects have resulted in the conversion of former industrial and warehousing uses to residential and retail uses. The Stemmons Corridor - Southwestern Medical District Area Plan (Vision and Policy Plan) was adopted by the City Council in June, 2010.*

- Increase recreational opportunities and improved connections to the City of Dallas trails and open space system in the Southwestern Medical Area.

  *Staff and the Board will seek ways to increase recreational opportunities and trail connections (Trinity Strand Trail) within the District and in construction with the Parkland construction. Previous discussions have*

*discussed the creation of a trail along Cedar Branch. The trail would be on City-owned land and easements plus DISD property that would connect Kings Road to Lucas Drive by running parallel to Cedar Branch. The proposed trail would be adjacent to the proposed Cedar Branch townhomes development along Hawthorne Avenue and run through the lower quarter of DISD property (Esperanza Medrano Elementary School). The aim of the neighborhood trail would link neighborhoods adjacent to the Trinity Strand Trail along DART's overhead rail line. Staff is currently designing Trinity Strand Trail Phase I, with consideration of a Phase II south of Phase I that would be connected to the DART line under development.*

- The Southwestern Medical TIF District will generate approximately $27.5 million in increment over 20 years.

  *The growth is significant in initial Zone A and new area Zone B that has been added will develop over the next couple of years. The district started collecting increment and it is estimated that the district will generate $27.5 million (in 2006 dollars) before the TIF expires in 2027. Between, the City and Dallas County, the district as of 2015 has collected $4,340,884 (15.8% of the goal).*

- Develop a grant program to promote private medical industry and economic development in the District.

  *Staff and the Board will continue to foster a working relationship with UT Southwestern Medical Center, Children's Hospital and Parkland Hospital to create investment opportunities in the District.*

## Year-End Summary of Meetings

During the fiscal year, the Southwestern Medical TIF District Board of Directors met for two meetings. During FY 2015-16 the Board members were: Robert Prejean – City Representative, Chair (2 of 2 meetings), John Wilson (2 of 2 meetings) – City Representative, Derek Watson – City Representative (1 of 2 meetings), Michael Serber – City Representative (2 of 2 meetings), Rob Elmore – City Representative (2 of 2 meetings), and Rick Loessberg – Dallas County Representative (1 of 2 meetings).

During the fiscal year, the City Council approved three (3) items associated with the Southwestern Medical TIF District:

- On February 24, 2016 the City Council approved Resolution 16-0338 accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Ten, (Southwestern Medical TIF District), submitted by the Southwestern Medical TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law.

- On June 22, 2016 the City Council authorize an amendment to Resolution No. 14-1271, previously approved on August 13, 2014, which authorized a TIF development agreement with Texas InTownHomes, LLC, to extend deadlines to start construction, obtain building permits, meet the minimum investment requirements, obtain a certificate of occupancy, complete construction of the infrastructure improvements, complete construction of each phase of the project, and to execute an operating and maintenance agreement for the Cedar Branch Townhomes Project.

- On June 22, 2016 the City Council authorized an amendment to Resolution No. 14-1273, previously approved on August 13, 2014, which authorized a TIF development agreement with Texas InTownHomes, LLC, to extend the complete construction deadline and the associated public improvements from June 30, 2020 to June 30, 2021 for the Cedar Branch Bridge Project.

## Pending TIF Items

- FY 2016 Annual Report, Southwestern Medical TIF District.

## Budget and Spending Status

Each TIF district establishes a budget for the public improvement expenditures necessary to support private investment in the district in the Project Plan and Reinvestment Zone Financing Plan. The Southwestern Medical TIF District was established in April 2005, amended in December 2008 and October 2009. The Project Plan estimates for TIF public improvements total approximately $44.5 million ($27.6 million in 2006 dollars). The final budget for the district is below:

| Southwestern Medical TIF District<br>Projected Increment Revenues to Retire TIF Fund Obligations | | | |
|---|---|---|---|
| **Category** | **TIF Budget*** | **Allocated**** | **Balance** |
| Paving, streetscape, utilities, public-use improvements, design & engineering | $16,404,114 | $1,583,366 | $14,820,748 |
| Environmental remediation and demolition | $4,633,384 | $610,000 | $4,023,384 |
| Utility burial | $8,547,203 | $695,000 | $7,852,203 |
| Economic Development Grant | $13,370,877 | $5,010,000 | $8,360,877 |
| Administration and implementation*** | $1,617,883 | $300,873 | $1,317,010 |
| **Total Project Costs** | **$44,573,461** | **$8,199,239** | **$36,374,222** |

**Budget shown above in current dollars; TIF Project Plan shows the budget in net present value*

***Includes money expended and committed for existing and future projects including interest accrued on advanced funds as of the end of FY2016.*

****TIF administration fees include funds expended or committed through FY 2016. FY 2016 Costs have not been included*

| Southwestern Medical TIF District<br>Project Plan Budget | |
|---|---|
| **Category** | **Revised TIF Budget (in 2006 $)** |
| Paving, streetscape, utilities, public-use improvements, design & engineering | **$10,139,246** |
| Environmental remediation and demolition | **$2,863,856** |
| Utility burial | **$5,282,955** |
| Economic Development Grant | **$8,264,428** |
| Administration and implementation | **$1,000,000** |
| Total Project Costs | **$27,550,485** |

** As approved in the Project Plan and Reinvestment Zone Financing Plan.*

# M/WBE Participation

| M/WBE Participation | | | |
|---|---|---|---|
| **Project** | **Contractor** | **Total Contract Award Amount** | **Percentage Minority Participation** |
| Colonial Reserve at Southwestern Medical [1] | Davis Excavation | $1,376,916.70 | 27.71% ($381,544) |

[1] voluntarily participated in the M/WBE program

# FY 2017 Work Program

The work items for FY 2017 for the Southwestern Medical TIF District include:

- Increase recreational opportunities and improved connections to the City of Dallas trails and open space system in the Southwestern Medical Area.
- Assist with facility improvements included in Medical District Master Plan coordinated/adopted by Parkland Health and Hospital System, Children's Medical Center, and UT Southwestern Medical Center.
- Review Project Plan amendment to support redevelopment near the Inwood DART Station.



*Cedar Branch Townhomes site - corner of Hawthorne Avenue and Production Drive*

# Appendix – Financials

City of Dallas, Texas
Southwestern Medical Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2016

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.

2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).

3. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.

4. The Zone's Financial Plan permits expenditures not to exceed $1,671,830 over the life of the TIF to reimburse the City for administrative costs. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.

5. All project costs resulting in public improvements which are owned by the City are capitalized.

6. "Due to general fund" amount of $5,764 at September 30, 2016 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

**City of Dallas, Texas**
**Southwestern Medical Tax Increment Financing District Fund**
**Balance Sheet as of September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|
| Assets: | | | | | |
| Pooled cash and cash equivalents | $4,042,358 | $3,066,767 | $2,398,625 | $1,805,320 | $1,354,632 |
| Interest receivable | $5,435 | $3,679 | $2,548 | $1,957 | $1,748 |
| Total assets | $4,047,793 | $3,070,445 | $2,401,173 | $1,807,277 | $1,356,380 |
| Liabilities and Fund Balance (Deficit): | | | | | |
| Liabilities: | | | | | |
| Accounts and contracts payable | $0 | $0 | $0 | $0 | $0 |
| Advances from developers | $0 | $0 | $0 | $0 | $0 |
| Due to general fund | $5,764 | $5,764 | $5,764 | $5,764 | $0 |
| Accrued liability | $0 | $0 | $0 | $0 | $0 |
| Total liabilities | $5,764 | $5,764 | $5,764 | $5,764 | $0 |
| Fund Balance (Deficit): | | | | | |
| Fund Balance (Deficit) | $4,042,030 | $3,064,682 | $2,395,409 | $1,801,514 | $1,356,380 |
| Total Liabilities and Fund Equity | $4,047,793 | $3,070,445 | $2,401,173 | $1,807,277 | $1,356,380 |
| | ($0) | $0 | $0 | $0 | $0 |

**Southwestern Medical Tax Increment Financing District Fund**
**Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)**
**For the Period September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | ITD | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|---|
| Revenues: | | | | | | |
| Tax increment-Governmental | $3,494,978 | $785,111 | $567,873 | $531,991 | $385,098 | $266,860 |
| Tax increment-Intergovernmental | $710,308 | $165,321 | $115,993 | $111,382 | $73,801 | $47,062 |
| Interest income | $127,264 | $27,619 | $15,030 | $9,309 | $7,419 | $6,410 |
| Developer Participation & other revenue | $1,481,970 | $0 | $0 | $0 | $0 | $0 |
| Net increase (decrease) in fair value of investments | $10,480 | ($703) | $6,588 | ($1,677) | ($1,313) | ($109) |
| Total revenues | $5,825,001 | $977,348 | $705,484 | $651,005 | $465,005 | $320,224 |
| Expenditures: | | | | | | |
| Administrative expenses | $301,209 | $0 | $36,211 | $57,109 | $19,871 | $27,470 |
| Non-Capital Outlay | $0 | $0 | $0 | $0 | $0 | $0 |
| Capital outlay | $1,481,762 | $0 | $0 | $0 | $0 | $0 |
| Interest and fiscal charges | $0 | $0 | $0 | $0 | $0 | $0 |
| Total expenditures | $1,782,971 | $0 | $36,211 | $57,109 | $19,871 | $27,470 |
| Excess (Deficiency) of Revenues over Expenditures | $4,042,030 | $977,348 | $669,273 | $593,895 | $445,134 | $292,754 |
| Fund balance (Deficit) at beginning of year as previously reported | $0 | $3,064,682 | $2,395,409 | $1,801,514 | $1,356,380 | $1,063,626 |
| Fund balance (Deficit) at beginning of year, as restated | $0 | $3,064,682 | $2,395,409 | $1,801,514 | $1,356,380 | $1,063,626 |
| Fund balance (deficit) at end of year | $4,042,030 | $4,042,030 | $3,064,682 | $2,395,409 | $1,801,514 | $1,356,380 |

**Note: Fiscal year 2015-16 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.**

**City of Dallas, Texas**
**Southwestern Medical Tax Increment Financing District Fund**
**Reinvestment Zone Number Ten**
**As of September 30, 2016**

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

**1. Amount and source of revenue in the tax increment fund established for the zone:**

| | |
|---|---|
| $26,916 | Interest Income |
| $950,432 | Ad Valorem Taxes (Collected in FY'2013-14 based on 2013 Final Tax Roll) |
| $0 | Developer Contribution |
| $977,348 | Total Revenue |

**2. Amount and purpose of expenditures from the fund:**

| | |
|---|---|
| $0 | Administrative Expense (FY 2016 Costs to be updated) |
| $0 | Non-Capital Outlay |
| $0 | Capital outlay |
| $0 | Additional Subsidy in Form of Grant (in lieu of interest expense) |
| $0 | Total Expenditures |

**3.** The Zone began reimbursing the general fund for administrative costs in fiscal year 2008-09.

**4. a. Amount of Principal and Interest due-on outstanding bonded indebtedness is as follows:**
Soutwestern Medical TIF District has incurred no bonded indebtedness as of September 30, 2016.

**b**. The Zone entered into a development agreement with Texas InTown Homes, LLC for the development of Cedars Branch Townhomes project in an amount not to exceed $7,898,366 with anticipated completion in 2017 and reimbursement to begin thereafter subject to availability of TIF funds.

c. The Zone entered into a development agreement with Texas InTown Homes, LLC for the development of Cedars Branch Bridge project in an amount not to exceed $826,500 with anticipated completion in 2019 and reimbursement to begin thereafter subject to availability of TIF funds.

**5. Tax increment base and current captured appraised value retained by the zone:**

| Taxing Jurisdiction | Taxable Value 2016** | Base Year 2005 Value | Est. Captured Value 2016*** |
|---|---|---|---|
| City of Dallas | $217,960,787 | $67,411,054 | $150,549,733 |
| Dallas County | $217,955,787 | $67,411,354 | $150,544,433 |
| Dallas Independent School District | $0 | $0 | $0 |
| Dallas County Hospital District | $0 | $0 | $0 |
| Dallas County Community College Dist. | $0 | $0 | $0 |

**2016 taxable value shown for participating taxing jurisdictions. County values are approximate and will vary slightly from the City value due to different exemption levels.
***Based on DCAD Certified Taxable Value. The final values will be determined on February 01, 2017.

**6. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:**

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

| Taxing Jurisdiction | Assessment Per $100*** | Amount of Estimated 2016 Increment |
|---|---|---|
| City of Dallas | 0.62600 | $942,441 |
| Dallas County | 0.13371 | $201,285 |
| Total for all Jurisdictions | $0.75971 | $1,143,727 |

***Participation rates for City of Dallas and Dallas County are 80% and 55% respectively for tax years 2008 - 2026.

B. The total amount of estimated tax increment to be billed for the 2016 tax year is $1,143,727. For the 2015 tax year, increment in the amount of $950,432 was received.

**AGENDA ITEM # 24**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 2, 14

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 45 A B E F K L P Q

## SUBJECT

A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eleven, (Downtown Connection TIF District), submitted by the Downtown Connection TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

## BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 26020 on June 8, 2005, establishing Tax Increment Financing Reinvestment Zone Number Eleven, (Downtown Connection TIF District). On August 29, 2005, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 26096, as amended.

The Downtown Connection TIF District's assessed tax value in 2016 was $3,060,913,898. This represents an increase of 442.4% ($2,495,996,581) over the adjusted 2005 base year value ($564,917,317). The District’s taxable value increased 20.9% ($528,645,256) from the previous year’s 2015 value. With the participation of the City and Dallas County, the District's increase in value will result in the collection of approximately $21,026,077 (City $17,578,056; County $3,448,021) in incremental revenue for the Downtown Connection TIF District for the 2016 tax year.

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

On June 8, 2005, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Eleven, the Downtown Connection TIF District by Ordinance No. 26020, as amended.

On August 29, 2005, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Downtown Connection TIF District, as amended.

On December 8, 2016, the Downtown Connection TIF District Board of Directors recommended that the FY 2016 Annual Report be accepted and approved.

Information about this item was provided to the Economic Development Committee on February 6, 2017.

## FISCAL INFORMATION

No cost consideration to the City

February 22, 2017

**WHEREAS,** the City recognizes the importance of its role in local economic development initiatives and programs; and

**WHEREAS,** the City has established Tax Increment Financing Reinvestment Zone Number Eleven, (Downtown Connection TIF District or District) and established a Board of Directors for the District to promote development or redevelopment in the Downtown Connection area pursuant to Ordinance No. 26020, authorized by the City Council on June 8, 2005, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

**WHEREAS,** on August 29, 2005, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Downtown Connection TIF District by Ordinance No. 26096, as amended; and

**WHEREAS,** the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

**WHEREAS,** on December 8, 2016, the Downtown Connection TIF District Board of Directors passed a motion accepting the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Eleven and recommending approval of same by the City Council.

**NOW, THEREFORE,**

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

**Section 1.** That the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Eleven, (Downtown Connection TIF District), City of Dallas, Texas, as of September 30, 2016, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

**Section 2.** That the City Manager is hereby authorized to submit the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Eleven, to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and the State Comptroller, as required by state law.

**Section 3.** 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.

## Exhibit A

# Downtown Connection TIF District
# FY 2016 Annual Report



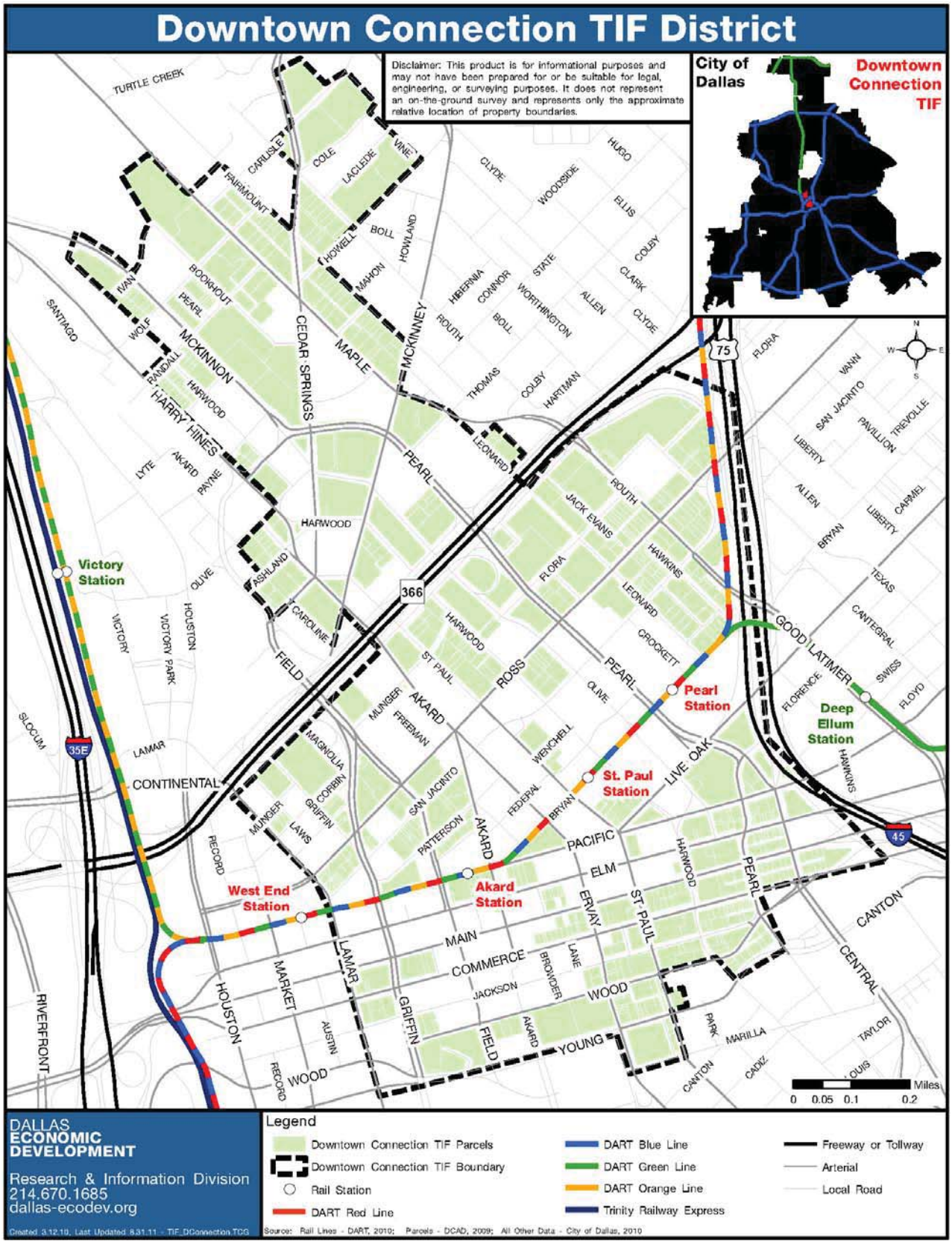
*Photo Source: HALL Group*

City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN • Dallas, Texas 75201
(214) 670-1685
http://www.dallas-ecodev.org/

**October 1, 2015 to September 30, 2016**

# Map of Reinvestment Zone Number Eleven



# Table of Contents

Downtown Connection TIF District ..... 1
FY 2016 Annual Report ..... 1
Mission Statement ..... 4
District Accomplishments ..... 4
Value and Increment Revenue Summary ..... 10
Development Goals and Objectives ..... 10
Year-End Summary of Meetings ..... 14
M/WBE Participation ..... 19
FY 2017 Work Program ..... 20
District Financials ..... 21

# Mission Statement

The mission of the Downtown Connection Tax Increment Financing District is to create a fund for public capital improvements in the core of Downtown essential for development of key spaces and buildings as well as focusing on catalyst projects to create a greater density and critical mass of development within the Main Street core area.

The Downtown Connection TIF District was initiated by petition, pursuant to Section 311.005 (a)(5), Texas Tax Code through the sponsorship of the Downtown Improvement District and the Uptown Improvement District. The Downtown Connection TIF District took effect on June 8, 2005, per Ordinance No. 26020 and is scheduled to terminate on December 31, 2035 (including collections of the 2035 increment in calendar year 2036 or when the budget of $231.6 million (2006 dollars) has been collected.

# District Accomplishments

Downtown redevelopment momentum continued during FY 2016. Projects were either approved or construction continued or completed during the fiscal year.

**TIF Funded Projects Completed, Started or Continuing Construction During FY 2015**



***Statler/Library***. Project construction began in 2014 and continued throughout the fiscal. All demolition and debris removal, asbestos remediation and interior framing of hotel rooms and apartments in the Statler building have been completed. Exterior restoration efforts are well underway and new steel structure and mechanical equipment has been installed on the roof the Statler. Upon completion in 2017, the redeveloped Statler will house 219 residential apartments, 161 hotel rooms and 60,000 square feet of ground level retail, restaurant and entertainment venues.



The former public library building will be converted to 88,000 square feet of office and event space. Approximately 240 parking spaces will be constructed under the Statler building. Adjacent streetscape, landscape and parking improvements are components of the project. The developer has spent approximately $115M in redevelopment of the buildings. Total project costs are $220M, which is an increase from estimated project costs in 2014 of $175.3M.

***The Drever – 1401 Elm Street***. In January of 2016 the project's lenders foreclosed on the building and Olympic 1401 Elm Associates filed for bankruptcy. Drever 1401 Elm, LLC purchased the property in April of 2016. The development agreement and TIF subsidy for the project was assigned from Olympic 1401 Elm Associates to Drever 1401 Elm, LLC (Drever) in May of 2016.






Prior to closing on the building, Drever re-engaged the contractors, architect, and consultants to continue the demolition and abatement work in the building and start the redesign of the building. As a result, the abatement and demolition work in the building will be completed by the end of 2016. Additionally, the property has been redesigned and reprogrammed to include a hotel component and reduction in the number of residential units contemplated with the previous owner's plans for the building. The project, now called the Drever, will provide approximately 348 residential units, a 236 room hotel, 29,000 square feet of ground floor and upper level retail space and 44,000 square feet of office space. The total project cost for the project is now approximately $240M.

***1712 Commerce***. Conversion the vacant office building and adjoining surface parking lot into 244 hotel rooms (121 room Residence Inn and 123 room AC Hotel by Marriott) and approximately 16,428 square feet of ground floor retail space began during the fiscal year. A parking garage will be constructed on the existing surface parking lot providing approximately 360 guest/public parking spaces for the hotel. The total project cost is $54.8M. Expected completion is December 2017.



***Tower Petroleum and Corrigan Tower Buildings***. The phased conversion two vacant office buildings began construction during the fiscal year. Phase I - Tower Petroleum will be converted into a boutique hotel (Saint Elm Hotel) with approximately 150 guestrooms and a ground level restaurant. Levels 1 through 4 of the Corrigan tower will be renovated as part of Phase I to provide three retail/restaurant spaces on the ground floor, as well as a small motor court for the project. The hotel has been completely designed. Environmental remediation and interior demolition for the entire building is complete. Total project cost is approximately $52M.


Hotel exterior



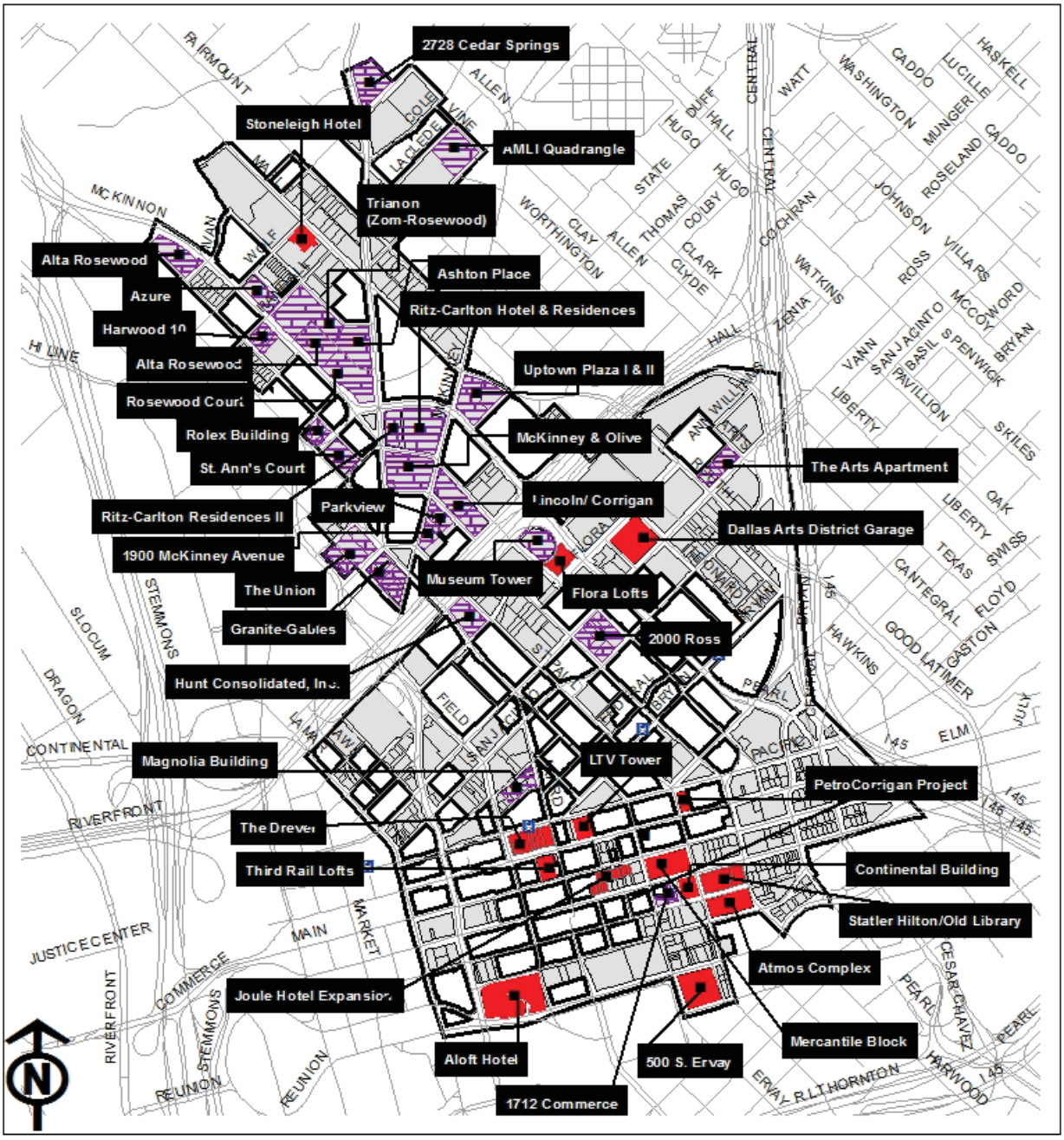
Phase II of the project includes conversion of Levels 5-17 of the Corrigan Tower to residential units. The developer closed a HUD 221-D4 loan in August of 2016 in the amount of $53 million and is currently under construction. Leasing of the Corrigan Apartments is anticipated to begin summer of 2017. Total project cost for both phases is $105M.

***Mayflower Building – 411 N. Akard***.



Project construction to convert a vacant office building into 214 residential units with the apartments located on floors 4 through 9 of the building 156 parking spaces constructed on the 2nd and 3rd floors of the building for exclusive use of apartment tenants began during fiscal year 2016. The project will also include approximately 19,860 square feet of ground floor retail space. Total project cost is $56.1M. The project's construction began during the fiscal year and expected completion is June 2017.

# Map of Projects within the Downtown Connection TIF District




**Downtown Connection TIF District**
**Project Location Map**

**Legend**

- TIF Funded Projects
- Non-TIF Funded Projects
- Downtown Conneciton TIF Boundary

Source: Economic Development Department/Area Redevelopment Division

**City of Dallas**
Office of Economic Development
December 2016

# Downtown Connection TIF District Projects[1]

## Projects Within TIF District Utilizing TIF Funding

| Project | Location | Calendar Yr Complete | Status | Units/ SF[2] | Approx. Value[3] | TIF Investment[4] |
|---|---|---|---|---|---|---|
| Stoneleigh Hotel | 2927 Maple | 1st Quarter 2008 | Completed | 17 additional hotel rooms | $42,078,080 | $2,500,000 |
| Mercantile Block | 1800 Main Street 1808 Main Street | 4th Quarter 2008 | Completed | 366 res. units 33,770 sf retail | $61,950,000 | $58,000,000 |
| Santa Fe Lofts IV (Aloft Hotel) | 1033 Young Street | 4th Quarter 2009 | Completed | 193 hotel rooms | $13,463,820 | $3,734,419 |
| Dallas Arts District Garage | 2301 Ross Avenue | 1st Quarter 2010 | Completed | garage renovations/ updates | $10,502,490 | $1,018,635 |
| Continental Building | 1810 Commerce Street | 1st Quarter 2013 | Completed | 203 res. units 5,871 sf retail | $23,694,930 | $18,305,700 |
| Atmos Complex Phase I | 300 S. St. Paul Street | 1st Quarter 2013 | Completed | 107 res. units | $2,354,000 | $4,256,965 |
| Joule Hotel Expansion (Amended) 1530 Main Street | Main and Commerce Streets | 4th Quarter 2013 | Completed | 32 hotel rooms 24,700 sf retail 9,221 sf office | $8,241,420 | $23,852,953 |
| Atmos Complex Phase II | 301 S. Harwood Street | 4th Quarter 2014 | Completed | 123 res. units 9,500 sf retail | $3,918,080 | $11,750,000 |
| Hall Arts Center | 2301 Ross Avenue | 4th Quarter 2015 | Completed | 430,000 sf office 30,000 sf retail | $85,962,810 | $4,435,950 |
| LTV Tower | 1600 Pacific Avenue | 4th Quarter 2015 | Completed | 171 hotel rooms 186 res. units | $94,520,108 | $26,730,391 |
| The Drever | 1401 Elm Street | 4th Quarter 2018 | Under Construction | 348 res units 236 hotel rooms 44,000 sf office 29,000 sf retail | $240,000,000 | $50,000,000 |
| Statler/Library | 1914 Commerce 1954 Commerce | 4th Quarter 2017 | Under Construction | 219 res units 161 hotel rooms 60,000 sf retail | $220,000,000 | $46,500,000 |
| Mayflower Building | 400 N. Akard Street | 2nd Quarter 2017 | Under Construction | 215 res units 13,700 sf retail | $56,109,085 | $10,000,000 |
| 1712 Commerce | 1712 Commerce Street | 4th Quarter 2017 | Under Construction | 244 hotel rooms 16,428 sf retail | $52,934,700 | $10,500,000 |
| Tower Petroleum Hotel | 1907 Elm Street | 4th Quarter 2017 | Under Construction | 150 hotel rooms 6,174 sf retail | $52,000,000 | $10,300,000 |
| Corrigan Tower | 1900 St. Paul Street | 4th Quarter 2017 | Under Construction | 150 res units | $53,000,000 | $9,700,000 |
| | | | **Subtotal** | 1,917 res. units 1,204 hotel rooms 483,221 sf office 229,143 sf retail | $1,020,729,523 | $291,585,013 |

## Projects Within TIF District Not Utilizing TIF Funding[5]

| Project | Location | Calendar Yr Complete | Status | Units/ SF | Approx. Value | Non- TIF Incentives |
|---|---|---|---|---|---|---|
| Ashton | 2215 Cedar Springs Road | 2006 | Completed | 267 res. units | $98,000,000 | $0 |
| Trianon (Zom/ Rosewood) | 2820 McKinnon Street | 3rd Quarter 2006 | Completed | 317 res. units | $76,600,000 | $0 |
| Uptown Plaza Shopping I | 2222 McKinney Avenue | 3rd Quarter 2006 | Completed | 84,000 sf retail | $15,300,000 | $0 |
| Hunt Consolidated | 1900 Akard Street | 2nd Quarter 2007 | Completed | 400,000 sf office | $63,076,800 | $6,300,000 |
| Ritz-Carlton Hotel & Condos | 2510 Cedar Springs | 2nd Quarter 2007 | Completed | 71 res. units 218 hotel rooms | $187,573,970 | $0 |
| Third Rail Lofts (1414 Elm portion) | 1414 Elm Street | 3rd Quarter 2007 | Completed | 14 res. units 3,500 sf retail | $2,860,000 | $1,800,000 |
| Azure | 2900 McKinnon Street | 2nd Quarter 2008 | Completed | 154 res. units | $122,688,010 | $0 |
| 1900 McKinney (Hanover) | 1900 McKinney Avenue | 4th Quarter 2008 | Completed | 230 res. units | $95,000,000 | $0 |
| Rosewood Court | 2101 Cedar Springs Road | 2nd Quarter 2009 | Completed | 400,000 sf office 12,000 sf retail | $115,290,000 | $0 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Alta Rosewood | 2728 McKinnon Street | 4th Quarter 2008 | Completed | 375 res. units | $100,000,000 | $0 |
| AMLI/ Quadrangle | 2717 Howell Street | 4th Quarter 2008 | Completed | 220 res. units; 14,800 sf retail | $46,940,000 | $0 |
| 2000 McKinney | 2000 McKinney Avenue | 2nd Quarter 2009 | Completed | 15 res. units 445,000 sf office 6,500 sf retail | $125,260,000 | $0 |
| Ritz-Carlton Residences II | 2555 Pearl Street 2400 Olive Street | 4th Quarter 2009 | Completed | 92 res. units | $161,545,140 | $0 |
| St. Ann's Court | 2501 Harwood Street | 1st Quarter 2010 | Completed | 320,000 sf office | $91,870,000 | $0 |
| Granite/Gables | 1717 McKinney Avenue; 1700 Cedar Springs | 2nd Quarter 2010 | Completed | 296 res. units 382,980 sf office 14,091 retail | $111,395,000 | $0 |
| CityWalk | 511 N. Akard Street | 4th Quarter 2009 | Completed | 209 res. units | $7,629,760 | $11,000,000 |
| The Arts Apartment by JPI | 2611 Ross Avenue | 3rd Quarter 2010 | Completed | 228 res. units | $41,000,000 | $0 |
| Museum Tower | 1918 Olive Street | 4th Quarter 2012 | Completed | 115 res. units | $194,881,690 | $0 |
| Residences at Stoneleigh | 2919 Maple Avenue | 4th Quarter 2014 | Completed | 76 res. units | $69,694,310 | $0 |
| The Brady | 2728 Cedar Springs Road | 1st Quarter 2015 | Completed | 299 res. units | $87,706,080 | $0 |
| McKinney & Olive | 2001 McKinney Avenue | 4th Quarter 2015 | Completed | 480,000 sf office 50,000 sf retail | $93,170,840 | $0 |
| Uptown Plaza II | 2212 McKinney Avenue | 1st Quarter 2016 | Completed | 203 res. units | $56,153,630 | $0 |
| Forty Five Ten | 1615 Main Street | 4th Quarter 2016 | Completed | 37,000 sf retail | $40,000,000 | $0 |
| Harwood International Rolex Building | Harry Hines Boulevard and Moody Street | 4th Quarter 2016 | Under Construction | 136,857 sf office | $40,000,000 | $0 |
| Parkview | 1920 McKInney Avenue | 1st Quarter 2017 | Under Construction | 150,000 sf office 8,500 sf retail | $70,000,000 | $0 |
| Blue Ciel | 3130 N. Harwood Street | 1st Quarter 2017 | Under Construction | 158 res. units 12,000 sf retail | $75,000,000 | $0 |
| 500 S. Ervay | 500 S. Ervay | 2nd Quarter 2017 | Under Construction | 238 res. units 274 hotel rooms 29,400 sf retail | $77,000,000 | $0 |
| The Union | Field Street and Cedar Springs Road | 4th Quarter 2018 | Under Construction | 309 res. units 417,000 sf office 87,000 sf retail | $300,000,000 | $0 |
| 2000 Ross Avenue | 2000 Ross Avenue | TBD | Announced | 350 res units 220 hotel rooms 32,000 sf retail | TBD | $0 |
| Harwood No. 10 | Harwood and Randall Streets | TBD | Announced | 217,000 sf office 9,000 sf retail | TBD | $0 |
| | | | **Subtotal** | 4,236 res. units 712 hotel rooms 3,211,980 sf office 399,791 sf retail | $2,565,635,230 | $19,100,000 |
| **Projects Utilizing and Not Utilizing TIF Funding** | | | | | | |
| | | | **Total** | 6,153 res. units 1,916 hotel rooms 3,695,201 sf office 628,934 sf retail | $3,586,364,753 | $310,685,013 |

*[1] All information updated as of September 30, 2016.*
*[2] Based upon either TIF application or required minimum stated in development agreement. Updated for completed projects based on actual unit mix and square footage.*
*[3] Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF District for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.*
*[4] Principal amounts not to be exceeded per the development agreement.*
*[5] Selected significant projects included.*
*[6] Tax-exempt properties.*
*[7] Includes other incentives not shown. Contact City of Dallas Office of Economic Development for more information.*

**Note:**

**Residential Projects receiving TIF Subsidy provides 10% of total residential units that meet mixed income guidelines for the District, except for the Mercantile Block project.**

# Value and Increment Revenue Summary

The base value of the zone is the total appraised value of all taxable real property in the District as determined by the 2005 certified Dallas Central Appraisal District tax roll, with adjustments made to accommodate boundary amendments. The Downtown Connection TIF District's adjusted base value for the district is $564,917,317. The Downtown Connection TIF District's 2016 assessed tax value was $3,060,913,898. This represents an increase of $2,495,996,581 (442.4%) over the adjusted base year value.

The district's value increased by $528,645,256 (20.9%) from the previous year. This increase will result in an estimated collection of approximately $21,026,077 (City $17,578,056; County $3,448,021) in incremental revenue for the Downtown Connection TIF District.

# Development Goals and Objectives

The final Downtown Connection Project Plan and Reinvestment Zone Financing Plan were adopted in late 2005, as amended. The following objectives and action items set the framework for the planned improvements within the Downtown Connection TIF District:

- Improve access between and within the Uptown and Downtown areas

  *Construction of the Klyde Warren Park, a deck park spanning Woodall Rodgers Freeway, connecting Downtown to Uptown, celebrated its grand opening October 2012. The park's restaurant Savor opened in 2013.*

  *In July of 2010, the McKinney Avenue Transit Authority received a $4.9 million grant from the Federal Transit Administration and matching grant of $5 million from the North Central Texas Council of Government to complete the M-Line loop that branches off of McKinney Avenue at Olive Street. Construction of the Olive/St. Paul Street Loop began in 2012, with completion projected for first quarter 2015. The line will improve connectivity between Uptown, Downtown, Klyde Warren Park, the Arts District and DART downtown transit mall.*

  *In 2009, the North Central Texas Council of Governments (NCTCOG) Regional Transportation Council (RTC) issued its third Sustainable Development Program call for projects. The Sustainable Development Program provides funding of infrastructure improvements associated with development projects that reduce the overall demand for transportation infrastructure and improve air quality. Two Downtown Connection TIF District projects were awarded funds under this program to enhance pedestrian and transportation linkages, access and safety to nearby bus/rail transit and City of Dallas public investments. City Council approved agreements between the City, NCTCOG, State of Texas and the*

*project's developer for each project. Atmos completed construction of the project summer 2013, while construction of the Continental project continued in 2014.*

- *Continental Building Project – $607,739*
- *Atmos Complex Project – $462,686*




*The creation of a circulator system for the downtown area was recommended by the Downtown Dallas 360 Area Plan. September 2013, City Council approved funding to participate in the two year pilot program D-Link, a special service from DART that provides residents, workers and visitors a way to get to some of the city's most popular arts, dining and historic destinations. The free bus route includes destinations such as American Airlines Center, Klyde Warren Park, the Perot Museum of Nature and Science, The Sixth Floor Museum, Dallas Arts District, the Bishop Arts District and many other cultural, arts and entertainment-related stops.*

*The expected cost of the service $1.4 million annually. DART, Downtown Dallas Inc. and the City of Dallas shared the costs of the program. On September 14, 2016, City Council approved a one-year extension of the Funding Agreement to allow for continuation of the D-Link.*

- Improve the image of the Downtown Connection Area

*With the installation of numerous high-tech digital (video) sign boards within the Main Street core, continued redevelopment of vacant buildings, and completion and programming of the various downtown parks, activity downtown has increased dramatically.*

*Major corporate relocations to the downtown connection area over the years have included Moneygram International, AT&T and Comerica Bank. In 2014, three corporations relocated to buildings in the downtown core (Santander Consumer USA, Inc., Active Network, LLC and Omnitrac, LLC), adding over 2,000 people to downtown's daytime population.*

*The increased downtown daytime population, residency and activities for residents and visitors have added to the evolving image of the area.*

- Support redevelopment of the existing building supply

*During the fiscal no new development projects were approved within the Downtown Connection TIF District, but six previously approved project either started or continued project construction.*

- Develop a more diverse mixture of land uses within the Downtown Connection Area

  *Projects announced, completed and/or underway within the district will contribute approximately 6,153 residential units; 1,916 hotel rooms; 628,934 square feet of retail; and 3,695,201 square feet of new Class "A" office space.*

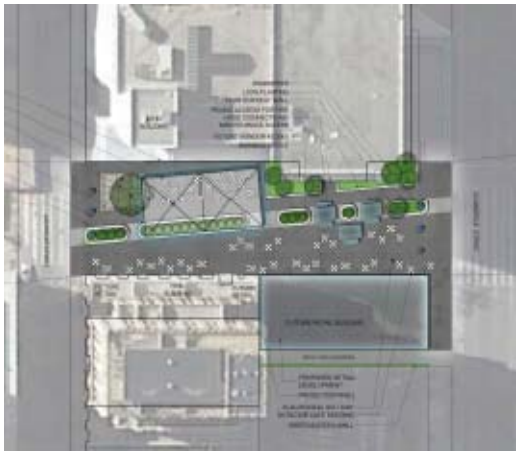
- Increase open space and recreational opportunities in the Downtown Connection Area

  *Main Street Garden Park hosts many events annually including Moonlight Movie Series showing free outdoor movies on Saturdays in the park and YMCA outdoor sporting leagues. Pegasus Plaza held the Taste of the Fair, where foods from the annual State Fair of Texas could be sampled during the fiscal year.*

  *Belo Garden opened May 2012, and is the second of the four planned downtown parks to be completed. The third park, Klyde Warren Park opened in October of 2012. Land for the fourth park, Pacific Garden Plaza/Park has been acquired using 2006 Bond funds. Funding sources for the construction of the Park have not been identified. The City of Dallas has contracted with DowntownDallas to provide operations and programming of these downtown parks as well as Pegasus Plaza.*

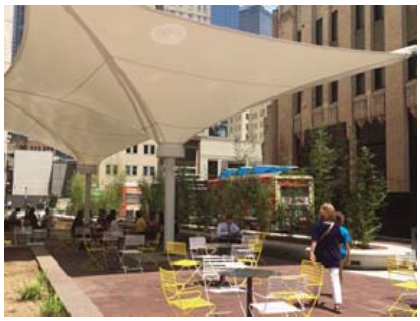
  *March 2013, City Council endorsed an updated of the Downtown Parks Master Plan that proposed four new parks: West End Plaza, Pacific Plaza, Carpenter Plaza near Deep Ellum and Harwood Park next to the Famers Market. Since the original plan was completed nearly a decade ago, Klyde Warren Park, Main Street Garden and Belo Garden have all opened in downtown.*

  *Browder Street Plaza Improvements - In March 2012, the Office of Economic Development, in conjunction with Downtown Dallas, Inc., Downtown 360 Plan and the City Design Studio, issued a Request for Proposals for Browder Street Plaza retail development and leasing/management opportunities. The retail component of Browder Street Plaza, between Commerce Street and Jackson Street, is intended to add activity along this pedestrian thoroughfare and complement the improvements now underway on the site. The City of Dallas has allocated $500,000 for the public space improvements and construction has begun, based on Hocker Design Group's conceptual design for landscaping, shade, street furniture, paving, and other*



*pedestrian and plaza improvements. Hamilton DPL Development Inc. and Hamilton DPL, LP won the solicitation with its proposed retail activation plan which focused on retail kiosks and food trucks within Browder Street Plaza. The space is now occupied with food trucks, tables and chairs, and shade structure.*





At the beginning of the fiscal year 2016, the Belo Foundation (now called Parks for Downtown Dallas) pledged $30 million to complete implementation of the Downtown Dallas Parks Masterplan. The plan calls for $70M in private and public funding to build four additional parks in downtown Dallas (Harwood Park, Carpenter Park, Pacific Plaza and West End Plaza). Two of the four proposed parks are within the boundaries of the Downtown Connection TIF District – Harwood Park and Pacific Plaza. Belo Foundation will also raise an additional $5 million, for a total pledge of $35 million. The $35 million committed by Parks for Downtown Dallas was offered to the City through a dollar-for-dollar matching grant and the City will be responsible for contributing matching capital, most likely through a future bond program.

- Incentivize catalyst project(s) to accelerate reaching a critical mass of residential units, retail establishments, and public amenities for a vibrant downtown

  *The District's catalyst project included the Mercantile Block, Atmos Complex and Continental building. In 2008, the Mercantile Block completed redevelopment. Phase I of the Atmos Complex and Continental Building projects were completed in 2013. Phase II of the Atmos Complex project completed construction in July of this fiscal year. These projects have added 799 residential units (inclusive of 211 affordable units) and 50,000 square feet of retail.*

# Year-End Summary of Meetings

The Downtown Connection TIF District Board of Directors met five (5) times during FY 2016 – October 8, 2015, December 10, 2015, January 14, 2016, March 10, 2016, and August 11, 2016.

The Downtown Connection TIF District Board of Directors consists of nine (9) members including six (6) City of Dallas appointees, one (1) State Senator's office appointee, one (1) Dallas County appointee and one (1) State Representative's office appointee. During FY 2016, the Downtown Connection TIF Board consisted of the following members:

Board Member List
Evan Beattie – City Appointee (Attended 5 of 5 meetings)
Larry James – City Appointee (Attended 4 of 5 meeting)
Jon Ruff – City Appointee (Attended 4 of 5 meetings)
Vacant – City Appointee
Vacant – City Appointee
Vacant – City Appointee
Rick Loessberg – Dallas County Appointee (Attended 4 of 5 meetings)
Vacant – State Senator's Office Appointee
Steve Bancroft – State Representative's Appointee (Attended 3 of 5 meetings)

During FY 2016, the City Council approved twelve (12) items directly or indirectly associated with the Downtown Connection TIF District. The council actions are listed below.

- On October 28, 2015, City Council approved Resolution 15-1955 authorizing Authorize a Funding Agreement between Dallas Area Rapid Transit, Downtown Dallas, Inc. and the City of Dallas for a one year extension of the downtown shuttle service operation - Not to exceed $400,000.

- On November 10, 2015, City Council approved Resolution No. 15-2086, authorizing an increase in the construction services contract with Phoenix 1 Restoration and Construction, Ltd. for additional work including reconfiguring basement entrances, reconstruction of planter boxes, replace drain lines and existing sump pumps to discharge storm-water, install new electrical panel, abate asbestos containing waterproofing at the exterior planters and exit ramp from the basement, additional repairs and or restoration of window sills and increase the height of window sills in the tile roof and installation of metal flashing to prevent water infiltration for the renovation of the Old Municipal Building located at 106 South Harwood Street - Not to exceed $784,284, from $11,319,018 to $12,103,302 - Financing: 1998 Bond Funds.

- On December 9, 2015, City Council approved Resolution No. 15-2217, authorizing Authorize a Design and Development Agreement with Carpenter Park, LLC for (1)

Design Development documents; and (2) removal, storage at a Park and Recreation Department facility, re-design, transportation, fabrication and re-installation of two sculptures for John W. Carpenter Plaza located at 2201 Pacific Avenue - Financing: No cost consideration to the City.

- On December 9, 2015, City Council approved Ordinance No. 29952 and Resolution No. 15-2237, amending Ordinance No. 29441, previously approved on September 10, 2014, which abandoned aerial rights to Hunt Dallas Office, L.P., the abutting owner containing approximately 316 square feet of land, to extend the building deadline from 18 months to five years, located near the intersection of North Akard Street and Munger Avenue - Revenue: $5,400, plus the $20 ordinance publication fee.

- On January 27, 2016, City Council approved Resolution No. 16-0192 authorizing a professional services contract with Moore, Iacofano, Goltsman, Inc., (MIG, Inc.) for the preparation of an update to the City's Downtown Dallas 360 Plan adopted by City Council on April 13, 2011 - Not to exceed $250,000 - Financing: Downtown Connection TIF District Funds.

- On February 24, 2016, City Council approved Resolution No. 16-0339, accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eleven, (Downtown Connection TIF District), submitted by the Downtown Connection TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law.

- On April 13, 2016, City Council approved Resolution No. 16-0530, authorizing (1) a management agreement with DPL Loan Holdings, LLC for the management, operation, maintenance and retail activation of Browder Street Plaza for an initial term of ten years, with one ten year renewal option; and (2) receipt and deposit of an estimated revenue amount of $11,500 annually from DPL Loan Holdings, LLC in the Downtown Connection TIF District Fund for Browder Street Plaza operation - Financing: Estimated Revenue: $115,000 (over the first ten years of the agreement).

- On May 11, 2016, City Council approved Resolution No. 16-0762, authorizing a Chapter 380 economic development grant agreement with Saatchi & Saatchi North America, Inc. (doing business as Saatchi and Saatchi LA Team One) in an amount up to $75,000 to encourage relocation and stimulate business development activity in the City of Dallas in conjunction with the location of its new office at 2021 McKinney Avenue, pursuant to the Public/Private Partnership Program - Not to exceed $75,000 - Financing: Public/Private Partnership Funds.

- On June 22, 2016, City Council approved Resolution No. 16-1060, authorizing an amendment to Resolution No. 16-0530, previously approved on April 13, 2016,

which approved a management agreement with DPL Loan Holdings, LLC for the management, operation, maintenance and retail activation of Browder Street Plaza, to (1) remove certain maintenance responsibilities to be retained by the City's Park and Recreation Department; and (2) correct the revenue sharing calculation to reflect that the threshold is $5,500 daily, not monthly, and to clarify conditions for payment

- On August 10, 2016, City Council approved Resolution No. 16-1174, authorizing approval of out of state financing for the Statler/Library redevelopment project to allow a Public Finance Authority to issue bonds pursuant to Wisconsin law.

- On September 14, 2016, City Council approved Ordinance No. 30182 and Resolution No. 16-1463, granting a private license to Butler Brothers Hospitality Group, LLC, for the use of approximately four square feet of subsurface space to install, occupy, use and maintain an irrigation meter under a portion of Marilla Street right-of-way, near its intersection with Evergreen Street - Revenue: $100 one-time fee, plus the $20
ordinance publication fee.

- On September 28, 2016, City Council deferred consideration by Resolution No. 16-1623, of An ordinance granting a private license to Hall Arts Residences, LLC for the use of a total of approximately 4,475 square feet of land to occupy, maintain and utilize a sidewalk cafe, bollards, trees, crosswalk texturing and traffic lighting markers on portions of Flora and Leonard Streets and Ross Avenue rights-of-way, near the intersection of Flora and Leonard Streets - Revenue: $400 one-time fee and $200 annually, plus the $20 ordinance publication fee.

# Budget and Spending Status

The Downtown Connection TIF District established a budget for public improvement expenditures is necessary to support private investment in the district. The Project and Reinvestment Zone Financing Plans estimate TIF public improvements totaling approximately $231.6 million (in 2006 dollars). The final, amended budget for the district is as follows:

**Downtown Connection TIF District**
**Current Projected Increment Revenues to Retire TIF Fund Obligations**

| | B | C | B - C |
|---|---|---|---|
| **Category** | **Estimated Total Dollar TIF Budget** | **Allocated[3]** | **Estimated Total Dollar Balance** |
| **Catalyst Projects:** - *Environmental remediation, demolition, historic façade, restoration, street/utility improvements & streetscape improvements, land acquisition, and non-project costs, including, but not limited to machinery, equipment, materials and supplies* | $68,000,000 | $68,000,000 | $0 |
| **Redevelopment of Vacant/Underutilized Downtown Buildings, Underdeveloped Parcels, Surface Parking Lots** - *Environmental remediation, interior/exterior demolition, historic façade restoration, street/utility improvements, land acquisition, TIF grants, affordable housing* | $257,446,320 | $242,905,736 | **$14,540,584** |
| **Uptown/Downtown connection improvements** | $0 | $0 | $0 |
| **Park and plaza design and acquisition** | $3,211,032 | $0 | $3,211,032 |
| **Affordable Housing[2]** | $3,000,000 | $3,000,000 | $0 |
| **Retail Initiative/Streetscape Improvements** | $1,985,000 | $459,845 | $1,525,155 |
| **Downtown Area Plan** | $515,000 | $512,464 | $2,536 |
| **Administration and Implementation[4]** | $8,435,138 | $1,457,717 | $6,977,421 |
| **Debt Service (Interest Only)** | $150,363,000 | $150,363,000 | $0 |
| **Total Project Costs** | $492,955,489 | $466,698,762 | $26,256,728 |

*[1]TIF Budget shown above in total dollars; TIF Project Plan shows the budget in net present value*

*[2]The Affordable Housing line item has been reduced by the amount of money allocated to the Continental project*

*[3]The Allocated total shown for the Redevelopment of Vacant/Underutilized Downtown Building line item reflects the total TIF District's commitment to projects currently in the Reimbursement Queue*

*[4]Administration and Implementation expenses for FY 2016 are not included in the above allocation.*

| Downtown Connection TIF District Plan Budget | |
|---|---|
| **Category** | **Budget in 2006 Dollars** |
| **Catalyst Projects:** - *Environmental remediation, demolition, historic façade, restoration, street/utility improvements & streetscape improvements, land acquisition, and non-project costs, including, but not limited to machinery, equipment, materials and supplies* | $68,000,000 |
| **Redevelopment of Vacant/Underutilized Downtown Buildings, Underdeveloped Parcels, Surface Parking Lots** - *Environmental remediation, interior/exterior demolition, historic façade restoration, street/utility improvements, land acquisition, TIF grants, affordable housing* | $152,653,168 |
| **Uptown/Downtown Connection Improvements** | $0 |
| **Park and Plaza Design and Acquisition** | $1,500,000 |
| **Affordable Housing** | $3,000,000 |
| **Retail Initiative/Streetscape Improvements** | $1,985,000 |
| **Downtown Area Plan** | $515,000 |
| **Administration and Implementation** | $3,940,386 |
| **Debt Service (Interest Only)** | - |
| **Total Project Costs** | **$231,593,554** |
| **Budget shown above in 2006 dollars; TIF Project Plan shows the budget in net present value.* | |

| Downtown Connection TIF Participation | | | | |
|---|---|---|---|---|
| **Participation Jurisdictions** | **Duration of TIF District** | **Estimated TIF Collection Period** | **Participation Level** | **Contribution to TIF Fund** |
| City of Dallas | 2006 -2035 | 30 years | 90% | $470,335,156 |
| Dallas County | 2006 -2035 | 20 years | 55% | $22,620,333 |
| **TOTAL** | | | | **$492,955,489** |
| All values are expressed in current dollars, except where noted. The legal TIF life is 30 years. TIF collection began in 2006. Actual collections period may vary. | | | | |

| Downtown Dallas Development Authority<br>Status of DDDA Bond Sales and Repayment | | | | |
|---|---|---|---|---|
| **Project** | **Bond Sales** | **Principal + Interest** | **Total Paid** | **Balance Due** |
| Mercantile | Series 2006 $50,605,343 | $139,671,210 | $16,358,793 | $123,312,417 |
| Mercantile | Series 2007 $28,950,514 | $67,301,055 | $18,026,551 | $49,274,504 |
| **Totals** | | **$206,972,265** | **$34,385,349** | **$172,586,921** |

## M/WBE Participation

Public bidding is not required for TIF projects. All TIF-funded projects must follow the City's adopted Business Inclusion and Development Plan and make a good faith effort to include certified Minority and Women-Owned Business (M/WBE) participation in TIF reimbursed projects. The BID Plan goal for TIF projects is 25 percent M/WBE participation in construction costs.

| Downtown Connection TIF Project M/WBE Participation (completed projects only) | | | | | |
|---|---|---|---|---|---|
| **Project** | **Total Construction Contract Amount** | **Local MWBE Amount** | **Non-Local MWBE Amount** | **Total MWBE Participation** | **Total MWBE Participation Percentage** |
| Atmos Complex Phase I | $6,887,607 | $853,912 | $1,020,662 | $1,874,574 | 27% |
| Atmos Complex Phase II** | | | | | |
| Continental Building | $30,796,191 | $9,985,348 | $1,063,266 | $11,048,614 | 36% |
| Dallas Arts District Garage | $852,764 | | | $439,839 | 52% |
| Hall Arts Center** | | | | | |
| Joule Hotel Expansion | $70,464,515 | $12,054,208 | $9,668,098 | $21,722,305 | 31% |
| Mercantile Complex | $107,012,554 | | | $26,707,787 | 25% |
| Sante Fe IV (Aloft Hotel) | $20,937,338 | | | $5,811,923 | 28% |
| Stoneleigh Hotel | $25,106,706 | | | $4,998,000 | 20% |
| **Totals** | **$262,057,675** | **$22,893,468** | **$11,752,026** | **$72,603,042** | **28%** |

*M/WBE participation percentages for completed projects and as provided by the City's Business Inclusion and Development division.

**Information regarding M/WBE participation for these projects were not available. Projects' participation efforts are under review by the City's Business Inclusion and Development division.

# FY 2017 Work Program

The work program items for FY 2017 for the Downtown Connection TIF District are as follows:

- Adoption of FY 2016 Annual Report
- Continue to support OED office/business retention efforts in the downtown core
- Complete existing projects
- Identify and promote redevelopment of key properties in the District
- Identify and support opportunities for improving physical connections between Downtown Core and surrounding districts including the Convention Center, Uptown, Victory, the Cedars and Deep Ellum neighborhoods
- Implement Ground Floor Activation Strategy for district and continue to investigate monetizing program's annual funding source
- Investigate parking deficiencies in the downtown core and explore solutions
- Continue annual reimbursement of completed TIF projects
- Complete City audit of TIF projects completed by June 1, 2016 and begin reimbursement in June of 2017
- City Council consideration of various proposed district/redevelopment projects:
    - Downtown Dallas 360 Plan update
    - Ground Floor Activation Program

# District Financials

**City of Dallas, Texas**
**Downtown Connection Tax Increment Financing District Fund**
**Balance Sheet as of September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|
| Assets: | | | | | |
| Pooled cash and cash equivalents | $1,085,369 | $718,665 | $235,725 | $452,474 | $343,231 |
| Interest receivable | $6,786 | $1,032 | $455 | $446 | ($2,594) |
| Receivables from DDDA | $0 | $0 | $26,873,440 | $0 | $0 |
| Total assets | $1,092,155 | $719,697 | $27,109,620 | $452,920 | $340,637 |
| Liabilities and Fund Balance (Deficit): | | | | | |
| Liabilities: | | | | | |
| Accounts and other payable | $94,387 | $163,383 | $26,408,238 | $6,000 | $0 |
| Advances from developers | $0 | $0 | $0 | $0 | $0 |
| Due to general fund | $39,040 | $39,040 | $39,040 | $39,040 | $0 |
| Total liabilities | $133,427 | $202,423 | $26,447,278 | $45,040 | $0 |
| Fund Balance (Deficit): | | | | | |
| Fund Balance (Deficit) | $958,728 | $517,273 | $662,341 | $407,879 | $340,637 |
| Total Liabilities and Fund Equity | $1,092,154 | $719,697 | $27,109,620 | $452,919 | $340,637 |
| | ($0) | ($0) | ($0) | ($0) | ($0) |

**Downtown Connection Tax Increment Financing District Fund**
**Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)**
**For the Period September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | ITD | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|---|
| Revenues: | | | | | | |
| Tax increment-Governmental | $76,343,164 | $14,209,948 | $12,654,259 | $11,306,531 | $8,408,406 | $7,235,640 |
| Tax increment-Intergovernmental | $14,112,343 | $2,586,843 | $2,303,372 | $2,123,189 | $1,615,855 | $1,321,658 |
| Interest income | $225,975 | $39,185 | $39,935 | $828 | $6,942 | $26,146 |
| Contributions from DDDA | $50,900,306 | $10,209,998 | $9,630,838 | $26,873,440 | $225,000 | $2,225,000 |
| Net increase (decrease) in fair value of investments | $10,024 | $5,615 | $1,752 | ($372) | ($1,110) | $301 |
| Total revenues | $141,591,812 | $27,051,589 | $24,630,156 | $40,303,617 | $10,255,094 | $10,808,745 |
| Expenditures: | | | | | | |
| Administrative expenses | $1,458,952 | $0 | $158,819 | $202,814 | $144,303 | $154,879 |
| Non-Capital Outlay | $604,710 | $0 | $12,734 | $2,132 | $6,587 | $12,472 |
| Capital outlay | $246,294 | $0 | $0 | $6,250 | $12,700 | $0 |
| Affordable housing cost participation | $2,000,000 | $0 | $0 | $0 | $0 | $2,000,000 |
| Transfers to DDDA-Increment | $90,455,507 | $16,796,791 | $14,957,631 | $13,429,720 | $10,024,261 | $8,557,298 |
| Developer reimbursements-Principal | $45,467,230 | $9,813,343 | $9,506,281 | $26,147,606 | $0 | $0 |
| Interest and fiscal charges | $400,391 | $0 | $139,759 | $260,632 | $0 | $0 |
| Total expenditures | $140,633,085 | $26,610,135 | $24,775,224 | $40,049,155 | $10,187,852 | $10,724,650 |
| Excess (Deficiency) of Revenues over Expenditures | $958,728 | $441,454 | ($145,068) | $254,462 | $67,242 | $84,095 |
| Fund balance (Deficit) at beginning of year as previously reported | $0 | $517,273 | $662,341 | $407,879 | $340,637 | $256,542 |
| Fund balance (Deficit) at beginning of year, as restated | $0 | $517,273 | $662,341 | $407,879 | $340,637 | $256,542 |
| Fund balance (deficit) at end of year | $958,728 | $958,728 | $517,273 | $662,341 | $407,879 | $340,637 |

**Note: Fiscal year 2015-16 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.**

**City of Dallas, Texas**
**Downtown Connection Tax Increment Financing District Fund**
**Reinvestment Zone Number Eleven**
**As of September 30, 2016**

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

**1. Amount and source of revenue in the tax increment fund established for the zone:**

| | |
|---|---|
| $44,800 | Interest Income |
| $10,209,998 | Transfers from DDDA |
| $16,796,791 | Ad Valorem Taxes (Collected in FY'2015-16 based on 2015 Final Tax Roll) |
| $27,051,589 | Total Revenue |

**2. Amount and purpose of expenditures from the fund:**

| | |
|---|---|
| $0 | Administrative Expense (FY 2016 costs to be updated) |
| $143,009 | Non-Capital Outlay* |
| $0 | Capital outlay* |
| $16,796,791 | Transfers to DDDA-Increment |
| $9,670,334 | Developer reimbursements-Principal |
| $0 | Additional Subsidy in Form of Grant (in lieu of interest expense) |
| $26,610,135 | Total Expenditures |

***** These costs were incurred for the following:

| | |
|---|---|
| DDDDA Annual Audit | $0 |
| Downtown Area 360 Plan Update | $143,009 |
| Other | $0 |
| Total | $143,009 |

**3. a. Amount of Principal and Interest due-on outstanding indebtedness:**
The Zone has a primary obligation to retire the bonds, issued by Downtown Dallas Development Authority (DDDA) from available tax increment generated over the life of the Zone.

**b. The Zone has entered into a development agreement for each of the following projects and their status is as follows as of September 30, 2016:**

| Developer | Project Name | Principal TIF Award | Maximum Accrued Add'l Subsidy **(1)** | Maximum TIF Award | Less Payments Principal | Less Payments Accrued Add'l Subsidy **(1)** | Less Payments Total P & I | **Net Bal. Remaining** |
|---|---|---|---|---|---|---|---|---|
| AP/APH Stoneleigh, L.P. | Stoneleigh Hotel | $2,500,000 | $0 | $2,500,000 | $829,432 | $0 | $829,432 | **$1,670,568** |
| Hall Lone Star Associates, L.P. | Hall Lone Star Phase I | $852,764 | $2,000,000 | $2,852,764 | $852,764 | $225,871 | $1,078,635 | **$0** |
| SANTA FE IV HOTEL, L.P. | Santa Fe IV - Aloft Hotel | $3,734,419 | $0 | $3,734,419 | $3,734,419 | $0 | $3,734,419 | **$0** |
| Federal Deposit Insurance Coporation | Grand Ricchi Dallas - 1600 Pacific | $8,830,000 | $4,040,200 | $12,870,200 | $8,830,000 | $400,391 | $9,230,391 | **$0** |
| TIF Hotel, Inc. | Joule Hotel Expansion | $20,658,500 | $0 | $20,658,500 | $20,658,500 | $0 | $20,658,500 | **$0** |
| Hamilton Atmos, L.P. | Atmos Complex Phase I | $3,250,000 | $3,000,000 | $6,250,000 | $3,250,000 | $1,006,965 | $4,256,965 | **$1,993,035** |
| Hamilton Atmos, L.P. | Atmos Complex Phase II | $11,750,000 | $5,000,000 | $16,750,000 | $0 | $0 | $0 | **$16,750,000** |
| TIF Hotel, Inc. | Joule Hotel Expansion Amendment | $3,194,403 | $0 | $3,194,403 | $3,194,403 | $0 | $3,194,403 | **$0** |
| FC MERC COMPLEX, P.P. | Continental Building A (Inc. only) | $3,700,000 | $0 | $3,700,000 | $561,544 | $0 | $561,544 | **$3,138,456** |
| FC MERC COMPLEX, P.P. | Continental Building B | $13,036,809 | $4,222,588 | $17,259,397 | $0 | $2,180,273 | $2,180,273 | **$15,079,124** |
| Hall Lone Star Associates, L.P. | Hall Lone Star Project - Phase II | $6,147,236 | $0 | $6,147,236 | $0 | $0 | $0 | **$6,147,236** |
| PetroCorrigan Towers, LP | PetroCorrigan Project-Phase I | $10,300,000 | $0 | $10,300,000 | $0 | $0 | $0 | **$10,300,000** |
| Federal Deposit Insurance Coporation | LTV Tower Project | $16,500,000 | $0 | $16,500,000 | $0 | $0 | $0 | **$16,500,000** |
| OLYMPIC 1401 ELM ASSOCIATES, LLC | The Olympic | $45,000,000 | $5,000,000 | $50,000,000 | $0 | $0 | $0 | **$50,000,000** |
| Centurion Acquisitions, L.P. | Statler/Library/Jackson Street | $46,500,000 | $0 | $46,500,000 | $0 | $0 | $0 | **$46,500,000** |
| Akard Owner, LLC. | 411 N. Akard-Mayflower Building | $9,000,000 | $0 | $9,000,000 | $0 | $0 | $0 | **$9,000,000** |
| Supreme Bright Dallas II, LLC. | 1712 Commerce Street Building | $10,500,000 | $0 | $10,500,000 | $0 | $0 | $0 | **$10,500,000** |
| PetroCorrigan Towers, LP | PetroCorrigan Project-Phase II | $9,700,000 | $0 | $9,700,000 | $0 | $0 | $0 | **$9,700,000** |
| Alterra 500 South Ervay, LLC. | 500 S. Ervay Buidling | $10,000,000 | $0 | $10,000,000 | $0 | $0 | $0 | **$10,000,000** |
| Total | | $235,154,132 | $23,262,788 | $258,416,920 | $41,911,062 | $3,813,500 | $45,724,562 | **$207,278,420** |

*reimbursements began in fiscal year 2014 and will continue each year after meeting bond reqirements, project completion and upon availabiltiy of TIF funds

**(1)** Additional Subsidy in Form of Grant (in lieu of interest expense)

**4. Tax increment base and current captured appraised value retained by the zone:**

| Taxing Jurisdiction | Taxable Value 2016 | Base Year 2005 Value | Est. Captured Value 2016**** |
|---|---|---|---|
| City of Dallas | $3,060,913,898 | $564,917,317 | $2,495,996,581 |
| Dallas County | $3,140,523,463 | $561,696,337 | $2,578,827,126 |

****** Based on Certified Taxable Values. Final values will be determined on February 01, 2017.

**5. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:**

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

| Taxing Jurisdiction | Assessment Per $100 | Amount of Estimated 2016 Increment |
|---|---|---|
| City of Dallas | 0.70425 | $17,578,056 |
| Dallas County | 0.13371 | $3,448,021 |
| Total for all Jurisdictions | $0.83796 | $21,026,077 |

B. The total amount of estimated tax increment to be billed for the 2016 tax year is $21,026,077. For the 2015 tax year, increment in the amount of $16,796,791 was collected and transferred to Downtown Dallas Development Authority(DDDA) in accordance with the terms of the DDDA bond indentures.

City of Dallas, Texas
Downtown Connection Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2015

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred

2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).

3. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.

4. The Zone's Financial Plan permits expenditures not to exceed $3,940,386 over the life of the TIF to reimburse the City for administrative costs. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.

5. All project costs resulting in capital improvements which are owned by the City are capitalized in the City's fixed assets.

6. "Due to general fund" amount of $39,040 at September 30, 2016 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

**AGENDA ITEM # 25**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 2, 7, 14

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 45 G H L M R; 46 J K N P

## SUBJECT

A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Twelve, (Deep Ellum TIF District), and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

## BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 26043 on June 22, 2005, establishing Tax Increment Financing Reinvestment Zone Number Twelve, (Deep Ellum TIF District). On April 12, 2006, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 26304. On September 10, 2014, the City Council amended the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 29469.

The Deep Ellum TIF District's assessed 2016 taxable value was $372,843,197. Compared to previous years, the value increased as a result of the addition of the Elan City Lights apartment development and improved existing developments on Main Street owned by 42 Deep Ellum, LP and Westdale Associates. This represents an increase of $58,003,710 (18.4%) from the 2015 value and an increase of $183,680,584 (97.1%) from the base year value. This resulted in total increment revenue collected in 2016 of approximately $1,468,625.

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

On June 22, 2005, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Twelve, the Deep Ellum TIF District, by Ordinance No. 26043, as amended.

On April 12, 2006, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Deep Ellum TIF District by Ordinance No. 26304, as amended.

On September 10, 2014, City Council amended the Project Plan and Reinvestment Zone Financing Plan for the Deep Ellum TIF District by Ordinance No. 29469.

On December 6, 2016, the Deep Ellum TIF District Board of Directors recommended that the FY 2016 Annual Report be accepted and approved.

Information about this item was provided to the Economic Development Committee on February 6, 2017.

## FISCAL INFORMATION

No cost consideration to the City

February 22, 2017

**WHEREAS,** the City recognizes the importance of its role in local economic development initiatives and programs; and

**WHEREAS,** the City has established Tax Increment Financing Reinvestment Zone Number Twelve, ("Deep Ellum TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment in the Deep Ellum area pursuant to Ordinance No. 26043, authorized by the City Council on June 22, 2005, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

**WHEREAS,** on April 12, 2006, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Deep Ellum TIF District by Ordinance No. 26304, as amended; and

**WHEREAS,** on September 10, 2014, City Council amended the Project Plan and Reinvestment Zone Financing Plan for the Deep Ellum TIF District by Ordinance No. 29469; and

**WHEREAS,** the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded the State Comptroller; and

**WHEREAS,** on December 6, 2016, the Deep Ellum TIF District Board of Directors passed a motion accepting the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Twelve and recommending approval of same by the City Council.

**NOW, THEREFORE,**

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

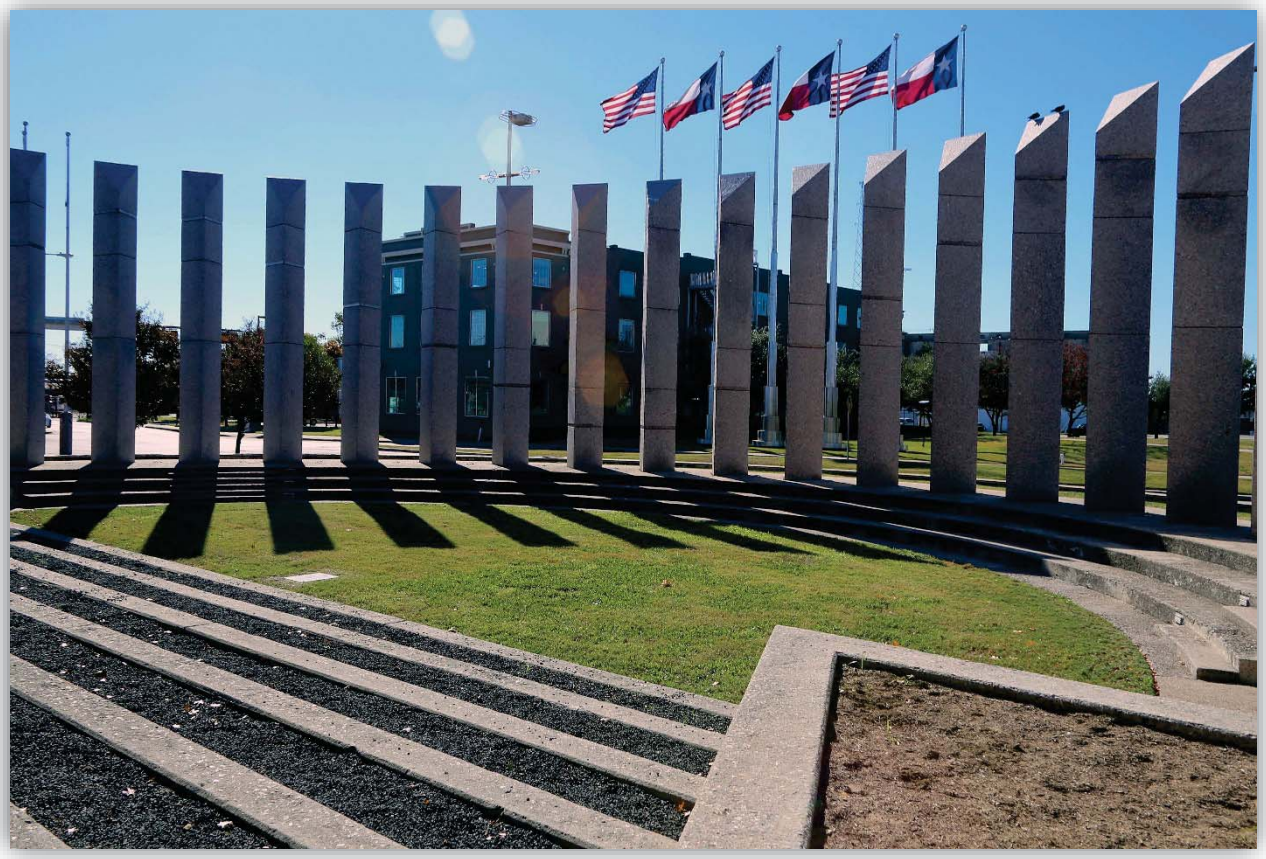
**Section 1.** That the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Twelve, (Deep Ellum TIF District), City of Dallas, Texas, as of September 30, 2016, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

**Section 2.** That the City Manager is hereby authorized to submit the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Twelve to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and to the State Comptroller, as required by state law.

**Section 3.** 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.

**Exhibit A**

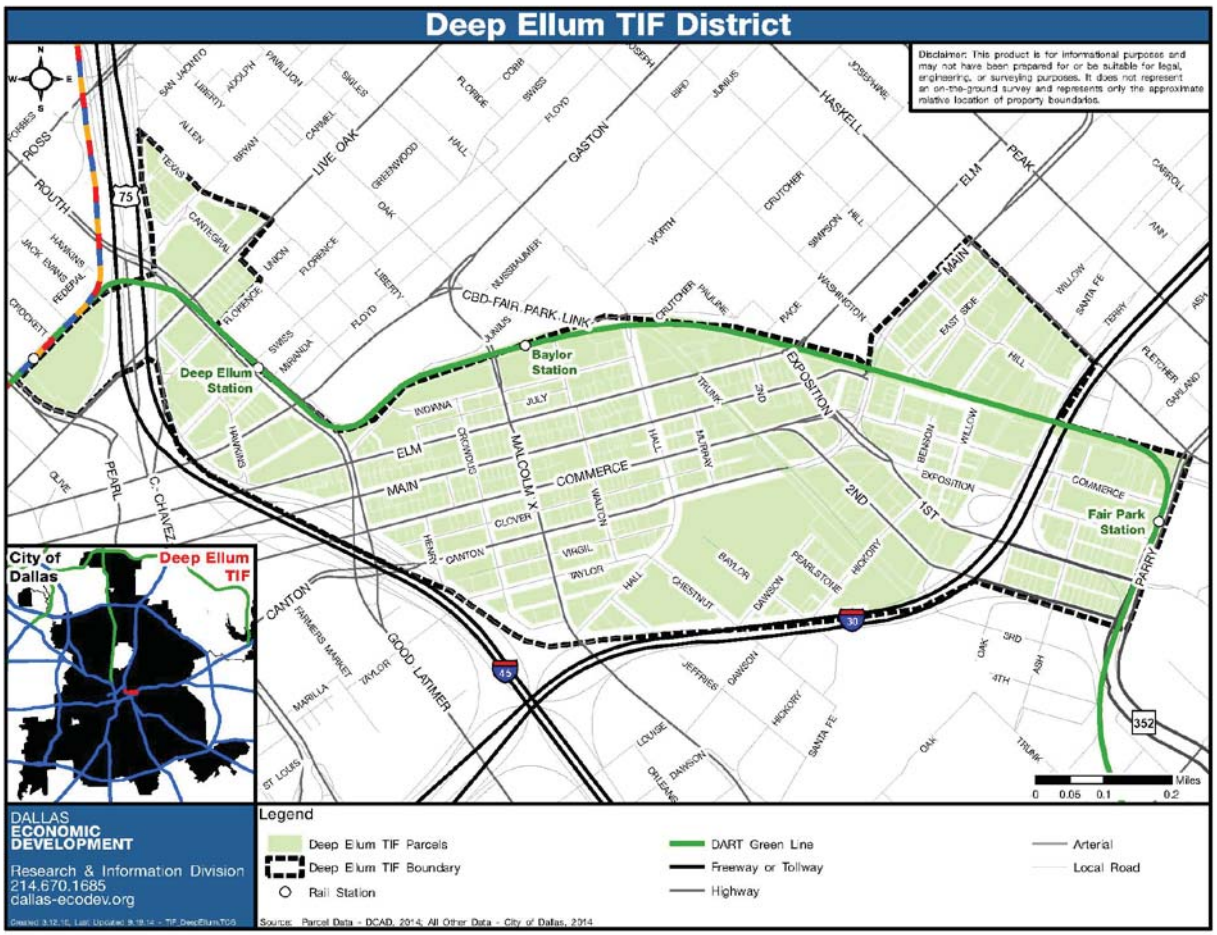
# Deep Ellum TIF District
# FY 2016
# Annual Report



City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 670-4551
http://www.dallas-ecodev.org

## October 1, 2015 to September 30, 2016




Source: Parcels - DCAD, 2009; Rail - DART, 2009; All Other Data - City of Dallas, 2014

# Reinvestment Zone Number Twelve
# Deep Ellum Tax Increment Financing District

## Table of Contents

Mission Statement ..... 4
Deep Ellum TIF District Accomplishments ..... 4
Value and Increment Revenue Summary ..... 8
Objectives, Programs, and Success Indicators ..... 8
Year-End Summary of Meetings ..... 11
Pending TIF Items ..... 14
Budget and Spending Status ..... 15
FY 2017 Work Program ..... 21
Appendix: Financials ..... 22

# Mission Statement

The mission of the Deep Ellum Tax Increment Financing District is to provide a source of funding for public infrastructure improvements anticipated to enhance the real estate market for the Deep Ellum TIF District area. The Deep Ellum Tax Increment Financing (TIF) District represents the outgrowth of the City of Dallas' effort to provide a model for redeveloping districts to take full advantage of the expanding DART light rail system, promote transit oriented development, improve the historic core area of Deep Ellum, implement appropriate urban design standards to differentiate and brand the area, and improve the quality of development east of Downtown.

The Deep Ellum TIF District (the "District") was established in June 2005 to assist in the transformation of the Deep Ellum area into a more diversified, pedestrian friendly, mixed-use neighborhood in the area and improve the urban fabric and connections between Central Expressway and Fair Park. Strengths of the District include a mix of unique and historic buildings that create an identifiable district, adjacency to three DART light rail stations and proximity to Downtown Dallas, the Arts District, Dallas Farmers Market, Baylor Medical Center, and Fair Park.

The Dallas City Council established the Deep Ellum TIF District by Ordinance Number 26043 on June 22, 2005. The Deep Ellum TIF District took effect on January 1, 2006 and is scheduled to terminate on December 31, 2027 (including collection of the 2027 increment on calendar year 2028 and any related matters to be concluded in 2028) or when the budget of $30 million (2006 dollars) has been collected. The TIF boundary and final plan were amended in 2008, 2011, and the final plan was also amended in 2014. The City of Dallas and Dallas County are the two participating jurisdictions; the City's participation rate is 85% of incremental property taxes collected, and the County's participation rate is 55%.

# Deep Ellum TIF District Accomplishments

To date, in property value increased by $125.9 million within the district, an increase of 66.6% from the base value. This increase of $125.9 million is due to over $82.1 million (65.2%) in new development projects and approximately $43.8 million (34.8%) in property value appreciation.

During the FY 2011, DART completed construction of the new SE-1 Corridor light rail line, which included the Deep Ellum, Baylor, and Fair Park stations within the Deep Ellum TIF District.

Completion of the Ambrose set the stage for future residential development in the area. In FY 2014-15, construction was completed on the City Lights Phase I project located at the northeast corner of Live Oak Street and Good - Latimer Expressway. Other apartment developers continue to look at the Deep Ellum area as well. The CASE Building at Main Street and Trunk Avenue, is currently under construction with completion expected in 2017. Phase II of the City Lights project on Live Oak Street has been announced. As

part of the project a 50,000 square feet Tom Thumb grocery store will be located on the first floor with parking located underground.

Redevelopment of consolidated property in the commercial core of Deep Ellum and planned reinvestment in these properties, includes the under construction projects Deep Ellum Crossroads and Westdale 2800 DE projects, both TIF funded in the Deep Ellum TIF District, continue to expand dining and retail choices in the area.

The Old Dallas High School, added to the Deep Ellum TIF District in 2014, was approved for TIF funding in 2016. The project, which will include office and retail space, is under construction with completion planned for 2017.



*Baylor Light Rail Station*




*Deep Ellum Light Rail Station*



*The Ambrose on Indiana Street*



*Elan City Lights*



*Commerce Street Lofts*



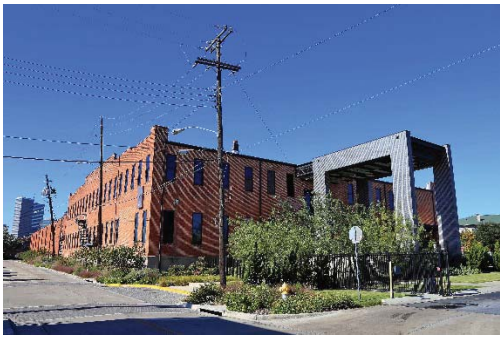
*Eastside Lofts*



*"The Olympia Arts" Building*



*Pecan Lodge*



*Reel FX*



*CASE Building*



*City Lights Phase II Site*



*Proposed EPIC Project Site*



*Latino Cultural Center*



*Westdale 2800 DE*

# Current Development Status in the District
# Deep Ellum TIF District Projects

| Deep Ellum TIF District Projects[1] | | | | | | |
|---|---|---|---|---|---|---|
| **Projects and Potential Projects Within TIF District Utilizing TIF Funding[2]** | | | | | | |
| **Project** | **Location** | **Calendar Year Complete** | **Status** | **Units/ SF** | **Approx. Value[3]** | **TIF Investment** |
| Olympia Arts | 4000 East Side Ave / 3995 Benson St | 2010 | Completed | 25,116 SF office, 4,040 SF commercial | $1,123,870 | $595,000 |
| Reel FX[4] | 301 N Crowdus | 2014 | Completed | 67,166 SF Office, Streetscape Improvements | $7,000,000 | $652,000 |
| Deep Ellum Crossroads | Main and Commerce Streets | 2017 | Under Construction | 59,058 SF Retail, 4,800 SF Open Space | $14,000,000 | $3,500,000 |
| Westdale 2800 DE | Main and Elm Streets | 2016 | Under Construction | 30,595 SF Retail, 13,740 SF Open Space | $7,000,000 | $1,600,000 |
| Old Dallas High School | Live Oak and Pacific | 2017 | Under Construction | 26,000 SF Retail Space, 13,000 SF Open Space, and 66,000 SF Office Space | $50,409,542 | $6,240,934 |
| | | | Total | 0 res. units; 0 SF retail, 25,116 SF office, 4,040 SF Commercial | $79,533,412 | $12,587,934 |
| **Projects Within TIF District Not Utilizing TIF Funding[1]** | | | | | | |
| City Lights Phase I | 2627 Live Oak St | 2015 | Completed | 424 res. units | $46,642,630 | $0 |
| The Ambrose | 2901 Indiana St. | 2008 | Completed | 325 res. units; 15,000 SF Retail | $49,989,970 | $0 |
| Commerce Street Lofts | 3701, 3703, 3705,3507, 3509, 3711, 3713, & 3715 Commerce St. | 2007 | Completed | 8 live/ work units (approx. 18,000 SF) | $2,135,000 | $0 |
| Eastside Lofts | 500, 502, 504, 506 1st St. | 2006 | Completed | 4 residential units (approx. 9,300 SF) | $1,452,560 | $0 |
| Reel FX/Crowdus & Indiana Streetscape Improvements[4] | 301 N Crowdus | 2014 | Completed | Streetscape and infrastructure improvements | $7,362,368 ($1,750,000 ED Grant 2006 Prop 8 Bond Funds $428,980 Water Utilities $22,820) | $0 |

| | | | | | | |
|---|---|---|---|---|---|---|
| The CASE | Main and Hall Streets | 2018 | Under Construction | 337 res. Units, 10,738 Retail | $77,000,000 | $0 |
| City Lights Phase II | Live Oak and Cantegral Streets | 2018 | Planned | 368 res. Units/56,625 SF Grocery | $100,000,000 | $0 |
| | | | Total | 761 res. units; 15,000 SF retail, 67,166 SF Office | $284,582,528 | $0 |
| **Total Projects Within TIF District Utilizing and Not Utilizing TIF Funding** | | | | | | |
| Total (TIF and Non-TIF) | | | | | **$364,115,940** | **$12,587,934** |
| 761 res. Units, 15,000 SF Retail Space, and 67,166 SF Office Space Completed | | | | | **$108,344,030** | **$3,448,800** |
| 368 res. Units and 86,625 SF Retail Space Planned | | | | | **$100,000,000** | **$0** |
| 18,540 SF Open Space, 4,040 SF Commerical, 101,854 SF Office Space, 115,854 SF Retail Space, and 337 resid. Units Under Construction | | | | | **$148,409,542** | **$11,340,934** |
| Streetscape and infrastructure improvements | | | | | **$7,362,368** | **$0** |

*[1] All information updated as of September 30, 2016*

*[2] All TIF funded projects.*

*[3] Based upon estimated market value at completion or of comparable projects for anticipated projects, or DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF district for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.*

*[4]Reel FX was funded as part of a Streetscape project on Elm Street from Crowdus Street to Indiana Street. Deep Ellum TIF Funds assisted with the costs, along with a Chapter 380 Economic Development Grant, Water Utilities Captial Improvement Funds, and 2006 Prop 8 Bonds.*

The City and community partners have initiatives in and adjacent to the district that began in FY 2014 or have been ongoing. Together, over $13,041,609 in bond funding, grant funding, federal funds, and private funds will be spent for these projects. They will help to support transit oriented development, implement appropriate urban design standards, improve pedestrian connections between downtown, Fair Park, the Farmers Market, and the Baylor University Medical Center, and improve the quality of development east of downtown.

The Reel FX infrastructure project includes as part of the incentive package for Reel FX, streetscape improvements including the reconstruction of street paving, landscaping, drainage and wastewater main improvements on Indiana Street, west from Malcolm X Boulevard, and on Crowdus Street north of Elm Street. On June 25, 2012, the Deep Ellum TIF board approved the use of TIF funds as part of an incentive package for Reel FX, to be used for streetscape improvements on Indiana and Crowdus Streets adjacent to the Reel FX building. The incentive package for Reel FX, including streetscape improvements, was previously authorized by City Council on June 27, 2012. Dallas Water Utilities (DWU) has agreed to pay for the water/wastewater improvements that are located under the streets while TIF funds will be utilized for its design and construction. Since approval of the overall project, the costs of the streetscape and infrastructure improvements along Indiana and Crowdus Streets have increased and an additional $100,000 of funding was allocated from the Deep Ellum TIF District Funds to finance the completion of the project with the remainder funded by 2006 Prop 8 Bond funds. Total financial incentives for the Reel FX project are $1,180,980: $552,000 Deep Ellum TIF District Funds; $451,800 other sources.

On August 27, 2008, City Council authorized a professional services contract with TranSystems Corporation for the engineering design of streetscape improvements on Commerce Street, Main Street and Elm Street from Good Latimer Expressway to Hall Street and on Good Latimer Expressway from Canton Street to Elm Street. This action will authorize a construction contract for the reconstruction of street paving, storm drainage, water and wastewater mains and streetscape improvements for Elm Street from Good Latimer Expressway to Exposition Avenue. During the early design phase and after a series of meetings with project stakeholders and City staff, the decision was made to expand the scope of design on Commerce Street and Elm Street. The limits of the project on Commerce Street and Elm Street were proposed to be expanded from Hall Street to Exposition Avenue in order to obtain a continuous look and feel through all of Deep Ellum and to design the optimal connection of both Elm Street and Commerce Street to the future Fair Park Link Extension. The scope of the design project was also proposed to be broadened to include “complete street concepts” to accommodate the needs of pedestrians, cyclists, vehicles and businesses. The redesign included wider sidewalks, new roadway, recessed parallel parking spaces and streetscape improvements. The redesign allowed continued one-way traffic flow or conversion to two-way traffic flow on both Elm Street and Commerce Street. Prior actions authorized the reprogramming of the available bond funds from the Commerce Street, Main Street and Good Latimer projects to fund the full design of the expanded scope for Elm Street and Commerce Street and construction of the proposed improvements for Elm Street only. The proposed improvements for the expanded limits of Commerce Street will be proposed for inclusion in a future bond program.

The CBD Fair Park Link project is a principle arterial thoroughfare project to connect Downtown (CBD) to Fair Park by extending the Fair Park Link from Hall Street to IH-30. It is a 4-lane undivided roadway from Hall Street to Race Street and divided roadway from Race St to Main Street with an additional conceptual thoroughfare from Main St. to IH-30. The design from Hall Street to the intersection with Elm Street/Exposition Avenue will include a 14-foot-wide bike trail on the DART side of the alignment. This is new roadway construction with no existing right-of-way that will require necessary property acquisition to complete. Funds from the 2006 Bond Program will finance the project’s design and right-of-way acquisition. The Thoroughfare when completed will be a 5-lane undivided Roadway transitioning from Hall St. to Elm into a 4-lane divided roadway with sidewalks. The project also includes Bike lanes from Hall Street connecting to the East Dallas Veloway Bike Trail near Elm Street. The 2006 Bond Program funded along with the conceptual design and right-of-way acquisition from Hall Street to IH-30 also funded the full design and construction funding for the segment from Hall Street to Main Street. This new roadway which will serve as an arterial connector from the Central Business District area to Fair Park as well as a connector from IH-30 to Baylor Medical Campus, Deep Ellum and the Central Business District. The alignment for this thoroughfare was approved by City Council on December 9, 2009. Additional design includes a bike trail and landscape improvements that aren’t included in the scope. The proposed alignment of CBD-Fair Park link from Hall Street to Hickory Street in conjunction with TXDOT’s improvements to IH-30 will provide a direct arterial link connecting IH-30

to the Baylor University Medical Campus, Deep Ellum, and Wilson Historic District. Currently the project is supported by 2006 Bond funds ($4,125,929).

On May 28, 2014, City Council approved a zoning amendment that impacted to district (Planned Development District-269), amending certain use regulations and development standards. These amendments would amend certain use regulations and development standards. The amendment were brought forward by the Deep Ellum Association Foundation and other stakeholders and resulted from numerous meetings between 2011 to present. The recommended amendments incorporate new uses, modify parking reductions for uses in original buildings, simplify the ability to enter into shared parking agreements, and encourage the development of outside seating and provision of amenities in and adjacent to street right-of-way. The reduced parking requirements for multifamily, office, retail and restaurant uses in original buildings and additions to original buildings, is intended to encourage the preservation of original buildings and encourage an appropriate mix of uses. The proposed parking reductions are possible because of the location of the two DART stations in the district and a substantial number of parking lots and metered spaces in the area. In addition, the Santa Fe Trail ends just to the east of the district boundaries. The proposed amendments are focused on the type of development envisioned for this area as it provides for additional housing and recreational activities in the urban core of downtown area and is in compliance with the vision of the Downtown 360 Plan.

| District Initiatives | | | | |
|---|---|---|---|---|
| **Activity** | **Scope** | **Status** | **Investment/source** | **Comment** |
| Reel FX Infrastructure | Streetscape and infrastructure improvements along Indiana and Crowdus | Complete | $7,362,368.09 | Construction was substantially completed in July 2015, with the Elm St. construction project. 2-year landscape maintenance is currently on-going. |
| Main Street | Complete Street (Main from Good Latimer to Exposition) | In Design | $734,700 2012 - Bond Funds | The project is currently on hold. The limit extension and scope change is a candidate project for funding consideration in the 2017 Bond Program. |
| CBD/Fair Park Link - Hall St. to I-30 | Construct a new five undivided roadway on new right-of-way from Hall St. to Main St. Secure right of way only to accommodate a six lane divided roadway from Main St. to Canton. | In Design | $4,125,929 2003 - Bond Funds | Phase 1A (from Hall St. to Main St.) is in the final design phase, and estimated to advertise for construction in Spring of 2017. Phase 1B (from Main St. to Canton St.) currently is not funded and is a candidate project for funding consideration in the 2017 Bond Program. |
| Elm Streetscape | Streetscape – Elm from Good Latimer to Hall | Complete | $7,000,000 2006 - Bond Program<br>$1,300,000 DWU | Construction was substantially completed in July 2015. 2-year landscape maintenance is currently on-going. |

| | | | | |
|---|---|---|---|---|
| Commerce Streetscape | Streetscape - Commerce from Good-Latimer to Hall | In Design | $1,743,681 2006 - Bond Funds | The Commerce Street project's scope/cross sections are being studied and is up for funding consideration in the 2017 Bond Program. A design partnering meeting is tentatively planned for December 2016. |
| East Dallas Veloway Ph II - Trail from Elm St to Parry Avenue | Construct 12' hike and bike trail | Under Award for construction | NA 2006-Park & Rec Dept. Bond Funds | Project was completed in September 2016 |

# Value and Increment Revenue Summary

The Deep Ellum TIF District's assessed 2016 taxable value was $372,843,197. Compared to previous years, the value increased as a result of the addition of the Elan City Lights apartment development and improved existing developments on Main Street owned by 42 Deep Ellum, LP and Westdale Associates. This represents an increase of $58,003,710 (18.4%) from the 2015 value and an increase of $183,680,584 (97.1%) from the base year value. This resulted in total increment revenue collected in 2016 of approximately $1,468,625.

# Objectives, Programs, and Success Indicators

The final Deep Ellum Project Plan and Reinvestment Zone Financing Plan as amended was adopted on April 12, 2006 and amended in September 2014. Among the goals of the Plan are:

- To create additional taxable value attributed to new private investment in projects in the Deep Ellum TIF District totaling approximately $795 million.

  *Completed projects within the district contributed approximately $106.3 million in additional taxable value (13.4% of goal).*

- To attract new private development in the Deep Ellum TIF District totaling approximately 650,000 square feet of retail space, 850,000 square feet of office space, 500 hotel rooms, and at least 3,500 new residential units including lofts, town homes and apartments.

  *Completed projects and projects underway within the district contributed approximately 130,854 square feet of retail (20.1% of goal), 173,060 square feet of office/commercial (20.4% of goal), no hotel rooms, and 1,098 additional residential units (31.4% of goal), and planned projects will contribute approximately 86,625 square feet of retail (13.3% of goal) and 368 additional residential units (10.5% of goal), totaling 217,479 square feet of retail (33.5% of goal), 173,060 square feet of office/commercial (20.4% of goal), no hotel rooms, and 1,466 residential units (41.9% of goal).*

  *In 2011 City Council authorized the sale approximately 83,478 square feet of unneeded and unwanted City-owned land located near the intersection of Live Oak and Cantegral Streets to the developer of the proposed City Lights project. City Lights Phase I, Elan City Lights was completed in 2015. Phase II, featuring a Tom Thumb grocery store and additional 368 residential units, was proposed for construction in 2017 and completion in 2018.*

  *In 2012 City Council authorized $1,180,980 public-private partnership investment in Reel FX to retain 250 employees and add 125 employees*

*over two years to the Reel FX headquarters at 301 North Crowdus Street. A portion of the funds are for remodeling and construction on the property and for the 67,166 square foot building. The TIF Board moved to partially reimburse the costs of streetscape improvements to enhance the pedestrian environment and visual connectivity of that area of the TIF District ($552,000 in TIF Funds including 2014 adjustments). The project was completed in 2015.*

- To reach ridership at future DART light rail stations in the district averaging over 3,000 riders per weekday by 2025.

  *The SE Corridor (Green Line) DART light rail line opened in December 2010 complementing the Deep Ellum, Baylor, and Fair Park light rail stations which opened in 2009. In 2016, average ridership per weekday is 348 at the Deep Ellum Station, 918 at the Baylor Station, and 989 at the Fair Park Station for a total average weekday ridership of 2,256. This is an increase over 2015 totals by 134 (6.3% increase). Ridership has increased from the base year by 63 (2.9% increase).*

- To improve access and connections to the DART light rail system within the district.

  *Staff and the Board will continue to foster working relationships with DART and potential developers to encourage access and connections to these stations.*

  *In 2012 design work began for streetscape improvements on Indiana Street east of Malcolm X Boulevard (near the Deep Ellum DART Station) and on Crowdus Street between Indiana Street and Elm Street. Improvements include enhanced pedestrian crosswalks and a plaza at the Reel FX headquarters serving as a terminating vista on Crowdus Street through Deep Ellum. Construction was completed in Spring 2015.*

- To support the conversion of the Deep Ellum area to a mixed-use, transit-oriented neighborhood that complements Baylor Medical Center, Downtown Dallas, Latino Cultural Center and Fair Park.

  *Streetscape improvements and the changing from a one-way to a two-way street were included in the 2006 Bond program for Elm Street between Exposition Avenue and Good-Latimer Expressway. Planned improvements include wide sidewalks street trees, benches and bike racks; parallel parking; marked pedestrian crossings; and bikes sharing the two lanes of traffic. Work was completed in spring of 2015. Additional funds will be needed to complete Commerce Street. Main Street from Good Latimer to Exposition under the Complete Street program is currently under design with construction expected to be completed by Fall 2017. Improvements include sidewalk repair, utility improvements and upgrades existing lighting*

*fixtures. Final scope of work is still being developed with the Deep Ellum Foundation, who are looking to contribute funds for furtherer improvements. At such time Elm and Commerce Streets will be converted to two-way operations.*

*Staff and the Board will continue to foster a working relationship with Baylor University Medical Center, DART, and potential developers to encourage transit oriented development that complements the district. When possible, staff and the Board will also take special studies into account. Though not physically in the TIF District, Baylor continues to be a powerful demand generator for Deep Ellum. Baylor University Medical Center at Dallas is a 1025-bed not-for-profit teaching hospital, providing patient care and research to residents of Dallas and the southwest United States. This nationally acclaimed medical center serves as flagship hospital for Baylor Health Care System and in 2009 was recertified as a Magnet Hospital for "Excellence in Nursing Services" from the American Nurses Credentialing Center -- the organization's highest level of recognition which merely two percent of hospitals nationwide have received. Also, Baylor University Medical was recognized in U.S. News & World Report's 2012 "America's Best Hospitals," a recognition that it has received for the past twenty consecutive years.*

*To address the immediate health needs of the community, in 2009 Baylor Dallas announced the creation of it Diabetes Health and Fitness Center. The program opened June 2010 at the Juanita J. Craft Recreation Center, providing treatment and prevention services to the area's medically underserved population. The Institute has a health clinic staffed by doctors and other medical specialists, affordable medications, plus diabetes education ranging from nutrition and cooking classes to exercise programs. The Craft Recreation Center continues to offer its regular services in addition to the institute's expansion. Baylor has invested $15 million into the center which is open to all regardless of residency, insurance or income.*

*Growth and development on the hospital's campus was celebrated in several ways during 2009. In April, Baylor University Medical Center announced that it was the first hospital in the country to collaborate with GE Healthcare and BrainLAB to open technically advanced neurosurgery operating suites. The technology allows neurosurgeons on the medical staff to use real-time, intra-operative images of the brain during surgery. The $16.5 million operating suites and four operating rooms opened along with implementation of a high-definition magnetic resonance scanner and BrainSUITE iMRI navigation system. The technology was implemented to help physicians more accurately view a tumor's location and remove diseased tissue with minimal impact. The $350 million expansion of the Baylor Charles A. Sammons Cancer Center at Dallas opened in 2011.*

- To increase recreational opportunities, public open space and improve connections to the City of Dallas trails and open space system in the District.

  *Extension of the Santa Fe Trail (East Dallas Veloway II Project) into Deep Ellum was completed from Woodrow Wilson High School to Hill Avenue in 2010. The Trail was extended from Deep Ellum to White Rock Lake with the completion of the bridge over Winstead Drive in December, 2010.*

  *Funding was approved in 2013 to construct the hike and bike trail and associated storm drainage, water and wastewater appurtenance adjustments for the East Dallas Veloway, Phase II Extension from Elm Street to Parry Avenue. Construction has begun with completion expected by spring 2016.*

  *Installation of the Core Connector Bicycle lanes and shared lane markings in 2012 now connect the Santa Fe Trail to the Katy Trail through Deep Ellum and downtown. Funding was granted to the Deep Ellum Foundation which installed Bicycle Fix-It Stations in Deep Ellum.*

  *As part of the currently under construction Deep Ellum Crossroads and Westdale 2800 DE projects, 18,540 square feet of open space is being created with uses include plazas, public seating, and pedestrian walking areas to enhance walkability in the district. Westdale 2800 DE will be completed winter 2017.*

  *The Staff and the Board will continue to encourage developers to create linkages to the trail system as well as additional bicycle facilities.*

- To generate approximately $30.0 million (net present value) in increment over 20 years of collections.

  *The assessed property value from the base year to 2016 increased by approximately 97.1% including an increase of 25.4% since 2015. This is an increase of approximately $183.7 million. Based upon current estimates and established 2015 values, the district will generate $30,691,427 (in 2006 dollars) by FY 2027 before the TIF expires in 2028.*

- To diversify retail and commercial uses in the district.

  *In 2011 the staff and the Board saw the Phases I, II, & III of the Olympia Arts completed, which along with the Ambrose development, added over 44,000 square feet of retail, service, and commercial space. The staff and the Board will continue to work to expand retail and commercial uses to meet the existing and growing needs of the residential population and the*

*increased traffic as a result of the expansion of the DART Light Rail system into the area.*

*In 2014, City Council approved the redevelopment of multiple buildings and parking lots along Main and Commerce Streets for the Deep Ellum Crossroads project which will add 50,058 square feet of retail and restaurant space along with the creation of 4,800 square feet of open space.*

*In 2015, City Council approved the redevelopment of multiple buildings and parking lots along Main and Elm for the Westdale 2800 DE project which will add 30,595 square feet of retail and restaurant space along with the creation of 13,740 square feet of open space.*

*In 2016, City Council approved the redevelopment of the Old Dallas High School site, which was added to the Deep Ellum TIF Boundaries in 2014. The project will add 26,000 square feet in Retail Space, 13,000 square feet in Open Space, and 66,000 square feet of Office Space.*

- Encourage the redevelopment of the property located on Live Oak Street north of the Latino Cultural Center including the sale of some City-owned property in the area and some street abandonment to create a more usable site.

*In 2008, the boundaries of the Deep Ellum TIF District were amended to include the City of Dallas Latino Cultural Center and the site of the City Lights Project. These two sites comprise 10.2 acres. This boundary amendment was initiated to promote new development and increased urban density near the Latino Cultural Center and nearby the Deep Ellum DART Light Rail station.*

## Year-End Summary of Meetings

The Deep Ellum TIF District Board met three times during the fiscal year from October 1, 2015 to September 30, 2016. For the Annual Report, the Board was unable to approve due to lack of quorum.

The Board approved and forwarded two (2) items to City Council for approval. An additional item related to properties in the TIF District was also considered by Council during the year. The most significant of these actions related to approval of the Old Dallas High School redevelopment project.

The Board can consist of up to ten members, including five City of Dallas appointees, one Dallas County appointee. Board members are (FY 2016 Board meetings attended): Chuck Hixson – City Representative (0 of 3 meetings; Resigned prior to first meeting), Charles Shelburne – City Representative (3 of 3 meetings), Joseph O'Brien (City Representative (1 of 2 meetings – Resigned prior to third meeting), Chase Evans, Chair – City Representative (3 of 3 meetings), Gene Dennis – City Representative (3 of 3

meetings), Cash Harbaugh (1 of 1 meetings – Appointed prior to third meeting), and Rick Loessberg – Dallas County Representative (1 of 3 meetings). There are two (2) vacant positions on the Board as of September 30, 2016.

During the fiscal year the City Council approved seven (7) items associated with the Deep Ellum TIF District. In an ongoing effort for Deep Ellum to improve the area for more suitable and compatible commercial uses, bars, lounges, taverns and similar establishments are required to obtain a Specific Use Permit (SUP) from the City of Dallas to comply with new zoning regulations.

- On October 14, 2015, City Council by Resolution No. 15-1883, authorized (1) a Local Project Advance Funding Agreement with the Texas Department of Transportation for a U.S. Department of Transportation - Federal Highway Administration 2013 Highway Safety Improvement Program grant to design, upgrade and construct seven traffic signals and associated on and off system intersection improvements at Loop 12 (Buckner Boulevard) and John West Road, Abrams Road and Forest Lane, Bruton Road and St. Augustine Drive, Dilido Road and John West Road, Bruton Road and Prairie Creek Road, Bruton Road and Masters Drive, and Commerce Street and Good Latimer Expressway; (2) a required local match in the amount of $184,842; and (3) an amendment to Resolution No. 15-1172, previously approved on June 17, 2015, to identify a required local match for design of the signals in the amount – Financing: of $97,886 - Total not to exceed $2,171,698 - Financing: Texas Department of Transportation Grant Funds ($1,888,970) and Street Assessment Funds ($184,842)

- On October 28, 2015, City Council by Resolution No. 15-2003, authorized a public hearing to receive comments to amend the City of Dallas Central Business District Streets and Vehicular Circulation Plan to delete Hawkins Street from Canton Street to Commerce Street; and at the close of the hearing, authorize an ordinance implementing the change - Financing: No cost consideration to the City

- On February 10, 2016, City Council authorized Addendum #5 to Resolution No. 16-0306, an ordinance abandoning a portion of an alley to Deep Ellum Brewing Company, LLC, the abutting owner, containing approximately 3,450 square feet of land, located near the intersection of St. Louis Street and Malcolm X Boulevard, and authorizing the quitclaim - Revenue: $83,000, plus the $20 ordinance publication fee

- On February 24, 2016, City Council by Resolution 16-0340, accepted the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Twelve, (Deep Ellum TIF District), and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

- On April 13, 2016 City Council by Resolution 16-0574, authorized (1) an amendment to the development agreement with 42 Deep Ellum, LP, for the Deep Ellum Crossroads redevelopment project previously approved on September 10, 2014 by Resolution No. 14-1631 in Tax Increment Financing District Reinvestment Zone Number Twelve (Deep Ellum TIF District) to (a) split project into phases and allow TIF reimbursement for each phase upon completion and satisfaction of TIF contingencies for that phase; (b) define Project phases as follows: Phase A $1,379,700 in private investment and $500,000 in TIF reimbursement to renovate and lease 2702 Main; Phase B at $5,500,000 in private investment and $1,125,000 in TIF reimbursement to renovate and lease 2625, 2626, 2646, 2650, and 2701 Main; Phase C $12,047,680 in private investment and $1,875,000 in TIF reimbursement to renovate and lease at 2635, 2642, 2639, 2647, 2649, 2653, 2656, 2708 Main, 2646 Elm, and 2653 Commerce, and Parking lots at 2607, 2619, 2621, 2623, 2626, and 2642 Main, 2703, 2705, and 2711 Commerce; (c) increase maximum Economic Development TIF grant funding by $25,000 from $775,000 to $800,000 and decrease public improvements TIF funding by $25,000 from $2,725,000 to $2,700,000; (d) clarify that project is only eligible for 10% allocation from general increment upon completion of all phases and satisfaction of all TIF contingencies; (e) assign ownership from 42 Deep Ellum, LP (“Assignor”), a limited partnership which intends to assign all right, title, and interest in and to the property owner to 42 GP Deep Ellum, LLC, a limited liability company and general partner of 42 Deep Ellum, LP, a limited partnership (“Assignee”), through Assignment and Assumption of TIF Agreements, executed by the final executed Development Agreement for Deep Ellum Crossroads; and (2) a resolution declaring the intent of Tax Increment Financing District Reinvestment Zone Number Twelve (Deep Ellum TIF District) to reimburse 42 GP Deep Ellum, LLC, up to $3,500,000, for TIF eligible project costs pursuant to the development agreement with 42 GP Deep Ellum, LLC - Financing: No cost consideration to the City

- On April 27, 2016 City Council by Resolution 16-0668, authorized (1) a Development Agreement with MSW Crozier Tech, LP and Matthews Holdings Southwest, Inc., to dedicate future TIF revenues for reimbursement of eligible project costs related to paving, streetscape and lighting, façade restoration, environmental remediation, and interior/exterior demolition for redevelopment of 2218 Bryan Street, for the Old Dallas High School redevelopment project, located in Tax Increment Financing Reinvestment Zone Twelve (Deep Ellum TIF District); and (2) the Deep Ellum TIF District Board of Directors to dedicate an amount not to exceed $6,040,036 plus an Economic Development TIF Grant in an amount not to exceed $200,898 for a total amount not to exceed $6,240,934 from future Deep Ellum TIF District revenues, in accordance with the development agreement - Not to exceed $6,240,934 - Financing: Deep Ellum TIF District Funds (subject to appropriations)

- On September 14, 2016 City Council by Resolution 16-1464, authorized an ordinance abandoning portions of Elm and Main Streets to Westdale Properties America I, LTD, the abutting owner, containing a total of approximately 480 square

feet of land, located near the intersection of Elm Street and Malcolm X Boulevard, and authorizing the quitclaim - Revenue: $8,950, plus the $20 ordinance publication fee

# Pending TIF Items

The pending items for the Deep Ellum TIF District include:

- City Council consideration of the FY 2016 Annual Report regarding the development and financial status of the District.

# Budget and Spending Status

Each TIF district establishes a budget for the public improvement expenditures necessary to support private investment in the district in the Project Plan and Reinvestment Zone Financing Plan. The Deep Ellum TIF District was established in June 2005 and did not collect or allocate any revenue in FYs 2006, 2007 & 2008; however, the Project Plan and Budget were amended in FY 2008 and 2014 and project allocations were made for the Olympia Arts project and streetscape improvements to Crowdus/Indiana (part of Reel FX development project). Preliminary estimates for TIF public improvements total $71,673,978 million, $36,669,042 in 2006 dollars). The amended budget for the TIF district is below.

**Deep Ellum TIF District Project Plan Budget**
**Projected Increment Revenues to Retire TIF Fund Obligations**

| Category | TIF Budget[1] | Allocated** | Balance |
|---|---|---|---|
| Water, Wastewater, Storm & Off-site Utility Replacement | $2,981,738 | $138,183 | **$2,843,555** |
| Paving Streetscape & Lighting | $34,669,646 | $2,554,134 | **$32,115,512** |
| Open Space & Trails | $3,370,660 | $1,197,998 | **$2,172,662** |
| Façade Restoration /Environmental/Remediation/Demolition*** | $13,207,158 | $8,447,324 | **$4,759,834** |
| Latino Cultural Center Area Improvements | $11,948,477 | $0 | **$11,948,477** |
| Administration & implementation[2] | $5,496,299 | $300,058 | **$5,196,241** |
| **Total Project Costs (excluding interest)** | **$71,673,978** | **$12,637,697** | **$59,036,281** |

*[1]Budget shown above in current dollar; TIF Project Plan shows the budget in net present value.*

***Project and Administrative costs are allocated as increment collection began in FY 2008*
****Includes $775,000 Grant under Façade Restoration/Environmental/Remediation/Demolition*

*[2] TIF administration fee include funds expended of committed through FY 2016. FY 2016 Costs have not been included.*

| Deep Ellum TIF District<br>Project Plan Budget | |
|---|---|
| **Category** | **TIF Budget*** |
| Water, Wastewater, Storm & Off-site Utility Replacement | $1,525,483 |
| Paving Streetscape & Lighting | $17,737,298 |
| Open Space & Trails | $1,724,460 |
| Façade Restoration/Environmental Remediation & Demolition | $6,756,899 |
| Latino Cultural Center Area Improvements | $6,112,947 |
| Administration and Implementation** | $2,811,955 |
| **Total Project Costs (excluding interest)** | **$36,669,042** |
| ** As approved in the Project Plan and Reinvestment Zone Financing Plan as amended September 10, 2014.*<br>*Note: TIF Board may amend Project Plan budget with City Council approval.* | |

# FY 2017 Work Program

The FY 2017 work program for the Deep Ellum TIF District includes:

- Improve the pedestrian environment through sidewalk improvements, landscaping, lighting and design standards.
- Provide funding for environmental remediation and interior/exterior demolition assistance to encourage redevelopment of land within the Deep Ellum TIF District.
- Upgrade basic infrastructure including storm drainage, water/wastewater lines, and burial of overhead utilities to support redevelopment in the District.
- Coordinate linkages with the three DART light rail stations located in the District by extending streetscape improvements between stations to create an extended pedestrian area to destinations such as the Latino Cultural Center, the Baylor Hospital Campus, the Old Dallas High School site, and Fair Park.
- Direct overall development of the Deep Ellum TIF District through the application of design guidelines for public improvements and private development.
- Encourage development of new residential and retail uses to complement the District.
- Encourage redevelopment of the commercial core area of Deep Ellum to complement the existing building stock, diversify the retail mix and encourage infill development and structured parking.

# Appendix: Financials

City of Dallas, Texas
Deep Ellum Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2016

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.

2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).

3. The Zone's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.

4. The Zone's Financial Plan permits expenditures not to exceed $2,300,000 over the life of the TIF to reimburse the City for administrative costs. The Zone began reimbursing the General Fund in fiscal year 2009-10. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.

5. All project costs resulting in capital improvements that are owned by the City are capitalized by the City.

6. "Due to general fund" amount of $6,963 at September 30, 2016 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

**City of Dallas, Texas**
**Deep Ellum Tax Increment Financing District Fund**
**Balance Sheet as of September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|
| Assets: | | | | | |
| Pooled cash and cash equivalents | $2,296,670 | $1,267,424 | $1,226,235 | $785,790 | $508,807 |
| Interest receivable | $3,088 | $1,971 | $1,303 | $862 | $380 |
| Total assets | $2,299,758 | $1,269,395 | $1,227,538 | $786,653 | $509,187 |
| Liabilities and Fund Balance (Deficit): | | | | | |
| Liabilities: | | | | | |
| Accounts and contracts payable | $0 | $159 | $203,343 | $28,465 | $0 |
| Advances from developers | $0 | $0 | $0 | $0 | $0 |
| Accrued interest | $0 | $0 | $0 | $0 | $0 |
| Accrued liability | $4,448 | $8,897 | $0 | $0 | $0 |
| Due to general fund | $6,963 | $6,963 | $6,963 | $6,963 | $0 |
| Total liabilities | $11,412 | $16,019 | $210,306 | $35,428 | $0 |
| Fund Balance (Deficit): | | | | | |
| Fund Balance (Deficit) | $2,288,346 | $1,253,376 | $1,017,232 | $751,224 | $509,187 |
| Total Liabilities and Fund Equity | $2,299,758 | $1,269,395 | $1,227,538 | $786,653 | $509,187 |
| | $0 | $0 | $0 | $0 | ($0) |

**Deep Ellum Tax Increment Financing District Fund**
**Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)**
**For the Period September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | ITD | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|---|
| Revenues: | | | | | | |
| Tax increment-Governmental | $3,011,608 | $847,394 | $421,447 | $377,203 | $275,743 | $239,543 |
| Tax increment-Intergovernmental | $672,818 | $173,843 | $95,143 | $84,572 | $64,841 | $62,217 |
| Interest income | $39,025 | $14,460 | $6,616 | $4,678 | $3,481 | $1,942 |
| Developer contribution | $53,491 | $0 | $0 | $53,491 | | |
| Net increase (decrease) in fair value of inves | $3,262 | ($148) | $3,525 | ($754) | ($87) | ($47) |
| Total revenues | $3,780,204 | $1,035,548 | $526,731 | $519,189 | $343,978 | $303,655 |
| Expenditures: | | | | | | |
| Administrative expenses | $300,499 | $0 | $48,941 | $29,813 | $13,030 | $29,413 |
| Non-Capital Outlay | $43,424 | $0 | $0 | $0 | $7,386 | $16,000 |
| Capital outlay | $1,147,935 | $578 | $241,647 | $223,368 | $81,525 | $0 |
| Interest and fiscal charges | $0 | $0 | $0 | $0 | $0 | $0 |
| Total expenditures | $1,491,858 | $578 | $290,588 | $253,181 | $101,941 | $45,413 |
| Excess (Deficiency) of Revenues over Exper | $2,288,346 | $1,034,970 | $236,143 | $266,008 | $242,037 | $258,242 |
| Fund balance (Deficit) at beginning of year as previously reported | $0 | $1,253,376 | $1,017,232 | $751,224 | $509,187 | $250,945 |
| Fund balance (Deficit) at beginning of year, as restated | $0 | $1,253,376 | $1,017,232 | $751,224 | $509,187 | $250,945 |
| Fund balance (deficit) at end of year | $2,288,346 | $2,288,346 | $1,253,376 | $1,017,232 | $751,224 | $509,187 |

**Note: Fiscal year 2015-16 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.**

**City of Dallas, Texas**
**Deep Ellum Tax Increment Financing District Fund**
**Reinvestment Zone Number Twelve**
**As of September 30, 2016**

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

**1. Amount and source of revenue in the tax increment fund established for the zone:**

| | |
|---|---|
| $14,311 | Interest Income |
| $1,021,237 | Ad Valorem Taxes (Collected in FY'2015-16 based on 2015 Final Tax Roll) |
| $0 | Developer contribution |
| $1,035,548 | Total Revenue |

**2. Amount and purpose of expenditures from the fund:**

| | |
|---|---|
| $0 | Administrative Expense (FY 2016 Costs to be updated) |
| $0 | Non-Capital Outlay * |
| $578 | Capital outlay * |
| $0 | Additional Subsidy in Form of Grant (in lieu of interest expense) |
| $578 | Total Expenditures |

(1) These expenditures were for the following projects:

| | |
|---|---|
| Crowdus/Indiana Streetscape Design | $578 |
| Oher | $0 |
| Total | $578 |

**3. TIF Administration Costs:**
The Zone continued to reimburse the General Fund for administrative costs incurred during the fiscal year.

**4. a. Amount of Principal and Interest due-on outstanding bonded indebtedness:**
Deep Ellum TIF District has incurred no bonded indebtedness as of September 30, 2016.

**b**. The Zone entered into a development agreement with 42 Deep Ellum, LP for the development of Deep Ellum Crossroads project in an amount not to exceed $3,500,000 with anticipated completion in 2017 and reimbursement to begin thereafter subject to availability of TIF funds.

**5. Tax increment base and current captured appraised value retained by the zone:**

| Taxing Jurisdiction | Taxable Value 2016 * | Base Year 2008 Value | Est. Captured Value 2016** |
|---|---|---|---|
| City of Dallas | $372,843,197 | $189,162,613 | $183,680,584 |
| Dallas County | $374,038,743 | $189,363,589 | $184,675,154 |

* 2016 taxable value shown for participating taxing jurisdictions. County values are approximate and will vary slightly from the City value due to different exemption levels.
****** Based on Certified Taxable Values. Final values will be determined on February 01, 2017.

**6. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:**

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

| Taxing Jurisdiction | Assessment Per $100*** | Amount of Estimated 2016 Increment**** |
|---|---|---|
| City of Dallas | 0.66513 | $1,221,705 |
| Dallas County | 0.13371 | $246,920 |
| Total for all Jurisdictions | $0.79883 | $1,468,625 |

***Participation rates for City of Dallas and Dallas County are 85% and 55% respectively for tax years 2008 - 2021.
****The District began collecting increment in fiscal year 2008-09.

B. The total amount of estimated tax increment to be billed for the 2016 tax year is $1,468,625. For 2015 Tax year, increment in the amount of $1,021,237 was received.

**AGENDA ITEM # 26**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 7

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 46 J K N P S T

## SUBJECT

A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Thirteen, (Grand Park South TIF District), and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

## BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 26147 on October 26, 2005, establishing Tax Increment Financing Reinvestment Zone Number Thirteen, (Grand Park South TIF District). On June 13, 2007, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 26773.

The Grand Park South TIF District's assessed 2016 taxable value was $58,903,097. Compared to previous years, the value increased as a result of the additional new houses in the Fair Park Estates built by the Southfair Community Development Corporation and apartments built by Urban Mixed Use LLC. This represents an increase of $14,053,078 (31.3%) from the 2005 base year value of $44,850,019 and an increase of $3,931,582 (7.2%) from the previous year. The current year's value is higher than the previous year's value, resulting in total increment revenue billing in 2016 of approximately $121,331.

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

On October 26, 2005, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Thirteen, the Grand Park South TIF District by Ordinance No. 26147, as amended.

On June 13, 2007, City Council authorized the Final Project Plan and Reinvestment Zone Financing Plan for the Grand Park South TIF District by Ordinance No. 26773.

The Grand Park South TIF Board was unable to meet prior to the timeframe necessary for Council action and the Act does not require Board approval of the annual report.

Information about this item was provided to the Economic Development Committee on February 6, 2017.

## FISCAL INFORMATION

No cost consideration to the City

February 22, 2017

**WHEREAS,** the City recognizes the importance of its role in local economic development initiatives and programs; and

**WHEREAS,** the City has established Tax Increment Financing Reinvestment Zone Number Thirteen, ("Grand Park South TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment in the Grand Park South area pursuant to Ordinance No. 26147, authorized by the City Council on October 26, 2005, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code; and

**WHEREAS,** on June 13, 2007, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Grand Park South TIF District by Ordinance No. 26773; and

**WHEREAS,** the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

**WHEREAS,** the Grand Park South TIF Board was unable to meet prior to the timeframe necessary for Council action and the Act does not require Board approval of the annual report.

**NOW, THEREFORE,**

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

**Section 1.** That the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Thirteen, (Grand Park South TIF District), City of Dallas, Texas, as of September 30, 2016, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

**Section 2.** That the City Manager is hereby authorized to submit the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Thirteen to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and to the State Comptroller, as required by state law.

**Section 3.** 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.

**Exhibit A**

# Grand Park South TIF District
# FY 2016
# Annual Report

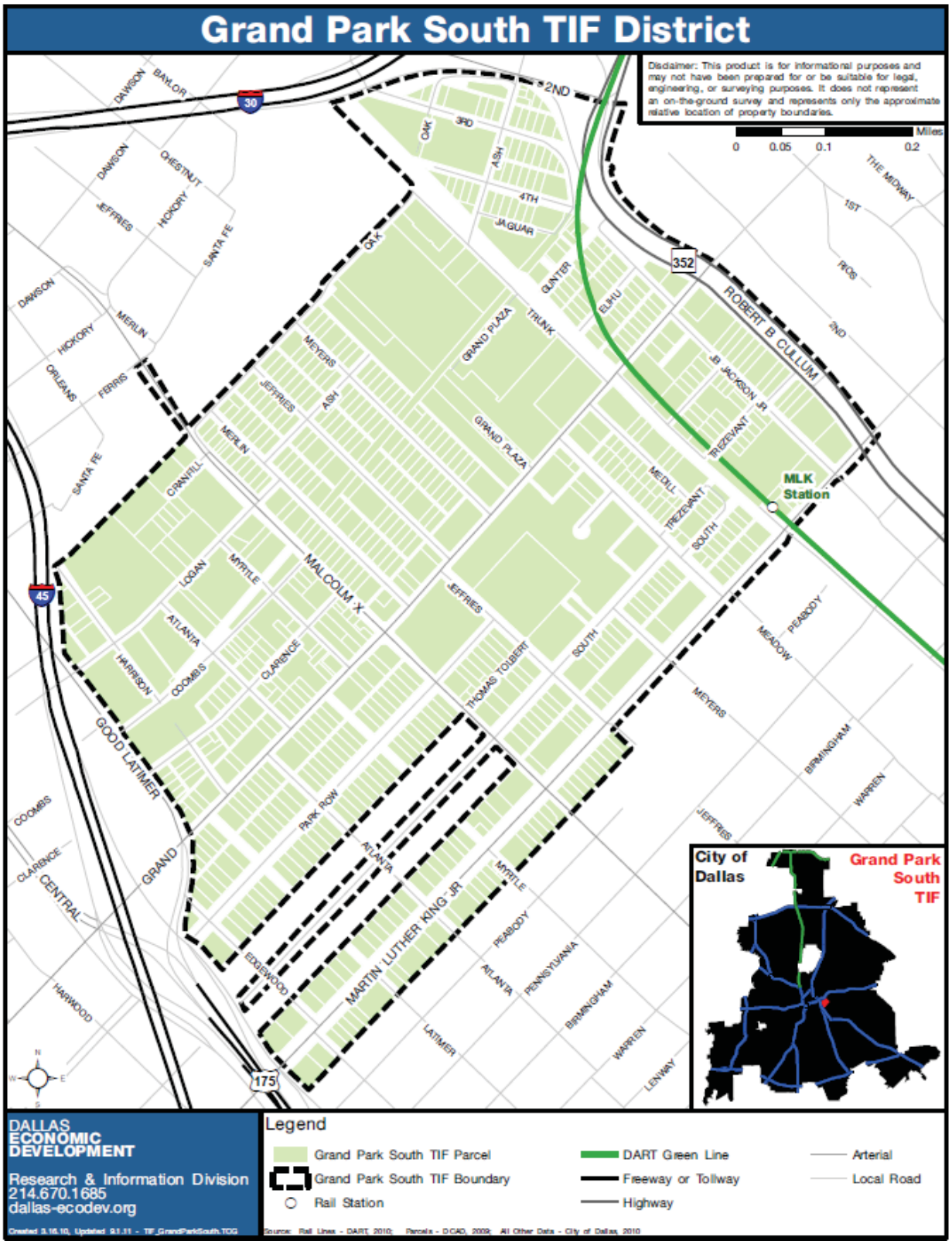



City of Dallas

Office of Economic Development
1500 Marilla Street, 5CS
Dallas, Texas 75201
(214) 670-1685
http://www.dallas-ecodev.org

## October 1, 2015 to September 30, 2016

# Reinvestment Zone Number Thirteen
# Tax Increment Financing District



# Table of Contents

Mission Statement ..... 4
District Accomplishments ..... 4
Value and Increment Revenue Summary ..... 7
Objectives, Programs and Success Indicators ..... 7
Year-End Summary of Meetings ..... 11
Budget and Spending Status ..... 12
FY 2017 Work Program ..... 13
Appendix: Financials ..... 14

# Mission Statement

The mission of the Grand Park South TIF District is to provide a source of funding for public infrastructure improvements necessary to enhance the real estate market for the Grand Park South TIF District area. The Grand Park South TIF District represents the outgrowth of the City of Dallas' effort to provide a model for redeveloping a former residential area in decline to take full advantage of the expanding DART light rail system, to promote transit oriented development in the historical context of the neighborhood, to implement appropriate urban design standards, and to improve the quality of development south of downtown.

The Dallas City Council established the Grand Park South TIF District by Ordinance Number 26147 on October 26, 2005. The Grand Park South District took effect on January 1, 2006 and is scheduled to terminate on December 31, 2035 (including collection of the 2035 increment in calendar year 2036 and any related matters to be concluded in 2036) or when the budget of $29.8 million (2006 dollars) has been collected. The City of Dallas and Dallas County are the two participating jurisdictions. The City's participation is 90%, and the County's participation is 65%.

# District Accomplishments

The Grand Park South TIF District is composed of neighborhoods to the south of Fair Park including the Al Lipscomb Boulevard, Martin Luther King, Jr. Boulevard, and Malcolm X Boulevard corridors. The district exhibits deteriorated structures, inadequate sidewalks and streets, faulty lot layouts, unsanitary or unsafe conditions, and deteriorated site improvements. These conditions substantially arrest or impair the sound growth of the City and property within the area. The district's strengths include the following:

- Proximity to downtown
- Adjacency to Fair Park
- J.B. Jackson Transit Center which includes DART's Green Line MLK Station
- South Boulevard – Park Row Historic District
- Includes the intersection of Malcolm X and Martin Luther King, Jr. Boulevards, one of only a few such intersections in the country.

September 2014 marked the five-year anniversary of the opening of DART's Fair Park and MLK light rail stations. The stations are located along DART's new Green Line. It extends approximately 28 miles and links southeast Dallas to Farmers Branch and Carrollton. Ridership in 2016 increased at the Fair Park station and the MLK station. For 2016, the Fair Park station averaged 989 riders compared to 921 in 2015 while MLK station averaged 1,007 compared to 1,001 in 2015. Fair Park station saw a yearly increase of 7.3% while MLK saw an increase of 0.5% compared to 2015. Since the stations' opening in 2009, MLK Station has seen an increase in ridership of 35.7% (2009 – 742) and Fair Park Station has seen a decrease in ridership of 10.5% (2009 – 1,105).



*Hall Family Apartments - Located at 3221 Elihu Street*




*Billy Earl Dade Middle School - 2727 Al Lipscomb Way*



*Fair Park Estates – Malcolm X and Park Row Avenue*



*DART's Green Line MLK Station*

# Current Development Status in the District
# Grand Park South TIF District Projects

| Grand Park South TIF District – Past, Current and Anticipated Projects[1] | | | | | | |
|---|---|---|---|---|---|---|
| **Projects Within TIF District Utilizing TIF Funding** | | | | | | |
| **Project** | **Location** | **Units[2]** | **Status** | **Year Complete** | **Approx. Investment[3]** | **TIF Investment[4]** |
| n/a | | | | | | |

*[1] All information updated as of September 30, 2016.*

*[2] Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage.*

*[3] Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF district for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.*

*[4] TBD indicates that development agreement has not yet been adopted and TIF investment is yet to be determined.*

| Grand Park South TIF District – Past, Current and Anticipated Projects[1] | | | | | | |
|---|---|---|---|---|---|---|
| **Projects Within TIF District Not Utilizing TIF Funding** | | | | | | |
| **Project** | **Location** | **Units and/or size[2]** | **Status** | **Year Complete** | **Approx. Investment[3]** | **TIF Investment[4]** |
| Fair Park Estates, Phase I | Malcolm X Boulevard and Park Row Avenue | 30 houses | 30 units completed as of 2014 (8 units completed in 2014) | 2014 | $3,505,880 | $0 |
| Fair Park Estates, Phase II | | 2 Houses, 4 Townhomes | 2 Single Family Homes and 4 townhomes planned for completion in 2017 | 2017 | $690,000 | $0 |
| Phase I – Hall Family Mixed-use Project | 3223 Elihu Street | 38 apartments | Under Construction | TBD | $3,075,560 | $0 |
| O'Reilly Auto Parts | 3109 MLK Jr. Boulevard | 6,000 sf | Complete | 2013 | $913,460 | $0 |
| Billy Earl Dade Middle School | 2727 Al Lipscomb Way | 213,616 sf | Complete | 2013 | $32,182,840 (Non-Taxable) | $0 |

| | |
|---|---|
| **Total (TIF and Non TIF)** | **$5,109,340** |
| | **Completed** |
| **30 residential single family houses Completed** | **$3,765,560** |
| **2 single family houses and 4 Townhomes Planned** | **Under Construction** |
| **213,616 SF Middle School** | **$32,182,840 (Non-Taxable)** |

*[1] All information updated as of September 30, 2016.*

*[2] Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage.*

*[3] Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF district for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.*

*[4] TBD indicates that development agreement has not yet been adopted and TIF investment is yet to be determined.*

Construction was completed on eight additional units in the Fair Park Estates housing development during the FY 2014. Six more units (two single-family homes and four townhomes) are expected to be completed in FY 2016-2017.

## Value and Increment Revenue Summary

The Grand Park South TIF District's assessed 2016 taxable value was $58,903,097. Compared to previous years, the value increased as a result of the addition new houses in the Fair Park Estates built by the Southfair Community Development Corporation and apartments built by Urban Mixed Use LLC. This represents an increase of $14,053,078 (31.3%) from the 2005 base year value of $44,850,019 and an increase of $3,931,582 (7.2%) from the previous year. The current year's value is higher than the previous year's value, resulting in total increment revenue billing in in 2016 of approximately $121,331.

## Objectives, Programs and Success Indicators

The Grand Park South Final Project Plan and Reinvestment Zone Financing Plan was adopted on October 26, 2005 by City Ordinance Number 26773. The plan's defined development goals are provided below:

- Create additional taxable value attributed to new private investment in projects in the Grand Park South TIF District totaling approximately $579 million.

  *Property values in the TIF district have begun to increase slowly since its creation. This is the result of the increased values for new offices occupied by the Social Security Administration on 2530 South Malcolm X Boulevard and to the Eban Village Apartments at 2710 Jeffries Street as well as new housing completed in Fair Park Estates and new apartments built by Urban Mixed Use LLC. The project by Urban Mixed Use LLC at 3223 Elihu Street added $3,075,560 to the value of the district.*

  *DISD's acquisition of property for the new Billy Earl Dade Middle School in the district resulted in a loss of taxable value for the district. The school opened during the 2013-2014 school year.*

  *The completion of the new O'Reilly's Auto Parts at 3109 Martin Luther King Boulevard added $913,460 to the value of the district in 2016. Two Podners expanded their existing restaurant and added a retail strip to the site for multiple tenants. Golden Chick restaurant at 1230 Robert B. Cullum Boulevard held their grand opening in August 2016. The project at 1441 Robert B Cullum Boulevard added $690,000 to the value of the district.*

- Encourage transit-oriented development within the district. This includes the creation of a new town center in proximity to DART's MLK Green Line station while providing access and connections to the station that will allow ridership to exceed over 2,400 per day by 2015.

*The Green Line's MLK and Fair Park stations, which have been open since September 2009, are expected to entice transit-oriented development throughout the district. Ridership in 2016 increased at the Fair Park station and the MLK station. For 2016, the Fair Park station averaged 989 riders compared to 921 in 2015 while MLK station averaged 1,007 compared to 1,001 in 2015. Fair Park station saw a yearly increase of 7.3% while MLK saw an increase of 0.5% compared to 2015. Since the stations' opening in 2009, MLK Station has seen an increase in ridership of 35.7% (2009 – 742) and Fair Park Station has seen a decrease in ridership of 10.5% (2009 – 1,105).*

- Attract new private development in the district totaling approximately 2,400 residential units by 2035, including development of new single-family homes, mid-rise residential, such as town homes, and higher density residential near the MLK Green Line station, while preserving and restoring historic single-family residences.

  *Upon its completion, the Fair Park Estates project, located at 3221 Elihu Street, will result in 36 residential units (1.5% of the goal). To date, thirty of the project's units have been completed. An additional two units and four townhomes are being added in FY 2017. Urban Mixed Use LLC also completed in 2016 the first phase of a mixed-use project, constructing 38 multifamily residential units. The project consists of approximately 6 acres located adjacent to Fair Park, generally bound by Park Row, Trunk Avenue, the DART line, Elihu Street and JB Jackson Boulevard. The envisioned development plan has four phases consisting of 240 apartments (180 - two bed/two bath and 60 – 1 bed/1 bath) and 40,000 square feet of commercial space comprised of 14,500 square feet of retail, 17,500 square feet of restaurants and 8,000 square feet of office space. The focus of all four phases will be the close proximity of building facades to the street to promote pedestrian, sidewalk and storefront interaction. Another key feature is enhanced walkways along Al Lipscomb Boulevard, Park Row, Elihu St., the DART line and Trunk Avenue creating an inviting, pleasant atmosphere for access to the MLK DART Station. Walkway enhancements include new 6'-10' wide sidewalks, lighting, benches, and landscaping.*

- Diversify housing options within the district by providing various types of housing, including town home, multi-family, and single-family projects, at a range of price points including approximately 20% of new units at or below 80% of Area Median Income (AMI), 60% of new units at market rate, and 20% of new units above market rate. Replace existing multi-family housing stock in substandard condition (approximately 500 units) with new residential development at 60% of Area Median Income. Expand homeownership opportunities in the district.

  *There is an ongoing effort to provide a variety of housing options within the Grand Park South TIF District, especially needed market rate housing.*

*On January 11, 2012, the City approved 2006 bond funding and the use of CDBG grant funds for Grand Park Place at 3221 Elihu Street to be developed by the Urban Mixed Use LLC. Phase 1 is 38 units, and a building permit was issued August 17, 2012. Phase 1 was completed in 2016.*

- Grow and diversify retail and commercial uses within the district. Consolidate new retail and other commercial activities to support a new town center in proximity to the MLK Green Line station; create a neighborhood retail center in proximity to the Al Lipscomb Boulevard and Malcolm X Boulevard intersection; enhance retailing opportunities and design through infill development along Martin Luther King, Jr. Boulevard, and, in some cases, convert existing retail and commercial buildings to residential uses. Attract 300,000 square feet of retail space and 150,000 square feet of office or other commercial space in new private development by 2035.

  *In 2013, O'Reilly Auto Parts opened at 3109 MLK Jr. Boulevard. In 2016, Two Podners expanded their restaurant at 1441 Robert B. Cullum, adding a new retail strip for additional tenants. This reflects the city's goal of retail and commercial activity along Malcolm X Boulevard. The city still aims to increase retail opportunities as the area still suffers from the need for more commercial and retail activity. Also, the City's Complete Streets Initiative has identified Al Lipscomb Boulevard for early implementation of streetscape enhancements such as shared bicycle lanes, enhanced sidewalks and upgraded crosswalks. The Initiative identifies Martin Luther King Jr. Boulevard and Robert B. Cullum Boulevard as mixed-use corridors. South of Martin Luther King, Jr., Robert B. Cullum and Malcolm X Boulevards should transition to residential corridors. At this time, the Complete Streets initiative has not moved forward at Al Lipscomb Boulevard.*

- Expand parks and open space within the district by encouraging the development of both private and public parks and open space, such as pocket parks, plazas, courtyards, and recreation areas, within walking distance (1/4 mile) of new residential development, especially new mid- and high-density residential development.

  *In 2010, the City's Design Studio held public meetings to examine parks, open space, and streetscape improvements along Martin Luther King Boulevard and Al Lipscomb Boulevard. As a result of those meetings, Al Lipscomb Boulevard became one of the projects in the City's Complete Streets Program.*

  *The 2012 bond program included $2,449,000 for Complete Streets improvements on Al Lipscomb Boulevard from Robert B. Cullum to Good Latimer Expressway. The project will include enhanced sidewalks and crosswalks, pedestrian lighting, and landscape and irrigation. Engineering*

*design was completed in Winter 2015. Construction is underway and is scheduled to be completed Winter 2017.*

*The 2012 bond program included $468,900, and the Fair Park Area is contributing $508,000, for improvements on Martin Luther King, Jr. Boulevard from Robert B. Cullum to S.M. Wright Freeway. The project will include bike route improvements, enhanced sidewalks and crosswalks, pedestrian lighting, landscape and irrigation, and mid-block pedestrian crossings. Engineering design was completed in Winter 2015. Construction has begun and is scheduled to be completed by Winter 2016.*

*During FY 2012, the City installed shared lane markings to encourage bicycling on Martin Luther King, Jr. Boulevard from Fair Park to Julius Schepps Freeway. The long term plan is for this shared lane to connect to future bicycle facilities on the Cedar Crest Bridge.*

- Improve security and safety through pedestrian lighting and design that encourages “eyes on the street.”

  *The South Dallas Fair Park Trust Fund is currently examining prospective funding sources to provide surveillance cameras throughout the district. As of FY 2015, the fund is still seeking a grantee to execute the project.*

- Generate approximately $29.8 million (net present value) in increment over 25 years of collection.

  *The district’s assessed property value has increased from its 2005 base year value. Preceding years’ values have generated approximately $375,039 in incremental revenue (1.3% of goal).*

# Year-End Summary of Meetings

Effective September 1, 2011, only those taxing units that have approved the payment of all or a portion of the tax increment produced by the unit into the TIF fund for that district may appoint one member to the board. Currently only the City and Dallas County participate financially in the Grand Park South District.

The board now consists of places for seven directors: six to be appointed by the City Council and one appointed by Dallas County.

Due to a lack of appointed members, the Board was unable to meet during the fiscal year.

The Board's last meeting was held on December 6, 2010.

The Grand Park South TIF District by-laws require five members to be appointed and therefore the board was unable to meet during the fiscal year.

The Dallas City Council approved 2 items during the fiscal year related to the district. These items are summarized below:

- On February 24, 2016 the City Council authorized a resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Thirteen, (Grand Park South TIF District), and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City The Grand Park South TIF District's Project Plan and Reinvestment Zone Financing Plan established a budget for public improvement expenditures that are necessary to support private investment.
- On February 24, 2016 the City Council authorized an amendment to Resolution No. 15-0780, previously approved on April 22, 2015, for a housing development loan in an amount not to exceed $200,000 with Southfair Community Development Corporation for construction of four affordable single family homes for the Townhomes Project to be located at 2825 South Boulevard to (1) increase the loan amount to $290,000; (2) allow the forgiveness of debt as each unit is sold to a low-income homebuyer; and (3) extend the loan agreement completion date from June 22, 2016 to June 22, 2017 - Not to exceed $90,000, from $200,000 to $290,000 - Financing: 2014-15 HOME Investment Partnership Program Grant Funds

The district's budget and spending to date are provided below:

| Grand Park South TIF District Project Plan Budget<br>Projected Increment Revenues to Retire TIF Fund Obligations | | | |
|---|---|---|---|
| **Category** | **TIF Budget[1]** | **Allocated** | **Balance** |
| Infrastructure Improvements | $59,464,358 | $0 | **$59,464,358** |
| Environmental Remediation | $5,904,262 | $0 | **$5,904,262** |
| Façade Restoration | $4,428,197 | $0 | **$4,428,197** |
| Parks, Open Space, and Signature Entries | $8,434,661 | $0 | **$8,434,661** |
| Grant or Loan Programs | $1,265,198 | $0 | **$1,265,198** |
| Administration and Implementation | $4,849,930 | $300,058 | **$4,549,872** |
| **Total Project Costs (excluding interest)** | **$84,346,606** | **$300,058** | **$84,046,548** |
| *[1]Budget shown in total dollars. TIF Project Plan shows the budget in Net Present Value.* | | | |
| *[2] TIF administration fee include funds expended of committed through FY 2016. FY 2016 Costs have not been included.* | | | |

| Grand Park South TIF District<br>Project Plan Budget (NPV Values) | |
|---|---|
| **Category** | **TIF Budget (NPV)** |
| Infrastructure Improvements | $14,990,178 |
| Environmental Remediation | $7,084,006 |
| Façade Restoration | $2,193,141 |
| Parks, Open Space, and Signature Entries | $2,375,903 |
| Grant or Loan Programs | $1,644,856 |
| Administration and Implementation | $1,553,475 |
| **Total Project Costs (excluding interest)** | $29,841,558 |
| *All values discounted to 2006 dollars at 5% annually. Actual expenditure value will depend on timing of the project costs* | |

# FY 2017 Work Program

No TIF district activities can take place until additional board members are appointed.

Subject to the approval of new board members, the FY 2017 work program for the Grand Park South TIF District includes:

- Encourage development projects within the district
- Approval of an amendment to the Grand Park South TIF District by-laws regarding changes in the composition of the district's board of directors and design review process
- Approval of the City of Dallas Tax Increment Finance Districts Mixed Income Housing Guidelines
- Approval of the City of Dallas TIF Design Review standards for TIF districts
- Approval of the FY 2011 annual report
- Approval of the FY 2012 annual report
- Approval of the FY 2013 annual report
- Approval of the FY 2014 annual report
- Approval of the FY 2015 annual Report
- Approval of the FY 2016 annual Report

# Appendix: Financials

City of Dallas, Texas
Grand Park South Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2016

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and “available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.

2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).

3. The Zone's cash balances are invested in the City’s investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.

4. The Zone's Financial Plan permits expenditures not to exceed $4,105,732 over the life of the TIF to reimburse the City for administrative costs. The Zone began reimbursing the General Fund for costs incurred through fiscal year 2008-09. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.

5. All project costs resulting in capital improvements that are owned by the City are capitalized by the City.

6. “Due to general fund” amount of $5,822 at September 30, 2016 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

**City of Dallas, Texas**
**Grand Park South Tax Increment Financing District Fund**
**Balance Sheet as of September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|
| Assets: | | | | | |
| Pooled cash and cash equivalents | $112,398 | $27,924 | $12,534 | $19,700 | $28,236 |
| Interest receivable | $151 | $42 | $21 | $30 | $172 |
| Total assets | $112,549 | $27,966 | $12,555 | $19,730 | $28,408 |
| Liabilities and Fund Balance (Deficit): | | | | | |
| Liabilities: | | | | | |
| Accounts and contracts payable | $0 | $0 | $0 | $0 | $0 |
| Advances from developers | $0 | $0 | $0 | $0 | $0 |
| Deferred tax revenue | $0 | $0 | $0 | $0 | $0 |
| Due to general fund | $5,822 | $5,822 | $5,822 | $5,822 | $0 |
| Total liabilities | $5,822 | $5,822 | $5,822 | $5,822 | $0 |
| Fund Balance (Deficit): | | | | | |
| Fund Balance (Deficit) | $106,727 | $22,143 | $6,732 | $13,908 | $28,408 |
| Total Liabilities and Fund Equity | $112,549 | $27,966 | $12,555 | $19,730 | $28,408 |
| | ($0) | ($0) | $0 | $0 | ($0) |

**Grand Park South Tax Increment Financing District Fund**
**Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)**
**For the Period September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | ITD | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|---|
| Revenues: | | | | | | |
| Tax increment-Governmental | $270,451 | $72,966 | $20,586 | $0 | $0 | $0 |
| Tax increment-Intergovernmental | $43,199 | $10,871 | $1,984 | $0 | $0 | $0 |
| Interest income | $3,106 | $656 | ($22) | $76 | $7 | $247 |
| Net increase (decrease) in fair value of inves | $163 | $91 | $74 | ($24) | ($175) | ($4) |
| Total revenues | $316,919 | $84,584 | $22,622 | $52 | ($169) | $244 |
| Expenditures: | | | | | | |
| Administrative expenses | $210,192 | $0 | $7,211 | $7,227 | $14,331 | $10,508 |
| Non-Capital Outlay | $0 | $0 | $0 | $0 | $0 | $0 |
| Capital outlay | $0 | $0 | $0 | $0 | $0 | $0 |
| Interest and fiscal charges | $0 | $0 | $0 | $0 | $0 | $0 |
| Total expenditures | $210,192 | $0 | $7,211 | $7,227 | $14,331 | $10,508 |
| Excess (Deficiency) of Revenues over Exper | $106,727 | $84,584 | $15,411 | ($7,176) | ($14,500) | ($10,264) |
| Fund balance (Deficit) at beginning of year as previously reported | $0 | $22,143 | $6,732 | $13,908 | $28,408 | $38,672 |
| Fund balance (Deficit) at beginning of year, as restated | $0 | $22,143 | $6,732 | $13,908 | $28,408 | $38,672 |
| Fund balance (deficit) at end of year | $106,727 | $106,727 | $22,143 | $6,732 | $13,908 | $28,408 |

**Note: Fiscal year 2015-16 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.**

**City of Dallas, Texas**
**Grand Park South Tax Increment Financing District Fund**
**Reinvestment Zone Number Thirteen**
**As of September 30, 2016**

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

**1. Amount and source of revenue in the tax increment fund established for the zone:**

| | |
|---|---|
| $747 | Interest Income |
| $83,837 | Ad Valorem Taxes (Collected in FY'2015-16 based on 2015 Final Tax Roll) |
| $84,584 | Total Revenue |

**2. Amount and purpose of expenditures from the fund:**

| | |
|---|---|
| $0 | Administrative Expense (FY 2016 Costs to be updated) |
| $0 | Public works |
| $0 | Capital outlay |
| $0 | Additional Subsidy in Form of Grant (in lieu of interest expense) |
| $0 | Total Expenditures |

**3.** The Zone began reimbursing the General Fund for administrative costs incurred through fiscal year 2008-09.

**4. Amount of Principal and Interest due-on outstanding indebtedness:**
Grand Park South TIF District has incurred no bonded indebtedness as of September 30, 2016.

**5. Tax increment base and current captured appraised value retained by the zone:**

| Taxing Jurisdiction | Taxable Value 2016* | Base Year 2005 Value | Est. Captured Value 2016** |
|---|---|---|---|
| City of Dallas | $58,903,097 | $44,850,019 | $14,053,078 |
| Dallas County | $58,865,597 | $44,850,019 | $14,015,578 |

*2016 taxable value shown for participating taxing jurisdictions. County values are approximate and will vary slightly from the City value due to different exemption levels.
**Based on Certified Taxable Value. The final values will be determined on February 01, 2017.

**6. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:**

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

| Taxing Jurisdiction | Assessment Per $100*** | Amount of Estimated 2016 Increment |
|---|---|---|
| City of Dallas | 0.70425 | $98,969 |
| Dallas County | 0.15802 | $22,147 |
| Total for all Jurisdictions | $0.86227 | $121,116 |

***Participation rates for City of Dallas and Dallas County are 90% for tax years 2007-2026 and 65% for tax years 2007-2021 respectively.

B. The total amount of estimated tax increment to be billed for the 2016 tax year is $121,116. For the 2015 tax year, increment in the amount of $83,837 was received.

**AGENDA ITEM # 27**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 9, 10, 13, 14

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 17 W; 26 D H V Y Z; 27 A-H J-N P-U W; 28 N; 36 C D

## SUBJECT

A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Fourteen, (Skillman Corridor TIF District), submitted by the Skillman Corridor TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

## BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 26148 on October 26, 2005, establishing Tax Increment Financing Reinvestment Zone Number Fourteen, (Skillman Corridor TIF District). On December 13, 2006, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 26534, as amended.

The Skillman Corridor TIF District's assessed 2016 taxable value was $664,382,474. This represents an increase of 98% ($328,425,163) over the assessed value of the base year (2005) and an increase of 14% over last year’s final value. With the participation of the City, Dallas County and the Richardson Independent School District, this increase will result in the collection of approximately $3,212,830 in total incremental revenue for the Skillman Corridor TIF District for the 2016 tax year.

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

On October 26, 2005, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Fourteen, the Skillman Corridor District TIF District by Ordinance No. 26148, as amended.

On December 13, 2006, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Skillman Corridor TIF District by Ordinance No. 26534, as amended.

On December 9, 2016, the Skillman Corridor TIF District Board of Directors recommended that the FY 2016 Annual Report be accepted and approved.

Information about this item was provided to the Economic Development Committee on February 6, 2017.

## FISCAL INFORMATION

No cost consideration to the City

February 22, 2017

**WHEREAS,** the City recognizes the importance of its role in local economic development initiatives and programs; and

**WHEREAS,** the City has established Tax Increment Financing Reinvestment Zone Number Fourteen, ("Skillman Corridor TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment in the Skillman Corridor area pursuant to Ordinance No. 26148, authorized by the City Council on October 26, 2005, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

**WHEREAS,** on December 13, 2006, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Skillman Corridor District TIF District by Ordinance No. 26534 as amended; and

**WHEREAS,** the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone and a copy of the report shall be forwarded to the State Comptroller; and

**WHEREAS,** on December 9, 2016, the Skillman Corridor TIF District Board of Directors passed a motion accepting the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Fourteen and recommending approval of same by the City Council.

**NOW, THEREFORE,**

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

**Section 1.** That the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Fourteen, (Skillman Corridor TIF District), City of Dallas, Texas, as of September 30, 2016, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

**Section 2.** That the City Manager is hereby authorized to submit the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Fourteen to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and to the State Comptroller, as required by state law.

**Section 3.** 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.

Exhibit A

# Skillman Corridor TIF District
# FY 2016
# Annual Report

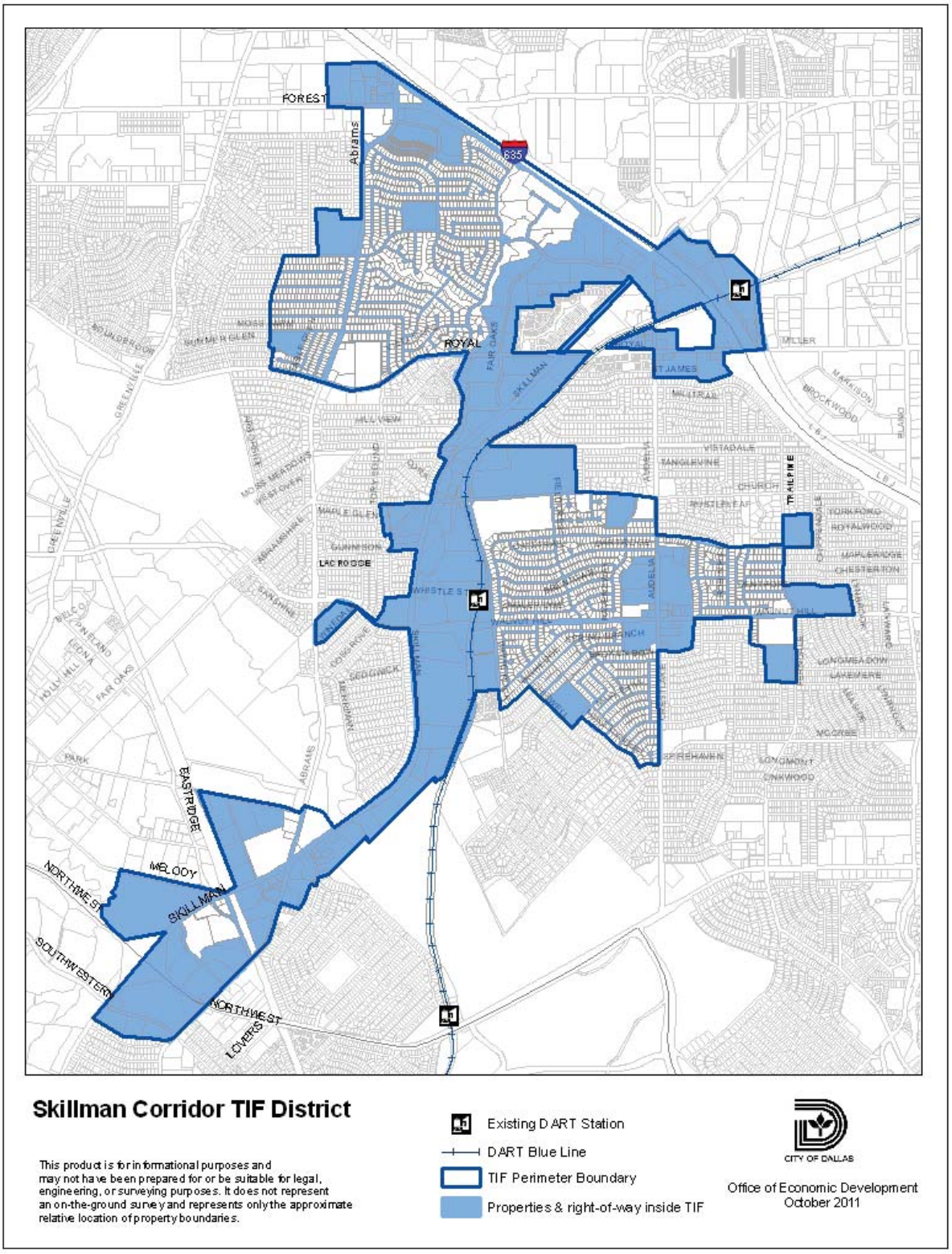


City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 670-1685
http://www.dallas-ecodev.org/area_redevelopment.html

## October 1, 2015 to September 30, 2016

# Reinvestment Zone Number Fourteen
# Tax Increment Financing District




## Skillman Corridor TIF District

This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

Existing DART Station
DART Blue Line
TIF Perimeter Boundary
Properties & right-of-way inside TIF

CITY OF DALLAS

Office of Economic Development
October 2011

# Table of Contents

Mission Statement ..... 4
Skillman Corridor TIF District Accomplishments ..... 4
Value and Increment Revenue Summary ..... 11
Objectives, Programs, and Success Indicators ..... 12
Year-End Summary of Meetings ..... 16
Pending TIF Items ..... 17
Budget and Spending Status ..... 18
FY 2017 Work Program ..... 20
Appendix A – Financials ..... 21

*Front cover shows the September 29, 2016 groundbreaking ceremony for the Shops at Lake Highlands Town Center. Councilmember Adam McGough (center), former Councilmember Bill Blaydes, Bill Rafkin (Cypress Real Estate Advisors) and other development team members, City staff and other stakeholders were in attendance.*

# Mission Statement

The mission of the Skillman Corridor TIF District is to provide a source of funding for public infrastructure improvements that will assist in creating a more sustainable mix of rental and owner-occupied residential property in the Skillman Corridor. This effort will help encourage the redevelopment of structurally obsolete apartment complexes and retail centers, better trail and recreational connections, and transit-oriented development near the Skillman/Walnut Hill DART light rail station and the existing Skillman/LBJ DART light rail station. The Skillman Corridor TIF District duration began on January 1, 2006, and will terminate on December 31, 2035, (including collection of the 2035 increment in calendar year 2036 and any related matters to be concluded in 2036).

# Skillman Corridor TIF District Accomplishments

Dallas City Council established the Skillman Corridor TIF District by Ordinance Number 26148 on October 26, 2005. In December 2006, the district's boundaries were amended to include several Richardson Independent School District (RISD) campuses to help facilitate RISD meet future changing campus needs as the area is redeveloped. The RISD Board of Trustees approved contributing the debt service portion of future RISD increment to the TIF District up to $10 million (net present value or a total amount of just over $16 million). This financial participation marks the first financial participation by a school district in a Dallas TIF District since 1999. The Dallas City Council adopted the Skillman Corridor TIF District Project Plan and Reinvestment Zone Financing Plan on December 13, 2006 by Ordinance 26534.

In May 2009, the Skillman Corridor TIF Board adopted a "Skillman Corridor TIF Strategic Implementation Plan" to guide the next phases of development and improvements in the District.

In 2007, a development agreement with PC LH Land Partners, LP (PC LH) for the District's catalyst project "Lake Highlands Town Center (LHTC)" for TIF funding was approved by the Skillman Corridor TIF Board and the City Council. In addition, the project received funding commitments from Dallas Area Rapid Transit (DART) and the North Central Texas Council of Governments (NCTCOG) for a light rail station and related improvements at Skillman Street and Walnut Hill Lane along the existing DART Blue Line; Dallas County for infrastructure improvements; and City of Dallas bond funds for infrastructure improvements.

Infrastructure and other public improvements as part of the LHTC horizontal site development phase have been completed. An operation and maintenance agreement for non-standard public improvements has been executed with PC LH and the Lake Highlands Public Improvement District (LHPID) has agreed to partial assignment of those responsibilities.

The 20 acres of park land and trails constructed as part of the project was conveyed to the City on March 31, 2011. Maintenance responsibility has been designated to PC LH,

future owners and/or the Lake Highlands Public Improvement District (LHPID). Special events, including the annual Lake Highlands Oktoberfest in have begun being been held at the LHTC.

Due to the economic downturn, vertical development at the LHTC was delayed. In June 2011, the City approved an amended development agreement for the Lake Highlands Town Center (LHTC) that increased the TIF funding dedication of future TIF revenues from $23,000,000 to a maximum of $40,000,000 subject to certain conditions.

In FY 2011, a development agreement with Audelia WGK, LLC for the White Rock Place development was approved by the Skillman Corridor TIF Board and the City Council. The site is located at the southwest corner of Walnut Hill Lane and Audelia Road. The site has been reconfigured into a smaller retail component of 18,000 square feet, infrastructure for 17 residential lots and all homes completed as of late 2013.

A development agreement with the Richardson Independent School District (RISD) was approved in FY 2011 to provide reimbursement pursuant to the Interlocal Agreement between the City and RISD for stadium facility improvements for the Lake Highlands High School annually as funds are available.

During FY 2012, the TIF Board approved by-law amendments to reflect changes in state law for TIF Board composition recognizing that only taxing jurisdictions that participate financially can have representation and a change in the TIF design review process to have that function undertaken as part of the City Design Studio Peer Review Panel. The TIF Board also approved mixed-income housing guidelines.

During FY 2013, a development agreement with WRT/DK Residential, L.P. for the White Rock Trail Apartments project was approved by the TIF Board and City Council. The development, now called NorthRock Lake Highlands was completed in late 2014. In FY 2016, the developer terminated the agreement forgoing all TIF reimbursement.

During FY 2014-2015, staff held ongoing discussions on potential updated development plans for LHTC, primarily the retail block as a next phase. Phase I requirements under the LHTC agreement were completed in 2015 and the City began reimbursement. In September 2015, PC LH decided to terminate the remainder of the LHTC agreement. During FY 2016, on-going requirements for Phase I including operations and maintenance responsibilities will continue to be monitored.

During FY 2016, the TIF Board approved district-wide funding commitments including $349,800 in local match funding for the Lake Highlands TOD Multimodal Connectivity Project (hike/bike trail extension) and $35,000 to share in the cost for a Phase I Master Plan to study and prepare schematic design for enhancements to the proposed Lake Highlands Gateway Bridge at the intersection of Skillman Street and IH 635. Staff began preliminary discussions on a potential boundary amendment to support redevelopment of properties at Skillman Street and Abrams Road.

Several projects in the District have been completed or in the development stage this year as shown in the following table.

## Skillman Corridor TIF District Projects[1]

### Projects Within TIF District Utilizing TIF Funding

| Project | Location | Calendar Year Complete | Status | Units/ SF[2] | Approx. or Estimated Value[3] | TIF Investment[4] |
|---|---|---|---|---|---|---|
| Lake Highlands Town Center, Phase I[2 9] | NE and SE corner Walnut Hill/Skillman. Haven Apts. – 7707 Watercrest Parkway | Public Improv – 2010; Ph I – 2014 | Sitework/public improvements & Phase I vertical development - Haven Apts. complete | 200 units; 7,500 square sf retail | $25,474,630 | $10,000,000 |
| White Rock Place | SW Corner Walnut Hill & Audelia | 2013 | Retail portion & infrastructure for SF lots complete. SF homes had just partial DCAD value for 2013 appraisal year. Total value still an estimate. | 17 SF lots; 18,000 sf retail reconfig. | $12,800,964 | $2,372,000 |
| | | | **Subtotal** | **217 res. Units; 25,500 square feet retail** | **$38,275,594** | **$12,372,000** |

### Projects Within TIF District Not Utilizing TIF Funding[5]

| Project | Location | Calendar Year Complete | Status | Units/ SF[2] | Approx. Value[3] | TIF Investment[4] |
|---|---|---|---|---|---|---|
| Trimark Town Homes | 9400 Block Timberleaf Dr | 2005 | Complete | 84 units | $10,902,038 | n/a |
| Medallion Retail Center expansion/renov.[8] | 6300 E Northwest Hwy & 5720 Skillman St. | 2006 | Complete | 88,800 square feet new space | $27,047,510 | n/a |
| Kingsley Square Redevelopment | 7203 & 7211 Skillman St. | 2007 | Complete | 76,000 square feet retail | $16,623,800 | n/a |
| Wal Mart Supercenter | 9382 LBJ Fwy. | 2008 | Complete | 204,000 square feet retail | $16,443,100 | n/a |

| | | | | | | |
|---|---|---|---|---|---|---|
| The Avery on Southwestern (formerly Village View Apts) | 8910 Southwestern Blvd. | 2009 | Complete | 422 units | $55,700,000 | n/a |
| Dallas Children's Theater[6] – *exterior improv., main entry & garden* | 6343 Northwest Hwy | 2009 | Complete | n/a | $1,293,060 | n/a |
| Timbercreek redevelopment | Skillman St@Northwest Hwy | 2011-2012 | Complete | 485,000 square feet retail | $68,054,610 | n/a |
| NorthRock Lake Highlands (formerly White Rock Trail Apts.) | 6808 Skillman St | 2014 | Complete | 362 units | $26,417,690 | n/a |
| The Bordeaux at Lake Highlands | SW corner Skillman St & Church Rd. | 2014-2017 | 26 SF homes complete, 11 Under construction | 37 SF lots/homes | $21,000,000 | n/a |
| The Shops at Lake Highlands Town Center | SE corner Walnut Hill/Skiilman | 2017 | Under construction | 59,600 sf retail/ restaurant | $5,526,000 | n/a |
| Lookout Apartments at Lake Highlands Town Center | Lookout Point/ Watercrest Parkway | 2018 | Planned | 257 units | $29,000,000 | n/a |
| The Enclave at Lake Highlands Town Center | Skillman & Segwick Dr. | 2018-2019 | Planned | 51 townhomes | $18,000,000 | n/a |
| | | | **Subtotal** | **1,213 res units; 913,400 square feet retail** | **$316,090,118** | **$0** |
| **Projects Utilizing and Not Utilizing TIF Funding** | | | | | | |
| | | | **Total** | **1,430 res units; 938,900 square feet retail** | **$354,365,712** | **$12,372,000** |

*[1] All information updated as of September 30, 2016.*
*[2] As of 2015, only Phase I of the project relates to the TIF funding agreement. Future phases will be implemented separately.*
*[3] Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD taxable value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF District for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.*
*[4] Principal amount not to be exceeded per the development agreement. TBD indicates that development agreement has not yet been adopted. Asterisk indicates investment also includes interest not shown.*
*[5] Selected significant projects included.*
*[6] Tax-exempt property. Amount shown is approximate investment in improvements.*
*[7] Includes other incentives not shown. Contact City of Dallas Office of Economic Development for more information.*
*[8] For Medallion Retail Center, previous reports FY 11 and prior only showed added value of $8.4 million; however, to be consistent with other reporting of redevelopment sites the full DCAD value is now shown.*
*[9] Per the TIF program mixed-income housing requirement, the project is providing at least 20% of units as affordable.*

In addition to TIF incentives, there have been other public funding commitments in support of the Lake Highlands Town Center (LHTC) project as shown in the District Initiatives table below. A unique partnership has been formed with PC LH and representatives from the City, Dallas County, DART, and the North Central Texas Council of Governments (NCTCOG) as a result of the interdependent layering of funding for infrastructure and public improvements requiring on-going coordination in support of the LHTC. The lessons learned can serve as a model for future interagency cooperation with the private sector in furthering transit-oriented development (TOD).

In June 2010, the North Central Texas Council of Governments (NCTCOG) Regional Transportation Council (RTC) awarded funding for two Sustainable Development (SD) Projects in the Skillman Corridor TIF District including the “LBJ/Skillman Urban Planning Initiative” (planning study) and The “Lake Highlands TOD Multimodal Connectivity Project” (infrastructure project).

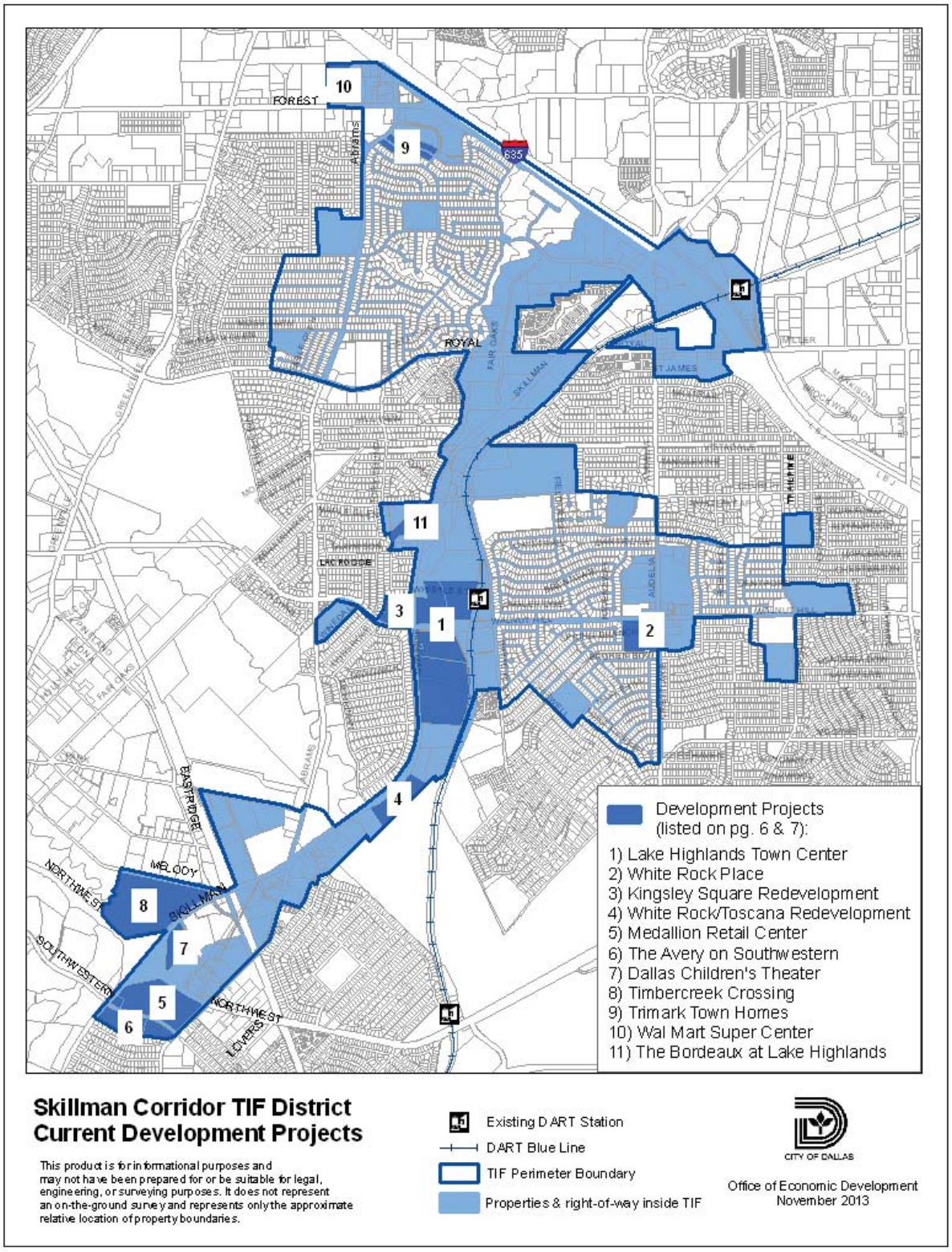
The LBJ/Skillman Urban Planning Initiative will include evaluating the best land use and development mix in the LBJ/Skillman DART Station area and strategies to encourage transit-oriented development (TOD) and supporting pedestrian/bike improvements. The NCTCOG staff will manage the consultant selection process for the study with representation from the City and during the study there will be a project review committee that may include community representatives. In August 2009, the Skillman TIF Board approved a pledge of TIF funding in the amount of $25,000 as matching funds for the project. NCTCOG funding includes $100,000 with a required local 20% match of $25,000 for a total study amount of $125,000. During FY 2014, the study was finalized with a report reviewed and recommended by the City Plan Commission and pending City Council adoption in October 2014.

The “Lake Highlands TOD Multimodal Connectivity Project, with Dallas County and PC LH as partners, was selected for funding as an infrastructure project totaling $3,243,000 to expand the hike and bike trail south from the LHTC to the existing White Rock Creek Trail (at Skillman Street, north of Abrams Road). The scope also includes intersection improvements for Walnut Hill Lane and Skillman Street. Initially, Dallas County and PC LH (private developer) were to provide the 20% local match (estimated at $648,000) and Dallas County was going to advance funding and manage the project. However, after all parties began reviewing various options for project management and financial structuring in late 2015 and it was recommended that the City take the lead on managing the project with the Skillman TIF District providing $346,800 in local match support and Dallas County committing up to $271,000 based on updated budget estimates.

| District Initiatives – Other Public Support for LHTC | | | | |
|---|---|---|---|---|
| **Activity** | **Scope** | **Status** | **Investment** | **Source** |
| **New DART Light Rail Station – Skillman St./Walnut Hill Ln.** | Along the existing DART Blue Transit Line, a new station will be added on the northeast side. | Funding approved by DART Board in 2006. Station opened Dec. 2010. | $10,000,000 | DART |
| **City 2006 Bond Funds – Proposition Eight** | Public infrastructure support for a transit-oriented development at Skillman St/Walnut Hill Ln. | Council authorized bond sale and a Chapter 380 grant agreement in 2007. Infrastructure completed 2010. | $4,677,282 | 2006 City Bond Program |
| **Dallas County Major Capital Improvement Program (MCIP)** | Funding in support of the LHTC for transportation infrastructure including bridge over Jackson Creek, collector streets, and pedestrian improvements. | Improvements completed in 2010. | $3,421,846 | Dallas County MCIP Fund 196, Project 8201 |
| **North Central Texas Council of Governments (NCTCOG) *with DART local funding exchange.*** | Traffic and median improvements, collector streets, and pedestrian access and transit related improvements. | NCTCOG Regional Transportation Council (RTC) approved 2007. Interlocal agreement with City executed May 2008. Construction completed in 2010. | $5,150,000<br><br>$1,287,500 | NCTCOG/RTC<br><br>Local Match – Private (*eligible for TIF reimbursement*) |
| **Regional Transportation Council (RTC) 2009-10 Sustainable Development Program** – Lake Highlands TOD Multimodal Connectivity Project | Hike/bike trail extending from south end of Lake Highland Town Center Trail into the White Rock Creek Trail near Skillman Street. Skillman/Walnut Hill intersection improvements including second left hand turn land at west bound Walnut Hill onto Skillman and pedestrian improvements. | *Funding approved.* Project selected by the RTC in June 2010. City Council authorized agreements in 2012.<br><br>Pending City consultant contracting process and amendments to funding agreements anticipate design beginning early 2017. | $3,467,778 max total includes:<br>$2,774,222<br><br>$346,800<br><br>$271,000<br><br>*Current budget estimates are lower than the maximum, final RTC funds may adjusted.* | <br><br>RTC funds<br><br>Local match from Skillman Corridor TIF Fund<br><br>Dallas County Major Capital Improvement Program (MCIP) funds. |
| **Regional Transportation Council (RTC) 2009-10 Sustainable Development Program** – LBJ/Skillman Urban Planning Initiative | Planning study to determine future land use, development scenarios, and zoning to facilitate transit oriented development (TOD) near the LBJ/Skillman DART Station area, potential pedestrian and transit linkages, and opportunities for new trails and open spaces. | *Funding approved.* Project selected by the RTC in June 2010.<br><br>Study completed and City Plan Commission approved. Council adopted October 8, 2014. | $125,000 total includes:<br>$100,000<br><br>$25,000 | <br><br>RTC funds<br><br>Local match from Skillman Corridor TIF Fund |

| | | | | |
|---|---|---|---|---|
| **Phase I Master Plan for schematic design of enhancements to the Skillman Gateway Bridge** | The Phase I Master Plan will build on the Lake Highlands Gateway Bridge project, a $64 million interchange reconfiguration for Skillman and IH 635 “LBJ Freeway” that both TXDOT and the City of Dallas have committed construction funding for starting in FY 2018. The Bridge project is at 60% design level and there is an opportunity to evaluate and design potential enhancements. | Skillman Corridor TIF Board approved funding to share in the cost of the plan with the Lake Highlands Improvement District Corporation (LHIDC).<br><br>LHIDC has been negotiating a consultant contract scope. | $55,000 estimated total cost<br><br>$35,000<br><br>$25,000 | <br><br>Skillman Corridor TIF Fund<br><br>LHIDC funds |
| | | **Total Investment** | **$28,184,406** | |

# TIF District Development Project Map



# Value and Increment Revenue Summary

The Skillman Corridor TIF District's assessed 2016 City taxable value was $664,382,474 and varies for other taxing jurisdictions due to exemption levels. This represents an increase of $328,425,163 or 98% over the base year (2005) value and a 14% increase over last year's final value. The TIF District anticipates collecting approximately $3,212,830 in incremental tax revenue for tax year 2016. The anticipated RISD portion totals $589,343 and 30% or $176,803 will be earmarked for the RISD Facility Improvements TIF budget line item pursuant to RISD's interlocal agreement with the City. The positive increase in the District's tax base can be attributed on an approximate percentage basis to added value of new construction (74% of the increase), major property transactions including sites under development (15%), and appreciating property values (10%) in the District.

# Objectives, Programs, and Success Indicators

Among the goals of the Plan are:

- To create additional taxable value attributed to new private investment in projects in the Skillman Corridor TIF District totaling approximately $592 million.
  *Over $280 million in new investment is completed and an additional $74 million is underway or planned (60% of the goal).*



The Shops at Lake Highlands Town Center under construction

- To attract new private development in the Skillman Corridor TIF District totaling approximately 740,000 square feet of new or upgraded retail space and 6.4 million square feet of new or upgraded residential development including town home, multi-family, and single-family projects.

  *879,300 square feet of new and upgraded retail space is completed and an additional 59,600 is planned (exceeding the goal by 27%). 1,111 residential units are completed, 11 under construction and 308 planned, approximately 1,332,450 square feet total (21% of the goal).*




NorthRock Apartments completed 2014



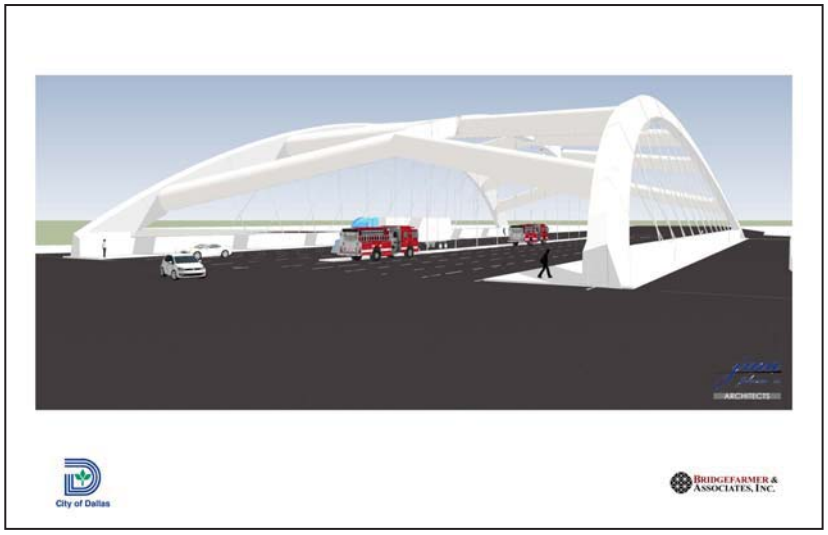
White Rock Place new homes development completed 2013

- To focus on encouraging the redevelopment of properties on the Skillman Street corridor and the existing DART Light Rail Station at LBJ and Skillman to increase density and provide enhanced urban design for the District.

  *The TIF Board adopted a Skillman Corridor TIF District Strategic Implementation Plan to better focus redevelopment activities and TIF expenditures including supporting the Skillman/LBJ Gateway planning effort to promote TOD development at the LBJ/Skillman DART Station area. A NCTCOG Regional Transportation Council (RTC) funded planning study began in 2012 and is in the process of examining development options and public improvements needed to facilitate TOD development around the LBJ DART station.*

  *TXDOT has a preferred alternative for the LBJ Freeway/Skillman/Audelia intersection (incorporating the extensive efforts made by community leaders to present an alternative to an original flyover bridge design) that has been in the design phase.* As a result, *the Lake Highlands Gateway Bridge project, a $64 million interchange reconfiguration for Skillman and*

*IH 635 "LBJ Freeway" has both TXDOT and the City of Dallas commitments for construction funding starting in FY 2018. The Bridge project is at 60% design level and there was an opportunity to evaluate and design potential enhancements. The TIF Board approved funding $35,000 to share in the cost in partnership with the Lake Highlands Public Improvement District for a Phase I Master Plan to study and prepare schematic design for enhancements.*




Skillman Gateway Bridge concept

- To maintain the stability of local schools as redevelopment occurs in the housing market.

  *In May 2007, the TIF Board adopted "Skillman Corridor TIF District Relocation Assistance/Student Retention Program Guidelines" with substantial input from the Richardson Independent School District (RISD) and private partners as part of negotiating the LHTC development agreement. A concerted effort was made at the start of the LHTC redevelopment to relocate remaining tenants to other apartment complexes within the RISD. Occupancy levels were low at the time and of the 110 unit relocations specifically tracked in August 2007, 78% relocated to another complex in the RISD.*

  *Current RISD enrollment data for FY 2016 indicates that overall enrollment for the eleven RISD campuses within the TIF District is up 42% compared to the 2006-07 school year when tracking for the potential impact of TIF related redevelopment began. Over the nine-year period, all schools gained students with some elementary schools having enrollment increases above 50%. Staff and the Board will continue to work with school district representatives to monitor enrollment.*

- To reach ridership at existing and future DART light rail stations in the District averaging over 3,000 riders per weekday by 2015.

  *Currently the average daily ridership level is 1,240 at the Skillman/LBJ light rail station and 500 at the Lake Highlands light rail station through the September 2016 reporting period. In comparison the LBJ station in the 2006 fiscal year following the TIF district creation had 1,483 average daily ridership and the Lake Highlands Station in its first full operating year 2011 had average daily ridership of 435. Staff will continue to monitor ridership trends.*

- To improve access and connections to the DART light rail system within the District.

  *The Lake Highlands DART opened December 6, 2010. The station is the first infill station constructed by DART while DART Rail is in operation. The station area was slated to be incorporated with the development of the Lake Highlands Town Center (LHTC).*

- To increase recreational opportunities and improve connections to the City of Dallas trails and open space system in the District.

  *The 20 acres of park and trails as part of the LHTC has been completed and was conveyed to the City in March 2011; however, maintenance of the park space will be handled private and/or by the Lake Highlands Public Improvement District (PID). Several public events have been held at the LHTC in the open spaces.*

  *The NCTCOG Regional Transportation Council (RTC) has also approved funding to expand the hike and bike trail south from the LHTC to the existing White Rock Creek Trail (at Skillman, north of Abrams). Interagency coordination has been ongoing with design anticipated to begin in 2017.*



LHTC trail adjacent to the Haven Apartments

- To generate approximately $49.7 million (net present value) in increment over 20 years of collections.

  *The District's 2016 total taxable value of $664,382,474 is approximately 35% behind the original projection of $1,025,492,495. The economic downturn in the early years of the district impacted the pace of new construction, including delaying the build out of the Lake Highlands Town Center.*

- To diversify retail and commercial uses in the District.

  *Upgrades were made at the Kingsley Square and Medallion Center. A Wal Mart Supercenter was completed in 2008 and the Timbercreek Crossing development is complete with Wal Mart/Sam's Club and J.C. Penney as anchors. The White Rock Place project included upgraded signage and site improvements as part of consolidating viable retail space. The ground floor retail space at the Haven, Lake Highlands Town Center was over 60% leased this year with tenants that include a salon and nail services.*







Ground Floor retail space at the Haven

## Year-End Summary of Meetings

The Skillman Corridor TIF District Board of Directors met three times during the fiscal year from October 1, 2015 to September 30, 2016. The Board approved and forwarded two items to City Council (the FY 2015 annual report and recommended local match funding for the LH TOD Connectivity Project, schedule TBD for Council consideration).

The Board, based on amended composition, can consist of up to nine members, including seven City of Dallas appointees, one Richardson School District appointee, and one Dallas County appointee. During FY 2016 the Board members were (FY 2016 Board meetings attended): John Dean, Chair – City Representative (3 of 3 meetings),

David Brown – City Representative (3 of 3 meetings), James Frye – City Representative (0 of 2 meetings, *only served part of the year*), Gregory Duval – City Representative (1 of 1 meetings, *only served part of the year* ), Allison Griffin – City Representative (3 of 3 meetings), Chris Wright (3 of 3 meetings), Tom Goodale (1 of 3 meetings), Sam Merten (3 of 3 meetings) Rick Loessberg – Dallas County Representative (1 of 3 meetings) and Justin Bono – RISD Representative (3 of 3 meetings).

During the fiscal year, the City Council approved three items associated with development projects or public initiatives in the Skillman Corridor TIF District:

- On February 24, 2016, the City Council passed Resolution Number 16-0342 accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Fourteen, (Skillman Corridor TIF District), submitted by the Skillman Corridor TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law.

- On May 11, 2016, the City Council held a public hearing and passed Ordinance Number 30084 granting an amendment to Subarea D of Planned Development District No. 758 on the east line of Skillman Street, south of Sedgwick Drive. *Related to Lake Highlands Town Center (The Enclave).*

- On September 14, 2016, the City Council held a public hearing and passed Ordinance Number 30189 granting an amendment to Tract 2 of Planned Development District No. 795, on the west line of Skillman Street, south of Church Road. *Related to the Bordeaux development.*

## Pending TIF Items

- Consideration of the FY 2016 TIF District Annual Report and a recommendation to the City Council for approval.

# Budget and Spending Status

Each TIF District establishes a budget for the public improvement expenditures necessary to support private investment in the district in the Project Plan and Reinvestment Zone Financing Plan. The current TIF District budget is shown below:

| Skillman Corridor TIF District<br>Projected Increment Revenue to Retire TIF Fund Obligations | | | |
|---|---|---|---|
| **Category** | **TIF Budget [1]** | **Allocated[2]** | **Balance** |
| **Skillman/Walnut Hill TOD Town Center:** environmental remediation, interior/exterior demolition, street & utility improvements, streetscape, land acquisition, park/plaza design & acquisition, and economic development grants | $48,285,184 | $10,346,800[3] | $37,938,384 |
| **Other Skillman Corridor Improvements:** environmental remediation, interior/exterior demolition, street & utility improvements, streetscape, land acquisition, park/plaza design & acquisition, and economic development grants | $57,330,838 | $1,928,974 | $55,366,864 |
| **Relocation Assistance/Student Retention** | $1,000,000 | $0 | $1,000,000 |
| **RISD Facility Improvements** | $5,000,000 | $5,000,000 | $0 |
| **Administration and implementation[3]** | $6,265,762 | $334,129 | $5,931,633 |
| **Total Project Costs** | **$117,990,711** | **$17,644,903** | **$100,345,808** |

*1. Budget shown above in total dollars. However, TIF plan shows the budget in net present value. 2. Allocated amount for Other Skillman Corridor category includes a portion as a grant in lieu of interest up to $457,000; the actual interest accrual is anticipated to be less. Interest accrued as of FY 2014 (September 30, 2014) totals $13,974.*
*3. TIF administration costs shown are expended or committed through FY 2015 (the FY 2016 costs are not included). Costs include $25,000 local match for a NCTCOG grant funded planning study. 4. The local match commitment $346,800 for the Lake Highlands TOD Connectivity project as a district-wide improvement has been allocated to this budget category.*

| Skillman Corridor TIF District Project Plan Budget | |
|---|---|
| **Category** | **TIF Budget*** |
| **Skillman/Walnut Hill TOD Town Center:** environmental remediation, interior/exterior demolition, street & utility improvements, streetscape, land acquisition, park/plaza design & acquisition, and economic development grants | $20,000,000 |
| **Other Skillman Corridor Improvements:** environmental remediation, interior/exterior demolition, street & utility improvements, streetscape, land acquisition, park/plaza design & acquisition, and economic development grants | $23,809,003 |
| **Relocation Assistance/Student Retention** | $531,833 |
| **RISD Facility Improvements** | $2,659,164 |
| **Administration and implementation** | $2,684,296 |
| **Total** | $49,684,296 |
| ** As approved in the Project Plan and Reinvestment Zone Financing Plan (discounted to 2006 dollars).* | |

| Skillman Corridor TIF M/WBE Participation | | | |
|---|---|---|---|
| **Project** | **Contractor** | **Total Contract Award Amount** | **Percentage Minority Participation** |
| **Lake Highlands Town Center (LHTC) Project** | | | |
| LHTC Civil Engineering/Design | Pacheco Koch & TBG Landscape Architects | $1,225,000 | 76% |
| LHTC – Environmental Consulting *(private competitive bidding)* | Southwest Geoscience | $256,365 | 100% |
| LHTC – Abatement *(private competitive bidding)* | AMX Environmental | $2,954,777 | 33% |
| LHTC – Demolition *(private competitive bidding)* | Intercon Demolition | $1,861,230 | 21% |
| LHTC – Geotechnical Services *(private competitive bidding)* | Terracon | $11,500 | 47% |
| LHTC – Public Bid (City) Package #1 for dirtwork, storm sewer, sanitary sewer, and retaining wall construction | Walton Construction | $9,782,947 | 18% |
| LHTC – Utilities (*private competitive bidding*) | Tri-Dal | $1,102,291 | 6% |
| LHTC – Tree relocation/ test lab | Environmental Design & Terracon | $567,331 | n/a |
| LHTC – Park/Trail improvements (*private competitive bidding*) | Valley Crest | $2,500,000 | 35% |
| **City/Private Bid Total** | | **$20,261,441** | **$5,227,256 (25.8%)** |
| ***Dallas County* Public Bid Package – LHTC bridge, roads, streetscape, signals** | Austin Bridge and Road, Inc. | **$8,076,506** | **9%** |
| **White Rock Place (WRP) Project** | | | |
| WRP – Flat work | W.O.E. Construction | $5,179 | 0.70% |
| WRP – Erosion control | Brock Environmental Services, LLC | $14,459 | 1.96% |
| WRP - Utilities | JT Dersner | $369,204 | 49.99% |
| WRP – Building demo | E.W. Wells Group, LLC | $272,360 | 40.39% |
| **WRP Bid Total** | | **$1,412,775** | **$661,202 (46.8%)** |
| **White Rock Trail Apartments (WRT) Project** | | | |
| WRT – Building demo | Lindamood Demolition, Inc. | $553,665 | 37.9% |
| WRT - Abatement | Southwest Geoscience | $60,500 | 4.14% |
| **WRT Bid Total** | | $1,460,986 | **$614,165 (42%)** |
| **Overall Total** | | **$31,211,708** | **$7,229,509(23.2%)** |
| **Overall Total *(excluding Dallas County bid)*** | | **$23,135,202** | **$6,502,623 (28.1%)** |

# FY 2017 Work Program

The FY 2017 work program includes:

- Continue coordination efforts for the LHTC and other development projects.
- Continue working to support the efforts of the LBJ/Skillman Gateway Plan.
- Staff support for the implementation of the Lake Highlands TOD Multimodal Connectivity project selected for funding by the North Central Texas Council of Governments (NCTCOG).
- Monitor the impact of redevelopment on RISD student enrollment.
- Working to improve connections to the City of Dallas trails and open space system in the District.
- Investigate additional sources of funding for the District.
- Investigate an extension of the boundary of the TIF district to support Skillman Street/Abrams Road redevelopment efforts.

# Appendix A – Financials

**City of Dallas, Texas**
**Skillman Corridor Tax Increment Financing District Fund**
**Reinvestment Zone Number Fourteen**
**As of September 30, 2016**

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

1. **Amount and source of revenue in the tax increment fund established for the zone:**

| | |
|---|---|
| $6,837 | Interest Income |
| $2,275,007 | Ad Valorem Taxes (Collected in FY'2015-16 based on 2015 Final Tax Roll) |
| $2,281,844 | Total Revenue |

2. **Amount and purpose of expenditures from the fund:**

| | |
|---|---|
| $0 | Administrative Expense (FY 2016 costs are to be determined) |
| $104,226 | Non-Capital outlay (1) |
| $0 | Capital outlay (1) |
| $0 | Additional Subsidy in Form of Grant (in lieu of interest expense) |
| $104,226 | Total Expenditures |

(1) These expenditures were for the following projects:

| | |
|---|---|
| Partial Reimbursement #5 for RISD Public Imp. | $104,226 |
| Other | $0 |
| Total | $104,226 |

3. The Zone began reimbursing the General Fund for administrative costs in fiscal year 2008-09.

4. **a. Amount of Principal and Interest due-on outstanding bonded indebtedness is as follows:**
Skillman Corridor TIF District has incurred no bonded indebtedness as of September 30, 2016.

**b.** The Zone entered into a development agreement; as amended, with PC LH Land Partners, LP for the "Lake Highland Town Center" development in the TIF in an amount not to exceed $40,000,000; however, developer opted to terminate the agreement after Phase I, ($10 million TIF commitment) and began reimbursing the developer in fiscal year 2011 with with the status as follows.

| Project | Principal | Accrued Add'l Subsidy **(1)** | Less Payments | Total Outstanding |
|---|---|---|---|---|
| Demolition, Env. Remediation, etc. | $643,000 | $0 | $643,000 | $0 |
| Water, Wastewater & San. Sewers | $257,000 | $0 | $257,000 | $0 |
| Street & Utility Improvements | $6,100,000 | $0 | $126,301 | $5,973,699 |
| Land Acquisition | $3,000,000 | $0 | $3,000,000 | $0 |
| Grant | $0 | $0 | $0 | $0 |
| Total | $10,000,000 | $0 | $4,026,301 | $5,973,699 |

**c.** The Zone also entered into a development agreement with Audelia WGK, LLC for the White Rock Place redevelopment in an amount not to exceed $2,372,000. The Zone fully reimbursed the developer in fiscal year 2014 with status as follows:

| Project | Principal | Accrued Add'l Subsidy **(1)** | Less Payments | Total (P & I) Outstanding |
|---|---|---|---|---|
| White Rock Place Project | $1,915,000 | $13,974 | $1,928,974 | $0 |
| Total | $1,915,000 | $13,974 | $1,928,974 | $0 |

**(1)** Additional Subsidy in Form of Grant (in lieu of interest expense)

**d.** The Zone entered into a development agreement with WRT/DK Residential, L.P. for the White Rock Trail Apartments project in 2013 in an amount up to $4,000,000 however, developer opted to terminate the agreement in FY 2016 therefore no reimbursement will occur.

**5. Tax increment base and current captured appraised value retained by the zone:**

| Taxing Jurisdiction | Taxable Value 2016* | Base Year 2005 Value | Est. Captured Value 2016* |
|---|---|---|---|
| City of Dallas | $664,382,474 | $335,957,311 | $328,425,163 |
| Dallas County | $664,280,674 | $335,909,087 | $328,371,587 |
| Richardson School District # 1 (INS) | $431,909,048 | $235,461,409 | $196,447,639 |
| Richardson School District # 2 (Operating) | $0 | $0 | $0 |

*Taxable value shown for participating taxing jurisdictions. County & RISD #1 values are approximate and will vary slightly from the City value due to different exemption levels.
**Based on Certified Taxable Value. The final values will be determined on February 01, 2017.

**6. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:**

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

| Taxing Jurisdiction | Assessment Per $100*** | Amount of Estimated 2016 Increment*** |
|---|---|---|
| City of Dallas | 0.66513 | $2,184,438 |
| Dallas County | 0.13371 | $439,049 |
| Richardson Independent School District # 1 (INS) | 0.30000 | $589,343 |
| Richardson Independent School District # 2 (Operating) | 0.75000 | $0 |
| Total for all Jurisdictions | $1.84883 | $3,212,830 |

***Participation rate for City of Dallas is 85% for tax years 2008 - 2031.
***Participation rate for Dallas County is 55% for tax years 2008 - 2027.
Richardson Independent School District(RISD) participates at the rate of 16.48%(debt service portion only) for tax years 2008 - 2021.
The Zone will set aside 30% or $176,803 of the anticipated 2016 RISD increment of $589,343 to reimburse RISD for Facility Improvements TIF budget line item pursuant to RISD's interlocal agreement with the City of Dallas.

B. The total amount of estimated tax increment to be billed for the 2016 tax year is $3,212,830. For the 2015 tax year, increment in the amount of $2,275,007 was received.

**City of Dallas, Texas**
**Skillman Corridor Tax Increment Financing District Fund**
**Balance Sheet as of September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|
| Assets: | | | | | |
| Pooled cash and cash equivalents | $2,342,710 | $2,717,054 | $1,192,583 | $326,014 | $1,106,336 |
| Interest receivable | $3,150 | $3,262 | $1,267 | $384 | $4,460 |
| Total assets | $2,345,860 | $2,720,316 | $1,193,850 | $326,398 | $1,110,796 |
| Liabilities and Fund Balance (Deficit): | | | | | |
| Liabilities: | | | | | |
| Accounts and contracts payable | $104,226 | $2,656,301 | $0 | $0 | $0 |
| Advances from developers | $0 | $0 | $0 | $0 | $0 |
| Accrued interest | $0 | $0 | $0 | $0 | $0 |
| Due to general fund | $10,395 | $10,395 | $10,395 | $10,395 | $0 |
| Total liabilities | $114,620 | $2,666,695 | $10,395 | $10,395 | $0 |
| Fund Balance (Deficit): | | | | | |
| Fund Balance (Deficit) | $2,231,240 | $53,621 | $1,183,455 | $316,004 | $1,110,796 |
| Total Liabilities and Fund Equity | $2,345,860 | $2,720,316 | $1,193,850 | $326,398 | $1,110,796 |
| | $0 | $0 | $0 | $0 | $0 |

**Skillman Corridor Tax Increment Financing District Fund**
**Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)**
**For the Period September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | ITD | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|---|
| Revenues: | | | | | | |
| Tax increment-Governmental | $6,546,814 | $1,621,779 | $1,188,742 | $922,512 | $742,382 | $560,613 |
| Tax increment-Intergovernmental | $2,288,816 | $653,228 | $414,981 | $279,533 | $168,733 | $131,493 |
| Interest income | $67,648 | $9,038 | $12,620 | $4,358 | $1,529 | $5,460 |
| Net increase (decrease) in fair value of investments | $3,440 | ($2,201) | $5,751 | ($395) | ($4,918) | ($121) |
| Total revenues | $8,906,718 | $2,281,844 | $1,622,095 | $1,206,008 | $907,726 | $697,446 |
| Expenditures: | | | | | | |
| Administrative expenses | $368,824 | $0 | $34,695 | $28,601 | $41,956 | $47,782 |
| Non-Capital Outlay | $1,927,379 | $104,226 | $703,933 | $295,982 | $678,562 | $8,099 |
| Capital outlay | $4,365,301 | $0 | $2,013,301 | $0 | $982,000 | $0 |
| Interest and fiscal charges | $13,974 | $0 | $0 | $13,974 | $0 | $0 |
| Total expenditures | $6,675,478 | $104,226 | $2,751,929 | $338,557 | $1,702,518 | $55,881 |
| Excess (Deficiency) of Revenues over Expenditures | $2,231,240 | $2,177,619 | ($1,129,834) | $867,451 | ($794,792) | $641,565 |
| Fund balance (Deficit) at beginning of year as previously reported | $0 | $53,621 | $1,183,455 | $316,004 | $1,110,796 | $469,230 |
| Fund balance (Deficit) at beginning of year, as restated | $0 | $53,621 | $1,183,455 | $316,004 | $1,110,796 | $469,230 |
| Fund balance (deficit) at end of year | $2,231,240 | $2,231,240 | $53,621 | $1,183,455 | $316,004 | $1,110,796 |

**Note: Fiscal year 2015-16 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.**

City of Dallas, Texas
Skillman Corridor Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2016

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.

2. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.

3. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).

4. The Zone's Financial Plan permits expenditures not to exceed $6,265,762 over the life of the TIF to reimburse the City for administrative costs. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.

5. All project costs resulting in capital improvements that are owned by the City are capitalized by the City.

6. "Due to general fund" amount of $10,395 at September 30, 2016 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

**AGENDA ITEM # 28**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 1, 6

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 43 U V Y Z & 44 P Q R S T U V

## SUBJECT

A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Fifteen, (Fort Worth Avenue TIF District), submitted by the Fort Worth Avenue TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

## BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as to the State Comptroller. The City Council approved Ordinance No. 26798 on June 13, 2007, as amended, establishing Tax Increment Financing Reinvestment Zone Number Fifteen, (Fort Worth Avenue TIF District). On March 26, 2008, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 27129, as amended.

The Fort Worth Avenue TIF District's 2016 assessed taxable value was $225,599,449. This represents an increase of $139,466,002 (161.9%) over its base value and an increase of $51,706,177 (30%) over its taxable value for 2015. The increase over the previous year's taxable value is largely attributed to the appreciation and completed construction of the properties that comprise the Sylvan | Thirty ($35,509,380) and Alta West Commerce ($27,965,000) projects. With the City and Dallas County's participation, the increase over the base value will result in the collection of approximately $1,114,078 in total incremental revenue for the District.

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

On June 13, 2007, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Fifteen, the Fort Worth Avenue TIF District by Ordinance No. 26798, as amended.

On March 26, 2008, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Fort Worth Avenue TIF District by Ordinance No. 27129, as amended.

On December 12, 2016, the Fort Worth Avenue TIF District Board of Directors recommended that the FY 2016 Annual Report be accepted and approved.

Information about this item was provided to the Economic Development Committee on February 6, 2017.

February 22, 2017

**WHEREAS,** the City recognizes the importance of its role in local economic development initiatives and programs; and

**WHEREAS,** the City has established Tax Increment Financing Reinvestment Zone Number Fifteen, ("Fort Worth Avenue TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment in the Fort Worth Avenue area pursuant to Ordinance No. 26798, authorized by the City Council on June 13, 2007, as amended, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

**WHEREAS,** on March 26, 2008, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Fort Worth Avenue TIF District by Ordinance No. 27129, as amended; and

**WHEREAS,** the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

**WHEREAS,** on December 12, 2016, the Fort Worth Avenue TIF District Board of Directors passed a motion accepting the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Fifteen and recommending approval of same by the City Council.

**NOW, THEREFORE,**

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

**Section 1.** That the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Fifteen, (Fort Worth Avenue TIF District), City of Dallas, Texas, as of September 30, 2016, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

**Section 2.** That the City Manager is hereby authorized to submit the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Fifteen to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and to the State Comptroller, as required by state law.

**Section 3.** 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.

**Exhibit A**

# Fort Worth Avenue TIF District
# FY 2016
# Annual Report




The Alta Yorktown Apartments Project
(Source: City of Dallas)

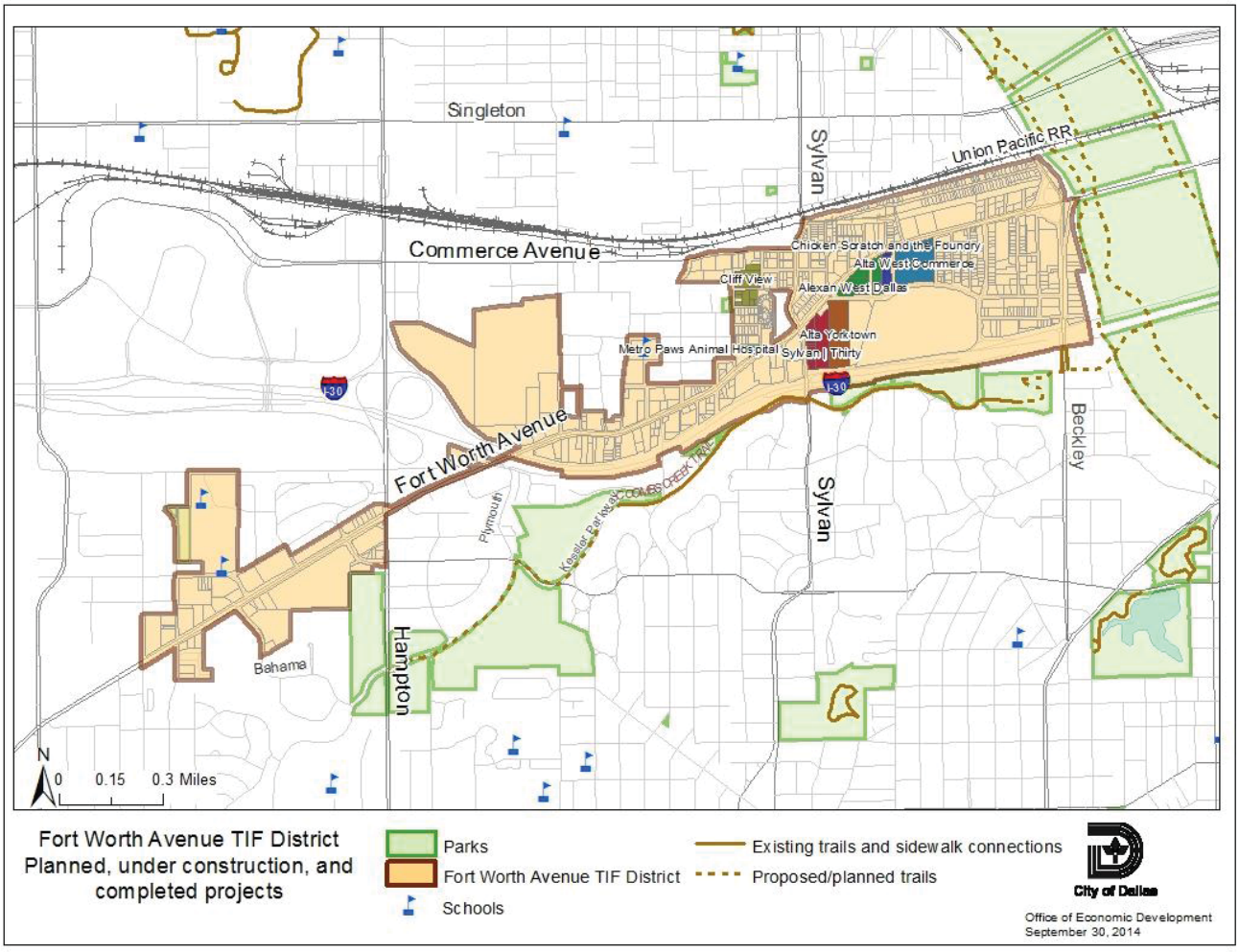
**City of Dallas**

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 671-9825
www.dallas-ecodev.org/redevelopment

## October 1, 2015 to September 30, 2016

Exhibit A

# Reinvestment Zone Number Fifteen
# Fort Worth Avenue
# Tax Increment Financing District



# Table of Contents

Mission Statement ..... 4
District Accomplishments ..... 4
Past, Current and Anticipated Projects..... 6
Value and Increment Revenue Summary..... 14
Objectives, Programs, and Success Indicators ..... 14
Year-End Summary of Meetings ..... 18
Pending TIF Items ..... 22
Budget and Spending Status..... 23
FY 2017 Work Program..... 24
Appendix: Financials ..... 25

# Mission Statement

The mission of the Fort Worth Avenue TIF District is to provide a source of funding for public infrastructure improvements necessary to enhance the real estate market for the Fort Worth Avenue TIF District area. The Fort Worth Avenue TIF District represents the outgrowth of the City of Dallas' effort to provide a model for redeveloping urban corridors to take full advantage of the Trinity River project, the signature Santiago Calatrava bridges, and the undeveloped/underdeveloped land parcels near downtown Dallas.

The Fort Worth Avenue TIF District was proposed in April 2007 to assist the creation of a more sustainable mix of rental and for-sale residential property in the Fort Worth Avenue area. This shift will help to encourage the creation of more owner-occupied residential units and mixed-use development, the removal and redevelopment of structurally obsolete apartment complexes and retail centers, and the facilitation of necessary environmental remediation and redevelopment of the property near the Trinity River and downtown Dallas, as well as better trail and recreational connections.

The Dallas City Council established the Fort Worth Avenue TIF District by Ordinance Number 26798 on June 13, 2007, as amended. The District took effect on January 1, 2008 and it is scheduled to terminate on December 31, 2029 (including collection of the 2029 increment in calendar year 2030 and any related matters to be concluded in 2030). The City of Dallas and Dallas County are the District's participating jurisdictions. The City's annual participation rates are as follows:

- 0% in 2008
- 55% in 2009 and 2010
- 70% in 2011 through 2013
- 85% in 2014 through 2020
- 70% in 2021 and 2022
- 55% in 2023 through 2029

The County's participation was 0% in 2008 and increased to 55% in 2009 through 2028.

# District Accomplishments

The Fort Worth Avenue TIF District is generally bounded by commercial and multi-family developments along the Fort Worth Avenue corridor between the Trinity River and Hartsdale Avenue. Many of these properties were underutilized and/or deteriorated initially. The District also contains many outdated industrial structures, vacant office buildings, sparingly used parking lots and undeveloped land. The District is appealing given its proximity to downtown Dallas, the Santiago Calatrava bridges, the Coombs Creek, stable single-family neighborhoods and planned transit-service improvements.

Since inception, the District has had three TIF funding projects approved by Dallas City Council. The first project, the Metro Paws Animal Hospital, was completed in 2012. The

second project, the *Sylvan* | *Thirty* mixed-use development, was completed in 2015. The third project, the Cliff View multi-family housing development, terms expired.

In addition, ten non-TIF funded projects that were completed prior to FY 2015 have added commercial, office, retail and restaurant space along or near the Fort Worth Avenue corridor. Collectively, the projects are expected to further stimulate the expansion of commercial and residential activity throughout the District. Construction commenced on the Alexan West Davis mixed-use development which will contain 340 apartment units and 18,500 square feet of retail space, and thoroughfare improvements (see below).







The Alexan West Davis mixed-use development
(Source: Dallas Office of Economic Development)

# Past, Current and Anticipated Projects

The past, current and anticipated projects within the District as of September 30, 2016 are as follows:

| Projects Within the Fort Worth Avenue TIF District Utilizing TIF Funding[1] | | | | | | |
|---|---|---|---|---|---|---|
| **Project** | **Location** | **Calendar Year Complete** | **Status** | **Units/Square Feet[2]** | **Approximate Investment/ Assessed Value[3]** | **TIF Investment[4]** |
| Metro Paws Animal Hospital | 1021 Fort Worth Ave | 2012 | Complete | 4,006 square feet of veterinary hospital space | $697,730 (assessed value) | $116,000 |
| Sylvan \| Thirty | 750 and 758 Fort Worth Ave; 738 IH 30; 1802, 1808, 1812, 1824 and 1830 Sylvan Ave | 2016 | Complete | 200 apartment units[6] and 53,800 square feet of retail/ restaurant space | $35,509,380 (assessed value) | $3,200,000 |
| | | | **Total** | **200 units; 53,800 square feet of retail and restaurant space; and 4,006 square feet of veterinary hospital space** | **$36,207,110** | **$3,160,060** |
| Per the TIF program mixed-income housing requirement, the project is providing at least 20% of units as affordable.[6] | | | | | | |




Metro Paws Animal Hospital
(Source: City of Dallas)

| Projects Within the Fort Worth Avenue TIF District That Are Not Utilizing TIF Funding[1] | | | | | | |
|---|---|---|---|---|---|---|
| **Project** | **Location** | **Calendar Year Complete** | **Status** | **Units/Square Feet[2]** | **Approximate Investment/ Assessed Value[3]** | **TIF Investment[4]** |
| McDonald's | 2747 Fort Worth Ave | 2009 | Complete | 4,828 square feet of restaurant space | $920,620 (assessed value) | $0 |
| Comerica Bank | 2727 Fort Worth Ave | 2010 | Complete | 3,714 square feet of commercial space | $1,176,930 (assessed value) | $0 |
| Meridian at Kessler Park | 2522 Fort Worth Ave | 2010 | Complete | 198 apartment units | $10,600,000 (assessed value) | $0 |
| Aldi | 2505 Fort Worth Av | 2011 | Complete | 16,657 square feet of retail space | $2,300,000 (assessed value) | $0 |
| Retail center | 2605 Fort Worth Ave | 2011 | Complete | 10,143 square feet of retail space | $1,600,000 (assessed value) | $0 |
| Santiago Rodriguez Insurance (formerly the Oak Cliff Hive) | 2139 Fort Worth Ave | 2012 | Complete | 2,356 square feet of office space | $325,000 (assessed value) | $0 |
| Chicken Scratch and The Foundry | 2303 Pittman St | 2012 | Complete | 10,800 square feet of restaurant space and 1,740 square feet of office space | $745,000 (assessed value) | $0 |
| Carolina and Company Salon | 2335 Hardwick St | 2013 | Complete | 3,200 square feet of commercial space | $105,660 (assessed value) | $0 |
| Droese Raney Architecture | 2120 Sylvan Ave | 2013 | Complete | 2,400 square feet of office space | $145,000 (assessed value) | $0 |
| Manny Rodriguez Photography | 1007 Folsom St | 2014 | Complete | 1 single-family unit and 4,620 square feet of commercial space | $763,340 (assessed value) | $0 |
| Alta West Commerce | 444 W. Commerce | 2015 | Complete | 252 apartment units | $27,965,000 (assessed value) | $0 |
| Alta Yorktown | 660 Yorktown St | 2016 | Complete | 226 apartment units | $28,000,000 (approximate investment) | $0 |
| Lula B's Antiques | 1982 Fort Worth Ave | 2016 | Complete | 28,825 square feet of retail space | $300,000 (assessed value) | $0 |
| The Villas at the Belmont | Malone Dr. and Fort Worth Ave | TBD | Under Construction | 34 (approx. 17 built) single family and townhouse units | $35,000,000 (approximate investment) | $0 |
| Alliance West Commerce | W. Commerce and Hardwick | 2017 | Under Construction | 308 apartment units and retail space | $48,000,000 (planned investment) | $0 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Alexan West Dallas | 620 Fort Worth Ave | 2017 | Under Construction | 340 apartment units and 18,500 square feet of retail space | $40,000,000 (approximate investment) | $0 |
| Lincoln Property Company | 2300 Fort Worth Ave | TBD | Under Construction | Mixed-use 300 units and 10-20,000 square feet of retail | $6,894,100 (assessed value) | $0 |
| | | | **Total** | **1,659 units; 11,534 square feet of commercial space; 109,753 square feet of retail and restaurant space; and 6,496 square feet of office space** | **$204,840,650** | **$0** |



The Alliance West Commerce mixed-use housing and retail project under construction
(Source: Dallas Office of Economic Development)

| Projects Adjacent to the Fort Worth Avenue TIF[5] | | | | | | |
|---|---|---|---|---|---|---|
| **Project** | **Location** | **Calendar Year Complete** | **Status** | **Units/ SF[2]** | **Approx. Value[3]** | Public Investment |
| Belmont Hotel | 901 Fort Worth Ave | 2005 | Complete | 64 hotel rooms | $4,479,500 | $370,000 PPP Funds and $359,995 2003 Bond Funds |
| Smoke | 901 Fort Worth Ave | 2009 | Complete | 5,750 square feet of restaurant space | | |
| | | | **Total** | 64 hotel rooms and **5,750 square feet of restaurant space** | **$4,479,500** | **$729,995** |

*[1] All information updated as of September 30, 2016.*

*[2] Based upon either the TIF application or required minimum stated in the development agreement. Has been updated for completed projects based on actual unit mix and square footage.*

*[3] Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed).*

*[4] Principal amount not to be exceeded per the development agreement. TBD indicates that development agreement has not yet been adopted. Asterisk indicates investment also includes interest not shown.*

*[5] Includes selected significant projects.*

The City and community partners have several initiatives within and adjacent to the District that commenced in FY 2014 or have been ongoing. Collectively, over $895 million in bond, grant, federal and private funds will be spent on the projects which are expected to help accomplish the following:

- Facilitate new mixed-use development in the area
- Create a vibrant neighborhood along the Fort Worth Avenue corridor
- Increase recreational opportunities and connections to the Trinity River corridor and downtown

A summary of the specific initiatives is as follows:

- The Texas Department of Transportation (TxDOT) has commenced work on the Horseshoe project which will upgrade the I-30 and I-35E bridges over the Trinity River and a portion of the Mixmaster. The project includes: a) the reconstruction of I-30 between Sylvan Avenue and the I-35 interchange; b) the reconstruction of I-35 from its interchange with I-30 south to Eighth Avenue; and c) the installation of additional lanes and a dedicated bicycle and pedestrian facility on the I-30 bridge over the Trinity River.

- Upon its completion the Coombs Creek Trail will connect Hampton Road to Riverfront Boulevard and the Katy Trail (east of the District). The trail's first phase, which spans from just west of Beckley Avenue to Sylvan Avenue, was completed in March 2009. Phase II, which spans from Sylvan Avenue to the tennis courts at Stevens Park Golf Course, was completed in September 2010. Phase III, which spans from the tennis courts at Stevens Park Golf Course to Colorado and Plymouth to Hampton Road, was completed in 2016. Phase IV, on the eastern end of the trail, is installing bicycle and pedestrian facilities as part of the Horseshoe project that will help connect the Coombs Creek Trail to Riverfront Boulevard. Dallas County has also committed $3,500,000 toward the link between Beckley Avenue and the Horseshoe project.



The Coombs Creek Trail
Source: City of Dallas

- The Trinity Overlook is a pavilion and observation deck located east of the District near the southeast corner of the Beckley Avenue and West Commerce Street intersection. The project was financed by $248,815 from the 1998 bond program and a $100,000 donation from the MetLife Foundation. It was completed in October 2008.



The Trinity Overlook
Source: City of Dallas

- The West Dallas Signature Point project was selected for funding through the North Central Texas Council of Governments (NCTCOG)'s Regional Transportation Council's Sustainable Development Program Call for Projects. This planning project used the goals and standards established in the West Dallas Urban Structure and Guidelines to create a redevelopment and investment strategy for prioritizing capital improvement projects in the West Dallas area bounded by Singleton Boulevard (north), the Trinity River levee (east), I-30 (south) and Sylvan Avenue (west). It was completed in 2014.

- In 2009 the Park Department began design for an $8 million renovation of the Stevens Park Golf Course which is adjacent to the District. Renovations included 1) erosion control for Coombs Creek, 2) renovation of the golf course to include drainage, bridge construction, cart paths, etc., 3) irrigation improvements, and 4) construction of a maintenance facility. The renovation project was completed in October 2011.

In addition to these initiatives, the City's Public Works and Transportation Department commenced construction on infrastructure improvements at the North Beckley Avenue and West Commerce Street intersection in FY 2015. The $5.3 million project will help ease traffic congestion on North Beckley Avenue; improve pedestrian and bicycle access to the Trinity River corridor; upgrade storm sewer, water and sanitary sewer systems; and augment wider sidewalks, street trees, street furniture, bike lanes and enhanced pedestrian lighting. The project will also reuse storm water runoff for irrigation purposes. It is scheduled to be completed in 2017.

Deedie and Rusty Rose donated $2 million, part of their $5 million donation to the Trinity Trust, to found the Dallas Citydesign Studio. The studio's staff works closely with those involved in the Trinity River Corridor project including developers, businesses, residents and other city departments to enhance urban design in the corridor. The Studio receives advisement from urban planner Larry Beasley, who is known for his livability work in Vancouver (downtown).

In January 2013, a partnership with the Fort Worth Avenue Development Group (FWADG) enabled the City to stripe buffered bike lanes on Fort Worth Avenue between North Edgefield Avenue and Sylvan Avenue. The pilot project helped determine the feasibility of a proposed thoroughfare plan amendment to modify Fort Worth Avenue from six lanes of vehicular traffic to four lanes and continuation of connecting buffered bike lanes throughout the district. The thoroughfare plan amendment was approved by City Council on September 11, 2013.

The reconstruction of Sylvan Avenue between I-30 and Fort Worth Avenue (adjacent to the Sylvan | Thirty project) was completed FY 2016. The project added bike lanes, on-street parking, wide sidewalks, and new traffic signals along this segment of Sylvan Avenue. It also upgraded the existing storm drainage, replaced the water and wastewater mains and added new landscaping and streetscaping improvements that include pedestrian lighting.

| District Initiatives | | | | |
|---|---|---|---|---|
| **Activity** | **Scope** | **Status** | **Investment** | **Source** |
| Coombs Creek Trail | To create a multi-use trail system along the course of Coombs Creek as it winds west of downtown. Phases I-III will extend from Beckley Avenue through the Stevens Park Golf Course tennis area to Hampton Road.<br><br>Additional phases will: 1) extend the eastern end of the trail to Beckley Avenue, 2) connect to the Trinity Skyline Trail, 3) connect to the IH 30 bike and pedestrian bridges, and 4) extend trail further west of Plymouth/Hampton; and connect around Colorado and Fort Worth Ave. | Phase I: Complete<br><br>Phase II: Complete.<br><br>Phase III: Complete.<br><br>Phase IV: connection to Beckley Avenue is currently partially funded. The connection from Beckley Avenue to Riverfront will be completed as part of the Horseshoe Project which commenced in February 2013. It is anticipated to be completed March 2017. | Cost to date:<br><br>Phase I (total): $394,896<br><br>Phase II (total): $541,917<br><br>Phase III (total): $1,529,880<br><br>Phase IV: (eastern terminus to Beckley): total TBD.<br><br>Horseshoe pedestrian and bicycle facilities: $8,438,228 | 2003 and 2006 Bond Programs for Phases I II, and III.<br><br>Phase IV: Dallas County committed $3,500,000 as part of the MCIP 6th Call. The City's matching funds may come from a future bond program.<br><br>Horseshoe Project: combination of federal, private, and bond funding. |
| Trinity Overlook | Pavilion and observation deck at the southeast corner of Beckley Avenue and West Commerce Street | Complete | $248,815 | 1998 Bond Program |
| | | | $100,000 | MetLife Foundation via the Trust for Public Land |
| West Dallas Signature Project | Infrastructure planning project | Complete | $ 25,406 | West Dallas Chamber of Commerce |
| | | | $101,625 | Regional Transportation Council |
| Sylvan Avenue reconstruction | Sylvan Avenue from the I-30 service road to Fort Worth Avenue | Complete. | $2,093,756 | 2006 Bond Program And Dallas Water Utility funds |
| | Sylvan Avenue from West Commerce Street to Singleton Boulevard | Under Award-Construction. Construction to take 18 months. | $2,552,600 | 2006 Bond Program |

| District Initiatives | | | | |
|---|---|---|---|---|
| Fort Worth Avenue Streetscape Improvements | Master plan for roadway and streetscape design for Fort Worth Avenue from Beckley Avenue to Westmoreland Road. | Public feedback resulted in a new project design being sought. On September 11, 2013, City Council approved an amendment to the City's Thoroughfare Plan which included modifications to Fort Worth Avenue. | Up to $200,000 | 2003 Bond Program |
| Fort Worth Avenue reconstruction | The project entails modifying Fort Worth Avenue between Sylvan Avenue and Commerce Street from six lanes to four divided lanes, a buffered bike lane, and on-street parking. | Design of the project underway | $3,000,000 | 2006 Bond Program: $1,500,000<br><br>Dallas County: $1,500,000 (Project Specific Agreement underway) |
| N. Beckley Avenue and West Commerce Street Intersection Improvements | Design, engineering, and construction of intersection improvements that include sidewalks, bike lanes, and street trees. | Under construction | $7,873,032 (total) | 1998 Bond Program: $2,050,043<br><br>2003 Bond Program: $44,983<br><br>2006 Bond Program: $3,566,089<br><br>2012 Bond Program: $1,175,630<br><br>DWU funds: $1,036,287 |
| Beatrice Street (West Commerce Street to West Comstock Street) and Wink Street | Street resurfacing | Work to be done in coordination with the N. Beckley Avenue and West Commerce Intersection Improvements | $100,000 | 2006 Bond Program |
| Fort Worth Avenue from Edgefield Avenue to Plymouth Road | Street resurfacing | Complete | $323,032 | 2006 Bond Program |

| Initiatives Adjacent to District | | | | |
|---|---|---|---|---|
| **Activity** | **Scope** | **Status** | **Investment** | **Source** |
| Stevens Park Golf Course renovation | Design, engineering, construction, and interim management | Complete | Design: $835,000 Construction: $8,184,630 | 2003 and 2006 Bond Programs, Stevens Park Golf Course Improvement Funds, and Golf Improvement Funds |
| Horseshoe Project | Reconstruction of I-30 from Sylvan Avenue to the I-35 interchange, and I-35 from the I-30 interchange to Eighth Street. | Under construction. Anticipated completion is in 2017. | $818 million | Federal, state, and regional funding |
| West Dallas Gateway (the Three Hole Punch) | Construction of three street connections under the Union Pacific rail lines north of the District | Design commenced in March 2015. | $34 million | 2012 Bond Program |

## Value and Increment Revenue Summary

The Fort Worth Avenue TIF District's 2016 assessed taxable value was $225,599,449. This represents an increase of $139,466,002 (161.9%) over its base value and an increase of $51,706,177 (30%) over its taxable value for 2015. The increase over the previous year's taxable value is largely attributed to the appreciation and completed construction of the properties that comprise the Alta West Commerce ($27,965,000) and Sylvan | Thirty ($35,509,380) projects. With the City and Dallas County's participation, the increase over the base value will result in the collection of approximately $1,114,078 in total incremental revenue for FY 2016 for the District.

## Objectives, Programs, and Success Indicators

The Fort Worth Avenue Project Plan and Reinvestment Zone Financing Plan was adopted on March 26, 2008, as amended. The plan's defined development goals are provided below:

- Create additional taxable value attributable to new private investment in projects totaling approximately $1,290,239,340 over the term of the District.

  *The District's taxable value has increased approximately $139,466,002 since its inception (9.6% of the goal). Completed projects include the Metro Paws Animal Hospital, a McDonald's, a Comerica banking center, the Meridian at Kessler Park, an Aldi grocery store, and the Alta West*

*Commerce, Sylvan | Thirty, and Alta Yorktown developments. While Alexan West Dallas and Alliance West Commerce are under construction.*

- Attract new, higher density, private development in the Fort Worth Avenue TIF District totaling approximately 1,033,910 square feet of retail space and 9,444 residential units including townhome, multi-family, single-family, and condominium projects.

  *Since its inception 152,839 square feet of commercial, office, retail and restaurant space has been completed within or adjacent to the District. Construction has commenced on another approximately 38,500 square feet while additional space is currently planned at Alliance West Commerce. Collectively, the 191,339 square feet represents 19% of the goal.*

  *Residential development continues to grow the district area's population with 890 completed residential units. An additional 969 units are under construction. Collectively, the 1,859 units represent 20% of the goal.*

- Focus on encouraging the redevelopment of properties in the Fort Worth Avenue corridor to increase density and to provide enhanced urban design for the district that meets the intent of the *Fort Worth Avenue Corridor Land Use and Urban Design Study* and the requirements of the West Commerce Street/Fort Worth Avenue Special Purpose District (PD 714), adopted by Ordinance No. 25898 on February 23, 2005, as amended.

  *The following progress has been made since the District's inception:*

  – *Manny Rodriguez Photography includes a newly constructed 4,620 square foot studio and a renovated single-family home.*

  – *Alta West Commerce, which contains* 252 apartment units, was built on land that was previously underutilized.

  – *Sylvan | Thirty is completed on land that was previously underutilized. It contains 200 apartment units and 53,800 square feet of retail space.*

  – *Alta Yorktown is completed with 226 apartment units.*

  – *Alexan West Dallas is under construction on land that was previously underdeveloped and will contain 340 apartment units and 18,500 square feet of retail space.*

- *The Villas at the Belmont is under construction on land that was previously vacant. It will contain 34 (approx. 17 built) single family and townhouse units.*

- *The Alliance West Commerce apartments is under construction on what was once predominantly vacant land and an auto use building.*

- *The Lincoln Kessler Park multifamily and retail development is under construction.*

*Additionally, the following projects within and adjacent to the District will provide public infrastructure improvements that comply with PD 714 including wide sidewalks, street trees, bicycle, and pedestrian amenities:*

- *Coombs Creek Trail*
- *West Dallas Signature Point*
- *Reconstruction of West Commerce Street*
- *Trinity Overlook*
- *TxDOT's Horseshoe*
- *Fort Worth Avenue Streetscape Improvements*
- *Reconstruction of Sylvan Avenue*
- *Reconstruction of Beckley Avenue*

- Improve access and connections to the planned improvement of transit services, including a light rail or modern streetcar line, within the District.

  *Projects requesting TIF funding are reviewed individually to ensure wide sidewalks and improved transit stops with features such as shelters or pedestrian shading. Their landscaping design must also account for potential light rail or streetcar lines.*

  *Additionally, planned extensions of the Coombs Creek Trail will connect the Fort Worth Avenue corridor to Union Station and additional transit services.*

- Increase recreational opportunities and improve connections to the City of Dallas trails and open space system in the District, especially the Trinity River and Coombs Creek.

  *Phases I and II of the Coombs Creek Trail, which spans from Beckley Avenue to North Oak Cliff Greenspace, Inc. (next to Stephens Park tennis courts) was completed in 2010. Phase III was completed in 2016, which extends Coombs Creek Trail from the tennis courts to Plymouth and Colorado up to Hampton Road. Also future plans are to extend the trail*

*further west of Plymouth; and connect around Colorado and Fort Worth Ave. Phase IV to the east plans to connect to Riverfront Boulevard and downtown Dallas.*

- Maintain the stability of local schools as redevelopment occurs in the housing market.

  *Administrators from the Dallas Independent School District have been invited to participate in the District's TIF Board meetings.*

- Diversify retail and commercial uses in the District.

  *Since its inception, the District has added retail and commercial spaces which cater to residents and visitors for a variety of desires and necessities, including dining and grocery options, shopping, and household services for access and attractive living.*

- Generate approximately $69.5 million (2008 NPV) in increment over 21 years, with up to 85 percent participation by the City and 55 percent participation by the County.

  *The District's assessed property value has increased 161.9% over its base value. The increase has generated approximately $1,765,096 in incremental revenue (2.5% of the goal).*

# Year-End Summary of Meetings

Based on amended composition, the Fort Worth Avenue TIF Board can consist of up to nine members, including eight City of Dallas appointees and one from Dallas County. The board, which met two times during the fiscal year, consisted of the following members:

- Casey B Evans – City appointee (did not attend the meetings)
- Eva Elvove – City appointee (attended 2 of 2 meetings)
- Joseph Hernandez – City appointee and chairman (attended 1 of 2 meetings)
- Tony Hinojosa – City appointee (attended 1 of 2 meetings)
- J. B. Jones – City appointee (attended 2 of 2 meetings)
- Rick Loessberg – Dallas County appointee (attended 1 of 2 meetings)
- Juanita Ramirez – City appointee (attended 2 of 2 meetings)
- Jennifer Snow – City appointee (attended 2 of 2 meetings)
- Dustin Thibodeaux – City appointee (attended 2 of 2 meetings)

The Dallas City Council approved fourteen items related to the District during the fiscal year, items are summarized below:

- On February 24, 2016, the City Council approved Resolution No. 16-0343, accepting the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Fifteen, (Fort Worth Avenue TIF District), submitted by the Fort Worth Avenue TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law – Financing: No cost consideration to the City.

- On April 27, 2016, the City Council approved Resolution No. 16-0669, to authorize rescission of Resolution Nos. 14-0841 and 14-0842, previously approved on March 28, 2014, which authorized a development agreement with Henry S. Miller and/or its affiliates HSM Multifamily Development LLC and/or HSM Cliff View Associates Ltd., in an amount not to exceed $4,650,000, payable from future Fort Worth Avenue TIF District funds in consideration of the proposed Cliff View Project in Tax Increment Financing Reinvestment Zone Number Fifteen (Fort Worth Avenue TIF District) - Financing: No cost consideration to the City.

- On April 27, 2016, the City Council approved Resolution No. 16-0670, for reconsideration of a TIF Funding request by HSM Cliff View Associates Ltd, previously approved by the Dallas City Council on May 28, 2014, to: (1) dedicate future TIF revenues for eligible project costs in support of the Cliff View Project collectively addressed at 2002, 2010, and 2120 North Willomet Avenue; 1020, 1024, and 1028 Seale Street; 1019 and 1023 Stafford Avenue; and 2203 Ormsby Street in an amount not to exceed $6,654,303; and (2) reconstruct Seale Street between Ormsby Street and Sylvan Avenue to create a consistent width with the segment of Seale Street between North Willomet Avenue and Ormsby Street in an amount not to exceed $651,304.

- On October 28, 2015, the City Council approved Resolution No. 15-1950 to authorize (1) a contract with the Fort Worth Avenue Development Group for participation in the development of the scope of work and artist selection process for a public art project to be located in Triangle Park, a street median, at the intersection of Sylvan Avenue, Seale Street and Evanston Avenue; (2) the receipt and deposit of funds from the Fort Worth Avenue Development Group in the amount of $5,000, for maintenance costs associated with a public art project; and (3) an increase in appropriations in the amount of $5,000 in the Office of Cultural Affairs Gifts and Donations Fund - Not to exceed $5,000 - Financing: Office of Cultural Affairs Gifts and Donations Fund.

- On October 28, 2015, the City Council approved Resolution No. 15-1966 to authorize an increase in the contract with Texas Standard Construction, Ltd. for drainage system upgrades along North Beckley Avenue and West Commerce Street and additional work associated with the reconstruction of the North Beckley at West Commerce Street intersection, including changes to the roadway profile to accommodate the drainage upgrades - Not to exceed $1,298,542, from $5,749,249 to $7,047,791 - Financing: 2012 Bond Funds ($1,250,779), and 1998 Bond Funds ($47,763).

- On October 28, 2015, the City Council approved Resolution No. 15-1967 to authorize a professional services contract with Alliance Geotechnical Group, Inc. to provide construction material testing for the North Beckley Avenue at West Commerce Street intersection - Not to exceed $75,150 - Financing: 1998 Bond Funds.

- On October 28, 2015, the City Council approved Resolution No. 15-1998 to authorize a public hearing to receive comments regarding an application for and an ordinance granting an amendment to Subdistrict 4 of Planned Development District No. 714, the West Commerce Street/Fort Worth Avenue Special Purpose District and an ordinance granting a Specific Use Permit for a tower/antenna for cellular communication limited to a mounted cellular antenna on property zoned Subdistrict 4 of Planned Development District No. 714, on the north line of Fort Worth Avenue, west of Walter Drive Recommendation of Staff and CPC: Approval

of the amendment to Subdistrict 4, subject to conditions; and approval of a Specific Use Permit for a two-year period, subject to a site plan and conditions Z145-294(SM)

- On November 10, 2015, the City Council approved Resolution No. 15-2105 to authorize a second extension to the development agreement with Lynxette Exploration, LLC, previously approved on March 28, 2012, by Resolution No. 12-0962, in Tax Increment Financing Reinvestment Zone Number Fifteen (Fort Worth Avenue TIF District) to extend the deadlines related to the completion of the Sylvan | Thirty project by one year; in consideration for the extension Lynxette Exploration, LLC shall (1) provide staff with a quarterly report of the project's outstanding items for submittal to the Fort Worth Avenue TIF Board; (2) annually request permission from TxDOT to complete the installation of the required landscaping and 7' sidewalk along the southern portion of the project site, and subsequent to receiving permission, must complete the work within the next immediate planting period and no later than 12 months from the date permission is granted; and (3) provide staff with documentation of TxDot's response to their annual request prior to the annual disbursement of TIF Reimbursement - Financing: No cost consideration to the City.

- On February 10, 2016, the City Council approved Resolution No. 16-0298 to approve a public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 1619 for an industrial (inside) use not potentially incompatible limited to a facility for the processing, fabrication, assembly, or disassembly of parts associated with transmission and gear components on property zoned Subdistrict 1B in Planned Development District No. 714, the West Commerce Street/Fort Worth Avenue Special Purpose District on the southeast corner of West Commerce Street and Sylvan Avenue Recommendation of Staff and CPC: Approval for a ten-year period, subject to conditions Z156-125(OTH).

- On February 24, 2016, the City Council approved Resolution No. 16-0379 to authorize a public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for a mini-warehouse use on property zoned Subdistrict 2B in Planned Development District No. 714, the West Commerce Street/Fort Worth Avenue Special Purpose District on the south side of Fort Worth Avenue, east of North Montclair Avenue.

- On May 25, 2016, the City Council approved Resolution No. 16-0810 to authorize (1) a Project Specific Agreement with Dallas County for funding participation in the design and construction of paving and drainage improvements for Sylvan Avenue from Fort Worth Avenue to Singleton Boulevard; (2) the receipt and deposit of funds from Dallas County in an amount not to exceed $3,000,000; and (3) an increase in appropriations in the amount of $3,000,000 in the Capital Projects Reimbursement Fund - Not to exceed $3,000,000 - Financing: Capital Projects Reimbursement Funds.

- On June 22, 2016, the City Council approved Resolution No. 16-1081 to authorize an ordinance abandoning four wastewater easements to Lincoln Colorado Place LLC, the abutting owner, containing a total of approximately 7,172 square feet of land, located near the intersection of Fort Worth Avenue and Colorado Boulevard - Revenue: $5,400, plus the $20 ordinance publication fee.

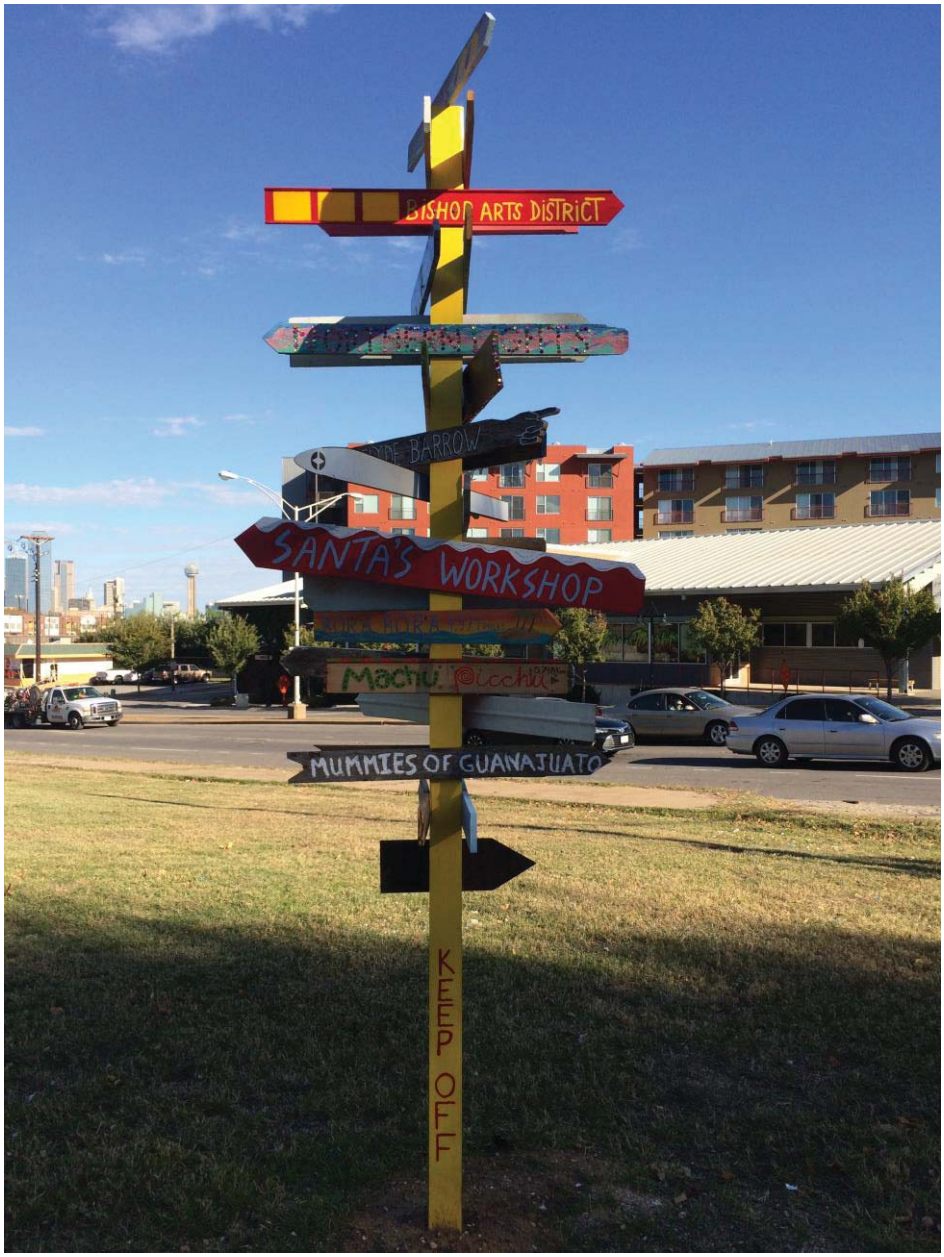
- On June 22, 2016, the City Council approved Resolution No. 16-1070 to authorize a contract with Tiseo Paving Company, lowest responsible bidder of three, for the reconstruction of street paving, storm drainage, water and wastewater main improvements for Sylvan Avenue from Fort Worth Avenue to Singleton Boulevard - Not to exceed $7,663,718 - Financing: Capital Projects Reimbursement Funds ($2,975,000), 2012 Bond Funds ($1,595,371), General Obligation Commercial Paper Funds ($1,969,693), Water Utilities Capital Improvement Funds ($1,082,744), and Water Utilities Capital Construction Funds ($40,910).

- On January 13, 2015, the City Council approved Resolution No. 16-0081 to authorize a contract with artist Christopher Blay for a new public art commission to be located near the Coombs Creek walking trail near the intersection of Kessler Parkway and North Clinton Avenue - Not to exceed $65,000 - Financing: 2006 Bond Funds.

# Pending TIF Items

The pending items for the Fort Worth Avenue TIF District are as follows:

- Approval of the FY 2016 Annual Report




Public Art Installation by FWADG
(Source: Dallas Office of Economic Development)

# Budget and Spending Status

The Fort Worth Avenue TIF District's Project Plan and Reinvestment Zone Financing Plan established a budget for the public improvement expenditures that are necessary to support private investment. The District's budget and spending to date are provided on the following charts:333

| Fort Worth Avenue TIF District<br>Projected Increment Revenues to Retire TIF Fund Obligations* | | | |
|---|---|---|---|
| **Category** | **TIF Budget** | **Allocated** | **Balance** |
| Public infrastructure improvements: paving, streetscape, water/wastewater, storm sewer, utility burial/relocation, and land acquisition | $71,443,870 | $2,832,746 | $68,611,124 |
| Affordable housing | $9,587,261 | $2,274,163 | $7,313,098 |
| Environmental remediation & demolition | $11,504,713 | $25,000 | $11,479,713 |
| Parks, open space, trails, and gateways | $11,504,713 | $325,000 | $11,179,713 |
| Façade restoration | $5,752,356 | $0 | $5,752,356 |
| Economic development grants | $19,174,522 | $2,500,000 | $16,674,522 |
| Administration and implementation* | $4,218,395 | $355,806 | $3,862,589 |
| **Total project costs** | **$133,185,830** | **$8,312,715** | $124,873,115 |

*Budget shown above in current dollars, updated yearly; TIF Project Plan shows the budget in net present value. Values above do not include interest payments or receipts.*
** TIF Administration costs shown are expensed through FY 2016. FY 2016 cost not included.*

| Fort Worth Avenue TIF District<br>Project Plan Budget (NPV, 2008 dollars) | |
|---|---|
| **Category** | **TIF Budget*** |
| **Public infrastructure improvements:** paving, streetscape, water/wastewater, storm sewer, utility burial/relocation, and land acquisition | $37,259,794 |
| **Affordable housing** | $5,000,000 |
| **Environmental remediation & demolition** | $6,000,000 |
| **Parks, open space, trails, and gateways** | $6,000,000 |
| **Façade restoration** | $3,000,000 |
| **Economic development grants** | $10,000,000 |
| **Administration and implementation** | $2,200,000 |
| **Total project costs** | **$69,459,794** |

** As approved in the Final Project Plan and Reinvestment Zone Financing Plan.*

# FY 2017 Work Program

The FY 2017 work program for the Fort Worth Avenue TIF District includes:

- Encourage development projects within the District in accordance with the final Project Plan and Reinvestment Zone Financing Plan.

- Continue working to coordinate public design and improvement efforts.





Public infrastructure improvements that were completed along Sylvan Avenue as part of the Sylvan | Thirty Mixed-use Development Project
(Source: City of Dallas)

# Appendix: Financials

**City of Dallas, Texas**
**Fort Worth Avenue Tax Increment Financing District Fund**
**Reinvestment Zone Number Fifteen**
**As of September 30, 2016**

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

1. **Amount and source of revenue in the tax increment fund established for the zone:**

| | |
|---|---|
| $10,594 | Interest Income |
| $674,663 | Ad Valorem Taxes (Collected in FY'2015-16 based on 2015 Final Tax Roll) |
| $685,258 | Total Revenue |

2. **Amount and purpose of expenditures from the fund:**

| | |
|---|---|
| $0 | Administrative Expense for FY 2016 is to be determined. |
| $613,776 | Non-Capital outlay (1) |
| $397,412 | Capital outlay (1) |
| $0 | Additional Subsidy in Form of Grant (in lieu of interest expense) |
| $1,011,188 | Total Expenditures |

(1) These expenditures were for the following projects:

| | Capital | Non-Capital | Total |
|---|---|---|---|
| Sylvan Thirty Project | $397,412 | $613,776 | $1,011,188 |
| Other | $0 | | $0 |
| Total | $397,412 | $613,776 | $1,011,188 |

3. The Zone began reimbursing the general fund for the TIF administrative costs in fiscal year 2009-10.

4. **a. Amount of Principal and Interest due on outstanding bonded indebtedness:**
Fort Worth TIF District has incurred no bonded indebtedness as of September 30, 2016.

**b**. The Zone entered into a developer agreement with Lynxette Exploration, LLC for the Sylvan | Thirty public improvement project in an amount not to exceed $3,200,000 with projected completion date of June 30, 2015. Reimbursement of the project began in fiscal year 2015-16

**c**. The Zone entered into a developer agreement with Henry S. Miller for the Cliff View project in an amount not to exceed $4,650,000 with projected completion date of December 31, 2016.

Reimbursement to begin after completion of all requirements and upon availability of TIF funds.

**5. Tax increment base and current captured appraised value retained by the zone:**

| Taxing Jurisdiction | Taxable Value 2016* | Base Year 2007 Value | Est. Captured Value 2016** |
|---|---|---|---|
| City of Dallas | $225,599,449 | $86,133,447 | $139,466,002 |
| Dallas County | $225,574,449 | $86,122,047 | $139,452,402 |

*2016 taxable value for participating taxing jurisdictions. County values are approximate and will vary slightly from the City value due to different exemption levels.
**Based on Certified Taxable Value. The final values will be determined on February 01, 2017.

**6. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:**

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

| Taxing Jurisdiction | Assessment Per $100 *** | Amount of Estimated 2016 Increment**** |
|---|---|---|
| City of Dallas | 0.66513 | $927,623 |
| Dallas County | 0.13371 | $186,455 |
| Total for all Jurisdictions | $0.79883 | $1,114,078 |

*** Participation rate for Dallas County is 0% for 2008 and 55% for years 2009 to 2028.
City of Dallas participates at variable rates as follows:

| Tax Year | Rate |
|---|---|
| 2008 | 0% |
| 2009 - 2010 | 55% |
| 2011 - 2013 | 70% |
| 2014 - 2020 | 85% |
| 2021 - 2022 | 70% |
| 2023 - 2029 | 55% |

****The District began collecting increment in fiscal year 2009-10.

B. The total amount of estimated tax increment to be billed for the 2016 tax year is $1,114,078. For the 2015 tax year, increment in the amount of $674,663, was received.

## Notes to Financials

City of Dallas, Texas
Fort Worth Avenue Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2016

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.

2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).

3. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.

4. The Zone's Financial Plan permits expenditures not to exceed $4,334,643 over the life of the TIF to reimburse the City for administrative costs. The Zone began reimbursing the general fund in fiscal year 2009-10. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.

All project costs resulting in capital improvements that are owned by the City are capitalized by the City.

"Due to general fund" amount of $42,907 at September 30, 2016 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

**AGENDA ITEM # 29**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 1, 3

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 43 S T W-Z; 44 S T W-Y; 53 B-D; 54 A-C

## SUBJECT

A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Sixteen, (Davis Garden TIF District), submitted by the Davis Garden TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

## BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 26799 on June 13, 2007, establishing Tax Increment Financing Reinvestment Zone Number Sixteen, (Davis Garden TIF District), as amended. On February 27, 2008, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 27090, as amended.

The Davis Garden TIF District's 2016 assessed taxable value was $218,174,778. This represents an increase of $80,340,181 (58.3%) over its adjusted base value of $137,834,597 and an increase of $26,609,671 (13.9%) over its taxable value for 2015. Of this amount, $28,063,421 is attributed to the appreciation of property within Sub-district A (The Canyon) while $52,276,760 is attributed to the appreciation of land and continuation of construction in Sub-district B. With the City and Dallas County's participation, the increase over the adjusted base value will result in the collection of approximately $713,595 in total incremental revenue for the District.

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

On June 13, 2007, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Sixteen, the Davis Garden TIF District by Ordinance No. 26799, as amended.

On February 27, 2008, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Davis Garden TIF District by Ordinance No. 27090, as amended.

On December 12, 2016, the Davis Garden TIF Board of Directors recommended that the FY 2016 Annual Report be accepted and approved.

Information about this item was provided to the Economic Development Committee on February 6, 2017.

## FISCAL INFORMATION

No cost consideration to the City

February 22, 2017

**WHEREAS,** the City recognizes the importance of its role in local economic development initiatives and programs; and

**WHEREAS,** the City has established Tax Increment Financing Reinvestment Zone Number Sixteen, ("Davis Garden TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment in the Davis Garden area pursuant to Ordinance No. 26799, authorized by the City Council on June 13, 2007, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

**WHEREAS,** on February 27, 2008, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Davis Garden TIF District by Ordinance No. 27090, as amended; and

**WHEREAS,** the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

**WHEREAS,** on December 12, 2016, the Davis Garden TIF District Board of Directors passed a motion accepting the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Sixteen and recommending approval of same by the City Council.

**NOW, THEREFORE,**

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

**Section 1.** That the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Sixteen, (Davis Garden TIF District), City of Dallas, Texas, as of September 30, 2016, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

**Section 2.** That the City Manager is hereby authorized to submit the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Sixteen to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and to the State Comptroller, as required by state law.

**Section 3.** 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.

**Exhibit A**

# Davis Garden TIF District
# FY 2016
# Annual Report



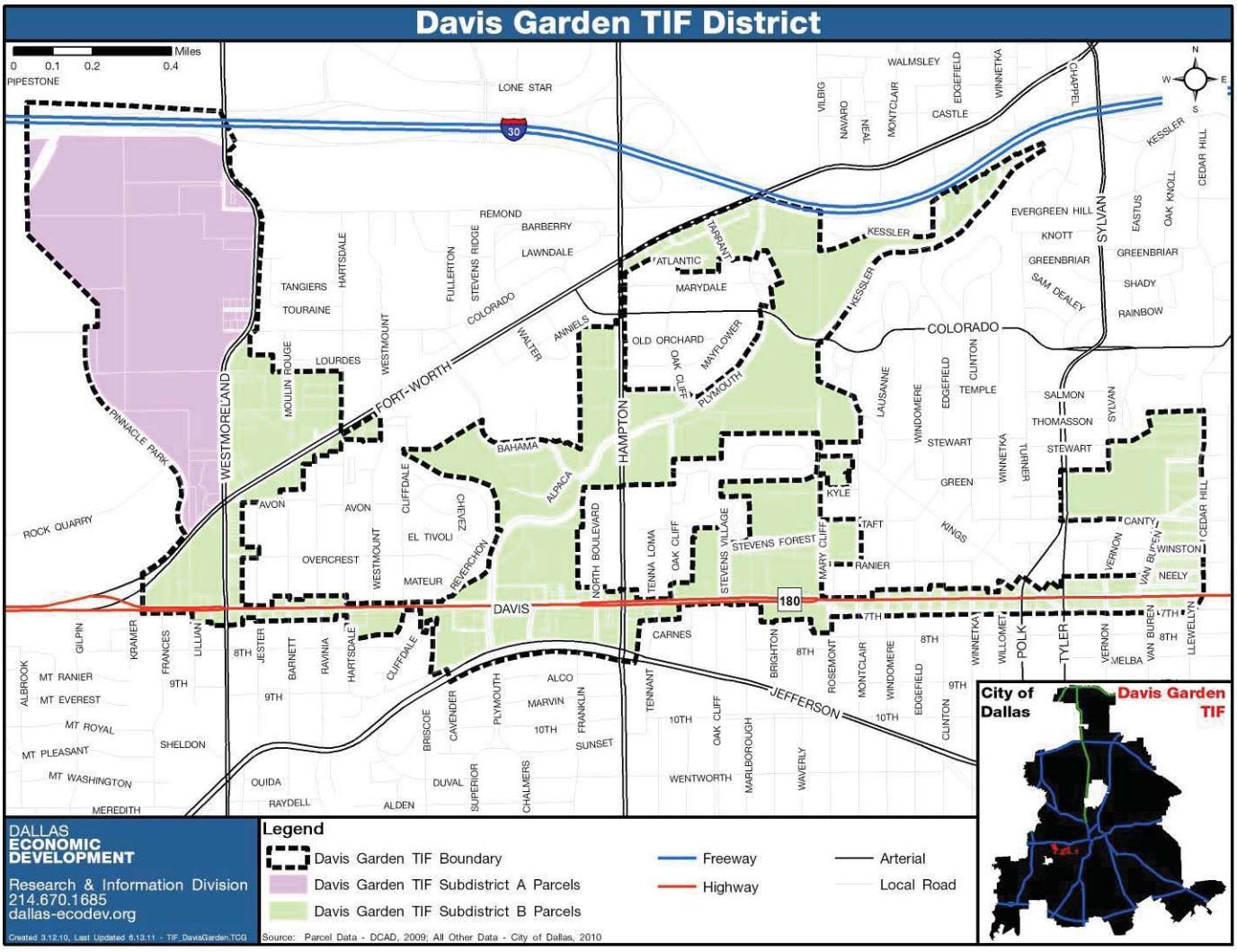
Residence Inn by Marriott Project in The Canyon
(Source: Dallas Office of Economic Development)

City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 671-9825
http://www.dallas-ecodev.org

## October 1, 2015 to September 30, 2016

# Reinvestment Zone Number Sixteen
# Tax Increment Financing District



## Table of Contents

Mission Statement ..... 4
District Accomplishments ..... 4
Past, Current and Anticipated Projects ..... 7
Value and Increment Summary ..... 12
Objectives, Programs and Success Indicator ..... 12
Developments that are Adjacent to the District ..... 22
Year-End Summary of Meetings ..... 23
Pending TIF Items ..... 25
Budget and Spending Status ..... 25
FY 2016 Work Program ..... 26
Appendix: Financials ..... 27

# Mission Statement

The mission of the Davis Garden TIF District is to provide a funding source to facilitate public infrastructure improvements to enhance the area's real estate market. The District exemplifies the City of Dallas' efforts to provide a model for redeveloping urban corridors and transitioning deteriorated multi-family properties and large infill tracts of vacant land into a more sustainable mix of for-sale and rental housing. It is anticipated to provide linkages to stable neighborhoods in North Oak Cliff, redevelop aging retail centers, and enhance connectivity through improvements to area trails.

The Dallas City Council established the Davis Garden TIF District by Ordinance Number 26799 on June 13, 2007, as amended. The TIF District took effect on January 1, 2008 and is scheduled to terminate on December 31, 2039 (including collection of the 2039 increment in calendar year 2040 and any related matters to be concluded in 2040). The City of Dallas and Dallas County are the District's participating taxing jurisdictions. The City's annual participation rates are as follows:

- 0% in 2008
- 55% in 2009 and 2010
- 70% in 2011
- 90% in 2012 through 2039

Dallas County's participation rate was 55% in 2008 through 2011. The county's annual participation rate increased to 75% in 2012 through 2039, for a period of 28 years.

# District Accomplishments

The Davis Garden TIF District is located southwest of downtown Dallas in the North Oak Cliff neighborhood. It includes portions of the Davis Street, Fort Worth Avenue, and Hampton Road corridors, as well as land adjacent to Pinnacle Park, commercial property and multi-family developments. The District features numerous opportunities for redevelopment in areas near amenities such as Coombs Creek Trail, Kidd Springs Park, Stevens Park Golf Course, and the Twelve Hills Nature Center.

Single-family neighborhoods were excluded from the District since they are not targeted for development or redevelopment activities. Kidd Springs Park, Stevens Park Golf Course, and the Twelve Hills Nature Center were included to enable improvements and enhance the connectivity between surrounding neighborhoods. The local elementary schools were included for similar reasons.

Originally the District's geographic area contained approximately 583 acres (excluding right-of-way). However, the geographic area was amended to include selected adjacent properties. The properties that comprise the boundary amendment have a total land area of approximately 105 acres. Their inclusion increased the District's geographic area to approximately 688 acres.

City Council has approved eleven projects in the District for TIF funding since its creation. This includes SLF III – Davis Garden TIF, L.P.'s (SLF) horizontal development project which resulted in the preparation of the following development sites:

1. **Chateau Crete Assembly**
   (53 units under construction)
   - 1818 Stevens Forest
   - 1836 Stevens Forest
   - 1916 Stevens Forest
   - 2002 Stevens Forest

2. **Acorn Tree Assembly**
   (for sale)
   - 2105 West Davis
   - 2211 West Davis

3. **Cliffwood Assembly**
   (Bell Bishop Arts Apartments)
   - 1836 West Davis

4. **Kings Highway Assembly**
   (31 units under construction)
   - 1610 Kings Highway
   - 1616 Kings Highway
   - 1618 Kings Highway
   - 1622 Kings Highway
   - 1630 Kings Highway

5. **Kidd Springs Assembly**
   (45 units under construction)
   - 829 Cedar Hill
   - 901 Cedar Hill

6. **Northhills Assembly**
   (for sale)
   - 640 North Plymouth
   - 2643 West Davis

The site's preparation facilitated the demolition of 1,503 outdated apartment units in accordance with the District's goal to replace 2,100 functionally obsolete apartments and 85,000 square feet of commercial space with approximately 2,200 for-sale units, 4,400 rental units and 663,300 square feet of improved, reconfigured or new neighborhood retail space. Realization of the goal is anticipated to further improve North Oak Cliff's successful residential market as well as stimulate the expansion of resident and commercial activity throughout the District. The following activities occurred along West Davis Street in fiscal year 2015 - 2016:

- Completion of the Kessler Theater's renovation and related streetscape improvements

- Conversion of the retail building at 633 West Davis Street into shared workspace occupied by the Common Desk

- Renovation of the retail building at 817 West Davis Street into retail space occupied by Oil and Cotton and Davis Street Espresso

- Start of the conversion of the automotive garages at 810 and 828 West Davis Street into restaurants

- Start of the renovation of the West Davis Village retail strip at 1314 West Davis Street

The 196 acres of undeveloped land that comprise the Canyon in Oak Cliff project is another prime location for future development activities. On June 8, 2011, City Council awarded SLF an amount not to exceed $128,875,756 in total funding ($69,808,000 in future TIF revenues plus an additional grant up to $59,067,756 pursuant to the Davis Garden TIF District Grant Program) for the construction of public infrastructure improvements in the area which is located southwest of Interstate Highway 30 and North Westmoreland Road. Prior to City Council's approval of the public subsidies this vast area was not served by public utilities or streets. In contrast, the construction of the project's public infrastructure improvements is anticipated to help facilitate the build-out plan that includes following elements:

- 2,762 residential units (planned to be a determined mix of for-sale and rental units);
- 368,296 square feet of retail space;
- 48,200 square feet of flex/retail space; and
- 120 room hotel (under construction)

Construction on Phase I of the project has commenced during first quarter of FY 2016.




The Canyon in Oak Cliff's Conceptual Site Plan
(Source: SLF)

# Past, Current and Anticipated Projects

The past, current and anticipated projects within the District as of September 30, 2016 are as follows:

**Projects within the Davis Garden TIF District utilizing TIF Funding**

| Project | Location | Status | Date Completed | Units/Square Feet[1] | Approximate Investment / Assessed Value[2] | TIF Investment[3] |
|---|---|---|---|---|---|---|
| Twelve Hills Nature Center's Urban Prairie Trailhead project (park, open space, and streetscape improvements) | 817 Mary Cliff Road | Complete | July 2010 | N/A | $312,648 (approximate investment)<br><br>$40,000 (assessed value) | $118,820 |
| SLF's Horizontal Development project (Environmental remediation and demolition of six obsolete apartment complexes and a $1 million deposit into the Davis Garden TIF District Increment Fund for future TIF infrastructure improvements that benefit the District in lieu of the developer constructing median improvements, streetscape or other public improvements within the District) | 1. **Chateau Crete Assembly**<br>– 1818 Stevens Forest<br>– 1836 Stevens Forest<br>– 1916 Stevens Forest<br>– 2002 Stevens Forest<br><br>2. **Acorn Tree Assembly**<br>– 2105 West Davis St<br>– 2211 West Davis St<br><br>3. **Cliffwood Assembly**<br>– 1836 West Davis St<br><br>4. **Kings Highway Assembly**<br>– 1610 Kings Highway<br>– 1616 Kings Highway<br>– 1618 Kings Highway<br>– 1622 Kings Highway<br>– 1630 Kings Highway<br><br>5. **Kidd Springs Assembly**<br>– 829 Cedar Hill Ave.<br>– 901 Cedar Hill Ave.<br><br>6. **Northhills Assembly**<br>– 640 North Plymouth<br>– 2643 West Davis St | The sites preparation for future development activities is complete.<br><br>The developer deposited $1 million into the Davis Garden TIF District Increment for future infrastructure projects within the District. | December 2011<br><br>See units status in non TIF table | 1. Chateau Crete Assembly (53 units)<br><br>2. Acorn Tree Assembly (For Sale)<br><br>3. Cliffwood Assembly Bell Bishop Arts (207 units)<br><br>4. Kings Highway Assembly (31 units)<br><br>5. Kidd Springs Assembly (45 units)<br><br>6. Northhills Assembly (For Sale) | $0 (assessed value) | $4,008,247 |
| I-30 Frontage Road Design project (engineering and design for Phase 1 of a new eastbound frontage road) | South side of I-30 between Cockrell Hill Road and Westmoreland Road | Complete | September 2012 | N/A | $436,919 (approximate investment) | $436,919 |

## Projects within the Davis Garden TIF District utilizing TIF Funding

| Project | Location | Status | Date Completed | Units/Square Feet[1] | Approximate Investment / Assessed Value[2] | TIF Investment[3] |
|---|---|---|---|---|---|---|
| Taylors Farm multi-family housing project (environmental remediation, infrastructure and public right-of-way improvements) | 1150 Pinnacle Park Boulevard | Complete | October 2011 | 160 units (144 units are designated for affordable housing) | $6,000,000 (assessed value) | $2,071,197 |
| Hillside West senior housing project (environmental remediation and infrastructure improvements) | 3757 Falls Bluff Drive (formerly 4512 West Davis Street) | Complete | August 2013 | 130 units (each unit is affordable housing) | $3,699,000 (assessed value) | $1,600,000 |
| The Canyon in Oak Cliff | 196 acres of undeveloped property located southwest of Interstate Highway 30 and North Westmoreland Road | The project's Infrastructure Improvements are underway.<br><br>Construction on Phase I of the project is scheduled to commence November 2015. | Ongoing | 2,762 residential units (represents a to be determined mix of for-sale and rental units);<br><br>368,296 square feet of retail space;<br><br>48,200 square feet of flex/retail space; and<br><br>a 120 room hotel | $23,417,120 (assessed value)<br><br>$472,000,000 (approximate planned investment) | $128,875,756 in total funding ($69,808,000 in future TIF revenues plus a grant up to $59,067,756 pursuant to the Davis Garden TIF District Grant Program) |
| Kessler Theater Renovation project (environmental remediation and demolition, historical façade, and infrastructure improvements) | 1214 West Davis Street and 1215 West 7th Street | Phase I of the project (environmental remediation and demolition activities and historical façade improvements) are complete.<br><br>Phase II of the project (infrastructure improvements) are complete | December 2012 (Phase I)<br><br>June 2015 (Phase II) | 6,300 square feet of office and retail space; and 5,100 square foot entertainment venue | $1,358,293 (approximate investment)<br><br>$273,350 (assessed valued) | $199,643 [$136,343 due to the sustainable development grant that the project received from the North Central Texas Council of Governments("NCTCOG")] |

## Projects within the Davis Garden TIF District utilizing TIF Funding

| Project | Location | Status | Date Completed | Units/Square Feet[1] | Approximate Investment / Assessed Value[2] | TIF Investment[3] |
|---|---|---|---|---|---|---|
| North Oak Cliff Streetcar Extension | Benefits provided through the extension of the North Oak Cliff Streetcar system to the Davis Garden TIF District real estate. | Complete | August 2016 | Not applicable | $23,000,000 for added segment | $3,000,000 pursuant to the Davis Garden TIF District Grant Program. Subsidies will be used to help offset related operation and maintenance costs. |
| | | | **Total** | **290 units completed; 2,762 residential units planned; 368,296 square feet of retail space planned; and 48,200 square feet of flex/retail space; and 120 hotel rooms-under construction** | **$33,429,470 (assessed value); $25,107,860 (approximate public investment) $472,000,000 (planned investment)** | **$11,434,826 $128,875,756 ($69,808,000 in future TIF revenues plus a grant up to $59,067,756 pursuant to the Davis Garden TIF District Grant Program)** |

[1] *Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage.*

[2] *Based upon A) market value of comparable projects for anticipated projects, B) private investment stated in the development agreement for projects that are approved or under construction, or C) DCAD market value for completed projects as of September 30, 2016 (unless project has not yet been assessed).Values may not be fully captured by the TIF district for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.*

[3] *TBD indicates that development agreement has not yet been adopted and TIF investment is yet to be determined.*

[4] *Per the TIF program mixed-income housing requirement, the project is providing at least 20% of units as affordable.*

## Projects within the Davis Garden TIF District not utilizing TIF Funding

| Project | Location | Status | Date Completed | Units/Square Feet[1] | Approximate Investment / Assessed Value[2] | TIF Investment[3] |
|---|---|---|---|---|---|---|
| Bolsa Restaurant (converted from the Settles Garage) | 614 West Davis | Complete | December 2007 | 3,879 square feet of office and restaurant space | $126,190 (assessed value) | $0 |
| Bolsa Mercado (converted from the Kemp Garage) | 632 West Davis | Complete | June 2008 | 4,000 square feet of office/show room space | $ 144,540 (assessed value) | $0 |
| Bell Bishop Arts Apartments | 1836 West Davis (former Cliffwood Assembly) | Complete | December 2012 | 207 units | $25,650,000 (assessed value) | $0 |
| I-30 Frontage Road Construction project | South side of I-30 between Cockrell Hill Road and Westmoreland Road | Complete | March 2013 | N/A | $10,573,794 (approximate public investment) | $0 |
| Oak Cliff Coffee Roasters (converted from Miguel's Auto Body Shop) | 817 West Davis Street | Complete | July 2013 | 2,600 square feet of retail space | $160,720 (assessed value) | $0 |
| Shared workspace occupied by the Common Desk (converted from Lucky Dog Books) | 633 West Davis Street | Complete | June 2015 | 10,400 square feet of retail space | $395,000 (assessed value) | $0 |
| Oil and Cotton and Davis Street Espresso (converted from Miguel's Auto Body Shop) | 819 West Davis Street | Complete | June 2015 | 3,920 square feet of retail space | $141,480 (assessed value) | $0 |

## Projects within the Davis Garden TIF District not utilizing TIF Funding

| Project | Location | Status | Date Completed | Units/Square Feet[1] | Approximate Investment / Assessed Value[2] | TIF Investment[3] |
|---|---|---|---|---|---|---|
| bbbop Seoul Kitchen (conversion from an automotive garage) | 828 West Davis Street | Complete | November 2015 | 3,280 square feet of restaurant space | $498,560 (assessed value) | $0 |
| TBD restaurant (conversion from an automotive garage) | 810 West Davis Street | Complete | April 2016 | 3,000 square feet of restaurant space | $373,670 (assessed value) | $0 |
| West Davis Village (renovation of retail strip) | 1314 West Davis Street | Complete | April 2016 | 10,000 square feet of retail space and 2 units consisting of 7,000 square feet of residential space | $1,200,000 (assessed value) | $0 |
| TBD restaurant (conversion from a church) | 610 N. Tyler | Complete | August 2016 | 4,048 square feet of restaurant space | $225,000 (assessed value) | $0 |
| 1600 Kings Highway | 1610 Kings Highway | 4 available | December 2016 | 31 detached units | $15,474,000 (assessed value) (for sale) | $0 |
| Bishop Heights | 829, 901, 909 and 915 Cedar Hill Avenue; 815 North Van Buren Avenue; and 618, 626, 628 and West 5th Street | 5 available | December 2016 | 45 detached units | $21,566,000 (assessed value) (for sale) | $0 |
| David Weekly Homes | 1818, 1836, 1916 and 2002 Stevens Forrest | Under Construction Approx. 11 built | August 2018 | 53 detached units | $31,000,000 (assessed value) (for sale) | $0 |
| | | | **Total** | **287 units complete, and approx. 51 units under construction; 45,127 square feet of retail, office, and restaurant space, and entertainment space** | **$96,955,160 (assessed value)**<br><br>**$10,573,794 (approximate public investment)** | **$0** |

[1] *Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage.*

[2] *Based upon A) market value of comparable projects for anticipated projects, B) private investment stated in the development agreement for projects that are approved or under construction, or C) DCAD market value for completed projects as of September 30, 2016 (unless project has not yet been assessed).Values may not be fully captured by the TIF district for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.*

[3] *TBD indicates that development agreement has not yet been adopted and TIF investment is yet to be determined.*

# Value and Increment Revenue Summary

The Davis Garden TIF District's 2016 assessed taxable value was $218,174,778. This represents an increase of $80,340,181 (58.3%) over its adjusted base value of $137,834,597 and an increase of $26,609,671 (13.9%) over its taxable value for 2015. $28,063,421 is attributed to the appreciation of property within Sub-District A (The Canyon) while $52,276,760 is attributed to the appreciation of land and continued construction in Sub-District B. With the City and Dallas County's participation, the increase over the adjusted base value will result in the collection of approximately $713,595 in total incremental revenue for the District.

The 2016 tax year represents the Davis Garden TIF District's eighth year of increment collections which is anticipated to be received in FY 2017.

# Objectives, Programs and Success Indicators

The Davis Garden Final Project Plan and Reinvestment Zone Financing Plan was approved on February 27, 2008, as amended. The plan's defined development goals are provided below:

- Utilize TIF funding to encourage needed horizontal improvements and site preparation in the District. This includes environmental remediation and demolition of structurally and functionally obsolete structures to set the stage for future redevelopment activities as described in this plan.

  *The environmental remediation and demolition of six obsolete apartment complexes (1,503 units) have been completed since the District's creation. The complexes' former sites have been prepared for future redevelopment activities. The redevelopment of one site (the Cliffwood Assembly) is complete while three others (the Chateau Crete, Kings Highway and Kidd Springs Assemblies) are in progress and two more are for sale* *(see page 7).*




The Bell Bishop Arts Apartments was completed during FY 2013. The multi-family development was built on the Cliffwood Assembly's former site.
(Source: City of Dallas)

- Utilize TIF funding to encourage the needed redevelopment of the large area (The Canyon) located southwest of the intersection of Interstate Highway 30 and North Westmoreland Road.

  *The following progress has been made since the District's creation:*

  – *SLF III – The Canyon TIF, L.P.'s the Canyon in Oak Cliff project was approved by City Council on June 8, 2011. The project, which consists of the construction of public infrastructure improvements on approximately 196 acres of undeveloped land within the area, is currently in progress.*

  – *GFD Opportunity I, LLC's Taylors Farm project (160 multi-family units), which was approved by City Council on November 9, 2009, was completed during FY 2012.*

  – *GFD Opportunity II, LLC's Hillside West project (130 senior housing units), which was approved by City Council on April 28, 2010, was completed during FY 2013.*




GFD Opportunity I, LLC completed the Taylors Farm project during FY 2012.
(Source: GFD Opportunity I, LLC)

- Create additional taxable value attributed to new private development and appreciation totaling approximately $1.7 billion over the District's 32-year life.

  *The Kessler Theater and the buildings occupied by Bolsa, Bolsa Mercado, the Common Desk, Oak Cliff Coffee Roasters, and Oil and Cotton/Davis Street Espresso) have been renovated or converted for commercial use since the District's creation.*

  *The* $80,340,181 *increase in FY 16 over the District's* adjusted base *value is largely attributed to the appreciation of property in Sub-district B (the Non-Canyon).*

  – *The property in Sub-district A has increased to $28,063,421.*

  – *The property in Sub-district B has increased to $52,276,760.*




GFD Opportunity II, LLC completed the Hillside West project during FY 2013.
(Source: GFD Opportunity II, LLC)

- Attract new private development in the District by replacing approximately 2,100 residential units with new residential units that will establish a more sustainable mix of for-sale and rental units; add approximately 6,600 residential units to increase population density in the area; and develop approximately 663,300 square feet of retail space and 1,245,000 square feet of other commercial space.

  *The following progress has been made since the District's creation:*

  – *Preparation of six sites for future redevelopment activities which included the demolition of 1,503 outdated apartment units (71.6 % of the goal) has occurred since the District's creation. This has resulted in 577 new residential units being built or converted while an additional 51 units are under construction (23% of the goal):*

    o *The Taylors Farm Project has been completed. The multi-family development contains 160 units, 144 of which are designated for affordable housing.*

    o *The Hillside West Project has been completed. The multi-family development contains 130 units, all of which are designated for affordable housing.*

    o *The Bell Bishop Arts Apartments has been completed. The multi-family development consists of 207 market rate units.*

    o *The Kings Highway residential community, which will consist of 31 detached single-family homes, is under construction on the Kings Highway Assembly site.*

    o *The Bishop Springs residential community, which will consist of 45 detached single-family homes, is under construction on a site that consists of the Kidd Spring Assembly and several adjoining properties.*

    o *The David Weekly Homes, which will consist of 53 detached single-family homes, is under construction on the Chateau Creek Assembly site.*

  – *The Kessler Theater's renovation and the conversion of 6 automotive garages along West Davis Street, and a church have created 56,127 square feet of retail, entertainment or other commercial space since the District's creation. Another 416,496 square feet of retail or other commercial space is planned (71% of the goal).*



Continued Construction of the Bishop Heights single-family housing development's
(Source: Dallas Office of Economic Development )



Housing Construction of the 1600 Kings Highway single-family housing development
(Source: Dallas Office of Economic Development)

- Diversify housing options within the district by increasing homeownership opportunities while maintaining an affordable housing component of no less than 20% of all new units built throughout the Davis Garden TIF District.

  *Since the District's creation 577 new residential units have been built or converted. An additional 51 units are under construction. Of the 628 units, 304 (48.4%) are or will be designated for affordable housing:*

  – *The Taylors Farm Project (144* of its 160 units are designated for affordable housing*)*

  – *The Hillside West Project (each of its 130 units are* designated for affordable housing*)*

- Encourage the redevelopment of properties along the Davis Street, Fort Worth Avenue, North Westmoreland Road and Hampton Road corridors for new residential and commercial uses that feature enhanced urban design standards which are complementary to the historic and conservation districts in the immediate area.

  *The following progress has been made since the District's creation:*

  – *Site preparation has been completed for the redevelopment of six sites throughout the District. This includes three sites located along West Davis Street. The redevelopment of one site (the Cliffwood Assembly) is complete while three others (the Chateau Crete, Kings Highway and Kidd Springs Assemblies) are near completion.*

  – *The City of Dallas Design Studio has completed a study of the Davis Corridor. The findings will be used to develop a plan for public improvements along West Davis Street.*

- Sustain the stability of local schools while redevelopment activities occur within the area's neighborhoods by encouraging strong communication between the Dallas Independent School District and area developers.

  *Staff is working closely with neighborhood schools to coordinate redevelopment activities with the schools' needs. This includes meeting with the principal of the Rosemont Elementary and Primary Schools as part of the planning process for the Rosemont Safe Routes to School Project. Administrators from both schools and members of their Parent Teacher Associations have also been invited to participate in the District's TIF Board meetings.*

- Diversify commercial and retail uses in the District by restoring historic commercial buildings and finding redevelopment options for commercial structures that are architecturally less significant.

  *The Kessler Theater and the buildings occupied by Bolsa, Bolsa Mercado, the Common Desk, Oak Cliff Coffee Roasters, and Oil and Cotton/Davis Street Espresso are properties with historic significance that have been renovated or converted for commercial use since the District's creation:*

  – *The Settles Garage has been converted into the Bolsa Restaurant and approximately 1,850 square feet of office space.*

  – *The Kemp Garage has been converted into approximately 4,000 square feet of commercial space that is occupied by Bolsa Mercado.*

  – *The retail building at 633 West Davis Street has converted into approximately 10,400 square feet of shared workspace that is occupied by the Common Desk.*

  – *The renovated Kessler Theater contains office and retail space for independent businesses, an instructional arts center for children and a performance venue.*

  – *The automotive garages that comprised Miguel's Auto Body Shop has been converted into two properties. The first of which is occupied by the Oak Cliff Coffee Roasters. It contains a coffee roastery and 1,300 square foot café. The second building is occupied by Oil and Cotton and Davis Street Espresso.*

- Provide opportunities for needed basic retail such as grocery stores, national tenants and diversify retail shopping.

  *There is an ongoing effort to provide opportunities that address the basic retail needs of the District's residents and occupants.*

- Improve recreational opportunities and connections to City trails and open space within the District while providing better connections to County trails and other recreational amenities in the area.

  *The following progress has been made since the District's creation:*

  – *The Twelve Hills Nature Center*, Inc.*'s Urban Prairie Trailhead project, which was approved by City Council on October 14, 2009, was completed during FY 2010.*

  – *Work has been completed on 3/4 mile along the Coombs Creek Trail (along Kessler Parkway from Sylvan Avenue to the tennis courts at Stevens Park Golf Course) during FY 2011. The project was funded by the 2006 Bond Fund program. New construction to extend the trail to Hampton Road is completed.*

  – *Approximately $8 million in upgrades for Stevens Park Golf Course were completed during FY 2012. The upgrades were subsidized by several funding sources including the 2003 and 2006 Bond Fund programs.*

  – *On June 12, 2013, City Council* authorized a contract for the construction of a new pavilion at Kidd Springs Park, currently under construction. The project will be funded by the 2006 Bond Fund program.




Twelve Hills Nature Center's Urban Prairie Trailhead project
(Source: City of Dallas)

- Improve transportation including but not limited to hike and bike trails, bus, trolley, streetcar, and freeway access, street improvements and construction of new public streets and thoroughfares.

  *The following progress has been made since the District's creation:*

  – *City Council approved a project pertaining to the design for Phase 1 of a new eastbound frontage road for I-30 located between Cockrell Hill Road and Westmoreland Road during FY 2011. The design and construction of the frontage road were completed during fiscal years 2012 and 2013, respectively.*

  – *SLF III – The Canyon TIF, L.P.'s North Oak Cliff Streetcar Extension project was approved by City Council during FY 2011. The project's approval will provide funding to extend the North Oak Cliff Streetcar system to Davis Garden TIF District.*

  – *During FY 2012 the Davis Garden TIF Board made the following recommendations concerning the best utilization for SLF's $1 million deposit into the Davis Garden TIF Increment Fund for future TIF infrastructure improvements that benefit the District in lieu of the developer constructing median improvements, streetscape or other public improvements:*

    o Matching Funds for the Kessler Theater project's infrastructure improvements component – approximately $60,000 in TIF funding leveraged an additional $179,200 in matching funds from TxDOT (NCTCOG Grant). The funds are being used to construct streetscape improvements outside the theater along West Davis and Clinton Streets.

      The project was completed FY 2015.

    o Rosemont Plaza Project – comprised the closure of the diagonal portion of 7th Street between Mary Cliff Road/West Davis Street and Montclair Avenue to create a pedestrian plaza that combined the abandoned right-of-way with two small triangular medians to create a larger pedestrian plaza. Estimated Project Budget – $376,156

      The project was completed FY 2015.

    o Rosemont Safe Routes to School Project – improved bicycle safety in the vicinity of schools through improved routing, signage and pedestrian amenities. The project consists of sidewalk improvements on the north side of Stevens Forest

Drive, a 10' bike trail that connects the sidewalk on Mary Cliff Road to the internal drive for the Rosemont Chris Semos Campus (through DISD property) and sidewalk improvements along Mary Cliff Road. Estimated Project Budget – $85,472

The project was completed FY 2015.

- Davis Corridor Urban Design Study – the study was conducted by the City of Dallas Design Studio. The study's findings were used to develop a concept for reconfiguring West Davis Street between Montclair Avenue and Zang Boulevard. Estimated Project Budget – $35,880

  The project was completed FY 2014.

- Generate approximately $103.7 million (2008 NPV dollars) in real property tax increment for the TIF Fund over 32 years of collections.

  *The District's assessed property value has increased 58.3% over its adjusted base value. The increase has generated approximately $1,530,025 in incremental revenue (1.5% of the goal).*

# Developments that are Adjacent to the District







Homes in the Kessler Woods community (located adjacent to the TIF District and across the street from SLF's Chateau Creek redevelopment site)







Homes in the Kessler Springs community (within proximity of the District's Cedar Oaks apartment community which is located on Cedar Hill Avenue)

# Year-End Summary of Meetings

Based on amended composition the Davis Garden TIF Board can consist of up to seven members, including six City of Dallas appointees and one from Dallas County. The board, which met once during the fiscal year, consisted of the following members:

- Jonathan R. Braddick – City appointee (did not attend the meeting)
- Reina Gonzalez – City appointee (attended the meeting)
- Rick Loessberg – Dallas County Representative (did not attend the meeting)
- Martina G. Flores – City appointee (attended the meeting)
- Ed Oakley – City appointee (did not attend the meeting)
- Anga L. Sanders – City appointee (attended the meeting)
- Kyle R. Ward –City appointee and chairman (attended the meeting)

The Dallas City Council approved five items related to the District during the fiscal year. Items are summarized below:

- On February 24, 2016, City Council passed Resolution Number 16-0344 accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Sixteen, (Davis Garden TIF District), submitted by the Davis Garden TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City.

- On January 27, 2016, City Council passed Resolution Number 16-0179 to authorize an increase in the contract with North Texas Contracting, Inc. for the removal of unsuitable subgrade material discovered during excavation and replacing the void with select fill material, pavement marking modifications and to provide necessary slope stabilization measures to prevent erosion along the Colorado Boulevard extension from Interstate Highway 30 eastbound service road to Westmoreland Road - Not to exceed $218,406, from $4,219,951 to $4,438,357 - Financing: 2012 Bond Funds.

- On February 24, 2016, City Council passed Resolution Number 16-0373 to authorize an historic preservation tax exemption for 1314 West Davis Street for a ten-year period on 100% of the land and structure value - Revenue Foregone:

First year tax revenue foregone estimated at $8,289 (Estimated revenue foregone over ten years is $82,888)

- On March 23, 2016, City Council passed Resolution Number 16-0448 to authorize acceptance of the only bid received from SLF III - The Canyon in Oak Cliff, L.P. for approximately 12.993 acres of land located near the intersection of Pinnacle Park Boulevard and Falls Bluff Drive in exchange for approximately 23.78 acres of unwanted and unneeded City-owned land located near the intersection of Pinnacle Park Boulevard and Pinnacle Point Drive - Revenue: $7,500

- On August 10, 2016, City Council passed Resolution Number 16-1200 to authorize a Local Transportation Project Advance Funding Agreement with the Texas Department of Transportation for the design review of Rosemont Safe Routes to School Project - Not to exceed $2,609 - Financing: Davis Garden TIF District Funds

# Pending TIF Items

The approval of the FY 2016 Annual Report is the Davis Garden TIF District's only pending item.

# Budget and Spending Status

The Davis Garden TIF District's Project Plan and Reinvestment Zone Financing Plan established a budget for public improvement expenditures that are necessary to support private investment. The District's budget and spending to date are provided on the following charts:

**Davis Garden TIF District**
**Projected Increment Revenues to Retire TIF Fund Obligations**

| Category | TIF Budget (Total Dollars) | Allocated | Balance |
|---|---|---|---|
| Infrastructure Improvements | $94,266,832 | $8,082,206 | $86,184,626 |
| Environmental Remediation/Demolition | $9,635,310 | $3,313,246 | $6,322,064 |
| Affordable Housing | $32,330,314 | $4,671,197 | $27,659,117 |
| Historic Façade Restoration | $5,495,954 | $86,535 | $5,409,419 |
| District Wide Improvements - Parks, Open space, Trails, Trolley/Streetcar | $12,329,769 | $3,088,145 | $9,241,624 |
| The Canyon in Oak Cliff Improvements* | $128,875,756 | $128,875,756 | $0 |
| Administration and Implementation** | $3,832,657 | $623,873 | $3,208,784 |
| **Total Project Costs** | **$286,766,592** | **$148,740,958** | **$138,025,634** |

*All values are estimated expenditures based on Annual TIF Project Costs and Debt Service schedules. These values depend on timing of projects and will fluctuate. An interest rate of 5% is used throughout the TIF term.*

**Amount will be reduced if other sources of improvement funds are identified and allocated to The Canyon.*

***TIF administration costs shown are expensed through FY 2016. FY 2016 cost not included.*

| Davis Garden TIF District<br>Project Plan Budget (NPV Values) | |
|---|---|
| **Category** | **TIF Budget (NPV)** |
| Infrastructure Improvements | $33,219,568 |
| Environmental Remediation/Demolition | $4,300,000 |
| Affordable Housing | $11,920,435 |
| Historic Façade Restoration | $1,946,858 |
| District Wide Improvements - Parks, Open space, Trails, Trolley/Streetcar | $4,358,953 |
| The Canyon in Oak Cliff Improvements * | $46,035,132 |
| Administration and Implementation | $1,877,595 |
| **Total Project Costs** | **$103,658,541** |

*All values discounted to 2008 dollars at 5% annually. Actual expenditure values will depend on the timing of project costs.*

** Amount will be reduced if other sources of improvement funds are identified and allocated to The Canyon in Oak Cliff.*

# FY 2017 Work Program

The FY 2017 work program for the Davis Garden TIF District includes:

- Encourage development projects within the District in accordance with its final Project Plan and Reinvestment Zone Financing Plan

- Work with staff in the Public Works and Transportation Department concerning the potential conversion of North Polk and North Tyler Streets into two-way operations.

# Appendix: Financials

**City of Dallas, Texas**
**Davis Garden Tax Increment Financing District Fund**
**Reinvestment Zone Number Sixteen**
**As of September 30, 2016**

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

**1. Amount and source of revenue in the tax increment fund established for the zone:**

| | |
|---|---|
| $0 | Interest Income |
| $477,028 | Ad Valorem Taxes (Collected in FY'2015-16 based on 2015 Final Tax Roll) |
| $477,028 | Total Revenue |

**2. Amount and purpose of expenditures from the fund:**

| | |
|---|---|
| | Administrative Expense for FY 2016 |
| $0 | is to be determined. |
| $2,609 | Non-Capital outlay |
| $31,334 | Capital outlay (1) |
| $0 | Additional Subsidy in Form of Grant (in lieu of interest expense) |
| | Total |
| $33,943 | Expenditures |

(1) These expenditures were for the following projects:

| | |
|---|---|
| City Design Study of W. Davis St. Reconfiguration | $0 |
| Rosemont Plaza Safe Routes | $31,334 |
| Kessler Theater Pedestrian Amenities Design | $0 |
| Total | $31,334 |

**3. The zone began reimbursing the General Fund for TIF administration costs in fiscal year 2009-10.**

**4. a. Amount of Principal and Interest due-on outstanding bonded indebtedness:**
Davis Garden TIF District has incurred no bonded indebtedness as of September 30, 2016.

**b. The Zone entered into an agreement with SLF III – The Canyon TIF, L.P. to dedicate an amount not to exceed $4,008,247 for horizontal development work throughout the TIF District.**
**The project was completed in fiscal year 2012. Reimbursement of its TIF-eligible project costs will begin upon the availability of TIF funds from future increment collections.**

**c. The Zone entered into an agreement with Twelve Hills Nature Center, Inc. to dedicate an amount not to exceed $118,820 for the Twelve Hills Nature Center's Urban Prairie Trailhead project.**
**The project was completed in fiscal year 2010.**
**Reimbursement its TIF-eligible project costs will begin upon the availability of TIF funds from future increment collections.**

**d. The Zone entered into an agreement with GFD Opportunity I, LLC to dedicate an amount not to exceed $2,071,197 for the Taylors Farm project. The project was completed in fiscal year 2012. Reimbursement of its TIF-eligible project costs will begin upon the availability of TIF funds from future**

**increment collections.**

**e. The Zone entered into an agreement with SLF III – The Canyon TIF, L.P. to dedicate an amount not to exceed $436,919 for the I-30 Frontage Road Design project.**
**The project was completed in fiscal year 2012.**
**Reimbursement of its TIF-eligible project costs will begin upon the availability of TIF funds from future increment collections.**

**f. The Zone entered into an agreement with Kessler Theater, LLC to dedicate an amount not to exceed $91,535 for the Kessler Theater project. The project's first phase was completed in fiscal year 2013. Reimbursement of its TIF-eligible project costs will begin upon the availability of TIF funds from future increment collections. The project's second phase is underway. Reimbursement of its TIF-eligible project costs will begin after its completion, subject to the availability of TIF funds.**

**g. The Zone entered into a development agreement with GFD Opportunity II, LLC to dedicate an amount not to exceed $1,600,000 for the Hillside West project. The project was completed in fiscal year 2013.**

**Reimbursement of its TIF-eligible project costs will begin upon the availability of TIF funds from future increment collections.**

**h. The Zone entered into an agreement with SLF III – The Canyon TIF, L.P. to dedicate an amount not to exceed $128,875,756 for The Canyon in Oak Cliff project.**
**The project is underway. Reimbursement of its TIF-eligible project costs will begin after applicable conditions for payment have been met, subject to the availability of TIF Funds**

**i. The Zone entered into an agreement with SLF III – The Canyon TIF, L.P. to dedicate an amount not to exceed $3,000,000 for the North Oak Cliff Streetcar Extension project. Reimbursement of the project's TIF-eligible project costs will begin after its completion, subject to the availability of TIF funds.**

**j. The Zone entered into an agreement with Davis Street Market, LP to dedicate an amount not to exceed $4,000,000 for the Davis Street Market project.**
**Reimbursement of the project's TIF-eligible project costs will begin after its completion, subject to the availability of TIF funds.**

**5. Tax increment base and current captured appraised value retained by the zone:**

| Taxing Jurisdiction | Taxable Value 2016* | Base Year 1996 Value | Est. Captured Value 2016** |
|---|---|---|---|
| City of Dallas | $218,174,778 | $137,834,597 | $80,340,181 |
| Dallas County | $218,859,278 | $137,795,687 | $81,063,591 |

* 2016 taxable value shown for taxing participating jurisdictions. County values are approximate and will vary slightly from the City value due to different exemption levels.
****** Based on Certified Taxable Values. Final values will be determined on February 01, 2017.

**6. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:**

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

| Taxing Jurisdiction | Assessment Per $100*** | Amount of Estimated 2016 Increment*** |
|---|---|---|
| City of Dallas | 0.70425 | $565,796 |
| Dallas County | 0.18233 | $147,799 |
| Total for all Jurisdictions | $0.88658 | $713,595 |

*** Participation rate for Dallas County is 0% for tax year 2008, 55% for tax years 2009 to 2011 and 75% thereafter. City of Dallas participates at variable rates as follows:

| Tax Year | Rate |
|---|---|
| 2008 | 0% |
| 2009 - 2010 | 55% |
| 2011 | 70% |
| 2012 - 2029 | 90% |

B. The total amount of estimated tax increment to be billed for the 2016 tax year is $713,595. For the 2015 tax year, increment in the amount of $477,028 was received.

**City of Dallas, Texas**
**Davis Garden Tax Increment Financing District Fund**
**Balance Sheet as of September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|
| Assets: | | | | | |
| Pooled cash and cash equivalents | $1,353,287 | $964,430 | $1,012,178 | $932,224 | $1,009,859 |
| Interest receivable | $0 | $0 | $0 | $0 | $0 |
| Total assets | $1,353,287 | $964,430 | $1,012,178 | $932,224 | $1,009,859 |
| Liabilities and Fund Balance (Deficit): | | | | | |
| Liabilities: | | | | | |
| Accounts and contracts payable | $0 | $34,458 | $0 | $4,877 | $0 |
| Advances from developers | $0 | $0 | $0 | $0 | $0 |
| Due to general fund | $261,505 | $261,505 | $261,505 | $261,505 | $211,691 |
| Accrued liability | $0 | $19,771 | $0 | $0 | $0 |
| Total liabilities | $261,505 | $315,733 | $261,505 | $266,381 | $211,691 |
| Fund Balance (Deficit): | | | | | |
| Fund Balance (Deficit) | $1,091,783 | $648,697 | $750,674 | $665,842 | $798,168 |
| Total Liabilities and Fund Equity | $1,353,287 | $964,430 | $1,012,178 | $932,224 | $1,009,859 |
| | $0 | $0 | $0 | $0 | $0 |

**City of Dallas, Texas**
**Davis Garden Tax Increment Financing District Fund**
**Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)**
**For the Period September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | ITD | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|---|
| Revenues: | | | | | | |
| Tax increment-Governmental | $643,303 | $404,087 | $318,328 | $145,090 | $13,493 | $2,722 |
| Tax increment-Intergovernmental | $173,127 | $72,941 | $66,217 | $33,802 | $8,362 | $7,135 |
| Developer | $1,000,162 | $0 | $0 | $161 | $0 | $1,000,001 |

| | | | | | | |
|---|---|---|---|---|---|---|
| participation/Other income | | | | | | |
| Interest income | $0 | $0 | $0 | $0 | $0 | $0 |
| Net increase (decrease) in fair value of investments | ($0) | $0 | $0 | $0 | ($1) | $0 |
| Total revenues | $1,816,591 | $477,028 | $384,545 | $179,053 | $21,854 | $1,009,858 |
| Expenditures: | | | | | | |
| Administrative expenses | $624,368 | $0 | $53,511 | $65,972 | $71,914 | $78,813 |
| Non-Capital Outlay | $32,131 | $2,609 | $1,855 | $276 | $30,000 | $0 |
| Capital outlay | $511,395 | $31,334 | $431,155 | $27,973 | $52,266 | $0 |
| Interest and fiscal charges | $0 | $0 | $0 | $0 | $0 | $0 |
| Total expenditures | $1,167,894 | $33,943 | $486,522 | $94,221 | $154,180 | $78,813 |
| Excess (Deficiency) of Revenues over Expenditures | $648,697 | $443,086 | ($101,977) | $84,831 | ($132,326) | $931,045 |
| Fund balance (Deficit) at beginning of year as previously reported | $0 | $648,697 | $750,674 | $665,842 | $798,168 | ($132,877) |
| Fund balance (Deficit) at beginning of year, as restated | $0 | $648,697 | $750,674 | $665,842 | $798,168 | ($132,877) |
| Fund balance (deficit) at end of year | $648,697 | $1,091,783 | $648,697 | $750,674 | $665,842 | $798,168 |

**Note: Fiscal year 2015-16 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.**

## Notes to Financials

City of Dallas, Texas
Davis Garden Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2016

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.

2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).

3. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.

4. The Zone's Financial Plan permits expenditures not to exceed $4,495,793 (in current $) over the life of the TIF to reimburse the City for administrative costs. The Zone began reimbursing the general fund in fiscal year 2009-10. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.

All project costs resulting in capital improvements that are owned by the City are capitalized by the City.

"Due to general fund" amount of $261,505 at September 30, 2016 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

**AGENDA ITEM # 30**

| | |
|---|---|
| **KEY FOCUS AREA:** | Economic Vibrancy |
| **AGENDA DATE:** | February 22, 2017 |
| **COUNCIL DISTRICT(S):** | 2, 3, 4, 8, 14 |
| **DEPARTMENT:** | Office of Economic Development |
| **CMO:** | Mark McDaniel, 670-3256 |
| **MAPSCO:** | 35 M R U V Y; 36 A B E F J K; 45 C G J K L N P T U V X Y Z; 55 B C F K M P Q R T U V X Y; 65 B C G H L M; 56 J N |

## SUBJECT

A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Seventeen, (TOD TIF District), submitted by the TOD TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

## BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 27432, as amended on December 10, 2008, establishing Tax Increment Financing Reinvestment Zone Number Seventeen, (TOD TIF District). The Transit-Oriented Development (TOD) around DART stations was created in the central portion of the City to help create a series of unique destinations. On April 14, 2010, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 27854, as amended.

The TOD TIF District's assessed 2016 taxable value was $495,031,626. This represents an increase of 145% ($292,957,105) from the assessed value of the base year (2008 and 2010), as amended and an increase of 27% ($62,076,910) over the final value for the previous year. With the participation of the City and Dallas County, this increase will result in the collection of approximately $2,340,230 in total incremental revenue for the TOD TIF District for the 2016 tax year.

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

On December 10, 2008, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Seventeen, the TOD TIF District by Ordinance No. 27432, as amended.

On April 14, 2010, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the TOD TIF District by Ordinance No. 27854, as amended.

On December 6, 2016, the TOD TIF District Board of Directors recommended that the FY 2016 Annual Report be accepted and approved.

Information about this item was provided to the Economic Development Committee on February 6, 2017.

## FISCAL INFORMATION

No cost consideration to the City

February 22, 2017

**WHEREAS,** the City recognizes the importance of its role in local economic development initiatives and programs; and

**WHEREAS,** the City has established Tax Increment Financing Reinvestment Zone Number Seventeen, ("TOD TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment of Transit-Oriented Development (TOD) sites pursuant to Ordinance No. 27432, as amended, authorized by the City Council on December 10, 2008, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

**WHEREAS,** on April 14, 2010, City Council authorized the Final Project Plan and Reinvestment Zone Financing Plan for the TOD TIF District by Ordinance No. 27854, as amended; and

**WHEREAS,** the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone and a copy of the report shall be forwarded to the State Comptroller; and

**WHEREAS,** on December 6, 2016, the TOD TIF District Board of Directors passed a motion accepting the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Seventeen and recommending approval of same by the City Council.

**NOW, THEREFORE,**

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

**Section 1.** That the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Seventeen, (TOD TIF District), City of Dallas, Texas, as of September 30, 2016, a copy of which is attached hereto (**Exhibit A**) is hereby accepted.

**Section 2.** That the City Manager is hereby authorized to submit the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Seventeen to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and to the State Comptroller, as required by state law.

**Section 3.** 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.

Exhibit A

# TOD TIF District
# FY 2016
# Annual Report





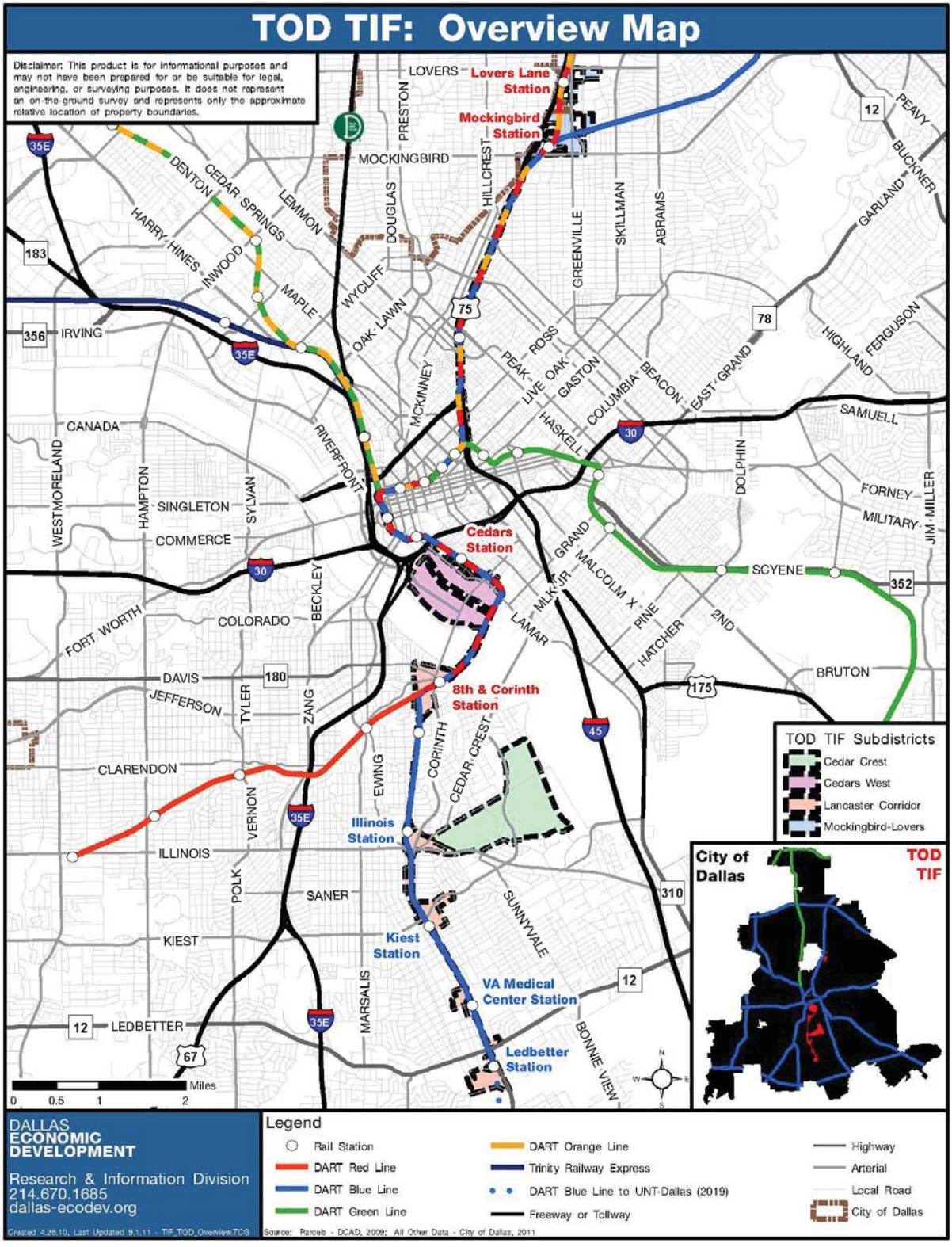


City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 671-9821
http://www.dallas-ecodev.org/area_redevelopment.html

## October 1, 2015 to September 30, 2016

# Reinvestment Zone Number Seventeen
# Tax Increment Financing District



# Table of Contents

Mission Statement ..... 4
TOD TIF District Accomplishments ..... 4
Value and Increment Revenue Summary ..... 8
Objectives, Programs, and Success Indicators ..... 13
Year-End Summary of Meetings ..... 17
Pending TIF Items ..... 18
Budget and Spending Status ..... 18
FY 2017 Work Program ..... 21
Appendix A – Financials ..... 21

*Front cover shows the Alamo Drafthouse Cinema project that opened in early 2016.*

# Mission Statement

The mission of the TOD TIF District is to provide a source of funding for public infrastructure improvements that will help create a series of unique destinations, as well as foster the construction of structures or facilities that will be useful or beneficial to the development of transit stations along the DART light rail system in the central portion of the City. Redevelopment of the Lancaster Corridor and encouragement of transit-oriented mixed-use development (TOD's) around DART stations are top City priorities. Linkage of areas proximate to the Lovers Lane/Mockingbird, Cedars West, and Lancaster Corridor transit stations via the DART Rail Lines facilitates higher density urban development in all areas and permits tax increment sharing to occur.

The TOD TIF District duration began on January 1, 2009, and will terminate on December 31, 2038, (including collection of the 2038 increment in calendar year 2039 and any related matters to be concluded in 2039).

# TOD TIF District Accomplishments

Dallas City Council established the TOD TIF District by Ordinance Number 27432 on December 10, 2008, as amended.

The TOD TIF District contains a series of DART light rail station areas connected by the rail line. Chapter 311 of the Tax Code was amended in 2007 to allow the creation of a reinvestment zone for properties that have some connection to and will benefit a mass transit rail system. The original TIF boundary included three sub-districts (and eight DART light rail stations) – Mockingbird/Lovers Lane, Cedars West, and the Lancaster Corridor within the District defined by the relationship of areas geographically and/or to redevelopment goals.

The Dallas City Council adopted the TOD TIF District Project Plan and Reinvestment Zone Financing Plan on April 14, 2010 by Ordinance 27854, as amended in April and November 2010 and May 2012.

In FY 2010, the TIF Board and City Council approved a development agreement dedicating up to $8,492,273 in future TIF revenues in support of the Lancaster Urban Village project. The Lancaster Urban Village project will be an important seed project for the Veterans Hospital "VA" DART Station area and has been planned in conjunction with a related project to expand the Dallas Urban League offices and training facilities. Staff has continued to work extensively with City Wide Community Development Corporation and their partner Catalyst Urban Development, LLC on coordination for other funding programs to complete the financing package for the project. In 2009, City Council approved an economic development forgivable loan agreement for to assist with land assemblage and related costs for the Dallas Urban League expansion and adjacent mixed-use development. Amendments related to the project were approved in 2011 and 2012.

In October 2010, the City was awarded a $2.225 million HUD Community Challenge Planning Grant to be shared among three focus areas: 1) Lancaster Corridor/TOD TIF District (primarily Kiest and VA Station areas), 2) the DART Green Line Corridor including Hatcher Station-Spring Avenue JB Jackson, and Buckner station areas, and 3) the Vickery Meadow / Five Points Area. In 2013, the area plan for the Lancaster Corridor was adopted as an amendment to the forwardDallas! Comprehensive Plan.

In 2011, a $400,000 TIF funding pledge for the SMU Boulevard streetscape and trail extension project was approved as a local match for a North Central Texas Council of Governments (NCTCOG) Sustainable Development grant. Amendments to extend project deadlines were approved in 2012, 2013 and 2015. The project construction as part of the NCTCOG scope has been completed.

In 2012, the TIF Board approved by-law amendments to reflect changes in state law for TIF Board composition recognizing that only taxing jurisdictions that participate financially can have representation and a change in the TIF design review process to have that function undertaken as part of the City Design Studio Peer Review Panel. The TIF Board also approved a set of master design guidelines and mixed-income housing guidelines.

The Lancaster Urban Village project was completed and began leasing in 2014. The project has won numerous awards including: National Association of Homebuilders Pillar of the Industry Award for The Best Affordable Apartment Community and a best in creative financing award from the National Development Council (NDC) in 2015.

In 2015, both the TOD TIF District and the Lancaster Urban Village project received Celebrating Leadership in Development Excellence (CLYDE) awards. In April 2016, the City partnered with the Council of Development Finance Agencies (CDFA) for a mobile workshop on the TOD TIF and Lancaster Urban Village tour. CDFA also selected the Lancaster Urban Village project as a best deal to feature at the CDFA National Summit in November 2016.

In 2015, a development agreement for up to $1,405,000 in future TIF funding and a Chapter 380 grant agreement for $450,000 was approved in support of the Alamo Drafthouse Cinema Project in the Cedars West Sub-District.

The City’s Housing Department has been working with City Wide CDC on plans for a multi-phased Lancaster Kiest Village project with the first phase beginning with a new Rudy’s Chicken restaurant. Serenity Place Apartments, a supportive housing development was also completed in 2015.

Staff continued to have discussions on other potential developments in the district. Initial projects within the District completed, under construction or in the development stage are shown in the table below.

## TOD TIF District Projects[1]

### Projects Within TIF District Utilizing TIF Funding

| Project | Location | Calendar Year Complete | Status | Units/ SF[2] | Approx. or Estimated Value[3] | TIF Investment[4] |
|---|---|---|---|---|---|---|
| Lancaster Urban Village – Mixed Use Building (7) (8) | SW corner Ann Arbor Ave. & Lancaster Rd. | 2014 | Complete | 193 units; 14,131 square feet retail | $9,863,670 | $8,492,273 |
| Alamo Drafthouse Cinema (7) | S corner of Cadiz & Lamar St. | 2016 | Under construction | 38,000 square feet theater/ restaurant | $6,704,230 | $1,405,000 |
| | | | **Subtotal** | **193 units; 14,131 square feet retail; 38,000 square feet theater/ rest.** | **$16,567,900** | **$9,897,273** |

### Projects Within TIF District Not Utilizing TIF Funding[5]

| Project | Location | Calendar Year Complete | Status | Units/ SF[2] | Approx. Value[3] | TIF Investment[4] |
|---|---|---|---|---|---|---|
| The Shelby | 5609 SMU Blvd. | 2009 | Complete | 55 units; 3,720 square feet retail | $13,425,252 | n/a |
| Crest Plaza Shopping Ctr. Remodel (7) | 2603 S. Lancaster Rd. | 2010 | Complete | 112,000 square feet retail | $1,000,000 Added Investment | n/a |
| The BLVD (*former Shamburger site)* | 5640 SMU Blvd. | 2013 | Complete | 417 units; 9,100 square feet retail | $63,316,000 | n/a |
| Sphinx Development Corp. – Fiji/Compton Phase I | 201 Fran Way | 2010 | Complete | 130 senior apt. units | $3,250,000 | n/a |
| Sphinx Development Corp. – Fiji/Compton Phase II (7) | Fran Way at 8th and Corinth Streets | 2016-2017 | Under construction/ Planned | 49 townhomes | $8,757,000 | n/a |
| NYLO Dallas South Side Hotel | 1325 S. Lamar | 2012 | Complete | 76 hotel rooms (55,000 square feet total with amenities) | $6,729,000 | n/a |

| | | | | | | |
|---|---|---|---|---|---|---|
| Signature Pointe redevelopment, Phase I [7] | 5936 Lovers Lane | 2014 | Complete | 336 units | $60,500,000 | n/a |
| Signature Pointe redevelopment, Phase II [7] | 5850 Lovers Lane | 2015 | Complete | 202 senior housing units; 109 assisted living units; 13,929 medical office | $65,172,410 | n/a |
| CVS Pharmacy | 5050 S. Lancaster Rd. | 2013 | Complete | 14,991 sf retail | $2,542,600 | n/a |
| Lancaster Kiest Village - Rudy's Chicken [7] | 3107 S. Lancaster Rd. | 2014 | Complete | 1,625 sf restaurant | $499,180 | n/a |
| Lancaster Kiest Village - Serenity Place Apartments [7] | 1310 E. Corning Ave. | 2015 | Complete | 45 units | $5,848,660 | n/a |
| Lancaster Kiest Village – commercial/office space [7] | 3115 S. Lancaster Rd. | 2016 | Planned | 10,000 sf office | $2,233,000 | n/a |
| Southern Methodist Univ. (SMU) Aquatics Center [6] | 5550 SMU Blvd. | 2017 | Under construction | 43,770 sf facility | $31,328,120 | n/a |
| | | | **Subtotal** | **1,343 units; 76 hotel rooms; 141,436 square feet retail; 23,929 square feet office; 43,770 square feet aquatics center** | **$264,601,222** | **$0** |

## Projects Utilizing and Not Utilizing TIF Funding

| | | | |
|---|---|---|---|
| **Total** | **1,536 units; 76 hotel rooms; 193,567 square feet retail; 23,929 square feet office; 43,770 square feet aquatics center** | **$281,169,122** | **$9,897,273** |

*[1] All information updated as of September 30, 2016.*
*[2] Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage.*
*[3] Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF District for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.*
*[4] Principal amount not to be exceeded per the development agreement. TBD indicates that development agreement*

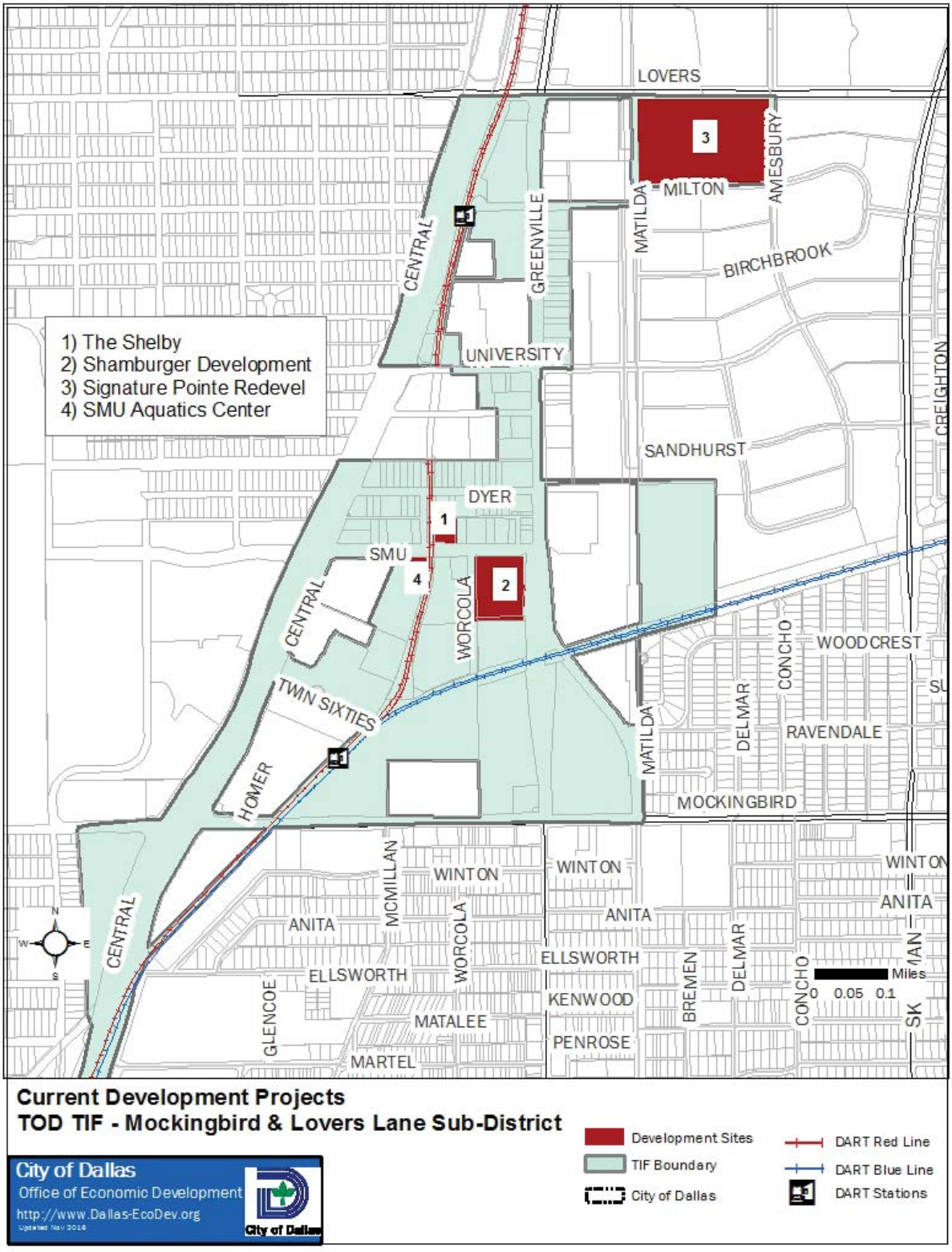
*has not yet been adopted. Asterisk indicates investment also includes interest not shown.*
*[5] Selected significant projects included.*
*[6] Tax-exempt property. Amount shown is approximate investment in improvements.*
*[7] Includes other incentives not shown. Contact City of Dallas Office of Economic Development for more information.*
*[8]Per the TIF program mixed-income housing requirement, the project is providing at least 20% of units as affordable.*

The City and other partners have some initiatives that began prior to FY 2016; however, will have a direct impact with public infrastructure for the District going forward. Two projects received funding commitments in 2006 from the North Central Texas Council of Government's Sustainable Development Call for Projects. Agreements are in place and the projects are currently in design.

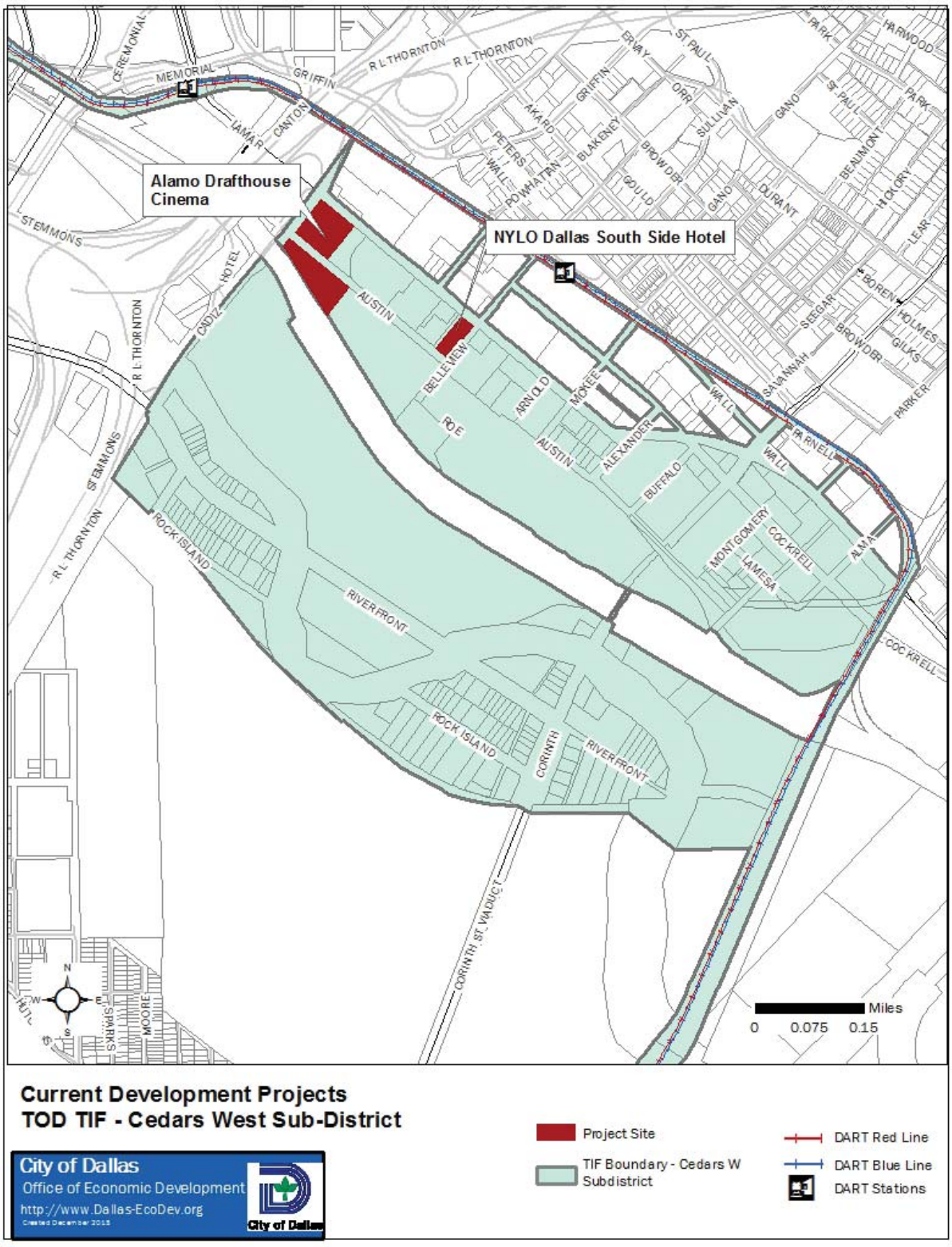
**District Initiatives – Other Public Support for Projects**

| Activity | Scope | Status | Investment | Source |
|---|---|---|---|---|
| **Mockingbird Plaza Sustainable Development Project** | Streetscape improvements along SMU Blvd. and trail/bicycle improvements from SMU Blvd to Mockingbird DART Station.<br><br>City bond funds also authorized for SMU Blvd. improvements. | Funding approved by the NCTCOG's RTC on April 13, 2006.<br>City Council authorized Interlocal Agreement December 2006 (amended June 2011).<br>A TIF agreement with SMU to reimburse for the local match was authorized in June 2011 and deadlines extended in 2013. Construction was near completion in summer 2015. | $1,600,000<br><br>$ 400,000<br><br>$1,038,300 | NCTCOG/RTC 2006<br><br>Local Match – Private (*agreement for TIF eligible reimbursement*)<br><br>2006 City bond funds |
| **Sphinx at Fiji/Compton – Phase I-II Sustainable Development Project** | Infrastructure including paving and drainage | Funding approved by the RTC on April 13, 2006.<br>City Council authorized Interlocal Agreement December 2006.<br>Street infrastructure work is complete. | $2,811,986<br><br>$ 702,997 | NCTCOG/RTC 2006<br><br>Local Match – 2003 City bond funds |
| **HUD Community Challenge Grant for Transit Oriented Development and Affordable Housing** | Funding for planning and pre-development assistance related to affordable housing and TOD. Funding allocated to a portion of the Lancaster Corridor, Vickery Meadow/5-Points, and three Green Line DART stations areas - Hatcher, MLK and Buckner | The City was awarded the grant under the HUD Sustainable Communities Challenge Grants program in 2010. Fregonese Associates was selected as the consultant for planning activities (contract award up to $799,968) related to the grant. In April 2013, the Dallas TOD Lancaster Corridor Area Plan was adopted. | $2,225,000<br><br>Required Local Match for Grant: 20% | HUD funding<br><br>TIF Funds (Vickery Meadow) |

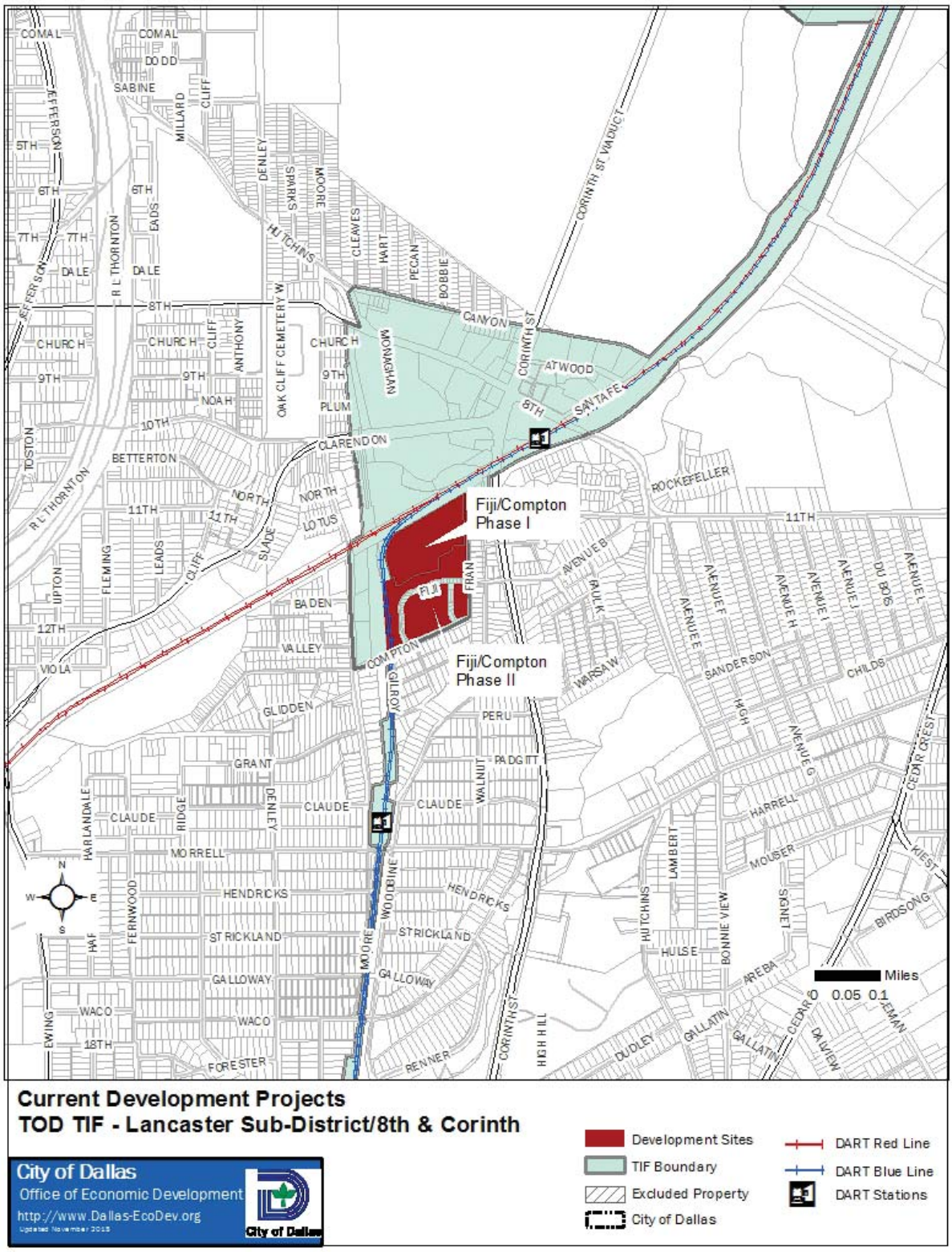
# TIF District Development Project Map – Part 1 of 4



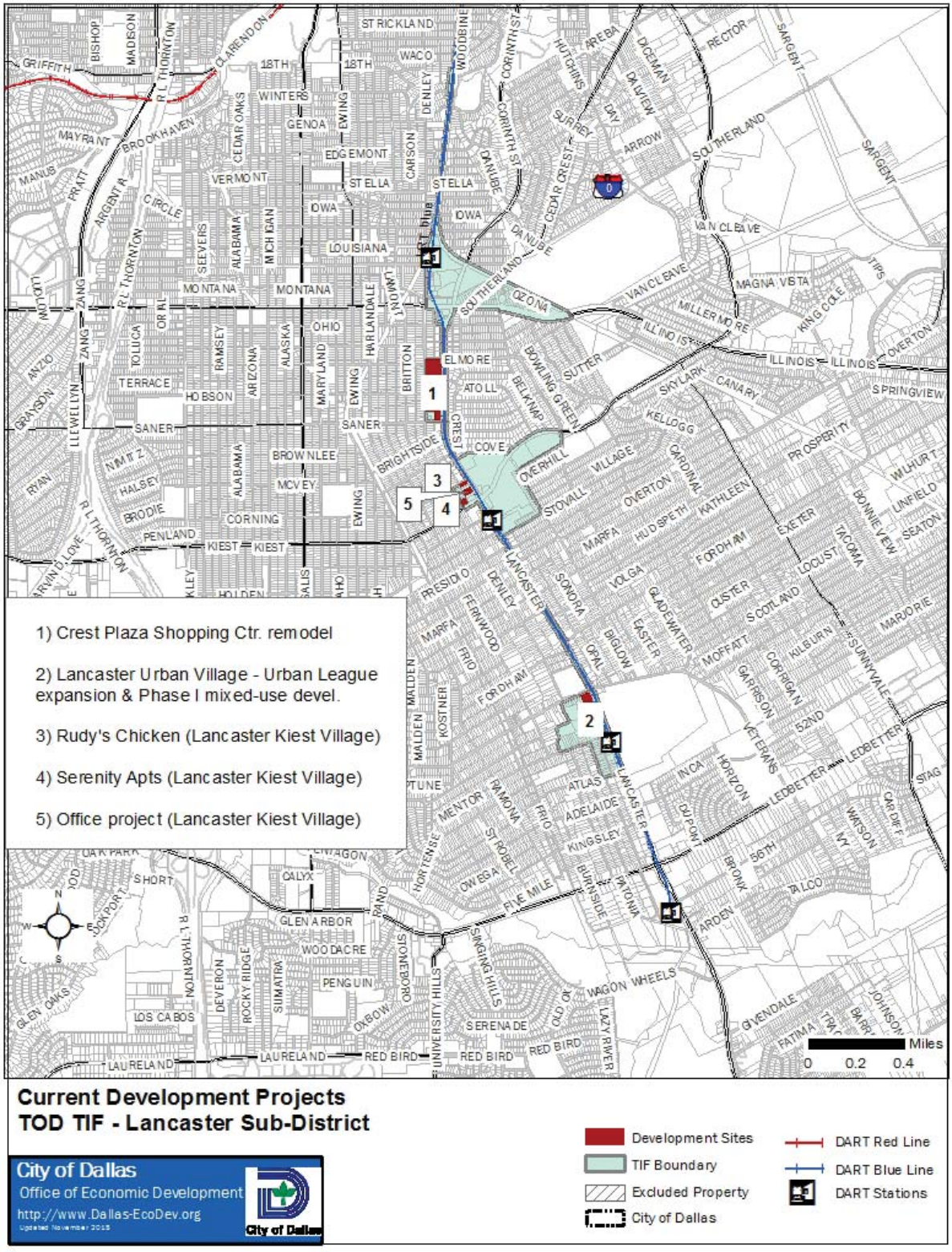
# TIF District Development Project Map – Part 2 of 4



# TIF District Development Project Map – Part 3 of 4



# TIF District Development Project Map – Part 4 of 4



# Value and Increment Revenue Summary

The TOD TIF District's assessed 2016 City taxable value was $495,031,626 and varies for other taxing jurisdictions due to exemption levels. This represents an increase of $292,957,105 or 145% over the base year (2008 and 2010) value, as amended. The TIF District anticipates collecting approximately $2,340,230 in incremental tax revenue for tax year 2016. The overall increase in value is primarily attributable to new construction in the Mockingbird/Lovers Lane Sub-District and some new construction in the Lancaster Corridor Sub-District.

# Objectives, Programs, and Success Indicators

The final TOD TIF Project Plan and Reinvestment Zone Financing Plan was adopted in April 2010. Among the goals of the Plan are:

- To create additional taxable value attributable to new private investment in projects in the TOD TIF District totaling approximately $2,431,000,000

  *Over $281 million in new investment has been completed, is underway or planned (11% of the goal).*

- To attract higher density new private development in the TOD TIF District totaling approximately 2,480,000 square feet of new or upgraded retail and office space and 13,900 residential units, including townhome, multi-family, and single-family projects.

  *193,567 square feet of new and upgraded retail space and 23,929 square feet of office space has been completed, is underway or planned (9% of the goal). Approximately 1,536 residential units are completed, under construction or planned (11% of the goal).*






Showcase projects in both northern and southern sub-districts: The Shelby (left) & Lancaster Urban Village (right.

- To focus on encouraging the redevelopment of properties in the TOD TIF District, increase density and provide enhanced urban design for the various station areas that is commensurate with forwardDallas!, the City's Comprehensive Plan.

  *Initial development projects under construction or planned show momentum for more urban, pedestrian friendly redevelopment in support of forwardDallas!.*

- Encourage development projects that will increase DART ridership at rail stations within the TOD TIF District.

  *Initial development projects completed, under construction or planned will add 1,536 new households in close proximity to DART stations. The most recent average daily ridership figures (over the fiscal year) as of September 2016 for the eight DART light rail stations in or adjacent to the District are shown in the table below:*

**Average Daily Ridership at DART LRT Stations in or adjacent to the District**

| Station | Daily ridership Sept 2009 (base yr) | Daily ridership – Sept 2015 | Daily ridership – Sept 2016 | %change from 2015-2016 | %change from base year |
|---|---|---|---|---|---|
| Lovers Lane | 1,257 | 1,402 | 1,321 | -6% | 5% |
| Mockingbird | 3,446 | 3,553 | 3,268 | -8% | -5% |
| Cedars | 1,151 | 694 | 734 | 6% | -36% |
| 8th & Corinth | 2,086 | 1,680 | 1,582 | -6% | -24% |
| Illinois | 1,114 | 1,060 | 1,052 | -1% | -6% |
| Kiest | 1,298 | 1,009 | 1,010 | --- | -22% |
| VA Medical Center | 913 | 813 | 813 | --- | -11% |
| Ledbetter | 2,682 | 2,218 | 2,143 | -3% | --20% |

- To improve access and connections between DART light rail station areas and strategic Dallas area amenities such as the campus and future research facilities of Southern Methodist University, the Bush Presidential Library, the Trinity River, Southside on Lamar, and the heart of Cedars to the Convention Center area, Dallas Zoo, Cedar Crest Golf Course, and Veterans Memorial Hospital.

  *The Mockingbird Plaza Sustainable Development Project and 2006 bond program public improvements were substantially complete in summer 2015 and are facilitating better pedestrian connectivity along SMU Boulevard and to the Mockingbird DART Station along with connections to Southern Methodist University and the Bush Presidential Library. Improvements completed as part of the Lancaster Urban Village have improved connectivity to the Veterans Memorial Hospital and DART station.*

- To increase recreational opportunities and improve connections to the City of Dallas trails and open space system in the District.

  *The Mockingbird Plaza Sustainable Development Project has completed a walking and bicycle trail between SMU Boulevard and the Mockingbird DART station. An extension of the Katy Trail improvements, with City bond funds, in the Mockingbird area is underway. Staff will continue to work with the Park and Recreation Department and other entities to address park and trail needs as the District evolves. SMU is investing in new facilities within the district including an aquatics center set to open in fall 2017.*





Streetscape improvements and trail connection as part of Mockingbird Plaza Sustainable Development Project near completion.

- To maintain the stability of local schools as redevelopment occurs in the housing market and promote improved training and job creation through partnerships with Southern Methodist University, Dallas County Community College District, the VA Hospital, Urban League, and the future University of North Texas Law School.

  *Redevelopment projects thus far have primarily involved vacant or underutilized commercial sites. Partnerships with the Urban League and VA Hospital continue to be pursued by local stakeholders. Partnerships with Southern Methodist University and Dallas County Community College District can also continue to be explored going forward.*

SMU Aquatics Center under construction



- To generate approximately $185.2 million (NPV; 2009 dollars) in increment over 28 years of collections, with up to 85 percent participation by the City and 55 percent participation by Dallas County.

  *The District's 2016 total taxable value of $495,031,626 is approximately 60% behind the original projection of $1,248,241,983. The economic downturn early in the term of the TIF district impacted the pace of new construction and existing property values.*

- To diversify retail and commercial uses in the District.

  *Retail leasing as part of The Shelby and BLVD developments has brought new restaurants along SMU Boulevard. Upgrades at the Crest Plaza Shopping Center have doubled the size of a grocery store in an underserved area. The Alamo Drafthouse Cinema opened in 2016 adding to the entertainment venues in the Cedars area.*





Mayor Mike Rawlings, Jack Matthews (developer) and others celebrating the grand opening of the Alamo Drafthouse Cinema in March 2016

- Add residential density including but not limited to provisions for affordable housing, elderly and special needs housing, and a sustainable mix of product types and destination related activities near DART light rail station within the District to promote overall system ridership and increase ridership levels at the specific stations in the District.

  *Initial projects completed, under construction or planned will add a significant number of new units adjacent or in close proximity to DART stations.*

# Year-End Summary of Meetings

The TOD TIF District Board of Directors met twice (one regular and one special called meeting) during the fiscal year from October 1, 2015 to September 30, 2016.

The Board, based on amended composition, can consist of up to nine members, including eight City of Dallas appointees and one appointee from Dallas County. During FY 2016 the Board members were (FY 2016 Board meetings attended): Neal Sleeper, Chair - City Representative (1 of 2 meetings), Jud Pankey, Vice Chair – City Representative (2 of 2 meetings), Jack Wierzenski – City Representative (2 of 2 meetings), Zad Roumaya – City Representative (2 of 2 meetings, Michael Barrett – City Representative (2 of 2 meetings), William Harris – City Representative (2 of 2 meetings), Michael Sitzarzewski – City Representative (2 of 2 meetings) and Rick Loessberg – Dallas County Representative (2 of 2 meetings). Robbie Good – City Representative was appointed after the last meeting.

During the fiscal year, the City Council approved four items associated with development projects or public initiatives in the TOD TIF District:

- On November 10, 2015, the City Council passed Resolution Number 15-2137 authorizing an amendment to Resolution No. 15-1544, previously approved on August 26, 2015, for a conditional grant agreement with SDC Compton Housing, LP to (1) clarify the terms of the agreement to allow flexibility in the number of total units financed under the grant agreement in the event that the units are sold to households with income over 140% of Area Median Family Income; and (2) extend the start date to no later than December 31, 2015 for the project in South Dallas located on Fran Way near Eighth and Corinth Streets.

- On December 9, 2015, the City Council held a public hearing and passed Ordinance Number 29962 granting an expansion of Planned Development District No. 812 and the creation of a new tract for mixed uses on property zoned an R-5(A) Single Family District and a CR Community Retail District at the southeast corner of East 11th Street and Fran Way Recommendation of Staff and CPC: Approval, subject to a development/landscape plan and conditions Z145-247(AF) Note: This item was considered by the City Council at public hearings on October 14, 2015 and November 10, 2015, and was deferred until December 9, 2015.

- On January 13, 2016, the City Council passed Resolution Number 16-0102 authorizing (1) a Chapter 380 economic development grant agreement with City Wide Community Development Corporation for costs associated with development of a commercial office/retail building of approximately 8,400 square feet to be located at 3111 - 3115 South Lancaster Road that will address a shortage of business rental space in the area and continue redevelopment in the Lancaster Corridor; and (2) third amendment to grant agreement between City Wide Community Development Corporation and the City of Dallas to extend the

completion deadline from September 12, 2016 to March 31, 2017 - Not to exceed $825,000 - Financing: 2012 Bond Funds.

- On February 24 2016, the City Council passed Resolution Number 16-0345 accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Seventeen, (TOD TIF District), submitted by the TOD TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law.

## Pending TIF Items

- Consideration of the FY 2016 TIF District Annual Report and a recommendation to the City Council for approval.

# Budget and Spending Status

Each TIF District establishes a budget for the public improvement expenditures necessary to support private investment in the district in the Project Plan and Reinvestment Zone Financing Plan. The current TIF District budget is shown below:

| TOD TIF District<br>Projected Increment Revenue to Retire TIF Fund Obligations | | | |
|---|---|---|---|
| **Category** | **TIF Budget*** | **Allocated** | **Balance** |
| **Lancaster Corridor Sub-Districts:** public infrastructure improvements; environmental remediation & demolition; parks, open space, trails, gateways; façade restoration; grants for high density projects; and transit related improvements | $118,444,973 | $4,215,673 | $114,229,300 |
| **Cedar Crest Sub-District:** public infrastructure improvements; environmental remediation & demolition; parks, open space, trails, gateways; façade restoration; grants for high density projects; and transit related improvements | $47,796,071 | $0 | $47,796,071 |
| **Mockingbird/Lovers Lane Sub-District:** public infrastructure improvements; environmental remediation & demolition; parks, open space, trails, gateways; façade restoration; grants for high density projects; and transit related improvements | $69,356,221 | $400,000 | $68,956,221 |
| **Cedars (West) Sub-District:** public infrastructure improvements; environmental remediation & demolition; parks, open space, trails, gateways; façade restoration; grants for high density projects; and transit related improvements | $122,534,925 | $1,405,000 | $121,129,925 |
| **Affordable Housing** | $49,994,976 | $4,276,600 | $45,718,376 |
| **Administration and implementation**** | $8,203,309 | $306,996 | $7,896,313 |
| **Total Project Costs** | **$417,326,904** | **$10,604,269** | **$406,722,635** |

** NOTE: Budget shown above in total dollars. However, TIF plan shows the budget in net present value.*
***TIF administration costs shown are committed through FY 2015. FY 2016 costs are not included.*

| TOD TIF District<br>Final Project Plan Budget | |
|---|---|
| **Category** | **TIF Budget*** |
| **Lancaster Corridor Sub-Districts:** public infrastructure improvements; environmental remediation & demolition; parks, open space, trails, gateways; façade restoration; grants for high density projects; and transit related improvements | $49,781,005 |
| **Cedar Crest Sub-District:** public infrastructure improvements; environmental remediation & demolition; parks, open space, trails, gateways; façade restoration; grants for high density projects; and transit related improvements | $25,326,728 |
| **Mockingbird/Lovers Lane Sub-District:** public infrastructure improvements; environmental remediation & demolition; parks, open space, trails, gateways; façade restoration; grants for high density projects; and transit related improvements | $30,020,910 |
| **Cedars (West) Sub-District:** public infrastructure improvements; environmental remediation & demolition; parks, open space, trails, gateways; façade restoration; grants for high density projects; and transit related improvements | $54,576,532 |
| **Affordable Housing** | $21,832,521 |
| **Administration and implementation** | $3,640,000 |
| **Total** | $185,177,697 |
| ** As approved in the Project Plan and Reinvestment Zone Financing Plan (discounted to 2009 dollars).* | |

| TOD TIF M/WBE Participation | | | |
|---|---|---|---|
| **Project** | **Contractor** | **Total Contract Award Amount** | **Percentage Minority Participation** |
| Lancaster Urban Village | A&A Construction, Foliage Factory Landscape, Inc. & Rumsey Site Construction | $1,325,696 | 61.1% |
| Alamo Drafthouse Cinema | Chubbs Landscaping, Pegasus Texas & Pate Jones Paving | $481,882 | 46.07% |
| **Total** | | **$1,807,578** | **$810,453 (57.1%)** |

# FY 2017 Work Program

The FY 2017 work program includes:

- Provide staff support for the Alamo Drafthouse project and other current projects in the District.
- Work with interested developers on potential TIF project proposals.
- Coordinate redevelopment efforts at Mockingbird Station with DART.
- Continue coordination efforts for finalizing the 2006 NCTCOG Sustainable Development Project and bond program improvements.
- Work to improve connections to the City of Dallas trails and open space system in the District.
- Provide staff support for the implementation of the Dallas TOD Lancaster Corridor Area Plan completed as part of the HUD Community Challenge Grant.
- Investigate additional sources of funding for the District.
- Investigate an extension of the boundary of the TIF district to support City GrowSouth redevelopment efforts.

# Appendix A – Financials

**City of Dallas, Texas**
**TOD Tax Increment Financing District Fund**
**Reinvestment Zone Number Fourteen**
**As of September 30, 2016**

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

**1. Amount and source of revenue in the tax increment fund established for the zone:**

| | |
|---|---|
| $0 | Interest Income |
| $1,585,532 | Ad Valorem Taxes (Collected in FY'2015-16 based on 2015 Final Tax Roll) |
| $1,585,532 | Total Revenue |

**2. Amount and purpose of expenditures from the fund:**

| | |
|---|---|
| $0 | Administrative Expense (FY 2016 costs are to be determined) |
| $0 | Non-Capital outlay |
| $0 | Capital outlay |
| $0 | Additional Subsidy in Form of Grant (in lieu of interest expense) |
| $0 | Total Expenditures |

**3.** TIF administrative costs associated with staff time spent are being accumulated thru fiscal year 2011-12. The Zone began reimbursing the General Fund for these costs in fiscal year 2011-12.

**4. a. Amount of Principal and Interest due-on outstanding bonded indebtedness is as follows:**
TOD TIF District has incurred no bonded indebtedness as of September 30, 2016.

b. The Zone entered into a development agreement with City Wide CDC for the "Lancaster Urban Village" development in the TIF in an amount not to exceed $8,492,273 with completion by December 31, 2015 Reimbursement to begin pending final documentation and upon availability of TIF funds.

c. The Zone entered into a development agreement with Southern Methodist University to reimburse up to $400,000 as part of a NCTCOG grant local match with project completion by December 31, 2015 and reimbursement to begin pending final documentation and upon availability of TIF funds.

**d.** The Zone entered into a development agreement with CCH Alamo, LP for the Alamo Drafthouse Cinema Project development in the TIF in an amount not to exceed $1,405,000 with required completion by June 30, 2017. and reimbursement to begin pending final documentation and upon availability of TIF funds.

**5. Tax increment base and current captured appraised value retained by the zone:**

| Taxing Jurisdiction | Taxable Value 2016* | Base Year 2008 Value | Est. Captured Value 2016** |
|---|---|---|---|
| City of Dallas | $495,031,626 | $202,074,521 | $292,957,105 |
| Dallas County | $494,980,994 | $210,522,486 | $284,458,508 |

*Taxable value shown for participating taxing jurisdictions. County values are approximate and will vary slightly from the City value due to different exemption levels.

**Based on DCAD Certified Taxable Value. The final values will be determined on February 01, 2017.

**6. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:**

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

| Taxing Jurisdiction | Assessment Per $100*** | Amount of Estimated 2016 Increment |
|---|---|---|
| City of Dallas | 0.66513 | $1,948,531 |
| Dallas County | 0.13371 | $380,335 |
| Total for all Jurisdictions | $0.79883 | $2,328,866 |

***Participation rates for City of Dallas are 70% for tax years 2009-2011, 85% for tax years 2012-2029 and 70% for tax years 2030-2035.

***Participation rates for Dallas County are 0% for tax years 2009-2010 and 55% for tax years 2011-2030.

B. The total amount of estimated tax increment to be billed for the 2016 tax year is $2,328,866. For the 2015 tax year, increment in the amount of $1,585,532 was received.

**City of Dallas, Texas**
**TOD Tax Increment Financing District Fund**
**Balance Sheet as of September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|---|---|---|---|---|---|---|
| Assets: | | | | | | |
| Pooled cash and cash equivalents | $3,316,975 | $1,731,443 | $738,938 | $45,883 | $0 | $0 |
| Interest receivable | $0 | $0 | $0 | $0 | $0 | $0 |
| Total assets | $3,316,975 | $1,731,443 | $738,938 | $45,883 | $0 | $0 |
| Liabilities and Fund Balance (Deficit): | | | | | | |
| Liabilities: | | | | | | |
| Accounts and contracts payable | $0 | $0 | $0 | $0 | $0 | $0 |
| Advances from developers | $0 | $0 | $0 | $0 | $0 | $0 |
| Accrued interest | $0 | $0 | $0 | $0 | $0 | $0 |
| Due to general fund | $203,176 | $203,176 | $203,176 | $203,176 | $195,554 | $165,952 |
| Total liabilities | $203,176 | $203,176 | $203,176 | $203,176 | $195,554 | $165,952 |
| Fund Balance (Deficit): | | | | | | |
| Fund Balance (Deficit) | $3,113,798 | $1,528,266 | $535,762 | ($157,293) | ($195,554) | ($165,952) |
| Total Liabilities and Fund Equity | $3,316,975 | $1,731,443 | $738,938 | $45,883 | $0 | $0 |
| | ($0) | $0 | $0 | $0 | $0 | $0 |

**TOD Tax Increment Financing District Fund**
**Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)**
**For the Period September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | ITD | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|---|---|---|---|---|---|---|---|
| Revenues: | | | | | | | |
| Tax increment-Governmental | $2,795,874 | $1,274,859 | $864,618 | $608,100 | $48,297 | $0 | $0 |
| Tax increment-Intergovernmental | $625,253 | $310,673 | $164,131 | $109,208 | $36,738 | $4,503 | $0 |
| Interest income | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Grant from City | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Net increase (decrease) in fair value of investments | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Total revenues | $3,421,128 | $1,585,532 | $1,028,749 | $717,309 | $85,035 | $4,503 | $0 |
| Expenditures: | | | | | | | |
| Administrative expenses | $307,330 | $0 | $36,245 | $24,253 | $46,775 | $34,105 | $44,869 |
| Non-Capital Outlay | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Capital outlay | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Interest and fiscal charges | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Total expenditures | $307,330 | $0 | $36,245 | $24,253 | $46,775 | $34,105 | $44,869 |
| Excess (Deficiency) of Revenues over Expenditures | $3,113,798 | $1,585,532 | $992,504 | $693,055 | $38,260 | ($29,602) | ($44,869) |
| Fund balance (Deficit) at beginning of year as previously reported | $0 | $1,528,266 | $535,762 | ($157,293) | ($195,554) | ($165,952) | ($121,083) |
| Fund balance (Deficit) at beginning of year, as restated | $0 | $1,528,266 | $535,762 | ($157,293) | ($195,554) | ($165,952) | ($121,083) |
| Fund balance (deficit) at end of year | $3,113,798 | $3,113,798 | $1,528,266 | $535,762 | ($157,293) | ($195,554) | ($165,952) |

**Note: Fiscal year 2015-16 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.**

City of Dallas, Texas
TOD Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2016

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.

2. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.

3. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).

4. The Zone's Financial Plan permits expenditures not to exceed $8,203,309 (in current $) over the life of the TIF to reimburse the City for administrative costs. The Zone began reimbursing the General Fund upon collection of tax increment in fiscal year 2011-12. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.

5. All project costs resulting in capital improvements that are owned by the City are capitalized by the City.

6. "Due to general fund" amount of $203,176 at September 30, 2016 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

**AGENDA ITEM # 31**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 2

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 33 R; 34 J K N P Q T U

## SUBJECT

A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eighteen, (Maple/Mockingbird TIF District), submitted by the Maple/Mockingbird TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

## BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 27435 on December 10, 2008, establishing Tax Increment Financing Reinvestment Zone Number Eighteen (Maple/Mockingbird TIF District). On September 23, 2009, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 27690.

The Maple/Mockingbird TIF District's assessed 2016 taxable value was $462,621,380. This represents an increase of $278,616,371 or 151.4% from the 2008 base year value and an increase of $82,941,342 or 17.9% from last year (2015). From the inception of the district, approximately, 76.7% of the increment is from the new construction and 23.3% from the general appreciation. The total increment revenue collected in 2016 is expected to be $2,223,966. The actual construction that occurred in 2016 will be reflected on the 2017 tax roll.

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

On December 10, 2008, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Eighteen, the Maple/Mockingbird TIF District, by Ordinance No. 27435.

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

On September 23, 2009, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Maple/Mockingbird TIF District by Ordinance No. 27690.

On December 13, 2016, the Maple/Mockingbird TIF Board of Directors recommended the FY 2016 Annual Report be accepted and approved.

Information about this item was provided to the Economic Development Committee on February 6, 2017.

**FISCAL INFORMATION**

No cost consideration to the City

February 22, 2017

**WHEREAS,** the City recognizes the importance of its role in local economic development initiatives and programs; and

**WHEREAS,** the City has established Tax Increment Financing Reinvestment Zone Number Eighteen, (Maple/Mockingbird TIF District) and established a Board of Directors for the District to promote development or redevelopment in the Maple/Mockingbird area pursuant to Ordinance No. 27435, authorized by the City Council on December 10, 2008, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

**WHEREAS,** on September 23, 2009, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Maple/Mockingbird TIF District by Ordinance No. 27690; and

**WHEREAS,** the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

**WHEREAS,** on December 13, 2016, the Maple/Mockingbird TIF District Board of Directors passed a motion accepting the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Eighteen and recommending approval of same by the City Council.

**NOW, THEREFORE,**

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

**Section 1.** That the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Eighteen, (Maple/Mockingbird TIF District), City of Dallas, Texas, as of September 30, 2016, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

**Section 2.** That the City Manager is hereby authorized to submit the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Eighteen, to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District; and to the State Comptroller, as required by state law.

**Section 3.** 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.

# Maple/Mockingbird TIF District
# FY 2016
# Annual Report



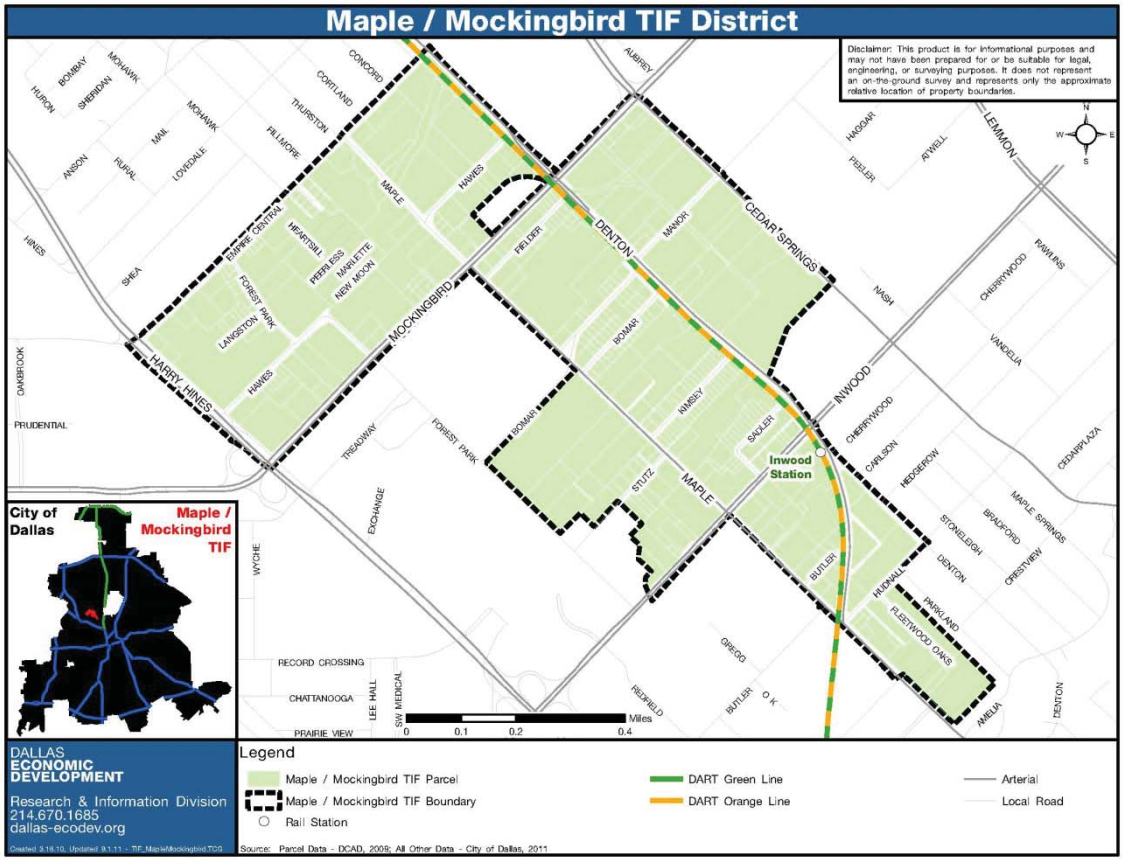

*aLoft/Element - Love Field Hotel (Fall 2016)*

**City of Dallas**

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 670-1685
http://www.dallas-ecodev.org

## October 1, 2015 to September 30, 2016

# Reinvestment Zone Number Eighteen
# Maple/Mockingbird Tax Increment Financing District



# Table of Contents

Mission Statement ..... 4
District Accomplishments ..... 4
Current Development Status in the District ..... 7
Maple/Mockingbird TIF District Projects ..... 7
Value and Increment Summary ..... 9
Objectives, Programs, and Success Indicators ..... 9
Year-End Summary of Meetings ..... 11
Pending TIF Items ..... 13
Budget and Spending Status ..... 14
FY 2017 Work Program ..... 15
Appendix – Financials ..... 16

# Mission Statement

The mission of the Maple/Mockingbird TIF District is to provide a source of funding for public infrastructure improvements necessary to enhance the real estate market for the Maple/Mockingbird TIF District area. The Maple/Mockingbird Tax Increment Financing (TIF) District represents the outgrowth of the City of Dallas' effort to provide a model for redeveloping underdeveloped land near employment centers to take full advantage of the expanding DART light rail system and area resources such as Love Field Airport and the Southwestern Medical District.

The Maple/Mockingbird TIF District took effect on January 1, 2009, and will terminate on December 31, 2033, (including collection of the 2033 increment in calendar year 2034 and any related matters to be concluded in 2034) or when the budget of $27.8 million (NPV) or $58.4 million total dollars has been collected. The City of Dallas and Dallas County are the two participating jurisdictions. The City's participation is 70% in 2009 through 2011, increases to 85% in 2012 through 2026, and then decreases to 70% 2027 through 2033. Dallas County's participation is 55% for the first twenty years of the District.

# District Accomplishments

The Maple/Mockingbird TIF District has seen an influx of multifamily construction (ongoing and planned) over the last few years: Maple Station project, a transit oriented development near the Inwood Station consists of approximately 249 residential units located at 5252 and 5602 Maple Avenue, opened in 2015. Maple Station project is the first TIF funded project in the Maple/Mockingbird TIF District. The total estimated private investment for the project is approximately $36.2 million. The cost related TIF eligible public improvements is $8,000,000. The public improvement includes paving, pedestrian friendly streetscape, sidewalk improvements and enhanced connectivity to the Inwood DART light rail station. The project started its construction in August 2013 and was completed in the summer of 2015. The Reserve at UTSW (formerly The Reserve on the North Campus) at 2325 and 2335 Stutz Road completed 18 townhomes (36 townhomes are planned). AMLI on Maple (formerly Eon at Maple) at 6008 Maple Avenue completed 300 multifamily units. The Southwestern Apartments by Greystar completed 359 multifamily units at 5959 Maple Avenue. Park 5940 MD (Formerly Alexan MD) by Trammell Crow Residential at 5940 Forest Park Road completed 343 multifamily units. Century Medical District Apartments (formerly Encore 6162) by Encore Multifamily LLC at 6162 Maple Avenue completed 300 multifamily units.

In addition, commercial uses are beginning to expand in the area: In 2012, Rosewood Academy opened the childhood development center at 2310 Stutz Road in 2012 (former USPS location). The Kroger's store located at 4901 Maple Avenue, opened in 2012. Rosewood Academy and Kroger's are located adjacent to the District. In 2015, the first commercial TIF funded project was approved in the Maple/Mockingbird TIF District. The aloft-Element Hotel at West Love is currently under construction with completion expected in early 2017. The total estimated private investment for the project is approximately

$42.8 million. The cost related to TIF eligible public improvements is $3,000,000. The public improvements includes paving, pedestrian friendly streetscape, sidewalk improvements, and connectivity to the proposed adjacent mixed-use development, West Love.

DART Green Line expansion (NW corridor) is completed and the Inwood/Love Field light rail station was opened in December 2010. The Orange Line runs parallel with the Green Line through Downtown Dallas to Bachman Station in Northwest Dallas opened in 2012. During FY 2016, on an average, the Inwood/Love Field light rail station serviced 1,573 passengers per week day, a 0.2% increase in ridership compared to last year.

Total existing private development in the Maple/Mockingbird TIF District is approximately $212.3 million and $23.6 million private development is under construction. Listed below are photographs of the projects located in the Maple/Mockingbird TIF District at various stages of development



The Reserve on The Campus



AMLI on Maple Apartments



Maple Station – 5522 and 5602 Maple Avenue



Park 5940 MD (formerly Alexan MD)



Century Medical District (formerly Encore 6162 by Encore)



Southwestern Apartments by Greystar





aLoft/Element Hotel

# Current Development Status in the District
# Maple/Mockingbird TIF District Projects

## Maple/Mockingbird TIF District Projects[1]

### Projects Within TIF District Untilizing TIF Funding

| Project | Location | Calendar Year Complete | Status | Units/ SF[2] | Approx. Value[3] | TIF Investment[4] |
|---|---|---|---|---|---|---|
| Maple Station Project | 5522 Maple Avenue | 2015 | Completed | 249 units | $22,882,790 | $8,000,000 |
| Love Field Hotel | 2345 W Mockingbird Lane | 2016 | Under Construction | 232 Guest Rooms; 30,000 SF of Retail; 145,000 SF of Hotel/Common Space | $23,600,000 | $3,000,000 |
| | | | | Total TIF Projects:<br>Hotel under construction | $46,482,790<br>$23,600,000 | $11,000,000<br>$3,000,000 |

### Projects Within TIF District Not Utilizing TIF Funding

| Project | Location | Calendar Year Complete | Status | Units/ SF[2] | Approx. Value[3] | TIF Investment[4] |
|---|---|---|---|---|---|---|
| The Reserve on the Campus | 2325 and 2335 Stutz Rd | 2012 | 36 units planned and 18 completed | 18 Townhomes | $5,583,630 | $0 |
| AML 6008 Maple | 6008 Maple Avenue | 2012 | Completed | 300 apartments | $41,500,000 | $0 |
| The Southwestern Apartments by Greystar | 5959 Maple Avenue | 2014 | Completed | 359 apartments | $47,747,000 | $0 |
| Park 5940 MD | 5940 Forest Park Rd | 2013 | Completed | 343 units | $52,975,000 | $0 |
| Century Medical District Apts | 6162 Maple Avenue | 2015 | Completed | 300 Units | $41,601,920 | $0 |
| Proposed Fairfield Apts | 2727 Inwood | 2018 | Under Construction | 347 Units | $45,000,000 | $0 |
| Balcones Realty Partners | Mockingbird Lane and Maple Avenue | TBD | Planned | Mixed-Use Development | $100,000,000 | TBD |
| | | | | **Total (TIF and Non-TIF)<br>1569 units completed<br>383 units under construction<br>and<br>30,000 square feet of retail space under construction<br>145,000 square feet of hotel/meeting space under construction** | **$212,290,340 completed<br>$23,600,000 under construction<br>and<br>$145,000,000 planned** | **$11,000,000** |

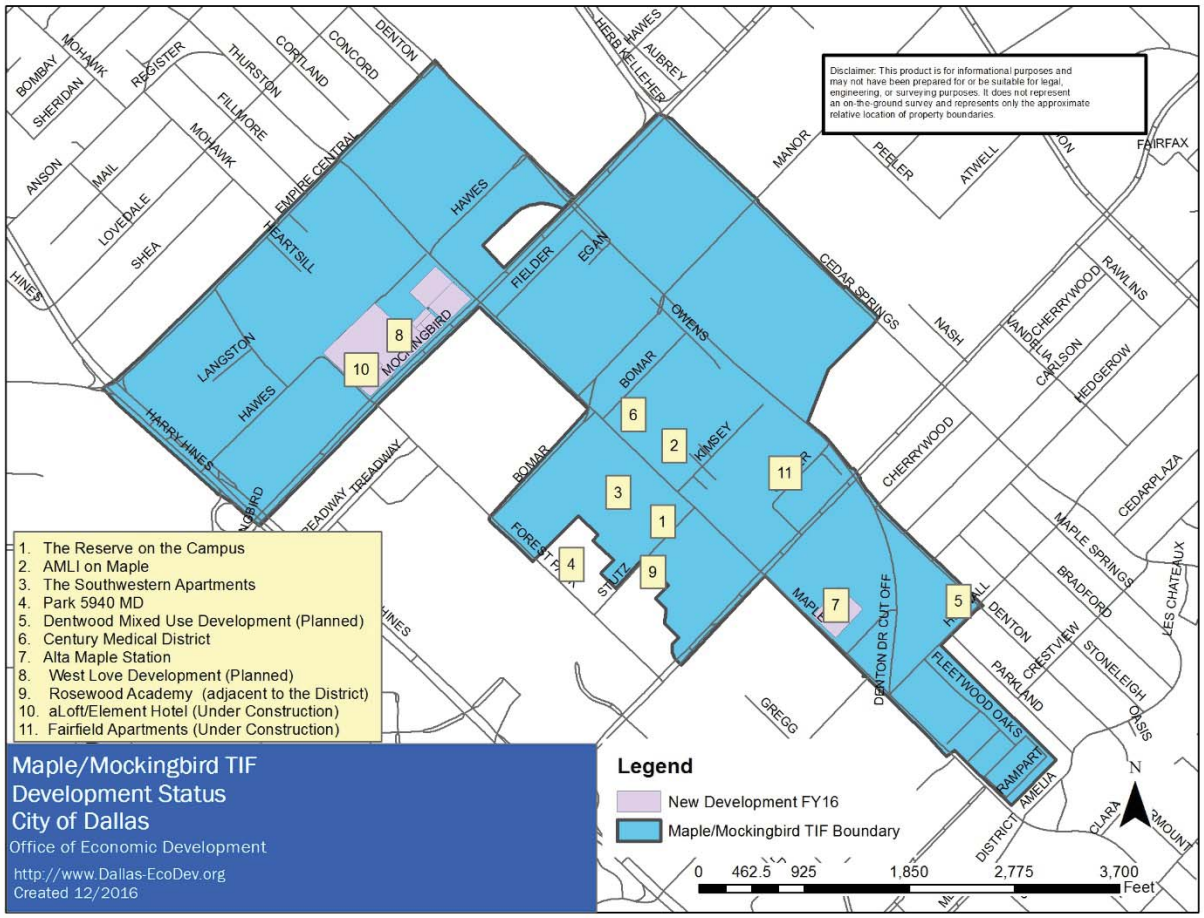
*[1] All information updated as of September 30, 2016.*

*[2] Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage.*

*[3] Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF District for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.*

*[4] Principal amount not to be exceeded per the development agreement. TBD indicates that development agreement has not yet been adopted.*

# TIF District Development Status Map



# Value and Increment Summary

The Maple/Mockingbird TIF District's assessed 2016 taxable value was $462,621,380. This represents an increase of $278,616,371 or 151.4% from the 2008 base year value and an increase of $82,941,342 or 17.9% from last year (2015). From the inception of the district, approximately, 76.7% of the increment is from the new construction and 23.3% from the general appreciation. The total increment revenue collected in 2016 is expected to be $2,223,966. The actual construction that occurred in 2016 will be reflected on the 2017 tax roll.

# Objectives, Programs, and Success Indicators

The final Maple/Mockingbird Project Plan and Reinvestment Zone Financing Plan was adopted in September 2009. The goals of the Plan are:

- To create additional taxable value attributed to new private investment in projects in the Mockingbird/Maple TIF District of a minimum of $374.2 million over the term of the District.

  *Projects within the District had contributed approximately $212.3 million and new projects that are under construction will add an additional $23.6 million, a total of 56.7% of goal over the term of the District.*

- To attract new private development adding approximately 2,500 new residential units and 650,000 square feet of retail space to increase the area's population density and shopping options, adding approximately 1.2 million square feet of new retail, office and medical.

  *New developments (completed) within the District added 1,569 residential units (62.8% of goal) and additional units under-construction will add 383 units (15.3% of goal); 30,000 square feet of retail (4.6% of goal), as well as 145,000 square feet of hotel/common space.*

- To increase the District's housing options while maintaining an affordable housing component of 20% of all new units built.

  *All residential projects that receive TIF funding are required to provide affordable units that total 20% of units being constructed. The Maple Station includes approximately 52 affordable units (20% of the units) providing affordable housing for 80% or less of the median family income as per the Mixed Income Housing Guidelines of the Maple/Mockingbird TIF District.*

- To focus on encouraging the redevelopment of properties in the area south and west of Love Field with enhanced urban design.

*Development within the District will comply with forwardDallas! the City's Comprehensive Plan, an advocate of pedestrian friendly, high density urban design.*

- To diversify retail, office and medical uses in the District by identifying redevelopment options for obsolete and under-utilized commercial structures, thereby capturing demand from residents of Oak Lawn, the Park Cities, Arlington Park, Love Field West, Bluffview and Northwest Dallas.

  *Approximately 30,000 square feet of retail space has been added to date.*

- To improve access and connections to the Inwood and Parkland stations on DART's Green Line and support increased levels of ridership at these stations.

  *Staff and the Board will continue to foster a working relationship with Medical District, DART, and potential developers to encourage transit oriented development that complements the District. During FY 2016, on an average, the Inwood/Love Field light rail station served 1,573 passengers per week day, increase of 0.2% over FY 2015.*

- To improve recreational opportunities for the community and provide connections to the City of Dallas' trails and open space system in the District, enhance connections to other trail systems within Dallas County and create additional recreational amenities in the area.

  *Staff and the Board will seek ways to increase green space, recreational opportunities and trail connections within the District.*

- To sustain the stability of local schools as redevelopment occurs in the housing market by maintaining strong communications between the Dallas Independent School District and area developers.

  *Staff and the Board will work with DISD representatives providing an avenue for developers to maintain strong communications as redevelopment occurs.*

- To make a desirable neighborhood that incubates and supports growth of the Southwestern Medical District and medical businesses in Dallas, particularly taxable property and employment related to medical technology.

*Staff and the Board will continue to foster a working relationship with Southwestern Medical District (UT Southwestern Medical Center, William P. Clements, Jr. University Hospital at UT Southwestern Medical Center, Children's Hospital, and Parkland Hospital) to create investment opportunities in the District. The three major institutions have recently undertaken major expansion projects. Parkland Memorial Hospital completed in August 2015 a 17 story hospital surrounded by new clinics and parking garages located around the Southwestern Medical District/Parkland DART light rail station. UT Southwestern Medical Center completed construction of the BioCenter on a 13 acre tract of land located at the northeast corner of Inwood Road and Redfield Street in 2012. BioCenter project provides a venue adjacent to UT Southwestern for bio-medical companies that are engaged in research, development, marketing and small-scale manufacturing of goods and services in the bio-medical industry. The new William P. Clements Jr. University Hospital by UT Southwestern Medical Center located at 6201 Harry Hines Blvd opened December 6, 2014. The new hospital cost around $800 million and serves as a 460-bed hospital, replacing the existing St. Paul University Hospital. Children's Medical Center has recently completed the main hospital expansion and new surgery center. Children's expects to complete a third tower at the main hospital, new radiology facilities, and a new Ambulatory Care Pavilion over the next three years. The expansion in the Southwestern Medical District is expected to bring significant growth to the area.*

- To generate an NPV of $27.8 million or approximately $63.8 million in total dollars in TIF revenues over 25 years of collections.

*The assessed property value from the base year to 2016 increased by approximately 151.4% including an increase of 17.9% since 2015. This is an increase of approximately $278.6 million. Based upon current estimates and established 2016 values, the district will generate $63,826,401 (in 2016 dollars) by FY 2033 before the TIF expires in 2034. Preceding years' values have generated approximately $4,346,078 in incremental revenue (6.8% of goal)*

# Year-End Summary of Meetings

The Maple/Mockingbird TIF District Board of Directors met once during FY 2016 on December 14, 2015.

During FY 2015 the Board members were (FY 2016 Board meetings attended): Robert Prejean – City Representative, Chair (Attended 1 of 1 meetings); Se-Gwen Tyler – City Representative (attended 0 of 1 meetings); Lily Fern Mak– City Representative (attended 1 of 1 meetings); Michael Serber – City Representative (attended 1 of 1 meetings); Alan Hargrove – City Representative (attended 0 of 1 meetings); Priscylla Bento – City Representative (Attended 1 of 1 meetings); and Rick Loessberg – Dallas County

Representative (attended 0 of 1 meetings). Alan Hargrove resigned the board on May 10, 2016. Reina Gonzalez was appointed by Council on June 8, 2016 to replace Mr. Hargrove on the board.

During FY 2016, the City council approved one (1) items associated with the Maple/Mockingbird TIF District. The council actions are listed below.

- On February 24, 2016, City Council approved a resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eighteen, (Maple/Mockingbird TIF District), submitted by the Maple/Mockingbird TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City.

# Pending TIF Items

- Consideration of the FY 2016 Maple/Mockingbird TIF District Annual Report and a recommendation to the Dallas City Council for approval.

- Potential TIF Projects:

    - West Love by Balcones Realty. The potential mixed-use development at the corner of Maple Avenue and Mockingbird Lane will consists of residential and commercial use.

    - Dentwood Mixed Use by Streetlights Residential. The potential mixed-use development at the corner of Denton Drive and Hudnall Street will consist of residential and commercial use.



West Love Development (Planned)



aLoft / Element - Love Field Hotel

# Budget and Spending Status

Each TIF district establishes in its Project Plan and Reinvestment Zone Financing Plan a budget for public improvement expenditures necessary to support private investment in the district. The TIF's public improvement budget is approximately $63.8 million in total dollars ($27.8 million NPV). The current budget for the District is below:

**Maple/Mockingbird TIF District**
**Projected Increment Revenue of Retire TIF Fund Obligation**

| Budget Category | TIF Budget[1] | Allocated | Balance |
|---|---|---|---|
| Infrastructure/Utility Improvements - design and engineering; street paving construction and resurfacing; utility improvement, relocation and burial; streetscape; open space | $36,301,066 | $2,595,000 | $33,706,066 |
| Environmental Remediation and Demolition | $5,169,456 | $315,000 | $4,854,456 |
| Affordable Housing | $9,764,527 | $4,400,000 | $5,364,527 |
| Retail/High Density Grant Program | $9,316,508 | $3,690,000 | $5,626,508 |
| Administration and Implementation[2] | $3,274,845 | $189,083 | $3,085,762 |
| **Total Project Costs** | **$63,826,401** | **$11,189,083** | **$52,637,318** |

[1] *Budget shown in total dollars. TIF Project Plan shows the budget in Net Present Value.*

[2] *TIF administration fee include funds expended of committed through FY 2016. FY 2016 Costs have not been included.*

**Maple/Mockingbird TIF District**
**Project Plan Budget**

| Category | TIF Budget (NPV)* |
|---|---|
| **Infrastructure/Utility Improvements** - design and engineering; street paving construction and resurfacing; utility improvement, relocation and burial; streetscape; open space | $15,800,000 |
| **Environmental Remediation and Demolition** | $2,250,000 |
| **Affordable Housing** | $4,250,000 |
| **Retail/High Density Grant Program** | $4,055,000 |
| **Administration and Implementation** | $1,425,373 |
| **Total Project Costs** | $27,780,373 |

** As approved in the Project Plan and Reinvestment Zone Plan in 2009 dollars.*

| M/WBE Participation | | | | |
|---|---|---|---|---|
| **Project** | **Contractor** | **Total Contractor Award Amount** | **Percentage Minority Participation** | |
| Alta Maple Station | Lindamood Demolition | $1,600,596.50 | 9.3% | ($149,042.50) |
| Alta Maple Station | Rusey Site Construction | $1,600,596.50 | 84.6% | ($1,354,556.50) |
| Alta Maple Station | | $1,600,596.50 | 93.9% | ($1,503,599.00) |

# FY 2017 Work Program

The FY 2017 work program for the Maple/Mockingbird TIF District is as follows:

- Promote new development projects in the District, including development sites along Mockingbird, the West Love project and the Dentwood project.
- Identify additional redevelopment sites including the Inwood DART Station area, work with developers of anticipated development projects within the District to bring them to fruition and continue to seek growth in the District through the attraction of mixed-use, high-density development.
- Completion of TIF Project West Love Hotel by CAI Atlantic M&M Hotel Venture, LLC. The hotel development is under construction at the corner of Maple Avenue and Forest Park Lane.

# Appendix – Financials

City of Dallas, Texas
Maple/Mockingbird Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2016

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.

2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).

3. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.

4. The Zone's Financial Plan permits expenditures not to exceed $2,830,683 over the life of the TIF to reimburse the City for administrative costs. The Zone began reimbursing the General Fund in fiscal year 2010-11. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.

5. All project costs resulting in capital improvements that are owned by the City are capitalized by the City.

6. "Due to general fund" amount of $123,017 at September 30, 2016 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

**City of Dallas, Texas**
**Maple/Mockingbird Tax Increment Financing District Fund**
**Balance Sheet as of September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|
| Assets: | | | | | |
| Pooled cash and cash equivalents | $332,637 | $1,479,294 | $533,701 | $0 | $9 |
| Interest receivable | $447 | $1,804 | $575 | $0 | $9 |
| Total assets | $333,084 | $1,481,098 | $534,277 | $0 | $18 |
| Liabilities and Fund Balance (Deficit): | | | | | |
| Liabilities: | | | | | |
| Accounts and contracts payable | $0 | $0 | $0 | $0 | $0 |
| Advances from developers | $0 | $0 | $0 | $0 | $0 |
| Accrued interest | $0 | $0 | $0 | $0 | $0 |
| Due to general fund | $123,017 | $123,017 | $123,017 | $123,017 | $105,978 |
| Total liabilities | $123,017 | $123,017 | $123,017 | $123,017 | $105,978 |
| Fund Balance (Deficit): | | | | | |
| Fund Balance (Deficit) | $210,067 | $1,358,081 | $411,260 | ($123,017) | ($105,960) |
| Total Liabilities and Fund Equity | $333,084 | $1,481,098 | $534,277 | $0 | $18 |
| | $0 | $0 | $0 | $0 | $0 |

**Maple/Mockingbird Tax Increment Financing District Fund**
**Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)**
**For the Period September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014, 2013, and 2012 (Audited)**

| | ITD | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|---|
| Revenues: | | | | | | |
| Tax increment-Governmental | $2,610,352 | $1,324,784 | $818,778 | $463,313 | $0 | $0 |
| Tax increment-Intergovernmental | $508,652 | $258,490 | $160,176 | $89,986 | $0 | $0 |
| Interest income | $12,877 | $4,191 | $6,788 | $1,865 | ($9) | $3 |
| Net increase (decrease) in fair value of investments | $472 | ($2,647) | $3,168 | ($50) | ($9) | $0 |
| Total revenues | $3,132,353 | $1,584,818 | $988,910 | $555,115 | ($18) | $4 |
| Expenditures: | | | | | | |
| Administrative expenses | $189,454 | $0 | $42,090 | $20,838 | $17,039 | $13,330 |
| Non-Capital Outlay | $1,787,831 | $1,787,831 | $0 | $0 | $0 | $0 |
| Capital outlay | $945,000 | $945,000 | $0 | $0 | $0 | $0 |
| Interest and fiscal charges | $0 | $0 | $0 | $0 | $0 | $0 |
| Total expenditures | $2,922,286 | $2,732,831 | $42,090 | $20,838 | $17,039 | $13,330 |
| Excess (Deficiency) of Revenues over Expenditures | $210,067 | ($1,148,014) | $946,821 | $534,277 | ($17,057) | ($13,326) |
| Fund balance (Deficit) at beginning of year as previously reported | $0 | $1,358,081 | $411,260 | ($123,017) | ($105,960) | ($92,634) |
| Fund balance (Deficit) at beginning of year, as restated | $0 | $1,358,081 | $411,260 | ($123,017) | ($105,960) | ($92,634) |
| Fund balance (deficit) at end of year | $210,067 | $210,067 | $1,358,081 | $411,260 | ($123,017) | ($105,960) |

**Note: Fiscal year 2015-16 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.**

**City of Dallas, Texas**
**Maple/Mockingbird Tax Increment Financing District Fund**
**Reinvestment Zone Number Eighteen**
**As of September 30, 2016**

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

**1. Amount and source of revenue in the tax increment fund established for the zone:**

| | |
|---|---|
| $1,544 | Interest Income |
| $1,583,274 | Ad Valorem Taxes (Collected in FY'2015-16 based on 2015 Final Tax Roll) |
| $1,584,818 | Total Revenue |

**2. Amount and purpose of expenditures from the fund:**

| | |
|---|---|
| $0 | Administrative Expense (FY 2016 Costs to be updated) |
| $1,787,831 | Non-Capital outlay (1) |
| $945,000 | Capital outlay (1) |
| $0 | Additional Subsidy in Form of Grant (in lieu of interest expense) |
| $2,732,831 | Total Expenditures |

(1) These expenditures are for the following Projects:

| | |
|---|---|
| Maple Station Project Reimbursemer | $2,732,831 |
| Other | $0 |
| Total | $2,732,831 |

**3.** The Zone started reimbursing the General Fund for TIF administrative costs in fiscal year 2010-11.

**4. a. Amount of Principal and Interest due-on outstanding bonded indebtedness:**
Maple Mockingbird TIF District has incurred no bonded indebtedness as of September 30, 2016.

**b.** The Zone entered into a development agreement with WP West Development Enterprises, LLC for the Maple Station project in the TIF in an amount not to exceed $8,000,000 with anticipated completion by December 31, 2015 and reimbursement to begin in June 2016 from future increment collections, if available.

**c. The zone has the following contingent obligations reimbursed from available TIF funds as of September 30, 2016:**

| | Balance Due (Since Inception) | | | Payments/Adjustments To Date | | | |
|---|---|---|---|---|---|---|---|
| **Project Description** | **Principal** | **Accrued Add'l Subsidy (1)** | **Total Due** | **Principal** | **Accrued Add'l Subsidy (1)** | **Total Paid** | **Net Bal. Due** |
| Maple Station Project | $8,000,000 | $0 | $8,000,000 | $2,732,831 | $0 | $2,732,831 | $5,267,169 |
| **Totals** | **$8,000,000** | **$0** | **$8,000,000** | **$2,732,831** | **$0** | **$2,732,831** | **$5,267,169** |

**5. Tax increment base and current captured appraised value retained by the zone:**

| Taxing Jurisdiction | Taxable Value 2016* | Base Year 2008 Value | Est. Captured Value 2016** |
|---|---|---|---|
| City of Dallas | $462,621,380 | $184,005,009 | $278,616,371 |
| Dallas County | $462,578,303 | $185,237,382 | $277,340,921 |

*Taxable value shown for participating taxing jurisdictions. County values are approximate and will vary slightly from the City value due to different exemption levels.
**Based on Certified Taxable Value. The final values will be determined on February 01, 2017.

**6. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:**

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

| **Taxing Jurisdiction** | **Assessment Per $100*** ** | **Amount of Estimated 2016 Increment***** |
|---|---|---|
| City of Dallas | 0.66513 | $1,853,147 |
| Dallas County | 0.13371 | $370,819 |
| Total for all Jurisdictions | $0.79883 | $2,223,966 |

***Participation rates for City of Dallas are 70% for tax years 2009-2011, 85% for tax years 2012-2026 and 70% for tax years 2027-2031.
***Participation rate for Dallas County is 55% for tax years 2009-2030.
****The District began collecting increment in fiscal year 2009-10 for tax tax year 2009.

B. The total amount of estimated tax increment to be billed for the 2015 tax year is $2,223,966. For the 2015 tax year, the zone received increment of $1,583,274.

**AGENDA ITEM # 32**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 6

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 11A B C D E F G H J K L M N P Q R

## SUBJECT

A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Nineteen, (Cypress Waters TIF District) authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

## BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as to the State Comptroller. The City Council approved Ordinance No. 28074 on December 8, 2010, establishing Tax Increment Financing Reinvestment Zone Number Nineteen, (Cypress Waters TIF District). On June 8, 2011 the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 28224, as amended.

The Cypress Waters TIF District's assessed tax value in 2016 was $190,407,036, an increase of approximately $190,335,696 (266,438%) over the adjusted 2010 base year assess value of $71,437. The district’s value increased by 49% ($62,440,430) from the previous year’s 2015 value. With the participation of the City and Dallas County in 2016, the district’s value will result in the collection of approximately $1,520,458 (City $1,265,970; County $254,4882) in incremental revenue for the Cypress Waters TIF District for the 2016 tax year. The final amount of increment collected may increase as roll back taxes for 2016 are paid.

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

On December 8, 2010, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Nineteen, the Cypress Waters TIF District by Ordinance No. 28074, as amended.

On June 8, 2011, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Cypress Waters TIF District by Ordinance No. 28224, as amended.

The Cypress Waters TIF Board was unable to meet prior to the timeframe necessary for Council action and the Act does not require Board approval of the annual report.

Information about this item was provided to the Economic Development Committee on February 6, 2017.

## FISCAL INFORMATION

No cost consideration to the City

February 22, 2017

**WHEREAS,** the City recognizes the importance of its role in local economic development initiatives and programs; and

**WHEREAS,** the City has established Tax Increment Financing Reinvestment Zone Number Nineteen, ("Cypress Waters TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment in the Cypress Waters area pursuant to Ordinance No. 28074, authorized by the City Council on December 8, 2010, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

**WHEREAS,** on June 8, 2011, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Cypress Waters TIF District by Ordinance No. 28224, as amended; and

**WHEREAS,** the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

**WHEREAS,** the Cypress Waters TIF District Board of Directors was unable to meet prior to the timeframe necessary for Council action and the Act does not require Board approval of the annual report.

**NOW, THEREFORE,**

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

**Section 1.** That the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Nineteen, (Cypress Waters TIF District), City of Dallas, Texas, as of September 30, 2016, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

**Section 2.** That the City Manager is hereby authorized to submit the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Nineteen to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the district and to the State Comptroller, as required by state law.

**Section 3.** 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.

**Exhibit A**

# Cypress Waters TIF District
# FY 2016
# Annual Report

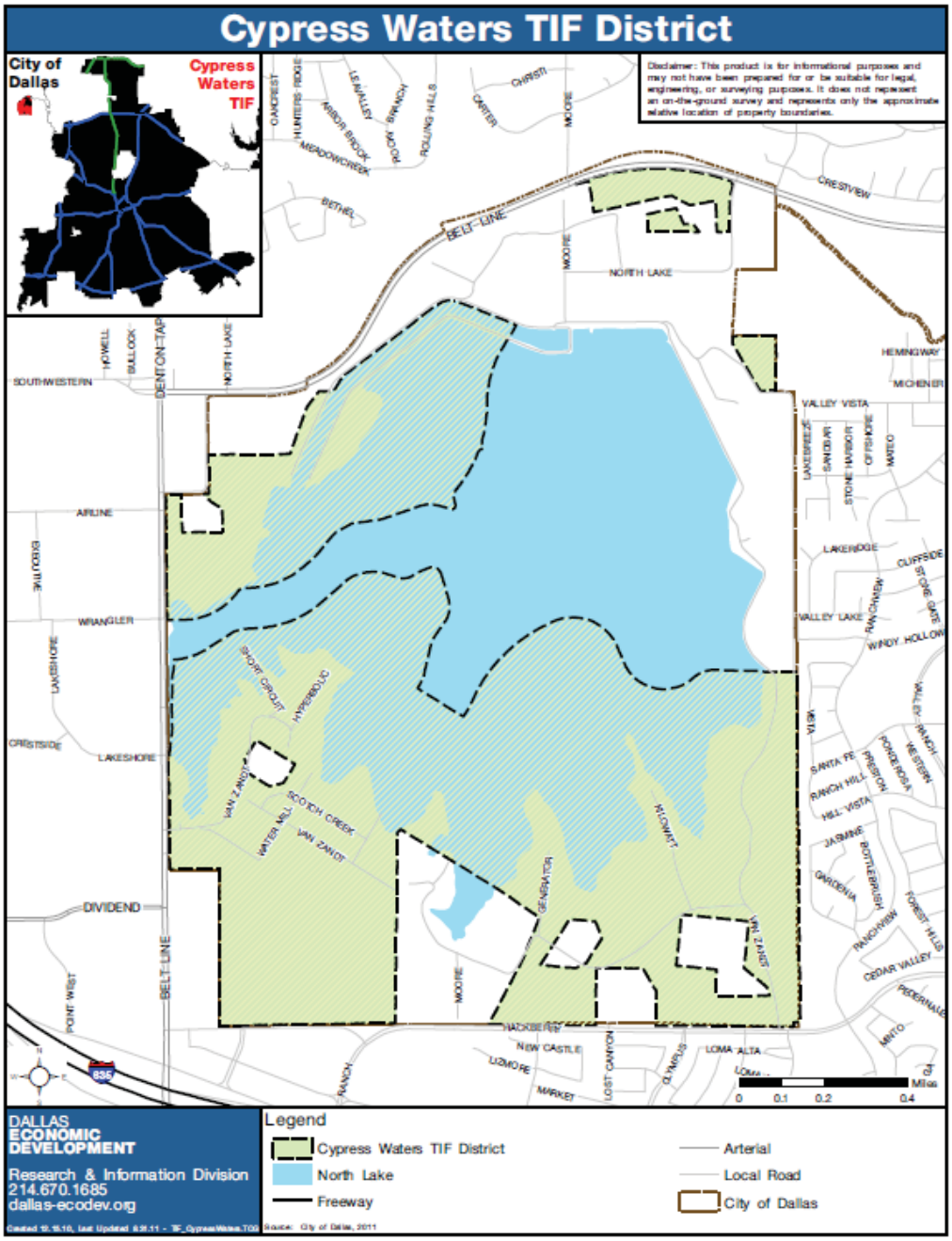


City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 670-4551
www.dallas-ecodev.org/redevelopment

## October 1, 2015 to September 30, 2016

# Reinvestment Zone Number Nineteen
# Cypress Waters
# Tax Increment Financing District



# Table of Contents

Table of Contents ..... 3
Mission Statement ..... 4
District Accomplishments ..... 4
Value and Increment Revenue Summary ..... 9
Objectives, Programs, and Success Indicators ..... 9
Year-End Summary of Meetings and Council Items ..... 12
Budget and Spending Status ..... 14
M/WBE Participation ..... 15
FY 2017 Work Program ..... 15

# Mission Statement

The Cypress Waters Tax Increment Financing (TIF) District (the "District") represents the outgrowth of the City of Dallas' effort to provide a model for supporting the development of land near DFW Airport and to take full advantage of the planned expansion of the DART light rail system along the Cotton Belt Line.

The Cypress Waters TIF District was established on December 8, 2010, to encourage the initial development of a large tract of undeveloped land within the City of Dallas (approximately 1,661 acres in total) surrounding North Lake. This district will promote the creation of pedestrian-oriented, traditional neighborhood development (TND) containing multifamily and residential development, a potential senior housing component, pedestrian-oriented retail development, offices, and additional commercial development.

The Dallas City Council established the Cypress Waters TIF District by Ordinance Number 28074 on December 8, 2010. The Cypress Waters District began collecting funds on January 1, 2012, and it is scheduled to terminate on December 31, 2040 (including collection of the 2040 increment in calendar year 2041 and any related matters to be concluded in 2041) or when the full budget has been collected. The City of Dallas and Dallas County are the two participating jurisdictions. The City started to participate at 85% in 2012. The County's participation will be 55% from 2014 to 2033 or until the County's participation reaches its budget limit of $10,500,000.

In 2015, Council amended the district's Final Plan to remove approximately 28 acres on the northern end of the district, making the estimated new base $71,317. Council also reduced the budget to $25,779,665. The new budget provided for Cypress Waters Phases 1 and 2 TIF infrastructure projects, construction of a temporary public safety building within the district, a budget line item for a future permanent public safety building, administration expenses, and funding to support a proposed interlocal agreement with Irving to more efficiently provide water service to the district.

# District Accomplishments

### Projects Completed within the District During FY 2016

**Parsons Green II** – a 141 residential unit townhome project completed construction during the fiscal year.





**9001 Cypress Waters Blvd.** – a 215,520 square foot, single tenant building began construction in 2015 and completed during FY 2016. OneSource Virtual Inc. will relocate and expand its operations to Cypress Waters. Serving as the companies U.S. headquarters, by 2019 there will be 1,300 employees at the facility.





**3001 Hackberry Rd** – a 327,183 square foot single tenant building also completed construction during the fiscal year and will be the corporate headquarters of CoreLogic. The corporate campus is expected to house 1,800 employees.



**Projects Starting or Continuing Construction within the District During FY 2016**

**9111 Cypress Waters Blvd** – a 217,000 square foot office building began construction during the fiscal year. Construction will complete in 2017 and the office building is expected to house 1,000 employees.







**9797 Rombauer Rd.** – a 250,000 square foot office building that will serve as Signet's Corporate Campus began construction during FY 2016. Anticipated completion is in 2017 and the building will house approximately 1,300 employees.




**9121 Watermill Rd.** – a 31,000 square foot office building that will serve as Signet's Repair Center also began construction in 2016. Anticipated completion is in 2017 and the building will house approximately 150 employees.



**The Wharf** – Construction of a 296 residential unit multifamily project began during the fiscal year. Construction completion in 2017.




**Bleeker Street** - Constriction of a 243 residential unit multifamily project also began during the fiscal year. Construction completion in 2017.




| Projects Within the Cypress Waters TIF District Utilizing TIF Funding[1] | | | | | | |
|---|---|---|---|---|---|---|
| **Project** | **Location** | **Calendar Year Complete** | **Status** | **Units/ SF[2]** | **Approx. Value[3]** | TIF Investment[4] |
| Cypress Waters Phase 1 Public Infrastructure Improvements | Cypress Waters Blvd. & Chapel Oaks Dr., northeast of Belt Line and Hackberry Rd. | 2014 | Complete | N/A | N/A | $9,757,267* |
| Parsons Green I *Supported by Phase1I Public Improvement Project* | 3451 Chapel Oaks Dr. | 2014 | Complete | 65 res. Units | $12,800,000 | $0 |
| Scotch Creek *Supported by Phase 1 Public Improvement Project* | 3155 Chapel Oaks Dr. 3211 Scotch Creek Rd. | 2014 | Complete | 608 res. units | $52,894,560 | $0 |
| Sycamore Park *Supported by Phase 1 Public Improvement Project* | 9240 Cypress Waters Blvd. | 2014 | Complete | Included in Scotch Creek | $14,105,440 | $0 |
| Parson's Green II Townhomes | 3451 Chapel Oaks Dr. | 2016 | Complete | 141 res. units | $23,814,428 | $0 |
| Cypress Waters Phase 2 Public Infrastructure Improvements | Cypress Waters Blvd. and Saintsbury St. | 2015 and 2021 | Complete | N/A | N/A | $6,522,398* |
| Single Tenant Office Bldg *Supported by Phase 2 Public Improvement Project* | 8950 Cypress Waters Blvd. | 2015 | Complete | 175,585 sf office | $30,285,000 | $0 |
| Multi-Tenant Office Bldg *Supported by Phase 2 Public Improvement Project* | 8951 Cypress Waters Blvd. | 2015 | Complete | 187,710 sf office | $25,575,000 | $0 |
| Multi-Tenant Office Bldg *Supported by Phase 2 Public Improvement Project* | 8840 Cypress Waters Blvd. | 2015 | Complete | 166,140 sf office | $21,175,000 | $0 |
| Single Tenant Office Bldg *Supported by Phase 2 Public Improvement Project* | 9001 Cypress Waters Blvd. | 2016 | Complete | 214,520 sf office | $36,093,132 | $0 |
| Single Tenant Office Bldg *Supported by Phase 2 Public Improvement Project* | 3001 Hackberry Rd | 2016 | Complete | 327,183 sf office | $74,354,000 | $0 |
| Single Tenant Office Bldg *Supported by Phase 2 Public Improvement Project* | 9111 Cypress Waters Blvd. | 2017 | Under Construction | 217,000 sf office | $45,337,000 | $0 |
| Signet Campus | 9797 Rombauer Rd. | 2017 | Under Construction | 250,000 sf office | $49,150,000 | $0 |
| Signet Repair Center | 9121 Watermill Rd. | 2017 | Under Construction | 31,000 sf office | $7,000,000 | $0 |
| The Wharf | 9555 Wharf Rd. | 2017 | Under Construction | 296 residential units | $55,790,000 | $0 |
| Bleecker Street | 3333 Bleecker St. | 2017 | Under Construction | 243 residential units | $41,300,000 | $0 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Single-Tenant Office Building | 3000 Olympus Blvd. | 2018 | Planned | 216,000 | $60,000,000 | $0 |
| Multi-Tenant Office Building | 3100 Olympus Blvd. | 2019 | Planned | 250,000 | $70,000,000 | $0 |
| | | | | | | |
| | | | **Subtotal** | 1,353 units<br>1,877,138 sf office | $619,673,560 | $16,279,665* |

*[1] All information updated as of September 30, 2016.*

*[2] Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage.*

*[3] Based upon 1) approx. private investment for projects planned or under construction; 2) private investment stated in the development agreement for projects that are approved and/or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed).*

*[4] Principal amount not to be exceeded per the development agreement. TBD indicates that development agreement has not yet been adopted. Asterisk indicates investment also includes interest not shown.*

***Notes**:*

- **Dallas Water Utilities has committed over $2.2 million to water and wastewater infrastructure improvements within the district.**
- **Residential projects Parson's Green I & II, Scotch Creek and Sycamore Park provide at least 20% of residential units as affordable, meeting mixed income guidelines for the District.**

# Value and Increment Revenue Summary

The Cypress Waters TIF District's adjusted base tax value for 2010 was $71,437. This base value reflects final adjusted 2010 values for parcels in the District. The District's 2016 assessed tax value, as determined by the Dallas Central Appraisal District, was $190,407,036. This represents an increase of approximately $190,335,696 (266,438%) over the assessed value of the base year (2010) value.

The district's value increased by $62,440,430 (49%) from the previous year's value (127,966,606). This increase in district value will result in the collection of approximately $1,520,458 in incremental revenue for the District (City - $1,265,970; County - $254,4882). The final amount of increment collected may increase as roll back taxes for 2016 are paid.

# Objectives, Programs, and Success Indicators

The final Cypress Waters Project Plan and Reinvestment Zone Financing Plan was adopted on June 8, 2011. In 2015, the District's Project and Reinvestment Zone Financing Plan was amended and two of the development goals and objectives were revised to reflect a decrease in the budget for the District. The amended goals are in bold. Specific actions addressing each goal and objective follow in italics.

- Create additional taxable value attributable to new private investment in projects in the Cypress Waters TIF District totaling approximately ~~$2.2 billion~~ **$1.5 billion** over the thirty-year life of the TIF district.

  *The district has seen an increase in value of approximately $190 million, (or 1.3% of amended goal) from a combination of agricultural exemption being removed from some parcels and completed private development within the District.*

- Attract new private development, including approximately 10,000 new residential units, 4,000,000 square feet of commercial space (including approximately 700,000 square feet of data center use and 2,000,000 square feet of light warehouse/industrial use), and an estimated 150,000 square feet of pedestrian-oriented retail space, all of which are anticipated to create an estimated 9,000 on-site jobs.

  *Three residential development projects supported by Phase 1 public infrastructure improvements completed December 2014, adding 673 multi-family units to the District (including 135 affordable units). Construction of an additional 141 residential units, as part of Phase II of the Parson's Green development, completed during the 2016 fiscal year. In total, approximately 814 residential units (inclusive of approximately 163 affordable units) have completed within the District. Construction of an*

*additional 539 residential units began in 2016. Approximately 1,353 residential units have completed or begun construction within the District representing 14% of the housing goal.*

*Two office buildings completed construction in 2016 and three office buildings began construction during the fiscal year. In total approximately 1,411,138 square feet of office space has completed or begun construction within the District, representing 35.3% of the commercial space goal.*

- To improve ridership on DART via the planned expansion along the Cotton Belt Line.

  *The master plan for the district includes development adjacent to the planned Cotton Belt Station on the north side of the district.*

- Improve recreational opportunities for the community and the future residents within the TIF district via extensive, publicly accessible green space on the site along the lake edge and along power line easements, in addition to multiple parks, hike and bike trails, and pedestrian connections throughout the district. Additional open space may be available through the utilization of Coppell ISD land and as part of an MMD and/or TIF-funded public amenity center.

  *The Phase 1 development installed wide sidewalks leading to the adjacent power line easement and to a future connection to the lake trail.*

  *The Phase 2 development installed a combination cycle track and pedestrian path along Cypress Waters Boulevard and three large green spaces in the district.*

  *Dallas County's current five-year plan includes $2,500,000 in 2017 and $2,500,000 in 2018 in support of five miles of trails from Irving's Campion Trail into Cypress Waters. Upon completion, this would provide a continuous 12-mile trail from Cypress Waters to the Las Colinas Urban Center.*

- Create a model for exceptional development standards in terms of its complexity, scope, design, environmental sensitivity, and connectivity.

  *The private development and public infrastructure improvements completed with Cypress Waters Phases 1 and II projects is a model for dense, pedestrian-oriented development on under-utilized, infill property.*

  *On August 13, 2012, the board approved the Urban Design Guidelines for Projects Located in City of Dallas Tax Increment Financing Districts.*

*The City Design Studio reviewed design for the Phase 2 public and private development, which provided pedestrian and bicycle connectivity between the housing, commercial, and recreational space.*

*Coppell Independent School District opened Richard J. Lee Elementary School in the fall of 2014. Lee Elementary is the first net-zero elementary school in the state of Texas. The campus includes daylight harvesting, rainwater collection, and geothermal heating and cooling.*

- Develop the property in a manner where fiscal impacts for the remainder of the City are limited and a development pattern is secured that is a net benefit to the City from a fiscal, land use and community standpoint.

  *Cypress Waters is in a location outside of currently accessible City services. As part of the Phase 1 TIF project, the developer constructed temporary facilities for police and fire service. A lease for the building was approved by Council in December 2014.*

  *Private development within the district includes new office space providing potential jobs to Cypress Waters residents and additional housing options.*

  *A proposed Phase 3 agreement, which incorporates potential cooperation with the City of Irving on a new water tower, will save the City and the district nearly $14 million.*

- Generate an NPV of ~~$65 million~~ **$26 million** or approximately ~~$160 million~~ **$52 million** in total dollars in projected TIF revenues over the 30-year life of the district.

  *City participation in TIF increment collections began in tax year 2012. As of the end of the 2016 fiscal year approximately $3.4 million in TIF revenue has been generated, representing 12.9% of the district's amended goal.*

# Year-End Summary of Meetings and Council Items

The Cypress Waters TIF District Board of Directors met one (1) time during the 2016 fiscal year (October 1, 2014 to September 30, 2015): December 21, 2015

The Board of Directors consists of seven (7) members, including six (6) City of Dallas appointees and one (1) Dallas County appointee. During FY 2016, the Cypress Waters TIF Board consisted of the following members:

Mary Poss, City appointee and chairperson (Attended 1 of 1 meetings)
Veletta Lill, City appointee and vice chairperson (Attended 1 of 1 meetings)
Elizabeth Solender, City appointee (Attended 1 of 1 meetings)
Dr. Jose Gomez, City appointee (Attended 1 of 1 meetings) – appointment ended July 2016
David Pittman, City appointee (Attended 1 of 1 meetings) – appointment ended July 2016
Vacant, City appointee
Vacant, City appointee (as of July 2016)
Vacant, City appointee (as of July 2016)
Rick Loessberg, Dallas County appointee (Attended 0 of 1 meetings)

During fiscal year 2016, the City Council approved eight (8) items directly or indirectly associated with the Cypress Waters TIF District. The Council actions are listed below:

- On December 9, 2015, Council approved Ordinance No. 29949 and Resolution No. 15-2233 abandoning a drainage easement to Logic Land, LTD, the abutting owner, containing approximately 1,393 square feet of land, located near the intersection of Cypress Waters Boulevard and Saintsbury Street - Revenue: $5,400, plus the $20 ordinance publication fee.

- On December 9, 2015, Council approved Resolution No. 15-2241authorizing a Chapter 380 economic development grant agreement with OneSource Virtual, Inc., in an amount not to exceed $800,000 for the relocation and expansion of its U.S. headquarters to a new office facility at 9001 Cypress Waters Boulevard, in Dallas, pursuant to the Public/Private Partnership Program - Not to exceed $800,000 - Financing: Public/Private Partnership Funds

- On February 24, 2016, Council approved Resolution No. 16-0347 accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Nineteen, (Cypress Waters TIF District), submitted by the Cypress Waters TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law.

- On February 24, 2016, Council approved Ordinance No. 30027 and Resolution No. 16-0378, conducted a public hearing and granted an amendment to the development and landscape plans on property zoned Subarea A-2 of Planned Development District No. 741 at the west corner of Saintsbury Street and Cypress Waters Boulevard.

- On April 27, 2016, Council approved Resolution No. 16-0671 authorizing a Chapter 380 economic development grant agreement with Zale Delaware, Inc. ("Zale"), a wholly-owned subsidiary of Signet Jewelers Limited ("Signet"), in an amount not to exceed $450,000 for the relocation and expansion of its operating headquarters to a new build-to-suit office facility and an associated new build-to-suit jewelry repair facility within the Cypress Waters development in the City of Dallas, pursuant to the Public/Private Partnership Program - Not to exceed $450,000 - Financing: Public/Private Partnership Funds.

- On August 10, 2016, Council approved Resolution No. 16-1255 authorizing Authorize the City Manager to enter into a Treated Water Service Contract, approved as to form by the City Attorney, with the City of Irving for treated water service for Dallas' portion of the West Cell Development - Not to exceed $106,832 - Financing: Water Utilities Current Funds (subject to annual appropriations).

- On August 10, 2016, Council approved Resolution No. 16-1256 authorizing the City Manager to enter into a Wastewater Service Contract, approved as to form by the City Attorney, with the City of Irving for wastewater service for Dallas' portion of the West Cell Development - Not to exceed $14,878 - Financing: Water Utilities Current Funds (subject to annual appropriations).

- On August 10, 2016, Council approved Ordinance No. 30161 and Resolution No. 16-1257 adopting a boundary adjustment agreement with the City of Irving on property located south of the terminus of South Northlake Road and northwest of the intersection of Valley Vista Drive and Lakebreeze Road (within the West Cell Development).

# Budget and Spending Status

Each TIF district, in their Project Plan and Reinvestment Zone Financing Plan, establishes a budget for public improvement expenditures necessary to support private investment in the district. The District's budget was reduced in 2015. The amended budget and spending status is shown below.

**Cypress Waters TIF District**
**Projected Increment Revenues to Retire TIF Fund Obligations***

| Category | TIF Budget | Allocated | Balance |
|---|---|---|---|
| **Public infrastructure improvements** | $44,957,206 | $16,279,665 | $28,677,541 |
| **Public safety improvements** | $4,332,943 | $0 | $4,332,943 |
| **Administration and implementation**** | $3,045,150 | $187,554 | $2,857,596 |
| **Total project costs** | **$52,335,300** | **$16,467,219** | **$35,868,081** |

**Budget shown above in current dollars, updated yearly; TIF Project Plan shows the budget in net present value. Values above do not include interest payments.*
***Administration and implementation costs for FY 2016 aren't included in the above allocation.*

**Cypress Waters TIF District**
**Project Plan Budget (NPV, 2010 dollars)**

| Category | TIF Budget* |
|---|---|
| **Public infrastructure improvements:** paving, streetscape, water/wastewater, storm sewer, utility burial/relocation, and land acquisition | $18,279,665 |
| **Public safety** | $6,000,000 |
| **Administration and implementation** | $1,500,000 |
| **Total project costs** | **$25,779,665** |

** As approved in the Final Project Plan and Reinvestment Zone Financing Plan.*

# M/WBE Participation

Public bidding is not required for TIF projects. All TIF-funded projects must follow the City's adopted Business Inclusion and Development Plan and make a good faith effort to include certified Minority and Women-Owned Business (M/WBE) participation in TIF reimbursed projects. The BID Plan goal for TIF projects is 25 percent M/WBE participation in construction costs.

**Cypress Waters TIF Project M/WBE Participation** (completed projects only)

| Project | Total Construction Contract Amount | Local M/WBE Amount | Non-Local M/WBE Amount | Total M/WBE Participation | Total M/WBE Participation Percentage |
|---|---|---|---|---|---|
| Cypress Waters Phase I | $9,301,593 | $914,998 | $1,077,591 | $1,992,589 | 21% |
| Cypress Waters Phase II | $6,273,789 | $695,260 | $552,087 | $1,247,346 | 20% |
| **Totals** | **$15,575,382** | **$1,610,258** | **$1,629,678** | **$3,239,936** | **21%** |

# FY 2017 Work Program

Pending items for the Cypress Waters TIF District include:

- Adoption of FY 2016 Annual Report
- Encourage development projects within the district in accordance with the final Project Plan and Reinvestment Zone Financing Plan.

# Appendix: Financials

**City of Dallas, Texas**
**Cypress Waters Tax Increment Financing District Fund**
**Balance Sheet as of September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 3015, 2014, 2013, and 2012 (Audited)**

| | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|
| Assets: | | | | | |
| Pooled cash and cash equivalents | $1,846,660 | $712,405 | $133,609 | $0 | $0 |
| Interest receivable | $1,680 | $908 | $162 | $0 | $0 |
| Total assets | $1,848,340 | $713,313 | $133,771 | $0 | $0 |
| Liabilities and Fund Balance (Deficit): | | | | | |
| Liabilities: | | | | | |
| Accounts and contracts payable | $0 | $0 | $0 | $0 | $0 |
| Due to general fund | $112,097 | $112,097 | $112,097 | $112,097 | $74,874 |
| Total liabilities | $112,097 | $112,097 | $112,097 | $112,097 | $74,874 |
| Fund Balance (Deficit): | | | | | |
| Fund Balance (Deficit) | $1,736,244 | $601,217 | $21,674 | ($112,096) | ($74,874) |
| Total Liabilities and Fund Equity | $1,848,340 | $713,313 | $133,771 | $0 | $0 |
| | $0 | $0 | $0 | ($0) | $0 |

**Cypress Waters Tax Increment Financing District Fund**
**Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)**
**For the Period September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 3015, 2014, 2013, and 2012 (Audited)**

| | ITD | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|---|
| Revenues: | | | | | | |
| Tax increment-Governmental | $1,660,179 | $955,735 | $548,572 | $155,557 | $314 | $0 |
| Tax increment-Intergovernmental | $250,362 | $171,003 | $79,359 | $0 | $0 | $0 |
| Interest income | $11,917 | $8,088 | $3,304 | $524 | $1 | $0 |
| Net increase (decrease) in fair value of investments | $1,771 | $202 | $1,583 | ($14) | $0 | $0 |
| Total revenues | $1,924,228 | $1,135,027 | $632,818 | $156,067 | $316 | $0 |
| Expenditures: | | | | | | |
| Administrative expenses | $187,984 | $0 | $53,276 | $22,297 | $37,537 | $20,737 |
| Non-Capital Outlay | $0 | $0 | $0 | $0 | $0 | $0 |
| Capital outlay | $0 | $0 | $0 | $0 | $0 | $0 |
| Interest and fiscal charges | $0 | $0 | $0 | $0 | $0 | $0 |
| Total expenditures | $187,984 | $0 | $53,276 | $22,297 | $37,537 | $20,737 |
| Excess (Deficiency) of Revenues over Expenditures | $1,736,244 | $1,135,027 | $579,542 | $133,770 | ($37,222) | ($20,737) |
| Fund balance (Deficit) at beginning of year as previously reported | $0 | $601,217 | $21,674 | ($112,096) | ($74,874) | ($54,138) |
| Fund balance (Deficit) at beginning of year, as restated | $0 | $601,217 | $21,674 | ($112,096) | ($74,874) | ($54,138) |
| Fund balance (deficit) at end of year | $1,736,244 | $1,736,244 | $601,217 | $21,674 | ($112,096) | ($74,874) |

**Note: Fiscal year 2015-16 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.**

**City of Dallas, Texas**
**Cypress Waters Tax Increment Financing District Fund**
**Reinvestment Zone Number Nineteen**
**As of September 30, 2016**

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

1. **Amount and source of revenue in the tax increment fund established for the zone:**

| | |
|---|---|
| $8,289 | Interest Income |
| $0 | Affordable housing payment |
| $1,126,738 | Ad Valorem Taxes (Collected in FY'2015-16 based on 2015 Final Tax Roll) |
| $1,135,027 | Total Revenue |

2. **Amount and purpose of expenditures from the fund:**

| | |
|---|---|
| $0 | Administrative Expense (FY 2016 costs to be updated) |
| $0 | Additional Subsidy in Form of Grant (in lieu of interest expense) |
| $0 | Total Expenditures |

3. **a. Amount of Principal and Interest due-on outstanding bonded indebtedness is as follows:**
Cypress Waters TIF District has incurred no bonded indebtedness as of September 30, 2016.

**b**. The Zone has entered into a development agreement with Billingsley LD, Ltd for the Cypress Waters Phase I development in an amount not to exceed $9,757,267 plus additional subsidy in form of grant (in lieu of interest). Reimbursement to the developer will begin in fiscal year 2017 with pay-off anticipated in several years upon availability of TIF funds.

**c**. The Zone has entered into a development agreement with Billingsley LD, Ltd for the Cypress Waters Phase II development in an amount not to exceed $6,522.398, plus a additional subsidy in the form of a grant (in lieu of interest). Reimbursement to the developer will begin upon completion of reimbursement payments to Billingsley, LD, Ltd for Cypress Waters Phase I, subject to the availability of TIF funds.

4. **Tax increment base and current captured appraised value retained by the zone:**

| Taxing Jurisdiction | Taxable Value 2016* | Base Year 2010 Value | Est. Captured Value 2016** | |
|---|---|---|---|---|
| City of Dallas | $190,407,036 | $71,437 | $190,335,599 | 266438% |
| Dallas County | $190,407,036 | $71,340 | $190,335,696 | |

*Taxable value shown for participating taxing jurisdictions. County will begin participating in tax year 2014 and the values will vary slightly from the City value due to different exemption levels.

**Based on Certified Taxable Value. The final values will be determined on February 01, 2017.

5. **Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:**

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

| Taxing Jurisdiction | Assessment Per $100*** | Amount of Estimated 2016 Increment*** |
|---|---|---|
| City of Dallas | 0.66513 | $1,265,970 |
| City of Dallas-2015 PH I Rollback Taxes | 0.00000 | $0 |
| Dallas County | 0.13371 | $254,488 |
| Dallas County-2015 PH I Rollback Taxes | 0.00000 | $0 |
| Total for all Jurisdictions | $0.79883 | $1,520,458 |

***Participation rates for City of Dallas and Dallas County are 85% for tax years 2012 to 2034 and 55% for tax years 2014 to 2033 respectively.

B. The total amount of estimated tax increment to be billed for the 2016 tax year is $1,520,458. For 2015 tax year, the Zone received increment of $1,126,738.

City of Dallas, Texas
Cypress Waters Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2016

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.

2. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.

3. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).

4. The Zone's Financial Plan permits expenditures not to exceed $2,065,585 over the life of the TIF to reimburse the City for administrative costs. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.

5. "Due to general fund" amount of $112,097 at September 30, 2016 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

**AGENDA ITEM # 33**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 8, 11

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 14R 15N 15P 63S 63T 63W 63X

## SUBJECT

A resolution accepting the FY 2016 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Twenty (Mall Area Redevelopment TIF District), submitted by the Mall Area Redevelopment TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

## BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the zone as well as to the State Comptroller.

On May 14, 2014, City Council authorized the designation of Tax Increment Reinvestment Zone Number Twenty ("Mall Area Redevelopment TIF District" or "District") by Ordinance No. 29340.

On May 14, 2014, City Council authorized the designation of Tax Increment Reinvestment Zone Number Twenty ("Mall Area Redevelopment TIF District" or "District") by Ordinance No. 29340 and authorized the City Manager to execute a participation agreement with Dallas County. On August 18, 2015, the Dallas County Commissioners Court passed Court Order 2015-1122 authorizing: (1) the participation of Dallas County in the City of Dallas Mall Area Redevelopment TIF District, beginning on January 1, 2020, subject to Valley View Mall (excluding Sears and the existing theater) being demolished by the same date, by providing 55% of its increment for either twenty years, until the County's total net present value contribution reaches $21.6 million (using a discount rate of 4%), or the City of Dallas terminates the district, whichever comes first and (2) the County Judge to sign any related participation agreement with the City of Dallas.

**BACKGROUND** (Continued)

For 2016, the total appraised value of all taxable real property in the Mall Area Redevelopment TIF District (as determined by the Dallas Central Appraisal District) was $179,900,950, representing an increase of $11,543,320 (6.9%) over the base year.

In the Montfort-IH 635 Sub-District, the total appraised value of all taxable real property in 2016 was $159,390,450, representing an increase of $10,798,710 (7.3%) over the base year. This 7.3% increase over the base year is attributed to slightly appreciating property values and new taxable value created by the Modera Galleria apartment project (5% complete at time of appraisal by Dallas Central Appraisal District).

In the Westmoreland-IH 20 Sub-District, the total appraised value of all taxable real property in 2016 was $20,510,500, representing an increase of $744,610 (3.8%) over the base year. This 3.8% increase over the base year is attributed to slightly appreciating property values.

With the City's participation in the TIF District beginning this year at 90%, the "captured" incremental tax revenue anticipated to be collected and deposited into the TIF fund for tax year 2016 is approximately $81,294.

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

On May 14, 2014, City Council authorized the designation of Tax Increment Reinvestment Zone Number Twenty ("Mall Area Redevelopment TIF District" or "District") by Ordinance No. 29340.

On June 17, 2015, City Council authorized the Project Plan and Reinvestment Zone Financing Plan ("Plan") for the Mall Area Redevelopment TIF District by Ordinance No. 29771.

On December 8, 2016, the Mall Area Redevelopment TIF District Board of Directors recommended that the FY 2016 Annual Report be accepted and approved.

Information about this item was provided to the Economic Development Committee on February 6, 2017.

**FISCAL INFORMATION**

No cost consideration to the City

February 22, 2017

**WHEREAS,** the City recognizes the importance of its role in local economic development initiatives and programs; and

**WHEREAS,** the City established Tax Increment Financing Reinvestment Zone Number Twenty ("Mall Area Redevelopment TIF District" or "District") and established a Board of Directors for the District pursuant to Ordinance No. 29340, authorized by the City Council on May 14, 2014, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

**WHEREAS,** on June 17, 2015, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Mall Area Redevelopment TIF District by Ordinance No. 29771; and

**WHEREAS,** the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in a reinvestment zone and a copy of the report shall be forwarded to the State Comptroller; and

**WHEREAS,** on December 8, 2016, the Mall Area Redevelopment TIF District Board of Directors passed a motion accepting the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Twenty and recommending approval of same by the City Council.

**NOW, THEREFORE,**

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

**Section 1.** That the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Twenty (Mall Area Redevelopment TIF District), City of Dallas, Texas, as of September 30, 2016, a copy of which is attached hereto (**Exhibit A**) is hereby accepted.

**Section 2.** That the City Manager is hereby authorized to submit the FY 2016 Annual Report for Tax Increment Financing Reinvestment Zone Number Twenty to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and to the State Comptroller, as required by state law.

**Section 3.** 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.

EXHIBIT A

# MALL AREA REDEVELOPMENT TIF DISTRICT (REINVESTMENT ZONE NUMBER TWENTY)

## ANNUAL REPORT
## FY 2016



City of Dallas

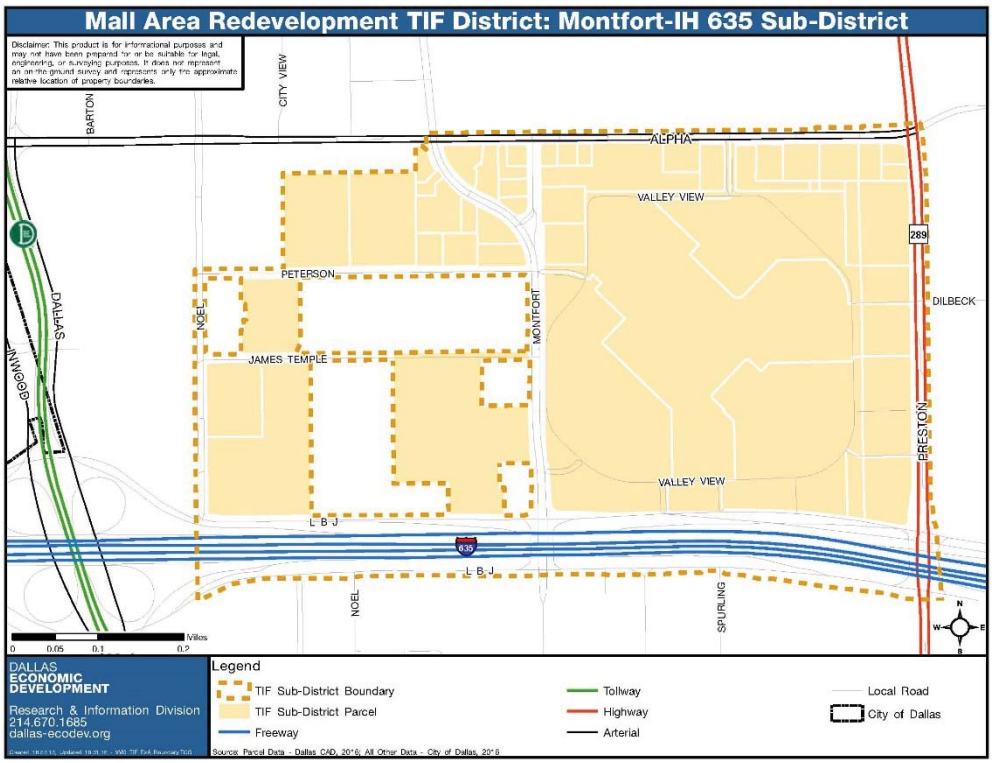
Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 670-1691
www.dallas-ecodev.org/redevelopment

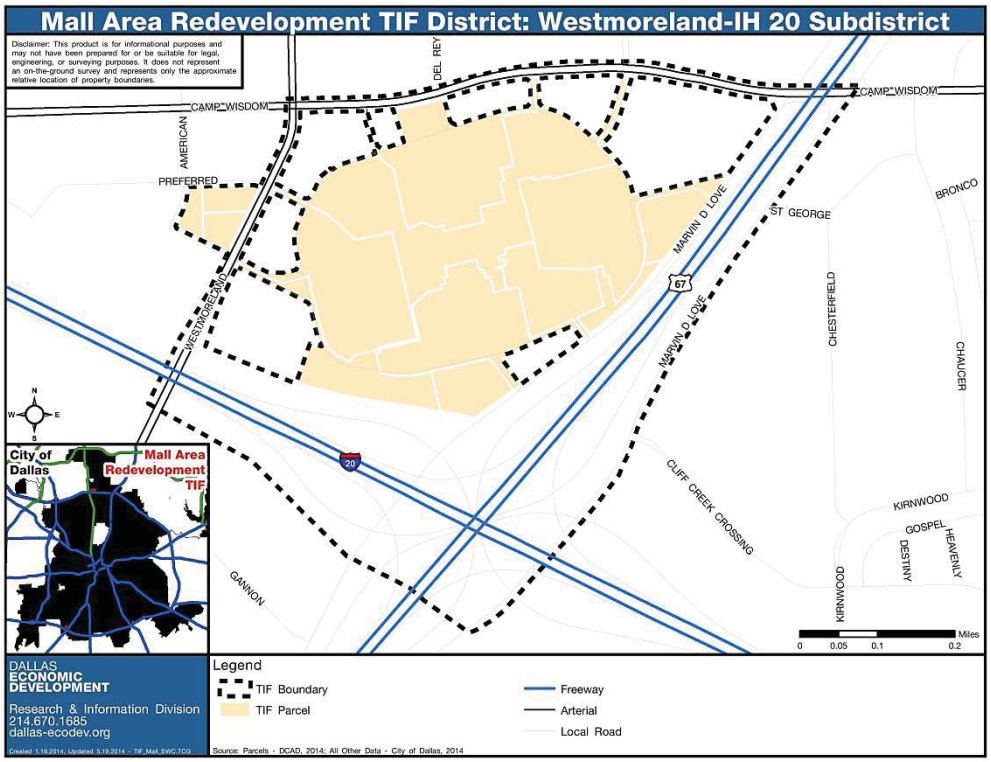
(October 1, 2015 to September 30, 2016)

# Table of Contents

Table of Contents ..... 2
District Map ..... 3
Mission Statement ..... 4
District Accomplishments ..... 5
Value and Increment Revenue Summary ..... 8
Objectives, Programs, and Success Indicators ..... 8
Year-End Summary of Meetings and Council Items ..... 10
Budget and Spending Status ..... 11
FY 2017 Work Program ..... 13
Appendix: Financials ..... 14

# District Map



# Mission Statement

The Mall Area Redevelopment Tax Increment Financing District (TIF District) represents the City of Dallas' effort to encourage the sustainable redevelopment of properties including and around two obsolete shopping malls while taking advantage of each area's strategic regional location at the crossroads of key transportation corridors.

As allowed by Chapter 311 of the Texas Tax Code, the TIF District comprises two non-contiguous sub-districts—the Montfort-IH 635 Sub-District for the Valley View Center Mall area in northern Dallas and the Westmoreland-IH 20 Sub-District for the Southwest Center Mall area in southern Dallas.

The Montfort-IH 635 Sub-District is generally bounded by Alpha Road, Preston Road, Noel Road, and Interstate Highway 635 (LBJ Freeway). The Montfort-IH 635 Sub-District encompasses approximately 173.9 acres, not including rights-of-way. The Montfort-IH 635 Sub-District is recommended by and consistent with the City's adopted Valley View-Galleria Area Plan (2013) and serves as a long-term funding tool to help implement the shared vision for the area by further leveraging other implementation tools (PD 887 form-based zoning and Thoroughfare Plan amendments) enacted by the City Council.

The Westmoreland-IH 20 Sub-District is generally bounded by Westmoreland Road, Camp Wisdom Road, Highway 67 (Marvin D. Love Freeway), and Interstate Highway 20 (LBJ Freeway). The Westmoreland-IH 20 Sub-District encompasses approximately 96.6 acres, not including rights-of-way. The Westmoreland-IH 20 Sub-District is recommended by and consistent with the City-sponsored Advisory Services Panel report entitled "Southwest Center Mall" published by the Urban Land Institute (2009) and serves as a long-term funding tool to help implement many of the report's recommendations over time.

The mission of the TIF District is to provide a source of funding for a program of public infrastructure improvements, economic development grants, and land acquisition/assembly for public open space, which is intended to stimulate private investment in each mall area to occur earlier and to a much greater extent than would occur solely through private investment in the reasonably foreseeable future.

Originally, the Valley View Center Mall and the Southwest Center Mall were created by complex configurations of super-blocks, private land ownership, and reciprocal easement agreements that bound multiple owners together. Over the last decade as market conditions have shifted significantly, these same configurations have heavily burdened each mall area, making redevelopment and revitalization extremely difficult without public participation.

With the assistance of this TIF District, each mall area is to be reconfigured into a traditional pattern of public streets, public open space, public infrastructure, and smaller parcels of private land ownership, thereby setting the stage for incremental redevelopment that is flexible to meet market demands and community needs.

# TIF District Accomplishments

FY 2014

- In May 2014, the City Council established (i.e. designated) the Mall Area Redevelopment TIF District by Ordinance Number 29340.

FY 2015

- In June 2015, the City Council approved the By-Laws for the Board of Directors by Resolution Number 15-1143.

- In June 2015, the City Council approved the Project Plan and Reinvestment Zone Financing Plan by Ordinance Number 2977.

- In August 2015, the Dallas County Commissioners Court approved the participation of Dallas County in the Mall Area Redevelopment TIF District by Court Order 2015-1122.

- In September 2015, the TIF Board approved a Grant Program and associated Guidelines to implement the Project Plan and Reinvestment Zone Financing Plan for the Mall Area Redevelopment TIF District.

- In September 2015, the TIF Board approved Urban Design Guidelines for Projects located in TIF Districts in the City of Dallas to be applied to the Mall Area Redevelopment TIF District.

FY 2016

- In October 2015, Mill Creek Residential Trust LLC, through a joint venture with Elite International Investment Fund, began construction on a new 321-unit apartment community on 3.2 acres located at the southeast corner of James Temple Drive and Noel Road. Known as Modera Galleria, the project will be 5 stories (approximately 294,000 square feet) wrapping a 6-story parking garage (approximately 142,000 square feet). The total estimated value when complete (anticipated mid 2017) is approximately $40 million.



*Source: City of Dallas*

- In January 2016, the City Council approved Resolution Number 16-0103, authorizing a Chapter 380 economic development grant agreement with 3662 W Camp Wisdom LLC and/or its affiliates or parent ("Developer") in an amount not to exceed $2.4 million in consideration of the Developer's causing a minimum investment of $15.0 million at Southwest Center Mall. Financing: Public/Private Partnership Funds.



*Source: Red Bird Development Group*

- In June 2016, the TIF Board approved an amendment to the Grant Program Guidelines for the Mall Area Redevelopment TIF District.

- In June 2016, the TIF Board approved the Mixed Income Housing Policy Guidelines for the Mall Area Redevelopment TIF District.

- In June 2016, the TIF Board approved the Increment Allocation Policy for the Mall Area Redevelopment TIF District.

- In June 2016, the City Council approved Resolution Number 16-1089, authorizing a development agreement with Midtown Development, Inc. ("Owner") and/or its affiliates in an amount not to exceed $36 million payable from future Mall Area Redevelopment TIF District funds in consideration of Owner's completion of Dallas Midtown Phase 1, a catalyst project that will include a minimum Owner investment of $200 million for demolition, infrastructure improvements, vertical construction, and open space assemblage on property currently addressed at 13131, 13331, 13343, and 13439 Preston Road and will both secure the public good and stimulate comprehensive redevelopment of the broader area. Financing: Mall Area Redevelopment TIF District.




*Source: Beck Ventures*

- In late September 2016, Civitas Capital Group and Atlantic Hotels Group, began construction on a new 256-room hotel under the Marriott flag on 2.6 acres located on the south side of James Temple Drive and approximately 350 feet east of Noel Road. The project, dual-branded as AC Hotels and Residence Inn by Marriott Dallas North, will be 5 stories (approximately 255,000 square feet) and will also include a 3-story parking garage (approximately 84,000 square feet). The total estimated value when complete (anticipated mid 2018) is approximately $30 million.




*Source: Civitas*

| Projects Within the Mall Area Redevelopment TIF District Utilizing TIF Funding[1] | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Project** | **Location** | **Sub-District** | **Completion Date (Calendar Year)** | **Status** | **Development Amount/Type[2]** | **Approx Value[3]** | **TIF Investment[4]** |
| Dallas Midtown Phase 1[6] | 13131, 13331, 13343, and 13439 Preston Road | Montfort-IH 635 | 2019 | TIF Investment Approved | demolition of existing office (4,800 square feet)<br>demolition of existing retail (1,548,633 square feet)<br>demolition of existing structured parking (243,851 square feet)<br>new construction of retail (215,000 square feet)<br>new construction of office (70,000 square feet)<br>new construction of multi-family residential (300 units)<br>new construction of hotel (200 rooms)<br>new construction of structured parking (2,200 spaces) | $200,000,000 | $36,000,000* |
| **TOTAL** | | | | | demolition of office (4,800 square feet)<br>demolition of retail (1,548,633 square feet)<br>demolition of structured parking (243,851 square feet)<br>new construction of retail (215,000 square feet)<br>new construction of office (70,000 square feet)<br>new construction of multi-family residential (300 units)<br>new construction of hotel (200 rooms)<br>new construction of structured parking (2,200 spaces) | $200,000,000 | $36,000,000 |

| Projects Within the Mall Area Redevelopment TIF District Not Utilizing TIF Funding[5] | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Project** | **Location** | **Sub-District** | **Completion Date (Calendar Year)** | **Status** | **Development Amount/Type[2]** | **Approx Value[3]** | **TIF Investment[4]** |
| Modera Galleria | SE corner James Temple and Noel | Montfort-IH 635 | 2017 | Under Construction | new construction of multi-family residential (321 units)<br>new construction of structured parking (404 spaces) | $40,000,000 | $0 |
| Marriott Hotel (dual branded) | Southside of James Temple, 300 feet east of Noel | Montfort-IH 635 | 2018 | Under Construction | new construction of hotel (256 rooms)<br>new construction of structured parking (271 spaces) | $30,000,000 | $0 |
| Southwest Center Mall | 3662 W. Camp Wisdom | Westmoreland-IH 20 | 2019 | Planned | rehabilitation and/or new construction (amount and use TBD) | $15,000,000 | $0 |
| **TOTAL** | | | | | new construction of multi-family residential (321 units)<br>new construction of hotel (256 rooms)<br>new construction of structured parking (675 spaces) | $85,000,000 | $0 |

| Grand Total - All Projects Utilizing and Not Utilizing TIF Funding | | Approx Value[3] | TIF Investment[4] |
|---|---|---|---|
| GRAND TOTAL | demolition of office (4,800 square feet)<br>demolition of retail (1,548,633 square feet)<br>demolition of structured parking (243,851 square feet)<br>new construction of retail (215,000 square feet)<br>new construction of office (70,000 square feet)<br>new construction of multi-family residential (621 units)<br>new construction of hotel (456 rooms)<br>new construction of structured parking (2,875 spaces) | $285,000,000 | $36,000,000 |

[1] *All information updated as of September 30, 2016.*

[2] *Based upon: either the TIF application or the required minimum stated in the Development Agreement. May be updated for completed projects based on actual unit mix and square footage.*

[3] *Based upon: (1) market value of comparable projects for anticipated projects, (2) the required minimum private investment stated in the Development Agreement for projects that have been approved for TIF funding or are under construction, or (3) DCAD market value for completed projects (unless project has not yet been assessed).*

[4] *TIF funding amount not to be exceeded per an approved City Council Resolution.*

[5] *Selected significant projects included.*

[6] *Per the TIF program mixed-income housing requirement, the project will provide at least 20% of units as affordable.*

[*] *Indicates that the Development Agreement authorized by the City Council Resolution has not yet been executed as of September 30, 2016.*

## Value and Increment Revenue Summary

The base value of the zone is the total appraised value of all taxable real property in the TIF District as determined by the Dallas Central Appraisal District in the 2014 certified roll. The TIF District's base value was $168,357,630 ($148,591,740 in the Montfort-IH 635 Sub-District and $19,765,890 in the Westmoreland-IH 20 Sub-District).

In the 2016 certified roll, the total appraised value of all taxable real property in the TIF District as determined by the Dallas Central Appraisal District was $179,900,950, representing an increase of $11,543,320 (6.9%) over the base year.

Specifically in the Montfort-IH 635 Sub-District, the total appraised value of all taxable real property in 2016 was $159,390,450, representing an increase of $10,798,710 (7.3%) over the base year. This 7.3% increase over the base year is attributed to slightly appreciating property values and new taxable value created by the Modera Galleria project (5% complete at time of appraisal by Dallas Central Appraisal District).

Specifically in the Westmoreland-IH 20 Sub-District, the total appraised value of all taxable real property in 2016 was $20,510,500, representing an increase of $744,610 (3.8%) over the base year. This 3.8% increase over the base year is attributed to slightly appreciating property values.

With the City's participation in the TIF District beginning this year at 90%, the captured incremental tax revenue anticipated to be collected and deposited into the TIF fund for tax year 2016 is approximately $81,294.

## Objectives, Programs, and Success Indicators

The final Project Plan and Reinvestment Zone Financing Plan for the Mall Area Redevelopment TIF District was approved in June 2015. The following goals are included in the Project Plan and Reinvestment Zone Financing Plan:

- Goal 1: To create additional taxable value attributed to new private investment in projects in the Montfort-IH 635 Sub-District totaling approximately $3.92 billion in total dollars over the 30-year life of the Sub-District.

- Goal 2: To create additional taxable value attributed to new private investment in projects in the Westmoreland-IH 20 Sub-District totaling approximately $295.2 million in total dollars over the 30-year life of the Sub-District.

- Goal 3: To attract new higher density private development in the Montfort-IH 635 Sub-District totaling approximately 707,870 square feet of new retail space; 72,991 square feet of renovated movie theater; 3,987,022 square feet of new office space; 957 new hotel rooms; and 7,674 new residential units (including apartments and condominiums).

  *In the Montfort-IH 635 Sub-District, construction has started on the Modera Galleria apartment project and the dual-branded Dallas Galleria Hotel project. When complete, these projects will add 321 multi-family residential units (4.2% of goal) and 256 hotel rooms (26.8% of goal).*

- Goal 4: To attract new higher density private development in the Westmoreland-IH 20 Sub-District totaling approximately 140,000 square feet of new retail space; 45,000 square feet of movie theater; 70,000 square feet of new office space; 80 new hotel rooms; and 1,620 new residential units (including apartments and townhomes).

- Goal 5: To encourage the sustainable redevelopment of properties including and around two severely declining shopping malls in a manner in which negative fiscal impacts for the remainder of the City are limited and a walkable development pattern is achieved that is a net benefit to the City from a fiscal, land use, and quality of life standpoint.

- Goal 6: To increase public open space in the District.

  *In June 2016, the City Council approved Resolution Number 16-1089, authorizing a development agreement with Midtown Development, Inc. ("Owner") for Dallas Midtown Phase 1. Upon execution of the development agreement, the Owner will be required to dedicate to the City two tracts of real property (totaling at least 4,134 square feet) for potential future use as a piece of the Dallas Midtown Commons Park, subject to the City securing additional real property from the adjacent land owner to the west (EF Properties) for potential future use as a piece of the Dallas Midtown Commons Park.*

  *During FY 2016, staff negotiated with EF Properties for an option to purchase approximately 4 acres of land currently addressed as 13138 Montfort Drive for potential future use as a piece of the Dallas Midtown*

*Commons Park. As of September 30, 2016, review and execution of the final document was pending.*

*During FY 2016, staff supported ongoing efforts to acquire/assemble property for the Dallas Midtown Commons Park, including discussions with potential purchasers of 5580 Peterson (Peterson Place office building); discussions with the Trust for Public Land; participation in the Dallas Midtown Park Foundation's process to complete a park visioning plan with MIG; and the Dallas Midtown Park Foundation's presentation to the Park Board on September 15, 2016).*

- Goal 7: To generate approximately $431.4 million (net present value of approximately $182.5 million in 2014 dollars) in TIF fund revenues over the 30-year life of the District.

## Year-End Summary of Meetings and Council Items

The Mall Area Redevelopment TIF District Board of Directors met two (2) times during FY 2016. The Board can consist of up to seven members, including six (6) City of Dallas appointees and one (1) Dallas County appointee. During FY 2016, the Board members were (FY 2016 Board meetings attended):

- Position 1: Fred Wells—City representative (2 of 2 meetings)
- Position 2: Bruce Bernbaum—City representative (2 of 2 meetings)
- Position 3: B.J. Bass—City representative (1 of 1 meeting)
- Position 3: Kiyundra Gulley—City representative (1 or 1 meeting)
- Position 4: Josh Womack—City representative (2 of 2 meetings)
- Position 5: Arthur Hollingsworth—City representative (2 of 2 meetings)
- Position 6: Jeff Kitner—City representative (2 of 2 meetings)
- Position 7: Rick Loessberg—County representative (2 of 2 meetings).

During FY 2016, the City Council took action on four (4) items associated with the Mall Area Redevelopment TIF District:

- On January 13, 2016, the City Council approved Resolution Number 16-0103, authorizing a Chapter 380 economic development grant agreement with 3662 W Camp Wisdom LLC and/or its affiliates or parent ("Developer") in an amount not to exceed $2,400,000 in consideration of the Developer's causing a minimum

investment of $15,000,000 at Southwest Center Mall. Financing: Public/Private Partnership Funds.

- On February 24, 2016, the City Council approved Resolution Number 16-0348, accepting the FY 2015 Annual Report on the status of the Mall Area Redevelopment TIF District and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and to the State Comptroller.

- On May 11, 2016, the City Council held a public hearing for zoning application Z156-189(SM) and approved Ordinance Number 30087, granting an amendment to Planned Development District No. 887, the Valley View-Galleria Area Special Purpose District, on property generally south of James Temple Drive and east of Noel Road. Recommendation of Staff: Denial; Recommendation of CPC: Approval, subject to a development plan and conditions.

- On June 22, 2016, the City Council approved Resolution Number 16-1089, authorizing a development agreement with Midtown Development, Inc. (“Owner”) and/or its affiliates in an amount not to exceed $36,000,000 payable from future Mall Area Redevelopment TIF District funds in consideration of Owner’s completion of Dallas Midtown Phase 1, a catalyst project that will include a minimum Owner investment of $200,000,000 for demolition, infrastructure improvements, vertical construction, and open space assemblage on property currently addressed at 13131, 13331, 13343, and 13439 Preston Road and will both secure the public good and stimulate comprehensive redevelopment of the broader area. Financing: Mall Area Redevelopment TIF District (subject to appropriations and availability of tax increment).

## Budget and Spending Status

Each TIF district establishes a budget for the public expenditures necessary to support private investment in the district. As included in the Project Plan and Reinvestment Zone Financing Plan for the Mall Area Redevelopment TIF District, the budget is shown below:

| Mall Area Redevelopment TIF District<br>Projected Increment Revenue to Retire TIF Fund Obligations | | | |
|---|---|---|---|
| | B | C | B - C |
| **Category** | **TIF Budget**** | **Allocated** | **TIF Balance** |
| Montfort-IH 635 Sub-District | | | |
| Public Infrastructure Improvements; Environmental Remediation & Demolition; Grants for Economic Development | $258,620,670 | $28,000,000 | $230,620,670 |
| Set Aside for Land Acquisition for Sub-District-Wide Central Open Space*** | $71,117,417 | $0 | $71,117,417 |
| Set Aside for Sub-District-Wide Infrastructure Improvements | $23,705,806 | $8,000,000 | $15,705,806 |
| | | | |
| Westmoreland-IH 20 Sub-District | | | |
| Public Infrastructure Improvements; Environmental Remediation & Demolition; Parks, Open Space, Trails, Gateways; Grants for Economic Development | $71,534,708 | $0 | $71,534,708 |
| | | | |
| Administration and Implementation* | $7,684,059 | $401,661 | $7,282,398 |
| | | | |
| Total Project Costs | $432,662,660 | $36,401,661 | $396,260,999 |
| ** TIF Administration costs are pending until collection of sufficient tax increment to reimburse the City. Collection of increment is scheduled to begin with tax year 2016. TIF Administration costs shown are expended through FY 2015. FY 2016 costs are not included.* | | | |
| *** TIF Budget shown above is in current dollars (updated yearly); TIF Project Plan and Reinvestment Zone Financing Plan shows the budget in net present value.* | | | |
| **** For land acquisition and associated costs; not for design, construction, maintenance, or operating/programming costs.* | | | |

| Mall Area Redevelopment TIF District<br>Project Plan Budget (NPV)* | |
|---|---|
| | |
| **Category** | **TIF NPV Budget** |
| Montfort-IH 635 Sub-District | |
| Public Infrastructure Improvements; Environmental Remediation & Demolition; Grants for Economic Development | $109,123,655 |
| Set Aside for Land Acquisition for Sub-District-Wide Central Open Space | $30,000,000 |
| Set Aside for Sub-District-Wide Infrastructure Improvements | $10,000,000 |
| | |
| Westmoreland-IH 20 Sub-District | |
| Public Infrastructure Improvements; Environmental Remediation & Demolition; Parks, Open Space, Trails, Gateways; Grants for Economic Development | $30,088,432 |
| | |
| Administration and Implementation | $3,250,000 |
| | |
| Total Project Costs | $182,462,088 |
| ** As approved in the Project Plan and Reinvestment Zone Financing Plan.* | |

# FY 2017 Work Program

The FY 2017 work program for the Mall Area Redevelopment TIF District includes:

- Consideration of any potential TIF District boundary amendments and/or plan amendments.

- Coordination and staff support for City-initiated public infrastructure projects in/near the TIF District, including street improvements and water/wastewater improvements.

- Continue coordination efforts with other interested property owners/investors/developers on potential TIF project proposals.

- Coordination with Dallas County on execution of the interlocal agreement for participation in the TIF District.

- Continue coordination and staff support for the implementation of the Valley View-Galleria Area Plan and the ULI vision for Southwest Center Mall, including funding opportunities from other governmental entities or private philanthropic entities; City bond projects; park land acquisition; public improvement district.

# Appendix: Financials

**City of Dallas, Texas**
**Mall Area Redevelopment Tax Increment Financing District Fund**
**Reinvestment Zone Number Twenty**
**As of September 30, 2016**

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

**1. Amount and source of revenue in the tax increment fund established for the zone:**

| | |
|---|---|
| $0 | Interest Income |
| $0 | Ad Valorem Taxes (Collected in FY 2016 based on 2015 Final Tax Roll) |
| $0 | Total Revenue |

**2. Amount and purpose of expenditures from the fund:**

| | |
|---|---|
| $0 | Administrative Expense (FY 2016 costs are to be determined) |
| $0 | Non-Capital Outlay |
| $0 | Capital outlay |
| $0 | Additional Subsidy in Form of Grant (in lieu of interest expense) |
| $0 | Total Expenditures |

**3. Amount of Principal and Interest due on outstanding indebtedness:**

A. The Zone did not have any bonded indebtedness at fiscal year end.

B. On June 22, 2016, City Council approved Resolution No. 16-1089 authorizing a development agreement with Midtown Development, Inc. and/or its affiliates to dedicate an amount not to exceed $36,000,000 for the Dallas Midtown Phase 1 catalyst project. As of September 30, 2016, a development agreement for Dallas Midtown Phase 1 has not yet been executed. Assuming execution of the development agreement, reimbursement of the project's TIF-eligible costs will begin after its completion (projected to be on or before December 31, 2019), subject to the availability of TIF funds.

**4. Tax increment base and current captured appraised value retained by the zone:**

| Taxing Jurisdiction | Taxable Value 2016* | Base Year 2014 Value | Est. Captured Value 2016 |
|---|---|---|---|
| City of Dallas | $179,900,950 | $168,357,630 | $11,543,320 |
| Dallas County | $179,900,950 | $168,357,630 | $11,543,320 |

Taxable value shown for participating taxing jurisdictions. County values are approximate and may vary slightly from City values due to different exemption levels.
*Based on Certified Taxable Value. The final values will be determined on February 01, 2017.

**5. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:**

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

| Taxing Jurisdiction | Assessment Per $100 | Estimated 2016 Increment** |
|---|---|---|
| City of Dallas | 0.70425 | $81,294 |
| Dallas County | 0.24310 | $0 |
| Total for all Jurisdictions | $0.94735 | $81,294 |

**Dallas County does not participate in the zone in 2016. Participation rates for City of Dallas and Dallas County are as follows:

| City of Dallas | Dallas County |
|---|---|
| 90% for tax years 2016-2042 | 55% for tax years 2020-2039 |
| 75% for tax year 2043 | |
| 55% for tax year 2044 | |

B. The total amount of estimated tax increment to be billed for the 2016 tax year is $81,294. For the 2015 tax year, the Zone received increment of $0.

**City of Dallas, Texas**
**Mall Area Redevelopment Tax Increment Financing District Fund**
**Balance Sheet as of September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014 and 2013 (Audited)**

| | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|
| Assets: | | | | |
| Pooled cash and cash equivalents | $0 | $0 | $0 | $0 |
| Interest receivable | $0 | $0 | $0 | $0 |
| Total assets | $0 | $0 | $0 | $0 |
| Liabilities and Fund Balance (Deficit): | | | | |
| Liabilities: | | | | |
| Accounts and contracts payable | $0 | $0 | $0 | $0 |
| Due to other funds | $401,661 | $401,661 | $0 | $0 |
| Total liabilities | $401,661 | $401,661 | $0 | $0 |
| Fund Balance (Deficit): | | | | |
| Fund Balance (Deficit) | ($401,661) | ($401,661) | $0 | $0 |
| Total Liabilities and Fund Equity | $0 | $0 | $0 | $0 |
| | $0 | $0 | $0 | $0 |

**Mall Area Redevelopment Tax Increment Financing District Fund**
**Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)**
**For the Period September 30, 2016 (Unaudited)**
**With Comparative Totals for September 30, 2015, 2014 and 2013 (Audited)**

| | ITD | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|
| Revenues: | | | | | |
| Tax increment-Governmental | $0 | $0 | $0 | $0 | $0 |
| Tax increment-Intergovernmental | $0 | $0 | $0 | $0 | $0 |
| Interest income | $0 | $0 | $0 | $0 | $0 |
| Net increase (decrease) in fair value of investments | $0 | $0 | $0 | $0 | $0 |
| Total revenues | $0 | $0 | $0 | $0 | $0 |
| Expenditures: | | | | | |
| Administrative expenses | $401,661 | $0 | $401,661 | $0 | $0 |
| Non-Capital Outlay | $0 | $0 | $0 | $0 | $0 |
| Capital outlay | $0 | $0 | $0 | $0 | $0 |
| Interest and fiscal charges | $0 | $0 | $0 | $0 | $0 |
| Total expenditures | $401,661 | $0 | $401,661 | $0 | $0 |
| Excess (Deficiency) of Revenues over Expenditures | ($401,661) | $0 | ($401,661) | $0 | $0 |
| Fund balance (Deficit) at beginning of year as previously reported | $0 | ($401,661) | $0 | $0 | $0 |
| Fund balance (Deficit) at beginning of year, as restated | $0 | ($401,661) | $0 | $0 | $0 |
| Fund balance (deficit) at end of year | ($401,661) | ($401,661) | ($401,661) | $0 | $0 |

**Note: FY 16 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.**

**City of Dallas, Texas**
**Mall Area Redevelopment Tax Increment Financing District**
**(Reinvestment Zone #20)**
**Notes to Financial Statements for the Year Ended September 30, 2016**

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.

2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).

3. The TIF Zone fund's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.

4. The TIF Zone's Financing Plan permits expenditures not to exceed $7,684,059 over the life of the TIF Zone to reimburse the City for administrative expenditures. Through FY 2015, the TIF Zone had recognized an actual total of $401,661 in administrative expenditures, comprised of the following: (1) $145,624 in staff time through FY 2015, which will be reimbursed to the City's General Fund upon collection of sufficient increment; (2) $248,137 in a grant to the North Dallas Chamber of Commerce for the 2012-2013 Valley View-Galleria Area Planning Study, which will be reimbursed to the City's Public/Private Partnership Fund upon collection of sufficient increment; and (3) $7,900 for real property appraisal services necessary to assist the City with implementation, which will be reimbursed to the City's Public/Private Partnership Fund upon collection of sufficient increment. It is also noted that, for FY 2016, the TIF Zone incurred an estimated $50,000 in staff time. Any future remittance for administrative expenditures would come from excess cash as tax increment revenue increases as a result of increased assessed values.

5. All project costs resulting in capital improvements which are owned by the City are capitalized in the City's fixed assets.

6. On the Balance Sheet, the "due to other funds" amount of $401,661 at September 30, 2016 represents the TIF Zone's administration costs that have been earned but will be reimbursed to the City's General Fund and Public/Private Partnership Fund in future years based on the availability of TIF funds.

**AGENDA ITEM # 34**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 9

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 39 E

## SUBJECT

Authorize a public hearing to be held on March 22, 2017, to receive comments concerning the application with the Texas Department of Housing and Community Affairs (TDHCA) for 4% tax credits in the approximate amount of $7,705,000 with tax exempt bonds in the approximate amount of $15,000,000 to be issued by the City of Dallas Housing Finance Corporation (DHFC) for the Silver Gardens Apartments, an existing senior apartment community comprised of 202 units for seniors, located at 2620 Ruidosa Avenue, and at the close of the public hearing, authorize: **(1)** DHFC to issue the tax exempt bonds in an amount not to exceed $15,000,000 in Multi-family Housing Mortgage Revenue Bonds Series 2017 to finance the acquisition and rehabilitation of 202 units for seniors by Dominium Development & Acquisition, LLC ("Dominium"), on behalf of Dallas Leased Housing Associates IV, LLP (the "Applicant"), referred to as the Silver Gardens; and **(2)** a resolution to support the TDHCA's award of Low Income Housing Tax Credits for the acquisition and rehabilitation of the existing Silver Gardens housing development located at 2620 Ruidosa Avenue, Dallas, Texas by conducting a Public Hearing pursuant to Texas Government Code, §2306.67071(a) and 10 TAC §10.204(4)(A), Texas Government Code, §2306.67071(b) and 10 TAC§10.204(4)(B) and pursuant to §11.3(a-g) and §11.4 (c)(1) of the 2017 Qualified Allocation Plan (QAP) regarding Housing Deconcentration Factors - Financing: No cost consideration to the City

## BACKGROUND

Dominium, through Dallas Leased Housing Associates IV, LLP ("the applicant"), will file an application with the Texas Bond Review Board no later than April 9, 2017 and file an application with TDHCA for Low Income Housing Tax Credits (LIHTC) for the Silver Gardens no later than March 10, 2017.

**BACKGROUND** (Continued)

Under the new TDHCA rules in the 2017 Qualified Allocation Plan and Rules (QAP), if the development is located in a municipality that has more than twice the state average of units per capita supported by LIHTC or private activity bonds, the applicant must obtain prior approval of the development from the governing body of the municipality.

As provided for in Chapter 10 of the Texas Administrative Code Section 11.3(b), it is expressly acknowledged and confirmed that the City of Dallas could at any time have more than twice the state average of units per capita supported by Housing Tax Credits or Private Activity Bonds. The project site could be subject to the greater than 20% HTC Units per Households in Census Tract Rule applicable to projects that are new construction contained in the 2017 Qualified Allocation Plan ("QAP") that will require a waiver of this requirement from City of Dallas. If a project is within one mile of another project financed with tax credits or tax exempt bonds during the past three years that serves the same household, a waiver will be required by the City. The City of Dallas will be asked to confirm that it has voted specifically to allow the acquisition and rehabilitation of this development and has authorized an allocation of Housing Tax Credits for the Development in the March 22, 2017 resolution, pursuant to §11.3 (2)(a-g) and §11.4(c)(1) Deconcentration Factors contained in TDHCA's Qualified Allocation Plan.

TDHCA funding for projects in the City of Dallas must now be approved by the City Council following a public hearing by the City pursuant to H.B. 3361, effective September 1, 2013. The resolution must include a written statement of support from the governing body referencing the state rule and authorizing an allocation of LIHTC for the development.

The Silver Gardens is a senior apartment community comprised of 202 units for seniors located at 2620 Ruidosa Avenue, Dallas, Texas 75007.

The Tax Equity and Fiscal Responsibility (TEFRA) Hearing will be held on March 9, 2017, after proper notice is published in the Dallas Morning News. Dominium will request an allocation for approximately $15 Million from the Texas Bond Review Board no later than April 9, 2017. The project's owner will be Dallas Leased Housing Associates IV, LLP, a limited liability partnership, formed for the sole purpose of developing, owning and operating the project for long-term use as low-income housing. Dominium is the Special Limited Partner (0.01%) and initial Limited Partner (99.98%) and Christian Relief Services, Inc., a 501(c)(3) non-profit, is the General Partner (0.01%).

Because the project is located within the City of Dallas, Section 147 (f) of the Internal Revenue Code requires that in order for the bonds to be tax exempt, the City Council or the applicable elected representative of the City of Dallas, must approve the issuance of the bonds by the Dallas Housing Finance Corporation after a public hearing. The City of Dallas is not asked to issue bonds.

**BACKGROUND** (Continued)

The bonds will not be a debt or liability of the City. The City's name will not appear on the bonds. The approval being requested is only for the purpose of complying with federal law and with regard to tax exempt debt.

A public hearing in compliance with the Tax Equity and Fiscal Responsibility Act (TEFRA) with respect to the Bonds will be held by Dallas Housing Finance Corporation on March 9, 2017.

The development will offer a mix of tax credit units for tenants with 100% of the tenants with incomes no more than 60% Area Median Income. The proposed bedroom mix is as follows: tax credit units: 20 efficiencies, 180 one-bedrooms, 2 two-bedrooms with no market rate units.

TDHCA prohibits approval of tax credit projects that are located less than a mile from another tax credit project funded within the previous three years, unless the projects are serving different households, is funded with Hope VI grant, or an exception is approved by City Council.

Approval of this application will enable the Applicant to rehabilitate 202 units of affordable housing for low to moderate income seniors.

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

On September 28, 2016, the Dallas City Council approved a resolution of no objection to the 4% housing tax credit application and allocation for the Silver Gardens Apartments located at 2620 Ruidosa Avenue for the rehabilitation of the proposed 202-unit multi-family residential project for low income seniors by Resolution No. 16-1635.

On January 10, 2017, the City of Dallas Housing Finance Corporation approved a preliminary inducement for the tax exempt mortgage revenue bonds to finance the acquisition and rehabilitation of the Silver Gardens senior project, allowing the applicant to submit an application for a bond allocation from the Texas Bond Review Board and the reimbursement of eligible project costs going back 60 days from the date of the inducement.

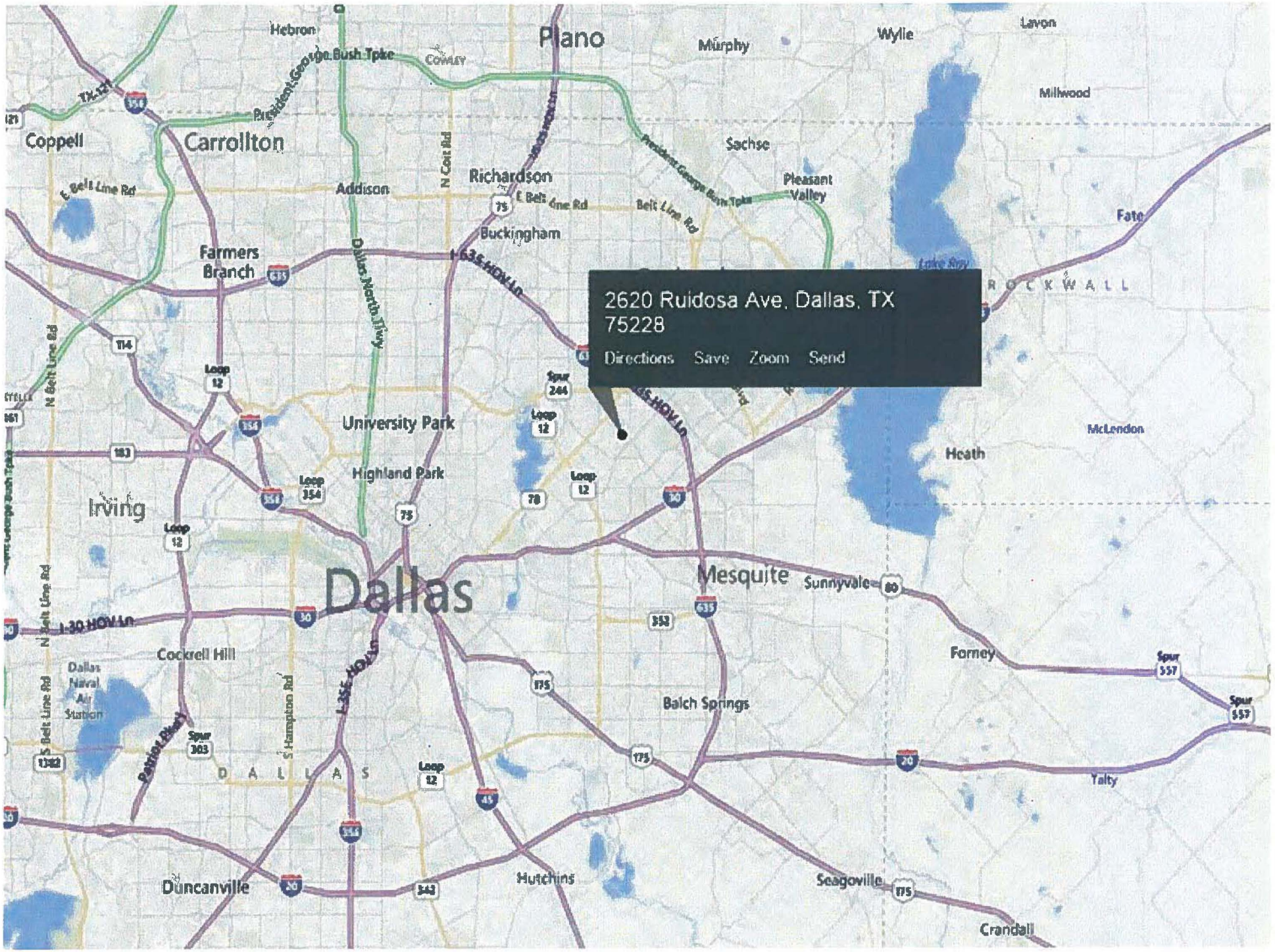
Information about this item will provided to the Housing Committee February 21, 2017.

**FISCAL INFORMATION**

No cost consideration to the City

## MAPS

Attached.


2620 Ruidosa Ave, Dallas, TX 75228
Directions Save Zoom Send
Plano
Carrollton
Coppell
Richardson
Addison
Farmers Branch
Dallas
Irving
University Park
Highland Park
Mesquite
Sunnyvale
Balch Springs
Forney
Seagoville
Hutchins
Duncanville
Cockrell Hill
Heath
McLendon
Fate
Sachse
Pleasant Valley
Buckingham
Hebron
Murphy
Wylie
Lavon
Millwood
Talty
Crandall
ROCKWALL
DALLAS


2620 Ruidosa Ave

**WHEREAS,** on April 25, 1984, the City of Dallas (City) authorized the creation of the City of Dallas Housing Finance Corporation (DHFC) as a Texas non-profit corporation, pursuant to the Texas Housing Finance Corporation Act, Chapter 394, Local Government Code, V.T.C.A., as amended (the Act), to act on behalf of the City in carrying out the public purpose of the Act; and

**WHEREAS,** the DHFC is authorized by the Act to issue its revenue bonds on behalf of the City for the purpose of providing funding for the housing development for persons of low and moderate income to be located in the City; and

**WHEREAS,** pursuant to Resolution No. 06-0136, City Council decided for a 12 month period beginning on January 11, 2006 not to approve any new tax credit transactions unless a pre-application waiver is granted by the City Council and on September 28, 2016, pursuant to Resolution No. 16-1635, the Dallas City Council approved a resolution of no objection to the 4% housing tax credit application and allocation for the Silver Gardens Apartments located at 2620 Ruidosa Avenue for the rehabilitation of the proposed 202-unit multi-family residential project for low income seniors; and

**WHEREAS,** pursuant to Resolution No. 07-0733, Section 1.2 of the Bylaws was amended to allow the DHFC to purchase, lease, own, hold title to, or otherwise acquire an interest in a residential development, directly or indirectly through a subsidiary of the DHFC, provided that the City Council, by resolution, prior to the transaction being consummated by the DHFC, (1) finds and determines that such transaction should be undertaken, (2) approves the form of the transaction and (3) authorizes such purchase, lease, or ownership of, holding title to, or acquisition of the interest in the residential development; and

**WHEREAS,** Dominium submitted its application on January 5, 2017, to the DHFC for; (1) the issuance of tax exempt bonds by the DHFC in an amount not to exceed $15,000,000 in Multi-family Housing Mortgage Revenue Bonds Series to finance the acquisition and rehabilitation of 202 units of senior rental housing; (2) a resolution in support of the Texas Department of Housing and Community Affairs award of 4% Housing Tax Credits in the approximate amount of $7,705,000 for the acquisition and rehabilitation of the Silver Gardens Apartments located at 2620 Ruidosa Avenue, Dallas, Texas to request a public hearing for the City Council to consider providing appropriate waivers pursuant to §11.3 (2)(a-g) and §11.4(c)(1) of the TDHCA's Qualified Allocation Plan and State of Texas H.B. 3361 which requires that (i) Notice has been provided to the Governing Body in accordance with Texas Government Code, §2306.67071(a) and 10 TAC §10.204(4)(A); (ii) The Governing Body has had sufficient opportunity to obtain a response from the Applicant regarding any questions or concerns about the proposed Development; (iii) The Governing Body has held a hearing at which public comment may be made on the proposed Development in accordance with Texas Government Code, §2306.67071(b) and 10 TAC§10.204(4)(B); and (iv) After due consideration of the information provided by the Applicant and public comment, the Governing Body does not object to the proposed Application; and

**WHEREAS,** on January 10, 2017, the DHFC issued an inducement for the tax exempt bonds to finance the acquisition and rehabilitation of the Silver Gardens senior project and authorized the Dominium proposal to be considered by City Council and to authorize a public hearing in accordance with the requirements contained in H.B. 3361 effective September 1, 2013; and

**WHEREAS,** as a condition for being considered for the award of the 4% housing tax credits, the Applicant has committed to renting 100% or (202) of the units to tenants whose household incomes are capped at 60% or below the Area Median Income (AMI) with rents affordable to tenants whose household incomes are 60% or below the AMI in compliance with the maximum Low Income Housing Tax Credit rents as published by the Texas Department of Housing and Community Affairs; and

**WHEREAS,** the Issuer proposes to issue the following bond issue (the “Bonds”) to finance the following project:

> $15,000,000, City of Dallas Housing Finance Corporation, Multi-family Housing Mortgage Revenue Bonds (Silver Gardens Project) Series 2017 to rehabilitate the 202 residential units for seniors on the site located at 2620 Ruidosa Avenue, Dallas, Texas

**WHEREAS,** Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), requires that the governing body or the chief elected executive official of the governmental unit, in which the projects are located, to approve the issuance of the Bonds after a public hearing following reasonable public notice thereof; and

**WHEREAS,** the DHFC will hold a public hearing, the Tax, Equity and Fiscal Responsibility hearing with respect to the Bonds on March 9, 2017, following publication of reasonable public notice thereof in a newspaper of general circulation with the city of Dallas; and

**WHEREAS,** on or before April 9, 2017, the applicant will request that the Texas Bond Review Board issue a Bond Reservation to the DHFC for the Silver Gardens Project, a proposed 202 unit existing development project for seniors, in the amount of $15,000,000; and

**WHEREAS,** Dominium will file a 4% tax credit application with the Texas Department of Housing and Community Affairs (TDHCA) on or before March 10, 2017, pursuant to its 2017 Qualified Allocation Plan (QAP) for 4% low income housing tax credits (LIHTC); and under the TDHCA rules in the 2017 Qualified Allocation Plan and Rules (QAP), if the development is located in a municipality that has more than twice the State average of units per capita supported by LIHTC or private activity bonds, the applicant must obtain prior approval of the development from the governing body of the municipality; and

**WHEREAS,** (1) a public hearing will be held to receive comments concerning the application with The Texas Department of Housing and Community Development (TDHCA) for 4% tax credits in the approximate amount of $7,705,000 with tax exempt bonds in the approximate amount of $15,000,000 to be issued by DHFC for the Silver Gardens Apartments, an existing community comprised of 202 units for seniors, located at 2620 Ruidosa Avenue, Dallas, Texas 75007; (2) the issuance of tax exempt bonds by DHFC in the approximate amount of $15,000,000 in Multi-family Housing Mortgage Revenue Bonds Series 2017 to finance the acquisition and rehabilitation of 202 units for seniors by Dominium referred to as the Silver Gardens; and (3) a resolution in support of the Texas Department of Housing and Community Affairs award of Low Income Housing Tax Credits for the acquisition and rehabilitation of the existing Silver Gardens housing development located at 2620 Ruidosa Avenue, Dallas, Texas by conducting a Public Hearing pursuant to Texas Government Code, §2306.67071(a) and 10 TAC §10.204(4)(A), Texas Government Code, §2306.67071(b) and 10 TAC§10.204(4)(B) and pursuant to §11.3(a-g) and §11.4 (c)(1) of the 2014 Qualified Allocation Plan (QAP) regarding Housing Deconcentration Factors; and

**WHEREAS,** as a condition for being considered for the award of the 4% tax credits, the Applicant has committed to renting 202 units (100%) to tenants with household incomes capped at 60% or below the area median income (AMI) with rents affordable to tenants whose household incomes are 60% or below the AMI incomes in compliance with the maximum Low Income Housing Tax Credit rents as published by the Texas Department of Housing and Community Affairs and 2 units for maintenance and management personnel; and

**WHEREAS,** the owner of the project will expend a minimum of $40,000 in social services annually ($200 per unit per year), whichever is greater, for and at no cost to the residents of the development, based on a survey of residents needs to include some or all of the following: tutoring and after-school programs, health screenings, family counseling/domestic crisis intervention, computer education, emergency assistance, vocational guidance, adult education programs (such as ESL, life skills, nutrition classes, etc.) and social services and recreational activities, to be implemented within three months of project completion and in-kind social services may count toward meeting 100% of the social service requirements. No fees may be charged to the tenants for any of the services. Services must be provided on-site or transportation to off-site services must be provided. The provision of these services will be included in the Bond Regulatory Agreement and the applicant will pay an annual monitoring fee of $1,500 payable to the City of Dallas Housing Finance Corporation; and

**WHEREAS,** in the Qualified Allocation Plan, §11.3 (a-g) and §11.4 (c)(1) Housing Deconcentration factors (b) Twice the State Average Per Capita. (§2306.6703(a)(4)) If the Development is located in a municipality, or if located completely outside a municipality, a county, that has more than twice the state average of units per capita supported by Housing Tax Credits or private activity bonds at the time the Application Round begins (or for Tax Exempt Bond Developments at the time the Certificate of Reservation is issued by the Texas Bond Review Board), the Applicant must obtain prior approval of the Development from the City of Dallas, Governing Body of the appropriate municipality or county containing the Development. Since the City of Dallas can exceed the twice the state per average of units per capita at any time, it has been determined that such approval must include a resolution adopted by the Governing Body of the municipality or county, as applicable, setting forth a written statement of support, referencing Texas Government Code, §2306.6703(a)(4), and authorizing an allocation of Housing Tax Credits for the Development; and the City of Dallas by vote will specifically allow the construction of the new Development and submit to the Department a resolution referencing this rule; and

**WHEREAS,** to satisfy H.B. 3361, the City will hold a public hearing on March 22, 2017, and approve the resolution that certifies that: (i) Notice has been provided to the City of Dallas in accordance with Texas Government Code, §2306.67071(a) and 10 TAC §10.204(4)(A); (ii) The City of Dallas has had sufficient opportunity to obtain a response from the Applicant regarding any questions or concerns about the proposed Development; (iii) The City of Dallas held this hearing at which public comment could be made on the proposed Development in accordance with Texas Government Code, §2306.67071(b) and 10 TAC§10.204(4)(B); and (iv) After due consideration of the information provided by the Applicant and public comment, the City of Dallas does not object to the proposed Application; and

**WHEREAS,** on February 21, 2017, a briefing memo will be presented to the Housing Committee regarding the Silver Gardens rehabilitation project proposal; and subject to certain conditions being met, it is deemed necessary and advisable that this resolution be adopted to approve the application and take all actions necessary to carry out the transaction and hold the public hearing pursuant to State of Texas H.B. 3361; and the City of Dallas hereby authorizes.

**NOW, THEREFORE,**

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

February 22, 2017

**Section 1.** That the City of Dallas will hold a public hearing on March 22, 2017 to consider the authorization for the DHFC to issue tax exempt bonds in the approximate amount of $15,000,000 Multi-family Housing Mortgage Revenue Bonds Series 2017 and supports the TDHCA's 4% tax credits in the approximate amount of $7,705,000 to finance the acquisition and rehabilitation of 202 units for seniors by Dominium referred to as the Silver Gardens, an existing senior apartment community comprised of 202 units for seniors comprised of 20 efficiencies, 180 one-bedroom units, and 2 two-bedrooms units located at 2620 Ruidosa Avenue, Dallas, Texas by Dominium.

**Section 2.** That after the public hearing, (1) the City of Dallas will consider the final approval of the Silver Garden's application, by Dallas Leased Housing Associates IV, LLP, ("the applicant) created by Dominium, for the issuance of tax-exempt bonds by the DHFC in an amount not to exceed $15 Million in tax-exempt Multi-family Housing Mortgage Revenue Bonds Series 2017 and take all actions necessary to carry out the transaction and its support of the application for 4% housing tax credits in the approximate amount of $7,705,000 pursuant to §11.3 (2)(a-g) and Deconcentration Factors contained in TDHCA's Qualified Allocation Plan; and (2) Certifies that the requirements of H.B. 3361 have been satisfied because (i) Notice has been provided to the City of Dallas in accordance with Texas Government Code, §2306.67071(a) and 10 TAC §10.204(4)(A); (ii) The City of Dallas had sufficient opportunity to obtain a response from the Applicant regarding any questions or concerns about the proposed Development; (iii) The City of Dallas held a hearing at which public comment could be made on the proposed Development in accordance with Texas Government Code, §2306.67071(b) and 10 TAC§10.204(4)(B); and (iv) After due consideration of the information provided by the Applicant and public comment, the City of Dallas does not object to the proposed Application and the resolution of no objection must be submitted no later than the Resolutions Delivery Date pursuant to §10.4 which is 75 days prior to the Board Meeting when TDHCA will consider the applicant's proposal.

**Section 3.** That this approval is subject to the Project Owner expending a minimum of $40,000 in social services annually, of which 100% may be from in-kind services, for and at no cost to the residents of the development, based on a survey of resident's needs, to be implemented within three months of project completion and pay an annual monitoring fee of $1,500 payable to City of Dallas Housing Finance Corporation.

**Section 4.** That prior to receiving a conditional City of Dallas building permit required by TDHCA prior to closing on the tax credits, the Project Developer will consult with the City of Dallas Office of Development Services with regard to security related design standards.

**Section 5.** That the approval of the City, if provided, is also for the purpose of satisfying the conditions and requirements of Section 147(f) of the Code and is not to be construed as an undertaking by the City of Dallas. The Bonds shall not constitute a liability, an indebtedness, or obligation of the City of Dallas nor shall any of the assets of the City of Dallas be pledged to the payment of the Bonds. The Bonds shall specifically provide that the Bonds are not a debt of the City of Dallas, Dallas County and the State of Texas and that the City of Dallas, Dallas County and State of Texas are not liable with respect to the Bonds.

**Section 6.** That the City Manager will request authorization to convey a copy of the March 22, 2017 resolution to the Applicant and the TDHCA with a written statement of support by the City Council referencing by conducting a Public Hearing pursuant to Texas Government Code, §2306.67071(a) and 10 TAC §10.204(4)(A), Texas Government Code, §2306.67071(b) and 10 TAC§10.204(4)(B) and provided for in §11.3 (a-g) and §11.4 (c)(1) of the 2017 Qualified Allocation Plan (QAP) regarding Housing Deconcentration Factors for compliance with the Texas Department of Housing and Community Affairs (TDHCA) 2017 Qualified Allocation Plan and contingent upon the developer assuming relocation costs, if any, associated with the development costs.

**Section 7.** That after the public hearing to be held on March 22, 2017, the Resolution of no objection, if approved, will contain the following affirmative language in Sections 8 – 12 contained herein.

**Section 8.** That as provided in 10 TAC §11.3(c), it is hereby acknowledged that the Silver Gardens Apartments will not be located one linear mile or less than a Development that serves the same type of household as the proposed Development and has received an allocation of Housing Tax Credits for Rehabilitation since January 4, 2013; however, if data changes or if another Development that serves the same type of household is approved for Housing Tax Credits, the City of Dallas continues to have no objection and specifically allows the Silver Gardens Apartments to receive an allocation of Housing Tax Credits.

**Section 9.** That it is RESOLVED, that as provided for in 10 Texas Administrative Code §11.4 (c)(1) and §11.3(b), it is expressly acknowledged and confirmed that the City of Dallas could at any time have more than twice the state average of units per capita supported by Housing Tax Credits or Private Activity Bonds, and that the City of Dallas currently is not a city that has more than twice the state average of units per capita supported by Housing Tax Credits or Private Activity Bonds; however, if data changes occur, the City of Dallas would have no objection to the Silver Gardens Apartments.

**Section 10.** That it is FURTHER RESOLVED, (1) that the City of Dallas supports the Silver Gardens Apartment Project and confirms that its governing body has voted specifically to approve the construction of the Development and to authorize an allocation of Housing Tax Credits for the Development pursuant to Texas Government Code §2306.6703(A)(4), and in accordance with Texas Government Code §2306.67671(a) that notice was provided to the City of Dallas and Texas Government Code §. 2306.67071(b) and Texas Administrative Code §10.204(4) confirming that a public hearing has been held and that a resolution of no objection was granted. This formal action was taken to put on record the support expressed by the City of Dallas on March 22, 2017.

**Section 11.** That it is FURTHER RESOLVED that the project site could be subject to the greater than 20% HTC Units per Households in Census Tract Rule applicable to projects that are new construction contained in the 2017 Qualified Allocation Plan ("QAP"), if the project does not get an approval from TDHCA prior to the 2017 QAP deadline, therefore a waiver of this requirement is granted as provided for in 10 TAC §11.3 (d) and §11.4 (c)(1) and the City of Dallas confirms that it has voted specifically to allow the new construction of this development and has authorized an allocation of Housing Tax Credits for the Development.

**Section 12.** That it is FURTHER RESOLVED that for and on behalf of the Governing Body, the Mayor or the City Manager, are hereby authorized, empowered and directed to certify these resolutions to the Texas Department of Housing and Community Affairs.

**Section 13.** 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.

**AGENDA ITEM # 35**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 14

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 45 G

## SUBJECT

Authorize a public hearing to be held on March 22, 2017, to receive comments concerning an application with the Texas Department of Housing and Community Affairs (TDHCA) for 4% tax credits in the approximate amount of $7,579,038 with tax exempt bonds in the approximate amount of $14,000,000 to be issued by the City of Dallas Housing Finance Corporation (DHFC) for the Flora Lofts, an existing apartment community comprised of 52 units for families, located at 2121 Flora Street, and at the close of the public hearing, authorize: **(1)** DHFC to issue the tax exempt bonds in an amount not to exceed $14,000,000 in Multi-family Housing Mortgage Revenue Bonds Series 2017 to finance the acquisition and new construction of 52 units for families by La Reunion and GREENarc CORP, on behalf of Flora Street Lofts, Ltd. (the "Applicant"), referred to as the Flora Street Lofts; and **(2)** a resolution supporting the TDHCA's award of Low Income Housing Tax Credits for the acquisition and new construction of the Flora Street Lofts, Ltd. development located at 2121 Flora Street, Dallas, Texas by conducting a Public Hearing pursuant to Texas Government Code, §2306.67071(a) and 10 TAC §10.204(4)(A), Texas Government Code, §2306.67071(b) and 10 TAC§10.204(4)(B) and pursuant to §11.3(a-g) and §. 11.4 (c)(1) of the 2017 Qualified Allocation Plan (QAP) regarding Housing Deconcentration Factors - Financing: No cost consideration to the City

## BACKGROUND

La Reunion and GREENarc CORP, through Flora Street Lofts, Ltd. ("the applicant"), will file an application with the Texas Bond Review Board and file an application with TDHCA for Low Income Housing Tax Credits (LIHTC) for the acquisition and new construction of the Flora Street Lofts.

Under the new TDHCA rules in the 2017 Qualified Allocation Plan and Rules (QAP), if the development is located in a municipality that has more than twice the state average of units per capita supported by LIHTC or private activity bonds, the applicant must obtain prior approval of the development from the governing body of the municipality.

**BACKGROUND** (Continued)

As provided for in Chapter 10 of the Texas Administrative Code 11.3(b), it is expressly acknowledged and confirmed that the City of Dallas could at any time have more than twice the state average of units per capita supported by Housing Tax Credits or Private Activity Bonds. The project site could be subject to the greater than 20% HTC Units per Households in Census Tract Rule applicable to projects that are new construction contained in the 2017 Qualified Allocation Plan ("QAP") that will require a waiver of this requirement from City of Dallas. If a project is within one mile of another project financed with tax credits or tax exempt bonds during the past three years that serves the same household a waiver will be required by the City. The City of Dallas will be asked to confirm that it has voted specifically to allow the acquisition and new construction of this development and has authorized an allocation of Housing Tax Credits for the Development in the March 22, 2017 resolution, pursuant to §11.3 (2)(a-g) and §11.4(c)(1) Deconcentration Factors contained in TDHCA's Qualified Allocation Plan.

TDHCA funding for projects in the City of Dallas must now be approved by the City Council following a public hearing by the City pursuant to H.B. 3361, effective September 1, 2013. The resolution must include a written statement of support from the governing body referencing the state rule and authorizing an allocation of LIHTC for the development.

The Flora Street Lofts is a family apartment community comprised of 52 units for families to be located at 2121 Flora, Dallas, Texas 75201.

The Tax Equity and Fiscal Responsibility (TEFRA) Hearing will be held on March 9, 2017, after proper notice was published in the Dallas Morning News. Flora Street Loft, Ltd. will request an allocation for approximately $14 Million from the Texas Bond Review Board no later than April 9, 2017. The project's owner will be Flora Street Lofts, Ltd, a limited liability partnership, formed for the sole purpose of developing, owning and operating the project for long-term use as low-income housing. There will be a to be formed Special Limited Partner (0.01%), GREENarc Corporation, which is the initial Limited Partner (99.98%) interest in the partnership. 2121 Flora, LLC. is the General Partner (.01%) interest in the partnership which will be 49% owned by the GREENarc Corporation and 51% owned by La Reunion Texas.

Because the project is located within the City of Dallas, Section 147 (f) of the Internal Revenue Code requires that in order for the bonds to be tax exempt, the City Council or the applicable elected representative of the City of Dallas, must approve the issuance of the bonds by the Dallas Housing Finance Corporation after a public hearing. The City of Dallas is not asked to issue bonds. The bonds will not be a debt or liability of the City. The City's name will not appear on the bonds. The approval being requested is only for the purpose of complying with federal law and with regard to tax exempt debt.

**BACKGROUND** (Continued)

A public hearing in compliance with the Tax Equity and Fiscal Responsibility Act (TEFRA) with respect to the Bonds will be held by Dallas Housing Finance Corporation on March 9, 2017.

The development will offer a mix of tax credit units for tenants by renting 10% or (5) of the units to tenants whose household incomes are capped at 50% or below the Area Median Income (AMI) with rents affordable to tenants whose household incomes are 50% or below the AMI and 72% (38) of the units to tenants whose household incomes are capped at 60% or below the AMI with rents affordable to tenants whose household incomes are 60% or below the AMI in compliance with the maximum Low Income Housing Tax Credit rents as published by the Texas Department of Housing and Community Affairs. There will be 18% or (9) market rate units. The proposed bedroom mix is as follows: tax credit units: 32 one-bedrooms, 18 two-bedrooms and 2 three-bedrooms.

TDHCA prohibits approval of tax credit projects that are located less than a mile from another tax credit project funded within the previous three years, unless the projects are serving different household, is funded with Hope VI grant, or an exception is approved by City Council.

Approval of this application will enable the Applicant to build 52 new affordable housing units for low to moderate income families.

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

On February 14, 2017, the City of Dallas Housing Finance Corporation approved a preliminary inducement for the tax exempt mortgage revenue bonds to finance the acquisition and new construction of the family project, allowing the applicant to submit an application for a bond allocation from the Texas Bond Review Board and the reimbursement of eligible project costs going back 60 days from the date of the inducement.

On February 6, 2017, the Housing Committee was sent a briefing memo on the Flora Street Lofts new construction project.

Information about this item will be provided to the Housing Committee February 21, 2017.

**FISCAL INFORMATION**

No cost consideration to the City

**MAP**

Attached.




Approximately 1.0328 acres at 2121 Flora Street, Dallas, TX 75201; located in a high-density infill location in the Dallas Arts District.

# FLORA LOFTS

Flora Street Lofts, Ltd.
2121 Flora Street
Dallas, Texas 75201

www.floralofts.com

**LA REUNION TX**
4848 Lemmon Avenue
PMB 100-117
Dallas, Texas 75219
469.951.7323

**GREENarc Corporation**
1925 San Jacinto #300
Dallas, Texas 75201
214.954.0430

- PROPERTY LINE
- M-LINE TROLLEY
- DART BUS LINE

PRELIMINARY

MAY NOT BE USED FOR PERMITTING, CONSTRUCTION, OR REGULATORY APPROVAL.

LOCATION MAP

11 . 22 . 2016

**WHEREAS,** on April 25, 1984, the City of Dallas (City) authorized the creation of the City of Dallas Housing Finance Corporation (DHFC) as a Texas non-profit corporation, pursuant to the Texas Housing Finance Corporation Act, Chapter 394, Local Government Code, V.T.C.A., as amended (the Act), to act on behalf of the City in carrying out the public purpose of the Act; and

**WHEREAS,** the DHFC is authorized by the Act to issue its revenue bonds on behalf of the City for the purpose of providing funding for the housing development for persons of low and moderate income to be located in the City; and

**WHEREAS,** pursuant to Resolution No. 06-0136, City Council decided for a 12 month period beginning on January 11, 2006 not to approve any new tax credit transactions unless a pre-application waiver is granted by the City Council; and

**WHEREAS,** pursuant to Resolution No. 07-0733, Section 1.2 of the Bylaws was amended to allow the DHFC to purchase, lease, own, hold title to, or otherwise acquire an interest in a residential development, directly or indirectly through a subsidiary of the DHFC, provided that the City Council, by resolution, prior to the transaction being consummated by the DHFC, (1) finds and determines that such transaction should be undertaken, (2) approves the form of the transaction and (3) authorizes such purchase, lease, or ownership of, holding title to, or acquisition of the interest in the residential development; and

**WHEREAS,** La Reunion and GREENarc CORP submitted an application on January 5, 2017, to the DHFC for; (1) the issuance of tax exempt bonds by the DHFC in an amount not to exceed $14,000,000 in Multi-family Housing Mortgage Revenue Bonds Series to finance the acquisition and new construction of 52 units of rental housing for families, (2) a resolution in support of the Texas Department of Housing and Community Affairs award of 4% Housing Tax Credits in the approximate amount of $7,579,038 for the acquisition and new construction of the Flora Street Lofts Apartments to be located at 2121 Flora Street, Dallas, Texas to request a public hearing for the City Council to consider providing appropriate waivers pursuant to §11.3 (2)(a-g) and §. 11.4(c)(1) of the TDHCA's Qualified Allocation Plan and State of Texas H.B. 3361 which requires that (i) Notice has been provided to the Governing Body in accordance with Texas Government Code, §2306.67071(a) and 10 TAC §10.204(4)(A); (ii) The Governing Body has had sufficient opportunity to obtain a response from the Applicant regarding any questions or concerns about the proposed Development; (iii) The Governing Body has held a hearing at which public comment may be made on the proposed Development in accordance with Texas Government Code, §2306.67071(b) and 10 TAC§10.204(4)(B); and (iv) After due consideration of the information provided by the Applicant and public comment, the Governing Body does not object to the proposed Application; and

**WHEREAS,** on February 14, 2017, the DHFC issued an inducement for the tax exempt bonds to finance the acquisition and new construction of the Flora Street Lofts family project and authorized the Flora Street Lofts, Ltd. proposal to be considered by City Council and to authorize a public hearing in accordance with the requirements contained in H.B. 3361 effective September 1, 2013; and

**WHEREAS,** as a condition for being considered for the award of the 4% housing tax credits, the Applicant has committed to renting 10% or (5) of the units to tenants whose household incomes are capped at 50% or below the Area Median Income (AMI) with rents affordable to tenants whose household incomes are 50% or below the AMI and 72% (38) of the units to tenants whose household incomes are capped at 60% or below the AMI with rents affordable to tenants whose household incomes are 60% or below the AMI in compliance with the maximum Low Income Housing Tax Credit rents as published by the Texas Department of Housing and Community Affairs. There will be 18% or (9) market rate units; and

**WHEREAS,** the Issuer proposes to issue the following bond issue (the “Bonds”) to finance the following project:

> $14,000,000 City of Dallas Housing Finance Corporation, Multi-family Housing Mortgage Revenue Bonds (Flora Street Lofts Project) Series 2017 to build 52 units of new construction residential units for families on the site located at 2121 Flora Street, Dallas, Texas.

**WHEREAS,** Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), requires that the governing body or the chief elected executive official of the governmental unit in which the projects are located approve the issuance of the Bonds after a public hearing following reasonable public notice thereof; and

**WHEREAS,** the DHFC will hold a public hearing, the Tax, Equity and Fiscal Responsibility hearing with respect to the Bonds on March 9, 2017, following publication of reasonable public notice thereof in a newspaper of general circulation within the city of Dallas; and

**WHEREAS,** on or before April 9, 2017, the applicant will request that the Texas Bond Review Board issue a Bond Reservation to the DHFC for the Flora Street Lofts Project, a proposed 52 unit new construction project for families, in an amount not to exceed $14,000,000; and

February 22, 2017

**WHEREAS,** La Reunion and GREENarc CORP will submit a 4% tax credit application with the Texas Department of Housing and Community Affairs (TDHCA) on or before March 10, 2017, pursuant to its 2017 Qualified Allocation Plan (QAP) for 4% low income housing tax credits (LIHTC); and under the TDHCA rules in the 2017 Qualified Allocation Plan and Rules (QAP), if the development is located in a municipality that has more than twice the State average of units per capita supported by LIHTC or private activity bonds, the applicant must obtain prior approval of the development from the governing body of the municipality; and

**WHEREAS,** to receive comments concerning the application with The Texas Department of Housing and Community Development (TDHCA) for 4% tax credits in the approximate amount of $$7,579,038 Million with tax exempt bonds in the approximate amount of $14,000,000 to be issued by DHFC for the Flora Street Lofts Apartments, an existing community comprised of 202 units for families, located at 2121 Flora Street, Dallas, Texas 75201 (2) the issuance of tax exempt bonds by DHFC in the approximate amount of $14,000,000 in Multi-family Housing Mortgage Revenue Bonds Series 2017 to finance the acquisition and new construction of 202 units for families by Dominium referred to as the Flora Street Lofts; and, (3) a resolution in support of the Texas Department of Housing and Community Affairs award of Low Income Housing Tax Credits for the acquisition and new construction of the existing Flora Street Lofts housing development located at 2121 Flora Street, Dallas, Texas by conducting a Public Hearing pursuant to Texas Government Code, §2306.67071(a) and 10 TAC §10.204(4)(A), Texas Government Code, §2306.67071(b) and 10 TAC§10.204(4)(B) and pursuant to §11.3(a-g) and §11.4 (c)(1) of the 2014 Qualified Allocation Plan (QAP) regarding Housing Deconcentration Factors; and

**WHEREAS,** the owner of the project will expend a minimum of $40,000 in social services annually ($200 per unit per year), whichever is greater, for and at no cost to the residents of the development, based on a survey of residents needs to include some or all of the following: tutoring and after-school programs; health screenings, family counseling/domestic crisis intervention, computer education, emergency assistance, vocational guidance, adult education programs (such as ESL, life skills, nutrition classes, etc.) and social services and recreational activities, to be implemented within three months of project completion and in-kind social services may count toward meeting 100% of the social service requirements. No fees may be charged to the tenants for any of the services. Services must be provided on-site or transportation to off-site services must be provided. The provision of these services will be included in the Bond Regulatory Agreement and the applicant will pay an annual monitoring fee of $1,500 payable to the City of Dallas Housing Finance Corporation; and

February 22, 2017

**WHEREAS,** in the Qualified Allocation Plan, §11.3 (a-g) and §11.4 (c)(1) Housing Deconcentration factors (b) Twice the State Average Per Capita. (§2306.6703(a)(4)) If the Development is located in a municipality, or if located completely outside a municipality, a county, that has more than twice the state average of units per capita supported by Housing Tax Credits or private activity bonds at the time the Application Round begins (or for Tax Exempt Bond Developments at the time the Certificate of Reservation is issued by the Texas Bond Review Board), the Applicant must obtain prior approval of the Development from the City of Dallas, Governing Body of the appropriate municipality or county containing the Development. Since the City of Dallas can exceed the twice the state per average at any time, it has been determined that such approval must include a resolution adopted by the Governing Body of the municipality or county, as applicable, setting forth a written statement of support, referencing Texas Government Code, §2306.6703(a)(4), and authorizing an allocation of Housing Tax Credits for the Development; and the City of Dallas by vote will specifically allow the construction of the new Development and submits to the Department a resolution referencing this rule; and

**WHEREAS,** to satisfy H.B. 3361, the City will hold a public hearing on March 22, 2017, and approves the resolution that certifies that: (i) Notice has been provided to the City of Dallas in accordance with Texas Government Code, §2306.67071(a) and 10 TAC §10.204(4)(A); (ii) The City of Dallas has had sufficient opportunity to obtain a response from the Applicant regarding any questions or concerns about the proposed Development; (iii) The City of Dallas held this hearing at which public comment could be made on the proposed Development in accordance with Texas Government Code, §2306.67071(b) and 10 TAC§10.204(4)(B); and (iv) After due consideration of the information provided by the Applicant and public comment, the City of Dallas does not object to the proposed Application; and

**WHEREAS,** on February 6, 2017, the Housing Committee was sent a briefing memo on the Flora Street Lofts new construction project proposal; and subject to certain conditions being met, it is deemed necessary and advisable that this resolution be adopted to approve the application and take all actions necessary to carry out the transaction and hold the public hearing pursuant to State of Texas H.B. 3361.

**NOW, THEREFORE,**

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

February 22, 2017

**Section 1.** That the City of Dallas will hold a public hearing on March 22, 2017 to consider the authorization for the DHFC to issue tax exempt bonds in the approximate amount of $14,000,000 Multi-family Housing Mortgage Revenue Bonds Series 2017 and supports the TDHCA's 4% tax credits in the approximate amount of $7,579,038 to finance the acquisition and new construction of 52 units for families referred to as the Flora Street Lofts, comprised of 32 one-bedroom units, 18 two-bedrooms and 2 three-bedrooms and located at 2121 Flora Street, Dallas, Texas by Flora Street Lofts, Ltd.

**Section 2.** That after the public hearing; (1) the City of Dallas will consider the final approval of the Flora Street Lofts application, by Flora Street Lofts, Ltd., ("the applicant) to be built by La Reunion and GREENarc CORP, for the issuance of tax-exempt bonds by the DHFC in an amount not to exceed $14,000,000 in tax-exempt Multi-family Housing Mortgage Revenue Bonds Series 2017 and take all actions necessary to carry out the transaction; and its support of the application for 4% housing tax credits in the approximate amount of $7,579,038 pursuant to §11.3 (2)(a-g) and §Deconcentration Factors contained in TDHCA's Qualified Allocation Plan and (2) Certifies that the requirements of H.B. 3361 have been satisfied because (i) Notice has been provided to the City of Dallas in accordance with Texas Government Code, §2306.67071(a) and 10 TAC §10.204(4)(A); (ii) The City of Dallas had sufficient opportunity to obtain a response from the Applicant regarding any questions or concerns about the proposed Development; (iii) The City of Dallas held a hearing at which public comment could be made on the proposed Development in accordance with Texas Government Code, §2306.67071(b) and 10 TAC§10.204(4)(B); and (iv) After due consideration of the information provided by the Applicant and public comment, the City of Dallas does not object to the proposed Application and the resolution of no objection must be submitted no later than the Resolutions Delivery Date pursuant to §10.4 which is 75 days prior to the Board Meeting when TDHCA will consider the applicant's proposal.

**Section 3.** That this approval is subject to the Project Owner expending a minimum of $40,000 in social services annually, of which 100% may be from in-kind services, for and at no cost to the residents of the development, based on a survey of residents needs, to be implemented within three months of project completion and pay an annual monitoring fee of $1,500 payable to City of Dallas Housing Finance Corporation.

**Section 4.** That prior to receiving a conditional City of Dallas building permit required by TDHCA prior to closing on the tax credits, the Project Developer will consult with the City of Dallas Office of Development Services with regard to security related design standards.

**Section 5.** That the approval of the City, if provided, is also for the purpose of satisfying the conditions and requirements of Section 147(f) of the Code and is not to be construed as an undertaking by the City of Dallas. The Bonds shall not constitute a liability, an indebtedness, or obligation of the City of Dallas nor shall any of the assets of the City of Dallas be pledged to the payment of the Bonds. The Bonds shall specifically provide that the Bonds are not a debt of the City of Dallas, Dallas County and the State of Texas and that the City of Dallas, Dallas County and State of Texas are not liable with respect to the Bonds.

**Section 6.** That the City Manager will request authorization to convey a copy of the March 22, 2017 resolution to the Applicant and the TDHCA with a written statement of support by the City Council referencing by conducting a Public Hearing pursuant to Texas Government Code, §2306.67071(a) and 10 TAC §10.204(4)(A), Texas Government Code, §2306.67071(b) and 10 TAC§10.204(4)(B) and provided for in §11.3 (a-g) and §11.4 (c)(1) of the 2017 Qualified Allocation Plan (QAP) regarding Housing Deconcentration Factors for compliance with the Texas Department of Housing and Community Affairs (TDHCA) 2017 Qualified Allocation Plan and contingent upon the developer assuming relocation costs, if any, associated with the development costs.

**Section 7.** That after the public hearing to be held on March 22, 2017, the Resolution of No objection, if approved, will contain the following affirmative language in Section 9 – 12 contained herein:

**Section 8.** That as provided in 10 TAC §. 11.3(c), it is hereby acknowledged that the Flora Street Lofts Apartments will not be located one linear mile or less than a Development that serves the same type of household as the proposed Development and has received an allocation of Housing Tax Credits for New construction since January 4, 2013; however, if data changes or if another Development that serves the same type of household is approved for Housing Tax Credits, the City of Dallas continues to have no objection and specifically allows the Flora Street Lofts Apartments to receive an allocation of Housing Tax Credits.

**Section 9.** That it is RESOLVED, that as provided for in 10 Texas Administrative Code §11.4 (c)(1) and §11.3(b), it is expressly acknowledged and confirmed that the City of Dallas could at any time have more than twice the state average of units per capita supported by Housing Tax Credits or Private Activity Bonds, and that the City of Dallas currently is not a city that has more than twice the state average of units per capita supported by Housing Tax Credits or Private Activity Bonds; however, if data changes occur, the City of Dallas would have no objection to the Flora Street Lofts Apartments.

**Section 10.** That it is FURTHER RESOLVED, (1) that the City of Dallas supports the Flora Street Lofts Apartment Project and confirms that its governing body has voted specifically to approve the construction of the Development and to authorize an allocation of Housing Tax Credits for the Development pursuant to Texas Government Code §. 2306.6703(A)(4), and in accordance with Texas Government Code §. 2306.67671(a) that notice was provided to the City of Dallas and Texas Government Code §. 2306.67071(b) and Texas Administrative Code §. 10.204(4) confirming that a public hearing has been held and that a resolution of no objection was granted. This formal action was taken to put on record the support expressed by the City of Dallas on March 22, 2017.

**Section 11.** That it is FURTHER RESOLVED that the project site could be subject to the greater than 20% HTC Units per Households in Census Tract Rule applicable to projects that are new construction contained in the 2017 Qualified Allocation Plan ("QAP"), if the project does not get an approval from TDHCA prior to the 2017 QAP deadline, therefore a waiver of this requirement is granted as provided for in 10 TAC §. 11.3 (d) and §. 11.4 (c)(1) and the City of Dallas confirms that it has voted specifically to allow the new construction of this development and has authorized an allocation of Housing Tax Credits for the Development.

**Section 12.** That it is FURTHER RESOLVED that for and on behalf of the Governing Body, the Mayor or the City Manager, are hereby authorized, empowered and directed to certify these resolutions to the Texas Department of Housing and Community Affairs.

**Section 13.** 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.

**AGENDA ITEM # 36**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 4

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 65 G

## SUBJECT

Authorize the rejection of proposals received for the Lancaster Corridor Re-development Project - Financing: No cost consideration to the City

## BACKGROUND

This action will authorize the rejection of proposals received for solicitation BGZ1602 for Lancaster Corridor Re-development Project. The Office of Economic Development determined it would be more advantageous to the City to reject the proposal.

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

Information about this item will be provided to the Economic Development Committee on February 21, 2017.

## FISCAL INFORMATION

No cost consideration to the City

February 22, 2017

**WHEREAS,** on June 30, 2016, three proposals were received related to the Lancaster Corridor Re-development Project; and

**WHEREAS,** it has been determined that it is in the best interest of the City of Dallas to reject the three proposals that were received related to redevelopment of the Lancaster Corridor.

**NOW, THEREFORE,**

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

**Section 1.** That the three proposals received for the Lancaster Corridor Re-development Project are hereby rejected.

**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.

**AGENDA ITEM # 37**

**KEY FOCUS AREA:** Clean, Healthy Environment

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 1

**DEPARTMENT:** Housing/Community Services

**CMO:** Alan Sims, Chief of Neighborhood Plus, 670-1611

**MAPSCO:** N/A

## SUBJECT

Authorize **(1)** acceptance of a Continuum of Care Grant from the U.S. Department of Housing and Urban Development (HUD) in the amount of $288,401, to provide permanent supportive Housing for homeless persons with HIV/AIDS at Hillcrest House located at 834 North Marsalis Avenue, for the period May 1, 2017 through April 30, 2018; **(2)** an amendment to the grant agreement for the substitution of PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas as recipient grantee, in place of the City of Dallas, with their assumption of all rights and obligations under the grant; and **(3)** execution of any and all documents required by the grant and the grantee substitution - Financing: No cost consideration to the City

## BACKGROUND

Hillcrest House is a four-story residential facility with 64 single room occupancy (SRO) units serving homeless persons with HIV/AIDS. The facility is owned by Hillcrest House Partnership, Ltd., a Texas limited partnership with PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas (ASD) as sole general partner and, through a wholly owned subsidiary, sole limited partner.

In 1992, the City of Dallas as grantee, together with ASD as project sponsor and Dallas Housing Authority as rental assistance administrator, applied for and were awarded a Continuum of Care Shelter Plus Care/SRO Grant (the “City Grant”) from the U.S. Department of Housing and Urban Development (HUD) for ten years of rental assistance commencing in May 1995, in connection with the moderate rehabilitation of Hillcrest House located at 834 North Marsalis Avenue, Dallas, Texas. At that time, HUD regulations required that City Grant funding be administered through the housing authority.

## BACKGROUND (Continued)

Beginning in May 2006 to the present, the City Grant has been renewed annually to provide ongoing support for the project, consisting of rental assistance, supportive services (transportation), and project administration. A change in HUD regulations in June 2012 allowed the City to administer the funding directly without the participation of the housing authority. The City of Dallas does not receive reimbursements for administrative costs for services provided, including inspections, eligibility reviews, contract administration, grant administration, and reporting.

In 1992, ASD also applied for and was awarded, as a direct grantee, a separate Continuum of Care Supportive Housing Program (SHP) Grant (the "ASD Grant") from HUD for the same Hillcrest House project. The ASD Grant has also been renewed annually to provide ongoing support for the project, consisting of operating costs, supportive services, and project administration. ASD staff provides similar administrative services for the ASD Grant, which sometimes overlaps with the City Grant.

On December 20, 2016, HUD announced the FY2016 Continuum of Care funding awards, including renewal of the City Grant for $288,401 and the ASD Grant for $625,976, beginning May 1, 2017. In an effort to streamline the administration of the two grants for the Hillcrest House project, the parties desire to substitute ASD as the recipient grantee in place of the City of Dallas under the City Grant, and to have ASD assume all rights and obligations under the City Grant as the substitute recipient grantee, effective for the FY2016 renewal award, including but not limited to the requirement to provide matching funds for 25 percent of the award. HUD regulations allow for a change in recipient with prior HUD approval. Following this grantee substitution, ASD may work with HUD directly to consolidate the two grants into one and take over full administration of both grants.

PERFORMANCE MEASURES

Number of Persons Assisted

| | 2016-17 Goal | 2016-17 Actual* | 2017-18 Goal |
|---|---|---|---|
| Persons served at Hillcrest | 77 | 72 | 77 |
| Persons in stable housing at Hillcrest | 67 | 68 | 67 |

*YTD data through 12/31/16 (8 months)

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

Authorized the first amendment to the FY2013 renewal of the Continuum of Care Grant for Hillcrest House to establish a category for supportive services and shift funds from rental assistance to supportive services, on February 11, 2015, by Resolution No. 15-0276.

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

Authorized the FY2014 renewal of a Continuum of Care Grant to provide rental assistance funds for single room occupancy for homeless persons living with HIV/AIDS at Hillcrest House on April 22, 2015, by Resolution No. 15-0752.

Authorized the second amendment to FY2013 renewal of the Continuum of Care Grant for Hillcrest House to shift funds from supportive services to rental assistance, on August 12, 2015, by Resolution No. 15-1381.

Authorized the FY2015 renewal of a Continuum of Care Grant to provide rental assistance funds for single room occupancy for homeless persons living with HIV/AIDS at Hillcrest House on April 27, 2016, by Resolution No. 16-0631.

Information about this item will be provided to the Housing Committee on February 21, 2017.

## FISCAL INFORMATION

No cost consideration to the City

## ETHNIC COMPOSITION

PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas (Board)

| | | | |
|---|---|---|---|
| Black Female | 1 | Black Male | 1 |
| White Female | 3 | White Male | 16 |
| Hispanic Female | 1 | Hispanic Male | 0 |
| Other Female | 0 | Other Male | 1 |

## OWNER(S)

**PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas**

Board of Directors

| | |
|---|---|
| Don Neubauer, Chair | Brigid Bonning |
| Donald Mercer, Vice Chair | Arlen Miller |
| Karen Charleston, Secretary | David Nelson |
| Sam Etheridge, Treasurer | Debora Ochoa |
| Jacque Borel | Rich Perry |
| William Early | Budi Sutomo |

**OWNER(S) (Continued)**

**PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas**

Board of Directors

Mark Edgell
Robert Helm
Bruce Jaster
Mathhew Jones
Nathan Justice
Dennis Kershner
Wayne Thomas
Jonathan Thorne
Jennifer Thornton
Sharon Valenti
Hon. Ernie White

**WHEREAS,** there is a need to assist the homeless population with HIV/AIDS by providing rental assistance in conjunction with supportive services; and

**WHEREAS,** the U.S. Department of Housing and Urban Development (HUD) provides Continuum of Care Grant funds to assist homeless persons living with HIV/AIDS with project-based rental assistance; and

**WHEREAS,** on December 20, 2016, HUD announced the FY2016 Continuum of Care funding awards, including renewal of the City of Dallas Continuum of Care Grant (formerly Shelter Plus Care) to provide permanent supportive housing for homeless persons with HIV/AIDS at Hillcrest House located at 834 North Marsalis Avenue (the "City Grant"); and

**WHEREAS,** the City of Dallas and PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas ("ASD") desire to substitute ASD as grantee under the City Grant in place of the City of Dallas, and have ASD assume all rights and obligations under the City Grant;

**NOW, THEREFORE,**

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

**Section 1.** That following approval as to form by the City Attorney, the City Manager is hereby authorized to: **(1)** accept a Continuum of Care Grant (Grant No. TX0060L6T001609 and CFDA No. 14.267) from the U.S. Department of Housing and Urban Development (HUD) in the amount of $288,401, to provide permanent supportive Housing for homeless persons with HIV/AIDS at Hillcrest House located at 834 North Marsalis Avenue, for the period May 1, 2017 through April 30, 2018; **(2)** amend the grant agreement to substitute PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas as recipient grantee, in place of the City of Dallas, with their assumption of all rights and obligations under the grant; and **(3)** execute any and all documents required for the grant and the grantee substitution.

**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.

**AGENDA ITEM # 38**

**KEY FOCUS AREA:** Clean, Healthy Environment

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Housing/Community Services

**CMO:** Alan Sims, Chief of Neighborhood Plus, 670-1611

**MAPSCO:** N/A

## SUBJECT

Authorize the first amendment to the contract with the Department of State Health Services to accept additional grant funds for the Special Supplemental Nutrition Program for the Women, Infants, and Children Program for the Summer Food Service Program for the period October 1, 2016 through September 30, 2017 - Not to exceed $26,000, from $15,055,566 to $15,081,566 - Financing: Department of State Health Services Grant Funds

## BACKGROUND

Since 1974, the Department of State Health Services (DSHS) has funded the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) in Dallas. The WIC Program provides nutritious food, nutrition education, breastfeeding promotion and support, and referrals to health and social services. The program serves infants, children under age 5, and pregnant, postpartum and breastfeeding women. WIC is a United States Department of Agriculture program administered in Texas by the Department of State Health Services. In Dallas County, the WIC Program is administered by the City of Dallas, Housing/Community Services Department.

This item authorizes the acceptance of additional grant funds, increasing the total contract budget by $26,000. These funds are for expenditures associated with the Summer Food Service Program (SFSP), i.e., salaries of temporary staff, office supplies to include trash receptacles, liners, plastic ware, and insulated coolers for the fourteen (14) WIC clinics providing the SFSP. The total expenditures are not to exceed $26,000.

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

Authorized a contract for the Special Supplemental Nutrition Program for Women, Infants, and Children Program on October 11, 2016, by Resolution No. 16-1657.

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

Information about this item will be provided to the Housing Committee on February 21, 2017.

## FISCAL INFORMATION

$26,000 – Department of State Health Services Grant Funds

February 22, 2017

**WHEREAS,** on October 11, 2016, City Council authorized a contract for the Special Supplemental Nutrition Program for Women, Infants, and Children Program in the amount of $15,055,566, by Resolution No. 16-1657; and

**WHEREAS,** the Department of State Health Services has awarded additional grant funds in the amount of $26,000 for the continuation of the City of Dallas Women, Infants, and Children (WIC) Program; and

**WHEREAS,** there is a continued need for the Special Supplemental Nutrition Program for Women, Infants and Children, funded through the Department of State Health Services;

**NOW, THEREFORE,**

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

**Section 1.** That following approval as to form by the City Attorney, the City Manager is hereby authorized to execute the first amendment to the contract (Contract No. 2017-049838-001 and CFDA No. 10.557) with the Department of State Health Services to accept additional grant funds awarded for the continuation of the Special Supplemental Nutrition Program for the Women, Infants, and Children Program for the Summer Food Service Program for the period October 1, 2016 through September 30, 2017, in an amount not to exceed $26,000, from $15,055,566 to $15,081,566; and execute any and all documents required by the contract.

**Section 2.** That the Chief Financial Officer is hereby authorized to receive and deposit additional grant funds from the Department of State Health Services in Fund F495, Dept. HOU, Unit 2029, Revenue Source 6509, in an amount not to exceed $26,000.

**Section 3.** That the City Manager is hereby authorized to increase appropriations in an amount not to exceed $26,000, from $15,055,566 to $15,081,566 in Fund F495, Dept. HOU, to be established in Unit 2029 various Object Codes, according to the attached Schedule.

**Section 4.** That the Chief Financial Officer is hereby authorized to disburse grant funds from the Department of State Health Services in Fund F495, Dept. HOU, Unit 2029, various Object Codes, according to the attached Schedule, in an amount not to exceed $26,000.

**Section 5.** That the City Manager is hereby authorized to reimburse to the Department of State Health Services any expenditure identified as ineligible. The City Manager shall notify the appropriate City Council Committee of expenditures identified as ineligible not later than 30 days after the reimbursement.

**Section 6.** That the City Manager shall keep the appropriate City Council Committee informed of all final granting agency monitoring reports not later than 30 days after the receipt of the report.

**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.

**SCHEDULE**
**Department of State Health Services**
**Special Supplemental Nutrition Program for Women, Infants, and Children**
**October 1, 2016 through September 30, 2017**

**Fund F495, Dept. HOU, Unit 2029 (Extra Funds), Revenue Source 6509**

| Object Code | Description | Amount |
|---|---|---|
| 1501 | Temporary Help | $24,000 |
| 3099 | Misc Special Services | $ 2,000 |
| | **Subtotal** | **$26,000** |

**AGENDA ITEM # 39**

**KEY FOCUS AREA:** Clean, Healthy Environment

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Housing/Community Services

**CMO:** Alan Sims, Chief of Neighborhood Plus, 670-1611

**MAPSCO:** N/A

## SUBJECT

Authorize **(1)** Supplemental Agreement No. 1 to the contract with Association of Persons Affected by Addiction to revise the budget amount and increase the contract amount from $100,000 to $250,000 to provide peer-driven system support services to homeless individuals who suffer from mental illness, substance abuse disorder or co-occurring disorders through the Texas Department of State Health Services Healthy Community Collaborative Program for the period August 1, 2016 through August 31, 2017; and **(2)** execution of any and all documents required by the contract - Not to exceed $150,000, from $100,000 to $250,000 - Financing: FY 2017 Texas Department of State Health Services Grant Funds

## BACKGROUND

Senate Bill 58 of the 83rd regular legislative session amended Subtitle I, Title 4, of the Texas Government Code to add Chapter 539 establishing or expanding community collaborative projects to improve the access to care, quality/comprehensiveness of care, and outcomes for persons who are both homeless and have a mental illness. The Texas Department of State Health Services (DSHS) awarded funds to five Texas municipalities in counties with populations of more than one million, including Bexar, Dallas, Harris, Tarrant, and Travis.

Acceptable uses of the grant money require one for one matching funds to include the establishment or expansion of a community collaborative of service providers focused on meeting the needs of the mentally ill homeless population, operation and/or maintenance of minimum services (assistance accessing benefits, detoxification units, integrated medical services, housing services and education, job training and/or supported employment).

## BACKGROUND (Continued)

On July 7, 2016, the Housing/Community Services Department posted a Request For Competitive Sealed Proposals (RFCSP) for agencies that serve the homeless. Association of Persons Affected by Addiction (APAA), which is located at 3116 Martin Luther King Blvd., submitted an application for assistance in response to the RFCSP and was found to be responsive. APAA is a Texas non-profit corporation with whom the City is in partnership to assist in serving homeless persons in the city limits of Dallas.

Members of the existing collaborative were invited to submit requests for additional funding as a result of other funding becoming available. Recommendations were made based on the original proposal score and the first quarter accomplishments. The match requirements and eligible activities have not changed. All current contractual requirements will remain the same.

APAA is a nationally renowned, award-winning, grass-roots peer-driven and peer-led recovery community organization that assists people with substance use disorders and with co-occurring mental health disorders stay abstinent from drugs/alcohol, find and retain permanent housing, and live healthy fulfilling lives.

Each subcontractor is required to enter all Healthy Community Collaborative (HCC) clients and services in to the local Homeless Management Information System (HMIS). DSHS also requires that the subcontractors enter the participants into the Clinical Management for Behavioral Health Services (CMBHS), which is a web-based clinical record keeping system for state-contacted community mental health and substance abuse service provider.

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

On August 24, 2016, City Council authorized an amendment to Resolution No. 15-1893, to (a) correct the FY 2016 grant term from the Texas Department of State Health Services (DSHS) to provide services to the homeless through the Healthy Community Collaborative (HCC) grant from July 1, 2014 through August 31, 2017 to August 1, 2016 through August 31, 2017; (b) decrease appropriations in the FY 2016 HCC grant fund due to revision in the award amount by $1,113,607 from $2,613,607 to $1,500,000; (c) reduce the private 1:1 cash match from $2,613,607 to $1,500,000 to match the FY 2016 grant award; and (d) correct the Contract No. from 2014-04581-001B to 2016-049507-001; (2) acceptance of the FY 2017 HCC grant from DSHS (Contract No. 2016-049507-001) to (a) provide services to the homeless through the HCC in the amount of $2,613,607 for the period August 1, 2016 through August 31, 2017; and (b) a private 1:1 cash match in an amount not to exceed $2,613,607; and (3) execution of the grant agreement by Resolution No. 16-1387.

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

On September 28, 2016, City Council authorized a grant agreement with the Association of Persons Affected by Addiction to provide peer-driven system support services to homeless individuals who suffer from mental illness, substance abuse disorder or co-occurring disorders through the Texas Department of State Health Services Healthy Community Collaborative Program for the period of August 1, 2016 through August 31, 2017, by Resolution No. 16-1566.

Information about this item will be provided to the Housing Committee on February 21, 2017.

## FISCAL INFORMATION

$150,000 - FY 2017 Texas Department of State Health Services Grant Funds

## ETHNIC COMPOSITION

Association of Persons Affected by Addiction

| | | | |
|---|---|---|---|
| Black Female | 1 | Black Male | 2 |
| White Female | 1 | White Male | 4 |
| Hispanic Female | 0 | Hispanic Male | 0 |
| Other Female | 0 | Other Male | 0 |

**WHEREAS,** Senate Bill 58 of the 83rd regular legislative session amended Subtitle I, Title 4, of the Texas Government Code to add Chapter 539 establishing or expanding community collaborative projects to improve the access to the quality/comprehensiveness of care, and outcomes for persons who are both homeless and have a mental illness; and

**WHEREAS,** the five eligible municipalities and counties include: Bexar, Dallas, Harris, Tarrant, and Travis; and

**WHEREAS,** on August 24, 2016, City Council authorized an amendment to Resolution No. 15-1893 to (a) correct the FY 2016 grant term from the Texas Department of State Health Services (DSHS) to provide services to the homeless through the Healthy Community Collaborative (HCC) grant from July 1, 2014 through August 31, 2017 to August 1, 2016 through August 31, 2017; (b) decrease appropriations in the FY 2016 HCC grant fund due to revision in the award amount by $1,113,607 from $2,613,607 to $1,500,000; (c) reduce the private 1:1 cash match from $2,613,607 to $1,500,000 to match the FY 2016 grant award; and (d) correct the Contract No. from 2014-04581-001B to 2016-049507-001; (2) acceptance of the FY 2017 HCC grant from DSHS (Contract No. 2016-049507-001) to (a) provide services to the homeless through the HCC in the amount of $2,613,607 for the period August 1, 2016 through August 31, 2017; and (b) a private 1:1 cash match in an amount not to exceed $2,613,607; and (3) execution of the grant agreement by Resolution No. 16-1387; and

**WHEREAS,** on September 28, 2016, City Council authorized a grant agreement with the Association of Persons Affected by Addiction to provide peer-driven system support services to homeless individuals who suffer from mental illness, substance abuse disorder or co-occurring disorders through the Texas Department of State Health Services Healthy Community Collaborative Program for the period of August 1, 2016 through August 31, 2017, in an amount not to exceed $100,000, by Resolution No. 16-1566; and

**WHEREAS,** the City of Dallas is required to provide private cash contributions at a rate of $1 for every $1 of the contracted award amount for FY 2017; and

**WHEREAS,** eradicating homelessness is a high priority of the City of Dallas; and

**WHEREAS,** the City invited members of the existing collaborative to submit requests for additional funding as a result of other available funding; and

**WHEREAS,** the Association of Persons Affected by Addiction submitted a request for additional funding in response to the invitation; and

February 22, 2017

**WHEREAS,** the City desires to contract with the Association of Persons Affected by Addiction for the additional funding to serve mentally ill and substance abuse homeless individuals.

**NOW, THEREFORE,**

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

**Section 1.** That following approval as to form by the City Attorney, the City Manager is hereby authorized to **(1)** enter into Supplemental Agreement No. 1 to the contract with Association of Persons Affected by Addiction to revise the budget amount and increase the contract amount from $100,000 to $250,000 to provide peer-driven system support services to homeless individuals who suffer from mental illness, substance abuse disorder or co-occurring disorders through the Texas Department of State Health Services Healthy Community Collaborative Program for the period August 1, 2016 through August 31, 2017; and **(2)** execute any and all documents required by the contract.

**Section 2.** That the Chief Financial Officer is hereby authorized to disburse additional funds to Association of Persons Affected by Addiction, Vendor No. 517572, from Fund S290, Dept. HOU, Unit 2068, Object Code 3070, Encumbrance No. MASCHCCASSOCPAA17, in an amount not to exceed $150,000, from $100,000 to $250,000.

**Section 3.** 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.

**AGENDA ITEM # 40**

**KEY FOCUS AREA:** Clean, Healthy Environment

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Housing/Community Services

**CMO:** Alan Sims, Chief of Neighborhood Plus, 670-1611

**MAPSCO:** N/A

## SUBJECT

Authorize **(1)** Supplemental Agreement No. 1 to the contract with Bridge Steps to revise the budget amount and increase the contract amount from $1,799,735 to $2,145,819 to provide outreach/engagement, supportive services, transitional shelter, housing services and rental assistance, coordinated assessment/client prioritization, mental health services and substance abuse/detoxification to homeless individuals who suffer from mental illness, substance abuse disorder or co-occurring psychiatric disorders through the Texas Department of State Health Services Healthy Community Collaborative Program for FY 2017 allocation for the period August 1, 2016 through August 31, 2017, in the amount of $346,084, from $299,735 to $645,819; and **(2)** execution of any and all documents required by the contract - Not to exceed $346,084, from $1,799,735 to $2,145,819 - Financing: FY 2017 Texas Department of State Health Services Grant Funds

## BACKGROUND

Senate Bill 58 of the 83rd regular legislative session amended Subtitle I, Title 4, of the Texas Government Code to add Chapter 539 establishing or expanding community collaborative projects to improve the access to care, quality/comprehensiveness of care, and outcomes for persons who are both homeless and have a mental illness. The Texas Department of State Health Services (DSHS) awarded funds to five Texas municipalities in counties with populations of more than one million, including Bexar, Dallas, Harris, Tarrant, and Travis.

Acceptable uses of the grant money require one for one matching funds to include the establishment or expansion of a community collaborative of service providers focused on meeting the needs of the mentally ill homeless population, the establishment, operation and/or maintenance of minimum services (assistance accessing benefits, detoxification units, integrated medical services, housing services and education, job training and/or supported employment).

## BACKGROUND (Continued)

On July 7, 2016, the Housing/Community Services Department posted a Request For Competitive Sealed Proposals (RFCSP) for agencies that serve the homeless. Bridge Steps, which is located at 1818 Corsicana Street, submitted an application for assistance in response to the RFCSP and was found to be responsive. Bridge Steps is a Texas non-profit corporation with whom the City is in partnership to assist in serving homeless persons in the city limits of Dallas.

Members of the existing collaborative were invited to submit requests for additional funding as a result of other available funding. Recommendations were made based on the original proposal score and the first quarter accomplishments. The match requirements and eligible activities have not changed. All current contractual requirements will remain the same.

Bridge Steps was awarded funding from two fiscal years of Healthy Community Collaborative funding: $1,500,000 from FY 2016 and $299,735 from FY 2017. The additional $346,084 is recommended to increase the FY 2017 budget from $299,735 to $645,819 for a total contract amount of $2,145,819.

Each subcontractor is required to enter all Healthy Community Collaborative (HCC) clients and services into the local Homeless Management Information System (HMIS). DSHS also requires that the subcontractors enter the participants into the Clinical Management for Behavioral Health Services (CMBHS), which is a web-based clinical record keeping system for state-contacted community mental health and substance abuse service provider.

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

On August 24, 2016, City Council authorized an amendment to Resolution No. 15-1893 to (a) correct the FY 2016 grant term from the Texas Department of State Health Services (DSHS) to provide services to the homeless through the Healthy Community Collaborative (HCC) grant from July 1, 2014 through August 31, 2017 to August 1, 2016 through August 31, 2017; (b) decrease appropriations in the FY 2016 HCC grant fund due to revision in the award amount by $1,113,607 from $2,613,607 to $1,500,000; (c) reduce the private 1:1 cash match from $2,613,607 to $1,500,000 to match the FY 2016 grant; and (d) correct the Contract No. from 2014-04581-001B to 2016-049507-001; (2) acceptance of the FY 2017 HCC grant from DSHS (Contract No. 2016-049507-001) to (a) provide services to the homeless through the HCC in the amount of $2,613,607 for the period August 1, 2016 through August 31, 2017; and (b) a private 1:1 cash match in an amount not to exceed $2,613,607; and (3) execution of the grant agreement by Resolution No. 16-1387.

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

On September 28, 2016, City Council authorized a grant agreement with Bridge Steps to provide outreach/engagement, supportive services, transitional shelter, housing services and rental assistance, coordinated assessment /client prioritization, mental health services and substance abuse/detoxification to homeless individuals who suffer from mental illness, substance abuse disorder or co-occurring psychiatric disorders through the Texas Department of State Health Services Healthy Community Collaborative Program for the period August 1, 2016 through August 31, 2017, by Resolution No. 16-1567.

Information about this item will be provided to the Housing Committee on February 21, 2017.

## FISCAL INFORMATION

$346,084 - FY 2017 Texas Department of State Health Services Grant Funds

## ETHNIC COMPOSITION

Bridge Steps (Board of Directors)

| | | | |
|---|---|---|---|
| Black Female | 1 | Black Male | 1 |
| White Female | 3 | White Male | 2 |
| Hispanic Female | 0 | Hispanic Male | 0 |
| Other Female | 0 | Other Male | 1 |

**WHEREAS,** Senate Bill 58 of the 83rd regular legislative session amended Subtitle I, Title 4, of the Texas Government Code to add Chapter 539 establishing or expanding community collaborative projects to improve the access to the quality/comprehensiveness of care, and outcomes for persons who are both homeless and have a mental illness; and

**WHEREAS,** the five eligible municipalities and counties include: Bexar, Dallas, Harris, Tarrant, and Travis; and

**WHEREAS,** on August 24, 2016, City Council authorized an amendment to Resolution No. 15-1893 to (a) correct the FY 2016 grant term from the Texas Department of State Health Services (DSHS) to provide services to the homeless through the Healthy Community Collaborative (HCC) grant from July 1, 2014 through August 31, 2017 to August 1, 2016 through August 31, 2017; (b) decrease appropriations in the FY 2016 HCC grant fund due to revision in the award amount by $1,113,607 from $2,613,607 to $1,500,000; (c) reduce the private 1:1 cash match from $2,613,607 to $1,500,000 to match the FY 2016 grant award; and (d) correct the Contract No. from 2014-04581-001B to 2016-049507-001; (2) acceptance of the FY 2017 HCC grant from DSHS (Contract No. 2016-049507-001) to (a) provide services to the homeless through the HCC in the amount of $2,613,607 for the period August 1, 2016 through August 31, 2017; and (b) a private 1:1 cash match in an amount not to exceed $2,613,607; and (3) execution of the grant agreement by Resolution No. 16-1387; and

**WHEREAS,** on September 28, 2016, City Council authorized a grant agreement with Bridge Steps to provide outreach/engagement, supportive services, transitional shelter, housing services and rental assistance, coordinated assessment /client prioritization, mental health services and substance abuse/detoxification to homeless individuals who suffer from mental illness, substance abuse disorder or co-occurring psychiatric disorders through the Texas Department of State Health Services Healthy Community Collaborative Program for the period August 1, 2016 through August 31, 2017, in an amount not to exceed $1,799,7359, by Resolution No. 16-1567; and

**WHEREAS,** the City of Dallas is required to provide private cash contributions at a rate of $1 for every $1 of the contracted award amount for FY 2017; and

**WHEREAS,** the City invited members of the existing collaborative to submit requests for additional funding as a result of other available funding; and

**WHEREAS,** Bridge Steps submitted a request for additional funding in response to the invitation; and

**WHEREAS,** the City desires to contract with Bridge Steps for the additional funding to serve mentally ill and substance abuse homeless individuals.

**NOW, THEREFORE,**

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

**Section 1.** That following approval as to form by the City Attorney, the City Manager is hereby authorized to **(1)** enter into Supplemental Agreement No. 1 to the contract with Bridge Steps to revise the budget and increase the contract amount from $1,799,735 to $2,145,819 to provide outreach/engagement, supportive services, transitional shelter, housing services and rental assistance, coordinated assessment/client prioritization, mental health services and substance abuse/detoxification to homeless individuals who suffer from mental illness, substance abuse disorder or co-occurring psychiatric disorders through the Texas Department of State Health Services Healthy Community Collaborative Program for the period August 1, 2016 through August 31, 2017; and **(2)** execute any and all documents required by the contract.

**Section 2.** That the Chief Financial Officer is hereby authorized to disburse additional funds to Bridge Steps, Vendor No. VS0000067075, for FY 2017 allocation, from Fund S290, Dept. HOU, Unit 2069, Object Code 3070, Encumbrance No. MASCHCCBRIDGESTPS17, in an amount not to exceed $346,084, from $299,735 to $645,819.

**Section 3.** 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.

**AGENDA ITEM # 41**

**KEY FOCUS AREA:** Clean, Healthy Environment

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Housing/Community Services

**CMO:** Alan Sims, Chief of Neighborhood Plus, 670-1611

**MAPSCO:** N/A

## SUBJECT

Authorize **(1)** Supplemental Agreement No. 1 to the contract with CitySquare to revise the budget amount and decrease the contract amount from $1,508,192 to $857,725 to provide coordination/assessment, supportive services, expanded housing services for temporary shelters through outreach and housing units, residential treatment and detox treatment to homeless individuals through the Texas Department of State Health Services Healthy Community Collaborative Program for the period August 1, 2016 through August 31, 2017; and **(2)** execution of any and all documents required by the contract - Not to exceed ($650,467), from $1,508,192 to $857,725 - Financing: FY 2017 Texas Department of State Health Services Grant Funds

## BACKGROUND

Senate Bill 58 of the 83rd regular legislative session amended Subtitle I, Title 4, of the Texas Government Code to add Chapter 539 establishing or expanding community collaborative projects to improve the access to care, quality/comprehensiveness of care, and outcomes for persons who are both homeless and have a mental illness. The Texas Department of State Health Services (DSHS) awarded funds to five Texas municipalities in counties with populations of more than one million, including Bexar, Dallas, Harris, Tarrant, and Travis.

Acceptable uses of the grant money require one for one matching funds to include the establishment or expansion of a community collaborative of service providers focused on meeting the needs of the mentally ill homeless population, the establishment, operation and/or maintenance of minimum services (assistance accessing benefits, detoxification units, integrated medical services, housing services and education, job training and/or supported employment).

## BACKGROUND (Continued)

On July 7, 2016, the Housing/Community Services Department posted a Request For Competitive Sealed Proposals (RFCSP) for agencies that serve the homeless. CitySquare, which is located at 511 N. Akard Street, Suite #302, submitted an application for assistance in response to the RFCSP and was determined to be responsive. CitySquare is a Texas non-profit corporation with whom the City is in partnership to assist in serving homeless persons in the city limits of Dallas.

Founded in 1988, CitySquare provides 450 supportive housing units to assist homeless persons to transitions from homelessness. These funds will assist them in serving homeless clients with supportive services, expanded housing services for temporary shelters through outreach and housing units, residential treatment and detox treatment for 12 months.

CitySquare requested this contract amendment as they were unable to match the original grant award. The Healthy Community Collaborative amount of $650,467 was made available to the other collaborative partners so as not to lose funding for the community.

Each subcontractor is required to enter all the Healthy Community Collaborative (HCC) services and clients' names into the local Homeless Management Information System (HMIS). DSHS also requires that the subcontractors enter the participants into the Clinical Management for Behavioral Health Services (CMBHS), which is a web-based clinical record keeping system for state-contacted community mental health and substance abuse service provider.

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

On August 24, 2016, City Council authorized an amendment to Resolution No. 15-1893 to (a) correct the FY 2016 grant term from the Texas Department of State Health Services (DSHS) to provide services to the homeless through the Healthy Community Collaborative (HCC) grant from July 1, 2014 through August 31, 2017 to August 1, 2016 through August 31, 2017; (b) decrease appropriations in the FY 2016 HCC grant fund due to revision in the award amount by $1,113,607 from $2,613,607 to $1,500,000; (c) reduce the private 1:1 cash match from $2,613,607 to $1,500,000 to match the FY 2016 grant award; and (d) correct the Contract No. from 2014-04581-001B to 2016-049507-001; (2) acceptance of the FY 2017 HCC grant from DSHS (Contract No. 2016-049507-001) to (a) provide services to the homeless through the HCC in the amount of $2,613,607 for the period August 1, 2016 through August 31, 2017; and (b) a private 1:1 cash match in an amount not to exceed $2,613,607; and (3) execution of the grant agreement by Resolution No. 16-1387.

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

On September 28, 2016, City Council authorized a grant agreement with CitySquare to provide coordination/assessment, supportive services, expanded housing services for temporary shelters through outreach and housing units, residential treatment and detox treatment to homeless individuals through the Texas Department of State Health Services Healthy Community Collaborative Program for the period August 1, 2016 through August 31, 2017, by Resolution No. 16-1568.

Information about this item will be provided to the Housing Committee on February 21, 2017.

## FISCAL INFORMATION

($650,467) - FY 2017 Texas Department of State Health Services Grant Funds

## ETHNIC COMPOSITION

CitySquare (Board of Directors)

| | | | |
|---|---|---|---|
| Black Female | 1 | Black Male | 3 |
| White Female | 3 | White Male | 16 |
| Hispanic Female | 0 | Hispanic Male | 0 |
| Other Female | 0 | Other Male | 1 |

February 22, 2017

**WHEREAS,** Senate Bill 58 of the 83rd regular legislative session amended Subtitle I, Title 4, of the Texas Government Code to add Chapter 539 establishing or expanding community collaborative projects to improve the access to care, quality/comprehensiveness of care, and outcomes for persons who are both homeless and have a mental illness; and

**WHEREAS,** the five eligible municipalities and counties include: Bexar, Dallas, Harris, Tarrant, and Travis; and

**WHEREAS,** on August 24, 2016, City Council authorized an amendment to Resolution No. 15-1893 to (a) correct the FY 2016 grant term from the Texas Department of State Health Services (DSHS) to provide services to the homeless through the Healthy Community Collaborative (HCC) grant from July 1, 2014 through August 31, 2017 to August 1, 2016 through August 31, 2017; (b) decrease appropriations in the FY 2016 HCC grant fund due to revision in the award amount by $1,113,607 from $2,613,607 to $1,500,000; (c) reduce the private 1:1 cash match from $2,613,607 to $1,500,000 to match the FY 2016 grant award; and (d) correct the Contract No. from 2014-04581-001B to 2016-049507-001; (2) acceptance of the FY 2017 HCC grant from DSHS (Contract No. 2016-049507-001) to (a) provide services to the homeless through the HCC in the amount of $2,613,607 for the period August 1, 2016 through August 31, 2017; and (b) a private 1:1 cash match in an amount not to exceed $2,613,607; and (3) execution of the grant agreement by Resolution No. 16-1387; and

**WHEREAS,** on September 28, 2016, City Council authorized a grant agreement with CitySquare to provide coordination/assessment, supportive services, expanded housing services for temporary shelters through outreach and housing units, residential treatment and detox treatment to homeless individuals through the Texas Department State Health Services through the Texas Department of State Health Services Healthy Community Collaborative Program for the period of August 1, 2016 through August 31, 2017, in an amount not to exceed $1,508,192, by Resolution No. 16-1568; and

**WHEREAS,** the City of Dallas is required to provide private cash contributions at a rate of $1 for every $1 of the contracted award amount for FY 2017; and

**WHEREAS,** CitySquare requested a contract amendment to decrease the contract amount by $650,467 as they were unable to match the original grant award; and

**WHEREAS,** The Healthy Community Collaborative amount of $650,467 was made available to the other collaborative partners so as not to lose funding for the community.

**NOW, THEREFORE,**

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

February 22, 2017

**Section 1.** That following approval as to form by the City Attorney, the City Manager is hereby authorized to **(1)** enter into Supplemental Agreement No. 1 to the contract with CitySquare to revise the budget amount and decrease the contract amount from $1,508,192 to $857,725 to provide coordination/assessment, supportive services, expanded housing services for temporary shelters through outreach and housing units, residential treatment and detox treatment to homeless individuals through the Texas Department of State Health Services Healthy Community Collaborative Program for the period August 1, 2016 through August 31, 2017; and **(2)** execute any and all documents required by the contract.

**Section 2.** That the Chief Financial Officer is hereby authorized to decrease disbursement of funds to CitySquare, Vendor No. VS0000000497, from Fund S290, Dept. HOU, Unit 2067, Object Code 3070, Encumbrance No. MASCHCCITYSQ17, in an amount not to exceed $650,467, from $1,508,192 to $857,725.

**Section 3.** 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.

**AGENDA ITEM # 42**

**KEY FOCUS AREA:** Clean, Healthy Environment

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Housing/Community Services

**CMO:** Alan Sims, Chief of Neighborhood Plus, 670-1611

**MAPSCO:** N/A

## SUBJECT

Authorize **(1)** Supplemental Agreement No. 1 to the contract with Shelter Ministries of Dallas dba Austin Street Center to revise the budget amount and increase the contract amount from $500,000 to $654,383 to provide expanded services with an intense, longer term transitional shelter program for homeless men and women with the addition of a Women's Day Resource Program, Housing Readiness Program and After Care Services through the Texas Department of State Health Services Healthy Community Collaborative Program for the period August 1, 2016 through August 31, 2017; and **(2)** execution of any and all documents required by the contract - Not to exceed $154,383, from $500,000 to $654,383 - Financing: FY 2017 Texas Department of State Health Services Grant Funds

## BACKGROUND

Senate Bill 58 of the 83rd regular legislative session amended Subtitle I, Title 4, of the Texas Government Code to add Chapter 539 establishing or expanding community collaborative projects to improve the access to care, quality/comprehensiveness of care, and outcomes for persons who are both homeless and have a mental illness. The Texas Department of State Health Services (DSHS) awarded funds to five Texas municipalities in counties with populations of more than one million, including Bexar, Dallas, Harris, Tarrant, and Travis.

Acceptable uses of the grant money require one for one matching funds to include the establishment or expansion of a community collaborative of service providers focused on meeting the needs of the mentally ill homeless population, the establishment, operation and/or maintenance of minimum services (assistance accessing benefits, detoxification units, integrated medical services, housing services and education, job training and/or supported employment).

## BACKGROUND (Continued)

On July 7, 2016, the Housing/Community Services Department posted a Request For Competitive Sealed Proposals (RFCSP) for agencies that serve the homeless. Shelter Ministries of Dallas dba Austin Street Center, which is located at 2929 Hickory Street, submitted an application for assistance in response to the RFCSP and was found to be responsive. Shelter Ministries of Dallas dba Austin Street Center is a Texas non-profit corporation with whom the City is in partnership to assist in serving homeless persons in the city limits of Dallas.

Members of the existing collaborative were invited to submit requests for additional funding as a result of other funding becoming available. Recommendations were made based on the original proposal score and the first quarter accomplishments. The match requirements and eligible activities have not changed. All current contractual requirements will remain the same.

Opened in 1983, Shelter Ministries dba Austin Street Center provides overnight shelter, food, clothes, showers, job training and case management for its internal programs and with co-located agencies to assist homeless persons to transition from homelessness. They serve more than 300 persons experiencing homelessness per year.

Each subcontractor is required to enter all Healthy Community Collaborative (HCC) clients and services in to the local Homeless Management Information System (HMIS). DSHS also requires that the subcontractors enter the participants into the Clinical Management for Behavioral Health Services (CMBHS), which is a web-based clinical record keeping system for state-contacted community mental health and substance abuse service provider.

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

On August 24, 2016, City Council authorized an amendment to Resolution No. 15-1893 to (a) correct the FY 2016 grant term from the Texas Department of State Health Services (DSHS) to provide services to the homeless through the Healthy Community Collaborative (HCC) grant from July 1, 2014 through August 31, 2017 to August 1, 2016 through August 31, 2017; (b) decrease appropriations in the FY 2016 HCC grant fund due to revision in the award amount by $1,113,607 from $2,613,607 to $1,500,000; (c) reduce the private 1:1 cash match from $2,613,607 to $1,500,000 to match the FY 2016 grant award; and (d) correct the Contract No. from 2014-04581-001B to 2016-049507-001; (2) acceptance of the FY 2017 HCC grant from DSHS (Contract No. 2016-049507-001) to (a) provide services to the homeless through the HCC in the amount of $2,613,607 for the period August 1, 2016 through August 31, 2017; and (b) a private 1:1 cash match in an amount not to exceed $2,613,607; and (3) execution of the grant agreement by Resolution No. 16-1387.

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

On September 28, 2016, City Council authorized a grant agreement with Shelter Ministries of Dallas dba Austin Street Center to provide expanded services with an intense, longer term transitional shelter program for homeless men and women with the addition of a Women's Day Resource Program, Housing Readiness Program and After Care Services through the Texas Department of State Health Services Healthy Community Collaborative Program for the period August 1, 2016 through August 31, 2017, by Resolution No. 16-1569.

Information about this item will be provided to the Housing Committee on February 21, 2017.

## FISCAL INFORMATION

$154,383 - FY 2017 Texas Department of State Health Services Grant Funds

## ETHNIC COMPOSITION

Shelter Ministries of Dallas dba Austin Street Center (Board of Directors)

| | | | |
|---|---|---|---|
| Black Female | 0 | Black Male | 0 |
| White Female | 7 | White Male | 4 |
| Hispanic Female | 0 | Hispanic Male | 1 |
| Other Female | 0 | Other Male | 0 |

**WHEREAS,** Senate Bill 58 of the 83rd regular legislative session amended Subtitle I, Title 4, of the Texas Government Code to add Chapter 539 establishing or expanding community collaborative projects to improve the access to the quality/comprehensiveness of care, and outcomes for persons who are both homeless and have a mental illness; and

**WHEREAS,** the five eligible municipalities and counties include: Bexar, Dallas, Harris, Tarrant, and Travis; and

**WHEREAS,** on August 24, 2016, City Council authorized an amendment to Resolution No. 15-1893 to (a) correct the FY 2016 grant term from the Texas Department of State Health Services (DSHS) to provide services to the homeless through the Healthy Community Collaborative (HCC) grant from July 1, 2014 through August 31, 2017 to August 1, 2016 through August 31, 2017; (b) decrease appropriations in the FY 2016 HCC grant fund due to revision in the award amount by $1,113,607 from $2,613,607 to $1,500,000; (c) reduce the private 1:1 cash match from $2,613,607 to $1,500,000 to match the FY 2016 grant award; and (d) correct the Contract No. from 2014-04581-001B to 2016-049507-001; (2) acceptance of the FY 2017 HCC grant from DSHS (Contract No. 2016-049507-001) to (a) provide services to the homeless through the HCC in the amount of $2,613,607 for the period August 1, 2016 through August 31, 2017; and (b) a private 1:1 cash match in an amount not to exceed $654,383607; and (3) execution of the grant agreement by Resolution No. 16-1387; and

**WHEREAS,** on September 28, 2016, City Council authorized a grant agreement with Shelter Ministries of Dallas dba Austin Street Center to provide expanded services with an intense, longer term transitional shelter program for homeless men and women with the addition of a Women's Day Resource Program, Housing Readiness Program and After Care Services through the Texas Department of State Health Services Healthy Community Collaborative Program for the period August 1, 2016 through August 31, 2017, in an amount not to exceed $500,000, by Resolution No. 16-1569; and

**WHEREAS,** the City of Dallas is required to provide private cash contributions at a rate of $1 for every $1 of the contracted award amount for FY 2017; and

**WHEREAS,** the City invited members of the existing collaborative to submit requests for additional funding as a result of other available funding; and

**WHEREAS,** Shelter Ministries of Dallas dba Austin Street Center submitted a request for additional funding in response to the invitation; and

**WHEREAS,** the City desires to contract with Shelter Ministries of Dallas dba Austin Street Center for the additional funding to serve mentally ill and substance abuse homeless individuals.

**NOW, THEREFORE,**

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

**Section 1.** That following approval as to form by the City Attorney, the City Manager is hereby authorized to **(1)** enter into Supplemental Agreement No. 1 to the contract with Shelter Ministries of Dallas dba Austin Street Center to revise the budget amount and increase the contract amount from $500,000 to $654,383 to provide expanded services with an intense, longer term transitional shelter program for homeless men and women with the addition of a Women's Day Resource Program, Housing Readiness Program and After Care Services through the Texas Department of State Health Services Healthy Community Collaborative Program for the period August 1, 2016 through August 31, 2017; and **(2)** execute any and all documents required by the contract.

**Section 2.** That the Chief Financial Officer is hereby authorized to disburse additional funds to Shelter Ministries of Dallas dba Austin Street Center, Vendor No. VC0000011655, from Fund S290, Dept. HOU, Unit 2066, Object Code 3070, Encumbrance No. MASCHCCMDALLAS17, in an amount not to exceed $154,383, from $500,000 to $654,383.

**Section 3.** 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.

**AGENDA ITEM # 43**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 7

**DEPARTMENT:** Housing/Community Services

**CMO:** Alan Sims, Chief of Neighborhood Plus, 670-1611

**MAPSCO:** 56C

## SUBJECT

Authorize an amendment to Resolution No. 15-0779, previously approved on April 22, 2015, for a development loan with East Dallas Community Organization, a certified Community Housing Development Organization and a Community Based Development Organization to **(1)** reduce the number of units to be developed from seven to five; and **(2)** extend the completion date from December 31, 2016 to February 22, 2018 for the Bexar Street Senior Project to be located on Macon Street and Starks Avenue - Financing: No cost consideration to the City

## BACKGROUND

In February 2015, East Dallas Community Organization (EDCO) submitted a proposal to the City of Dallas for the development of up to seven (7) affordable housing units for low-income seniors. To date they have completed predevelopment including acquisition, platting and plans for the homes. The current contract will provide interim construction financing for the units to be built and rented to eligible low and moderate income seniors.

EDCO initially requested to build seven units on five lots. They were in negotiations with a land owner who was cooperative in selling them a lot. After the owner's death, EDCO continued negotiations with a family member who ultimately decided not to sell. This caused EDCO delays in the platting which delayed construction, meanwhile development costs continued to rise. EDCO had difficulty obtaining a contractor to build due to competitive opportunities among contractors.

City Council approval of this agenda item will authorize the City Manager to modify the loan documents with EDCO for this project.

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

On April 22, 2015, City Council approved the Loan Agreement with East Dallas Community Organization for a housing development loan for the Bexar Street Senior Project to be located on Macon Street and Starks Avenue, by Resolution No. 15-0779.

Information about this item will be provided to the Housing Committee on February 21, 2017.

## FISCAL INFORMATION

No cost consideration to the City

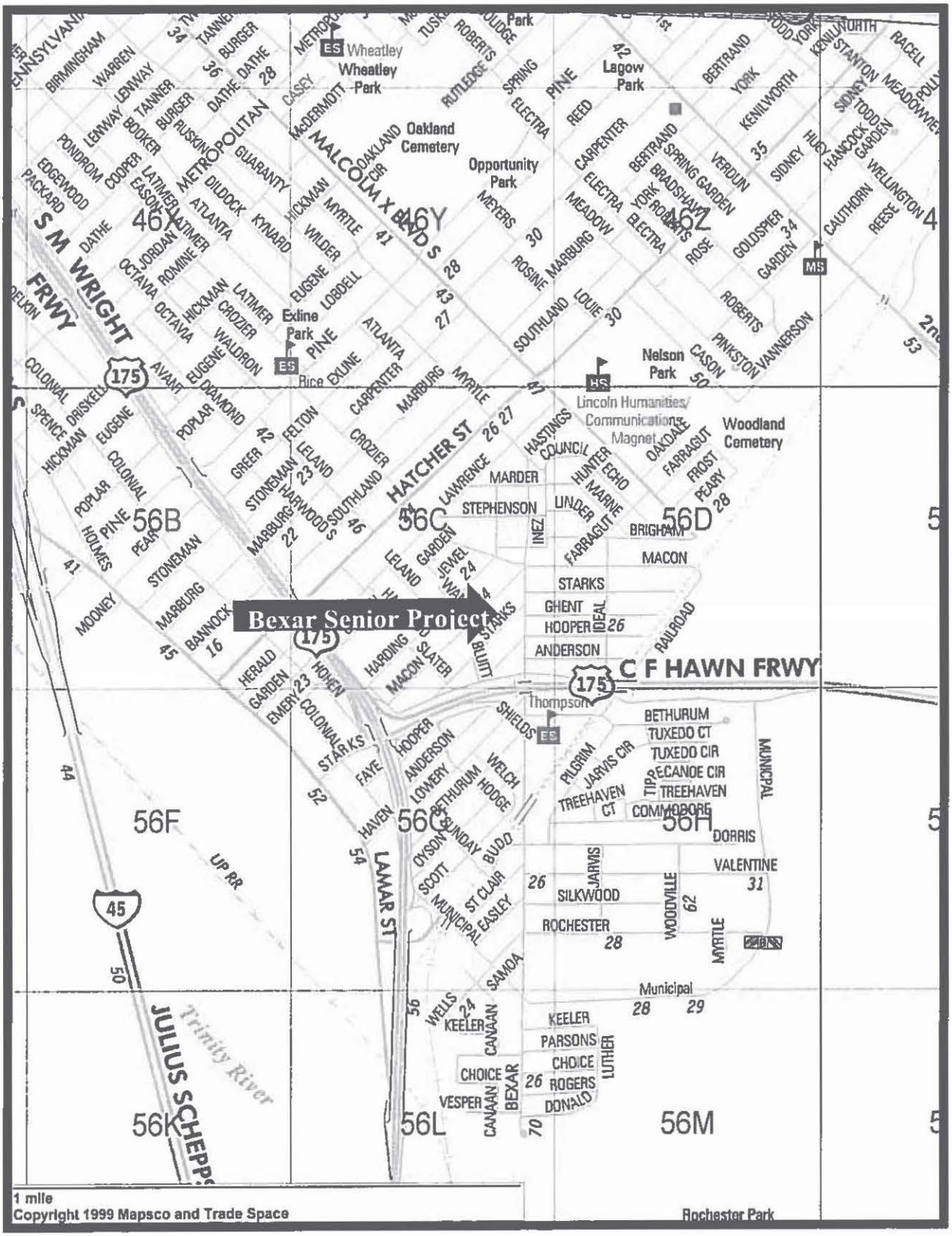
## OWNER/DEVELOPER

**East Dallas Community Organization**

Gerald Carlton, President

## MAP

Attached


Bexar Senior Project
C F HAWN FRWY
S M WRIGHT FRWY
MALCOLM X BLVD S
METROPOLITAN
HATCHER ST
LAMAR ST
JULIUS SCHEPPS
Trinity River
UP RR
Wheatley Park
Oakland Cemetery
Opportunity Park
Exline Park
Nelson Park
Lagow Park
Lincoln Humanities/ Communications Magnet
Woodland Cemetery
Thompson
Municipal
Rochester Park
46Y
46Z
56B
56C
56D
56F
56G
56H
56K
56L
56M
1 mile
Copyright 1999 Mapsco and Trade Space

**MAPSCO 56C**

**WHEREAS,** the development of owner occupied units for households with varied income levels is a high priority of the City of Dallas; and

**WHEREAS,** on April 22, 2015, City Council approved the Loan Agreement with East Dallas Community Organization for a housing development loan for the Bexar Street Senior Project to be located on Macon Street and Starks Avenue, by Resolution No. 15-0779; and

**WHEREAS,** the City desires for EDCO to develop units for low and moderate income seniors; **NOW, THEREFORE,**

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

**Section 1.** That following approval as to form by the City Attorney, the City Manager is authorized to amend Resolution No. 15-0779, approved by City Council on April 22, 2015, for a development loan with East Dallas Community Organization, a certified Community Housing Development Organization and a Community Based Development Organization to **(1)** reduce the number of units to be developed from seven to five; and **(2)** extend the completion date from December 31, 2016 to February 22, 2018 for the Bexar Street Senior Project to be located on Macon Street and Starks Avenue.

**Section 2.** The terms of the loan agreement include:

(a) EDCO must execute an amended note payable of $608,331 to the City of Dallas for the loan.
(b) EDCO will execute a lien through a Deed of Trust and deed restriction for a 20-year term for the affordable units.
(c) The loan will be forgiven at the end of the compliance period.
(d) EDCO will be responsible for paying taxes, insurance, maintenance, and property management.
(e) EDCO will have until February 22, 2018 to fully complete the project.
(f) EDCO must build and occupy the affordable units to low and moderate income seniors with incomes at or below 80% of area median family income.

**Section 3.** That the City Manager, upon approval as to form by the City Attorney, is authorized to execute releases of liens and terminate deed restrictions on the property upon compliance with the loan terms and deed restrictions.

**Section 4.** 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 loan, until such time as the loan documents are duly approved by all parties and executed.

**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.

**AGENDA ITEM # 44**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 4

**DEPARTMENT:** Housing/Community Services

**CMO:** Alan Sims, Chief of Neighborhood Plus, 670-1611

**MAPSCO:** 55B

## SUBJECT

Authorize an amendment to Resolution No. 15-1380, previously approved on August 12, 2015, with 2000 Roses Foundation, Inc. to **(1)** allow the unit to be rented to a qualified household; and **(2)** extend the agreement to May 30, 2017 to complete final paperwork for renovation of 220 North Cliff Street - Financing: No cost consideration to the City

## BACKGROUND

On June 12, 2013, City Council approved a project with 2000 Roses Foundation, Inc. for the renovation of 220 N. Cliff Street for $85,000. The renovations have been completed including roofing, windows, flooring, sheetrock, electrical, bathroom, kitchen, flooring, HVAC, exterior siding and trim and has been occupied by an eligible renter.

City Council approval of this item will allow documents to be amended to close the project.

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

On June 12, 2013, City Council approved the project with 2000 Roses Foundation, Inc. and the City of Dallas entered into a loan agreement for funding for the renovation of 220 N. Cliff Street and new construction of 1102 E. Ninth Street for $85,000, by Resolution No. 13-0994.

On August 27, 2014, City Council approved an amendment to the conditional grant to 2000 Roses Foundation, Inc., by Resolution No. 14-1375.

On August 12, 2015, City Council approved an amendment to the conditional grant to 2000 Roses Foundation, Inc., by Resolution No. 15-1380.

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

Information about this item will be provided to the Housing Committee on February 21, 2017.

## FISCAL INFORMATION

No cost consideration to the City

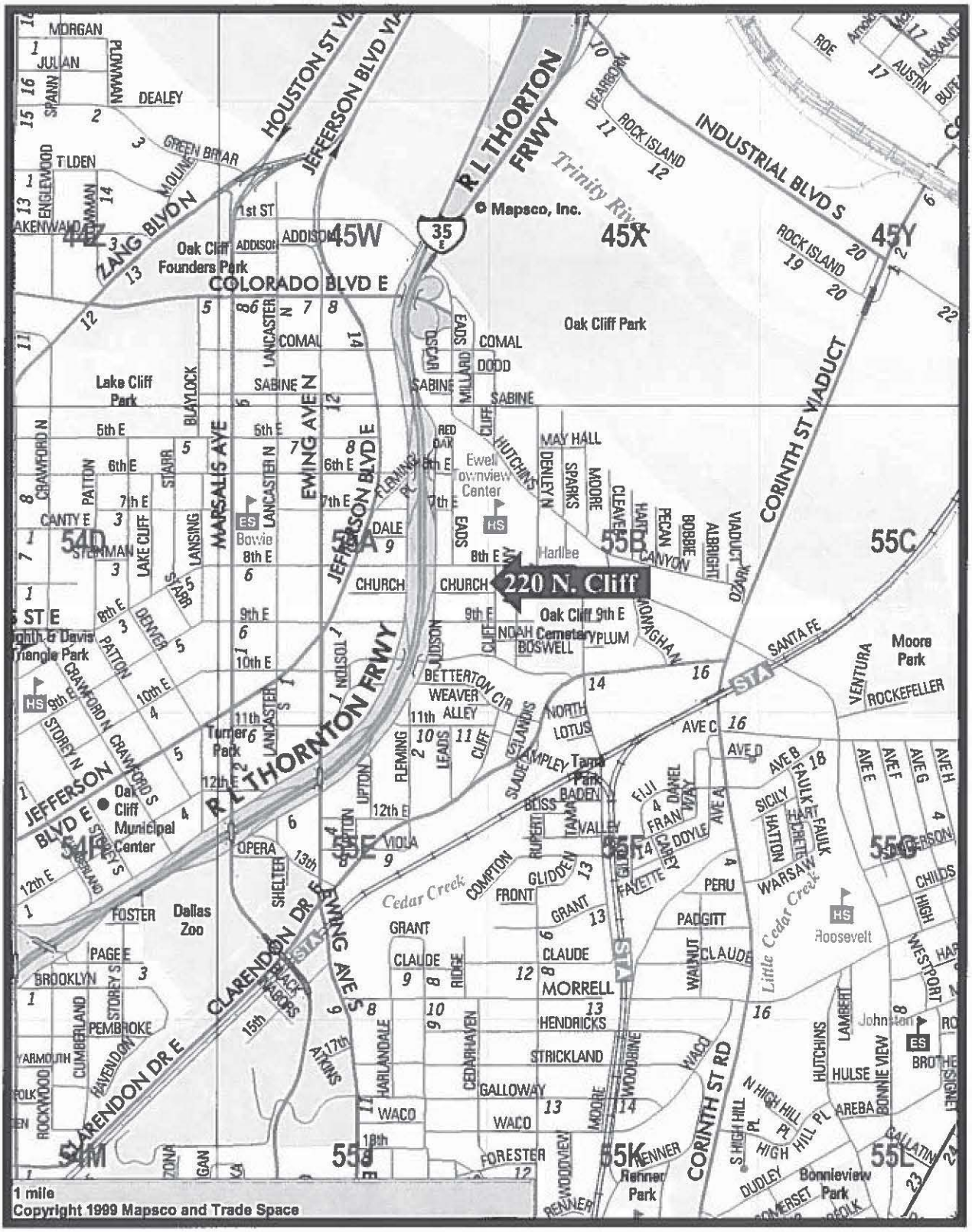
## OWNER/DEVELOPER

**2000 Roses Foundation, Inc.**

Alonzo Harris, President

## MAP

Attached


220 N. Cliff
R L THORNTON FRWY
INDUSTRIAL BLVD S
CORINTH ST VIADUCT
HOUSTON ST VIA
JEFFERSON BLVD VIA
COLORADO BLVD E
EWING AVE N
MARSALIS AVE
CLARENDON DR E
JEFFERSON BLVD E
Trinity River
Oak Cliff Park
Lake Cliff Park
Oak Cliff Founders Park
Oak Cliff Municipal Center
Dallas Zoo
Turner Park
Bowie
Ewell Townview Center
Harllee
Moore Park
Roosevelt
Renner Park
Bonnieview
Cedar Creek
Little Cedar Creek
© Mapsco, Inc.
1 mile
Copyright 1999 Mapsco and Trade Space

**MAPSCO 55B**

February 22, 2017

**WHEREAS,** on June 12, 2013, City Council approved the project with 2000 Roses Foundation, Inc. and the City of Dallas entered into a loan agreement for funding for the renovation of 220 N. Cliff Street and new construction of 1102 E. Ninth Street for $85,000, by Resolution No. 13-0994; and

**WHEREAS,** on August 27, 2014, City Council approved an amendment to the conditional grant to 2000 Roses Foundation, Inc., by Resolution No. 14-1375; and

**WHEREAS,** on August 12, 2015, City Council approved an amendment to the conditional grant to 2000 Roses Foundation, Inc., by Resolution No. 15-1380; and

**WHEREAS,** 2000 Roses Foundation, Inc. desires to complete the project; **NOW, THEREFORE,**

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

**Section 1.** That the City Manager or designee, upon approval as to form by the City Attorney, is authorized to amend Resolution No. 15-1380, previously approved on August 12, 2015, with 2000 Roses Foundation, Inc. to (1) allow the unit to be rented to a qualified household; and (2) extend the agreement to May 30, 2017 to complete final paperwork for renovation of 220 North Cliff Street.

**Section 2.** The terms of the agreement include:

(a) Borrower must execute an amendment to the Note.
(b) Borrower must complete and sell or rent 220 N. Cliff to a family whose income is 140% or less of area median family income by the maturity date.
(c) Borrower will be released from liability on the Note at the same time the family closes or rents the home.
(d) Property will be deed restricted for 140% or less of Area Median Family Income for sale or rent for a period of ten years.

**Section 3.** That the City Manager, upon approval as to form by the City Attorney, is authorized to execute releases of liens and terminate deed restrictions on the property upon compliance with the loan terms and deed restrictions.

**Section 4.** That nothing in this resolution shall be construed as a binding contract or agreement upon the City, that it is subject to available funds and there will be no liability or obligation on the City until final contract documents are approved, executed, and final closing completed.

**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.

**AGENDA ITEM # 45**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 7

**DEPARTMENT:** Housing/Community Services

**CMO:** Alan Sims, Chief of Neighborhood Plus, 670-1611

**MAPSCO:** 48V

## SUBJECT

Authorize an amendment to Resolution No. 16-0168, previously approved on January 27, 2016, to extend the completion date of each agreement to May 30, 2017, for two separate loan agreements with Builders of Hope CDC for two separate phases of the Prairie Creek project to complete final paperwork - Financing: No cost consideration to the City

## BACKGROUND

In 2009, this project received HOME funds in the amount of $500,000 for acquisition of 40 lots for the Prairie Creek project. This loan agreement, as amended, calls for 40 single family homes to be built on the lots and sold by December 31, 2015. Additionally, by Resolution No. 14-1488, this project also received $480,000 as gap financing for the construction of sixteen of the 40 homes. This loan agreement required completion and sale of the sixteen units by December 31, 2016.

Builders of Hope CDC (BOH) had a change in executive staff that resulted in some delay in the completion of this project. To-date, BOH has built and sold all 40 homes involved in this project to low-moderate income families at or below 80% of Area Median Family Income. BOH has requested an extension to complete the closing of the loans for release of liens and for reimbursement on costs associated with construction of the final units.

The extension of the maturity dates of the two loan agreements will allow staff to complete final paperwork for project closeout.

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

On September 10, 2014, City Council authorized (1) an extension to the development loan agreement with Builders of Hope CDC, Prairie Creek Project for acquisition and related acquisition costs of 40 unimproved properties to December 31, 2015; and (2) a development loan in the amount of $480,000 for the construction of the final sixteen homes by Resolution No. 14-1488.

On January 27, 2016, City Council authorized an amendment to Resolution No. 14-1488 to extend the completion date of each agreement to December 31, 2016, for two separate loan agreements with Builders of Hope CDC for two separate phases of the Prairie Creek project by Resolution No. 16-0168.

Information about this item will be provided to the Housing Committee on February 21, 2017.

## FISCAL INFORMATION

No cost consideration to the City

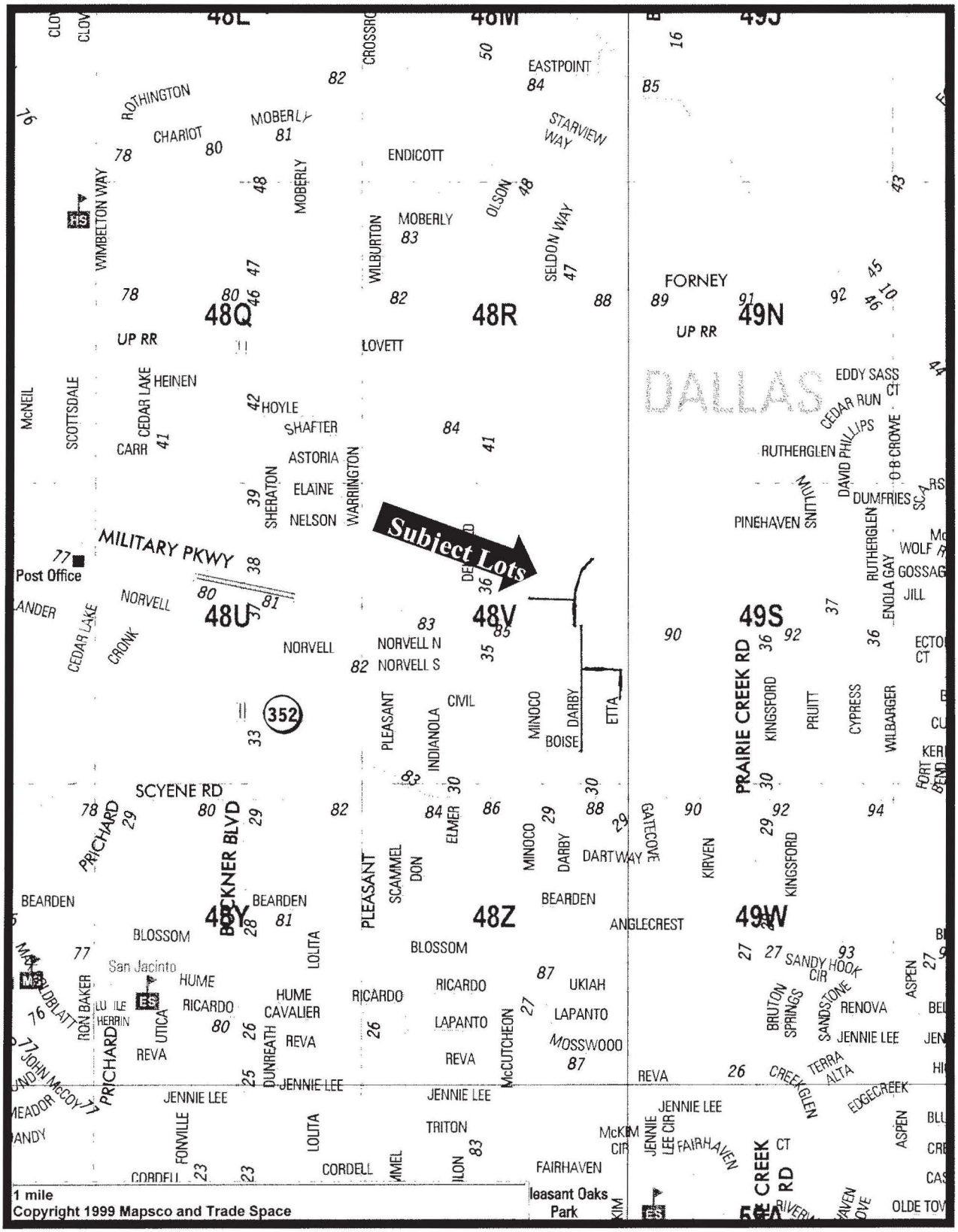
## OWNER/DEVELOPER

**Builders of Hope CDC**

Damon Polk, President

## MAP

Attached


48L
48M
49J
48Q
48R
49N
48U
48V
49S
48Y
48Z
49W
Subject Lots
MILITARY PKWY
Post Office
SCYENE RD
BUCKNER BLVD
PRAIRIE CREEK RD
DALLAS
FORNEY
UP RR
LOVETT
ROTHINGTON
CHARIOT
MOBERLY
ENDICOTT
EASTPOINT
STARVIEW WAY
WIMBELTON WAY
WILBURTON
OLSON
SELDON WAY
HEINEN
CEDAR LAKE
HOYLE
SHAFTER
ASTORIA
ELAINE
NELSON
SHERATON
WARRINGTON
SCOTTSDALE
McNEIL
CARR
NORVELL
CRONK
NORVELL N
NORVELL S
PLEASANT
INDIANOLA
CIVIL
MINOCO
DARBY
ETTA
BOISE
PRICHARD
SCAMMEL
DON
ELMER
DARTWAY
GATECOVE
KIRVEN
KINGSFORD
PRUITT
CYPRESS
WILBARGER
BEARDEN
BLOSSOM
LOLITA
HUME
RICARDO
CAVALIER
REVA
DUNREATH
JENNIE LEE
TRITON
McCUTCHEON
LAPANTO
UKIAH
MOSSWOOD
ANGLECREST
SANDY HOOK CIR
BRUTON SPRINGS
SANDSTONE
RENOVA
TERRA ALTA
CREEKGLEN
EDGECREEK
JENNIE LEE CIR
FAIRHAVEN
McKIM CIR
CORDELL
FONVILLE
CARDINAL
ILON
CEDAR RUN CT
EDDY SASS CT
DAVID PHILLIPS
O B CROWE
RUTHERGLEN
DUMFRIES
PINEHAVEN
SMITHLAW
RUTHERGLEN
ENOLA GAY
JILL
WOLF
GOSSAGE
ECTOR CT
ASPEN
CREEK RD
OLDE TOWN
Pleasant Oaks Park
352
1 mile
Copyright 1999 Mapsco and Trade Space

**MAPSCO 48V**

February 22, 2017

**WHEREAS,** the development of owner occupied units for households with varied income levels is a high priority of the City of Dallas; and

**WHEREAS,** on September 10, 2014, City Council authorized (1) an extension to the development loan agreement with Builders of Hope CDC, Prairie Creek Project for acquisition and related acquisition costs of 40 unimproved properties to December 31, 2015; and (2) a development loan in the amount of $480,000 for the construction of the final sixteen homes by Resolution No. 14-1488; and

**WHEREAS,** on January 27, 2016, City Council authorized an amendment to Resolution No. 14-1488 to extend the completion date of each agreement to December 31, 2016, for two separate loan agreements with Builders of Hope CDC for two separate phases of the Prairie Creek project by Resolution No. 16-0168; and

**WHEREAS,** Builders of Hope CDC (BOH) desires to continue their efforts to complete the close out of the project; **NOW, THEREFORE,**

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

**Section 1.** That following approval as to form by the City Attorney, the City Manager is authorized to amend Resolution No. 16-0168, previously approved on January 27, 2016, to extend the completion date of each agreement to May 30, 2017, for two separate loan agreements with Builders of Hope CDC for two separate phases of the Prairie Creek project to complete final paper work.

**Section 2.** That the terms of the agreement will include:

(a) Borrower must execute an amended Notes Payable and Deed Restrictions.
(b) BOH must complete and sell or rent the remaining homes to low-to-moderate income families whose incomes are 80% or less of Area Median Family Income by the maturity date.
(c) Borrower will be released from liability on the Note at the same time the low-to-moderate income family closes the purchase on the home.
(d) Properties will be deed restricted for affordability at 80% or less of Area Median Family Income for sale and resale to eligible homebuyers for a period of fifteen years.
(e) The City will subordinate to the interim construction lender for the construction of each unit.

**Section 3.** That the City Manager, upon approval as to form by the City Attorney, is authorized to execute the agreement described herein, as well as releases of liens and terminations of deed restrictions on the property upon compliance with the loan terms and deed restrictions for forgiveness of debt.

**Section 4.** 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 loan, until such time as the loan documents are duly approved by all parties and executed.

**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.

**AGENDA ITEM # 46**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 6

**DEPARTMENT:** Housing/Community Services

**CMO:** Alan Sims, Chief of Neighborhood Plus, 670-1611

**MAPSCO:** 43E, F, K ,P; 44J, K, N

## SUBJECT

Authorize an amendment to Resolution No. 16-0169, previously approved on January 27, 2016, to extend the completion date of each agreement to December 31, 2017, for two separate loan agreements with Builders of Hope CDC for two separate phases of the West Dallas project to complete final paperwork - Financing: No cost consideration to the City

## BACKGROUND

In 2009 this project received HOME funds in the amount of $547,000 for acquisition of 22 scattered sites lots in West Dallas. This loan agreement, as amended, calls for 22 single family homes to be built on the lots and sold by December 31, 2016. Additionally, by Resolution No. 14-1633, this project also received $521,400 as gap financing for the construction eleven of the 22 homes. This loan agreement required completion and sale of its eleven units by December 31, 2016.

In August 2015, Builders of Hope CDC (BOH) had a change in executive staff that resulted in some delays in the completion of this project. To-date, BOH has built all 22 homes associated with the project and sold 18 of the 22 units to low-moderate income families at or below 80% of Area Median Family Income. BOH has approved the homebuyers for the remaining four units and is awaiting loan closing.

The extension of the maturity dates in the two loan agreements will allow staff to complete final paperwork for project closeout.

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

On September 24, 2014, City Council authorized (1) an extension to the development loan agreement with Builders of Hope CDC, West Dallas Project for acquisition and related acquisition costs of 22 unimproved properties to December 31, 2015; and (2) a development loan in the amount of $521,400 for the construction of the final eleven homes by Resolution No. 14-1633.

On January 27, 2016, City Council authorized an amendment to Resolution No. 14-1633 to extend the completion date of each agreement to December 31, 2016, for two separate loan agreements with Builders of Hope CDC for two separate phases of their West Dallas project by Resolution No. 16-0169.

Information about this item will be provided to the Housing Committee on February 21, 2017.

## FISCAL INFORMATION

No cost consideration to the City

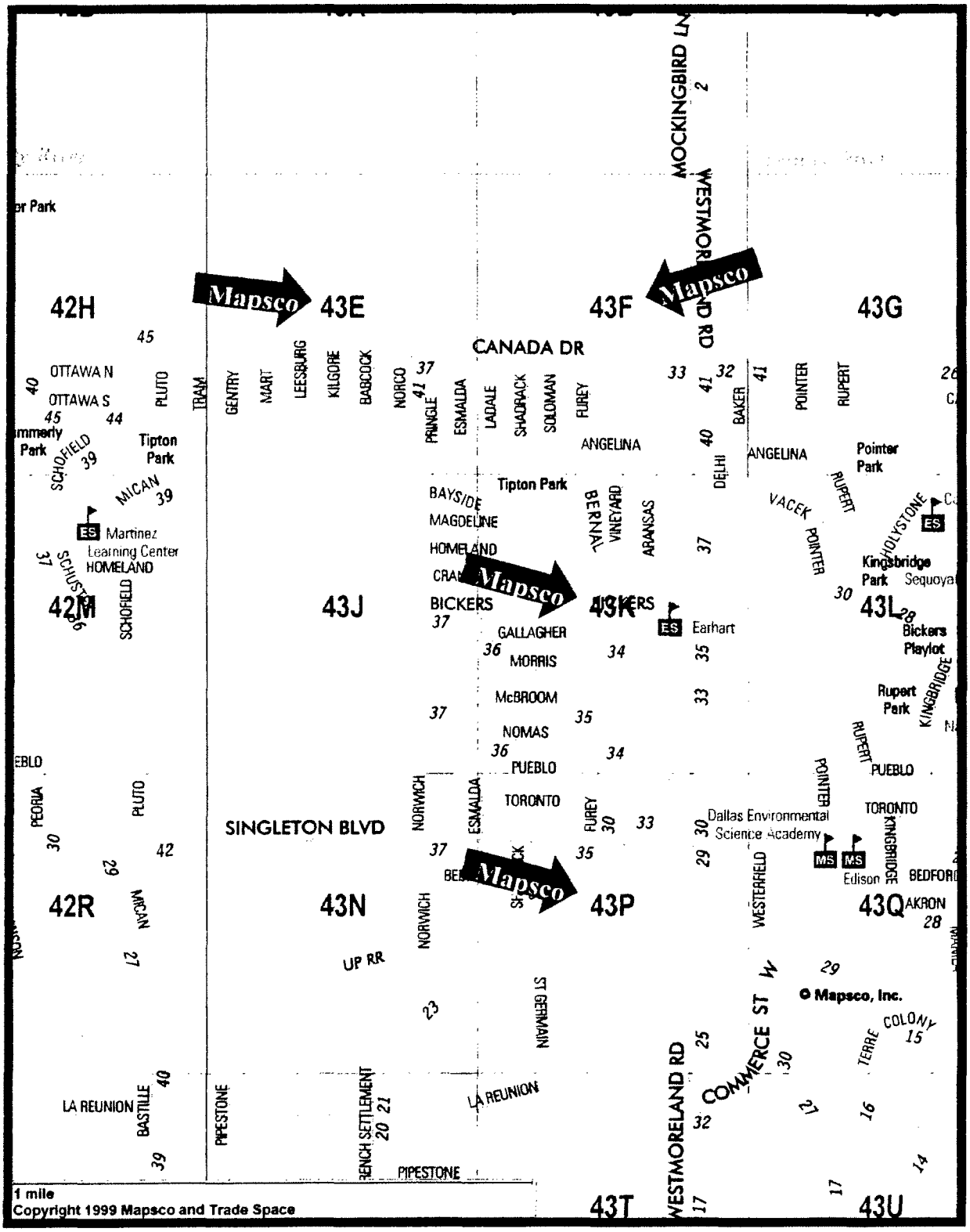
## OWNER/DEVELOPER

**Builders of Hope CDC**

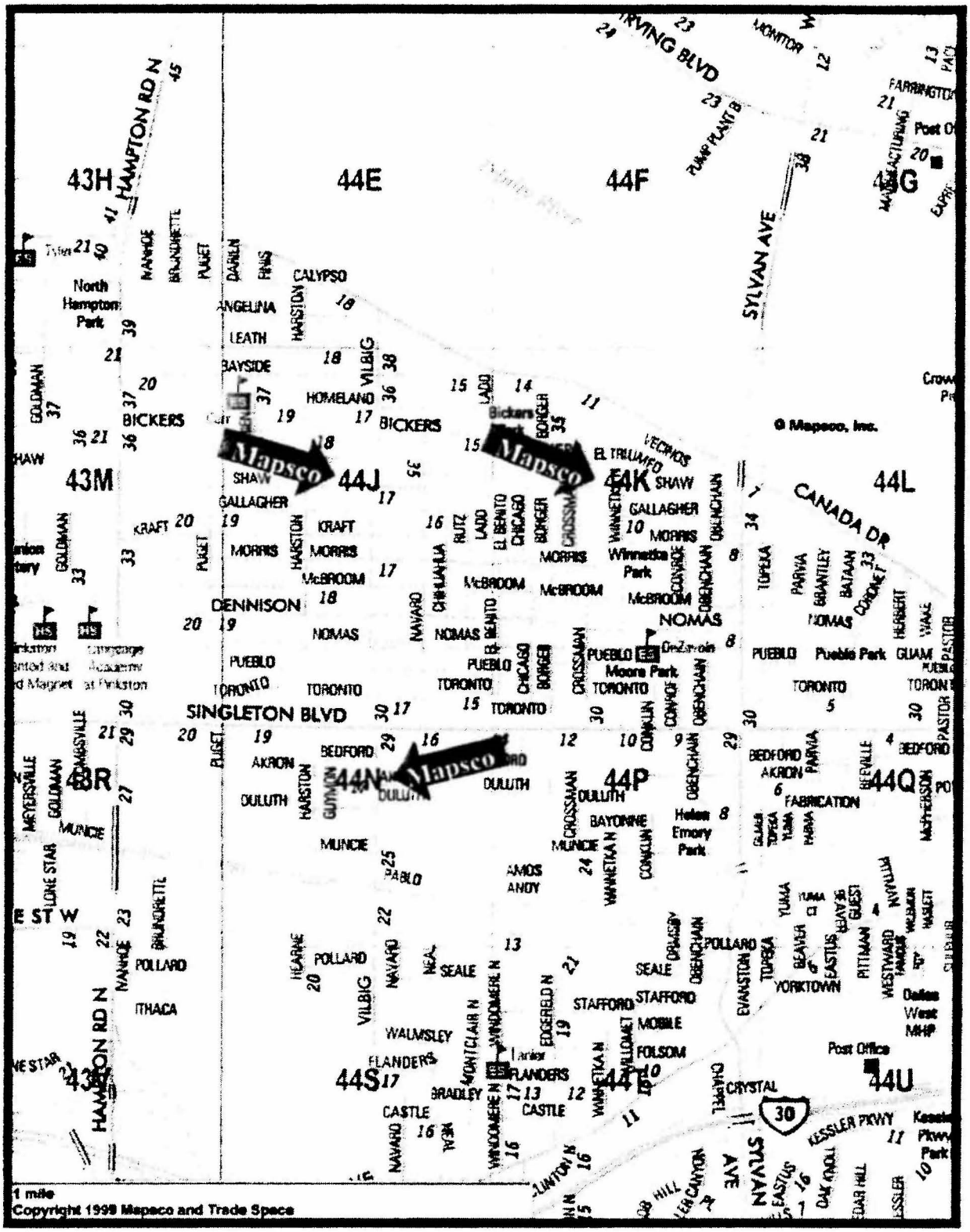
Damon Polk, President

## MAPS

Attached




# MAPSCO 43E, F, K & P




**MAPSCO 44J, K & N**

**WHEREAS,** the development of owner occupied units for households with varied income levels is a high priority of the City of Dallas; and

**WHEREAS,** on September 24, 2014, City Council authorized (1) an extension to the development loan agreement with Builders of Hope CDC, West Dallas Project for acquisition and related acquisition costs of 22 unimproved properties to December 31, 2015; and (2) a development loan in the amount of $521,400 for the construction of the final eleven homes by Resolution No. 14-1633; and

**WHEREAS,** on January 27, 2016, City Council authorized an amendment to Resolution No. 14-1633 to extend the completion date of each agreement to December 31, 2016, for two separate loan agreements with Builders of Hope CDC for two separate phases of their West Dallas project by Resolution No. 16-0169; and

**WHEREAS,** the City desires for Builders of Hope CDC (BOH) to continue its efforts to develop housing units for varied income families; **NOW, THEREFORE,**

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

**Section 1.** That following approval as to form by the City Attorney, the City Manager is authorized to amend Resolution No. 16-0169, previously approved on January 27, 2016, to extend the completion date of each agreement to December 31, 2017, for two separate loan agreements with Builders of Hope CDC for two separate phases of the West Dallas project to complete final paperwork.

**Section 2.** That the terms of the agreement will include:

(a) Borrower must execute a Notes Payable and Deed Restrictions.
(b) BOH must complete and sell or rent the remaining homes to low-to-moderate income families whose incomes are 80% or less of Area Median Family Income by the maturity date.
(c) Borrower will be released from liability on the Note at the same time the low-to-moderate income family closes the purchase on the home.
(d) Properties will be deed restricted for affordability at 80% or less of Area Median Family Income for sale and resale to eligible homebuyers for a period of fifteen years.
(e) The City will subordinate to the interim construction lender for the construction of each unit.

**Section 3.** That the City Manager, upon approval as to form by the City Attorney, is authorized to execute the agreement described herein, as well as releases of liens and terminations of deed restrictions on the property upon compliance with the loan terms and deed restrictions for forgiveness of debt.

**Section 4.** 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 loan, until such time as the loan documents are duly approved by all parties and executed.

**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.

**AGENDA ITEM # 47**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 7

**DEPARTMENT:** Housing/Community Services

**CMO:** Alan Sims, Chief of Neighborhood Plus, 670-1611

**MAPSCO:** 47S

## SUBJECT

Authorize an amendment to Resolution No. 16-0279, previously approved on February 10, 2016, for a conditional grant agreement with KKBK Properties, LLC, or its wholly owned subsidiary, for the Hatcher Gardens Project for construction of commercial and residential units at 4002 Hatcher Street to extend the completion date from December 31, 2016 to August 31, 2017 - Financing: No cost consideration to the City

## BACKGROUND

In June 2013, KKBK Properties, LLC, or its wholly owned subsidiary, and the City of Dallas entered into a conditional grant agreement for funding for Hatcher Gardens Project for $300,000 for the construction of a mixed use building to include two commercial units of approximately 800 square feet per unit and ten apartment units at 4002 Hatcher Street. The site is located immediately south of the DART Green Line Hatcher Station.

The Hatcher Gardens Project will serve a mixed income and mixed use purpose and further economic development in the area. The development owner/partners include Craig Gant, Esq., Jerry Hicks, Esq., and Kurt Thomas.

To date, the developer has completed 95% of the construction of the residential units including exterior of the building, parking lot, and most of the interior. The interior finish-out for the commercial spaces still remains to be completed. The developer experienced some delays due to weather, scope of work changes, and a change in the general contractor.

This action would allow KKBK Properties, LLC, or its wholly owned subsidiary, to continue their efforts to complete the construction of this mixed use building that is deed restricted for ten years and to occupy the apartment units with tenants at or below 140% Area Median Family Income.

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

On June 26, 2013, City Council authorized a conditional grant agreement with KKBK Properties, LLC, or its wholly owned subsidiary, to provide funding for the construction of commercial and residential units at 4002 Hatcher Street by Resolution No. 13-1105.

On January 28, 2015, City Council authorized an extension to the conditional grant agreement with KKBK Properties, LLC, or its wholly owned subsidiary, from December 31, 2014 to December 31, 2015, for the construction of commercial and residential units for the Hatcher Gardens Project by Resolution No. 15-0169.

On February 10, 2016, City Council authorized an amendment to Resolution No. 15-0169 to the conditional grant agreement to extend the completion date from December 31, 2015 to December 31, 2016, by Resolution No. 16-0279.

Information about this item will be provided to the Housing Committee on February 21, 2017.

## FISCAL INFORMATION

No cost consideration to the City

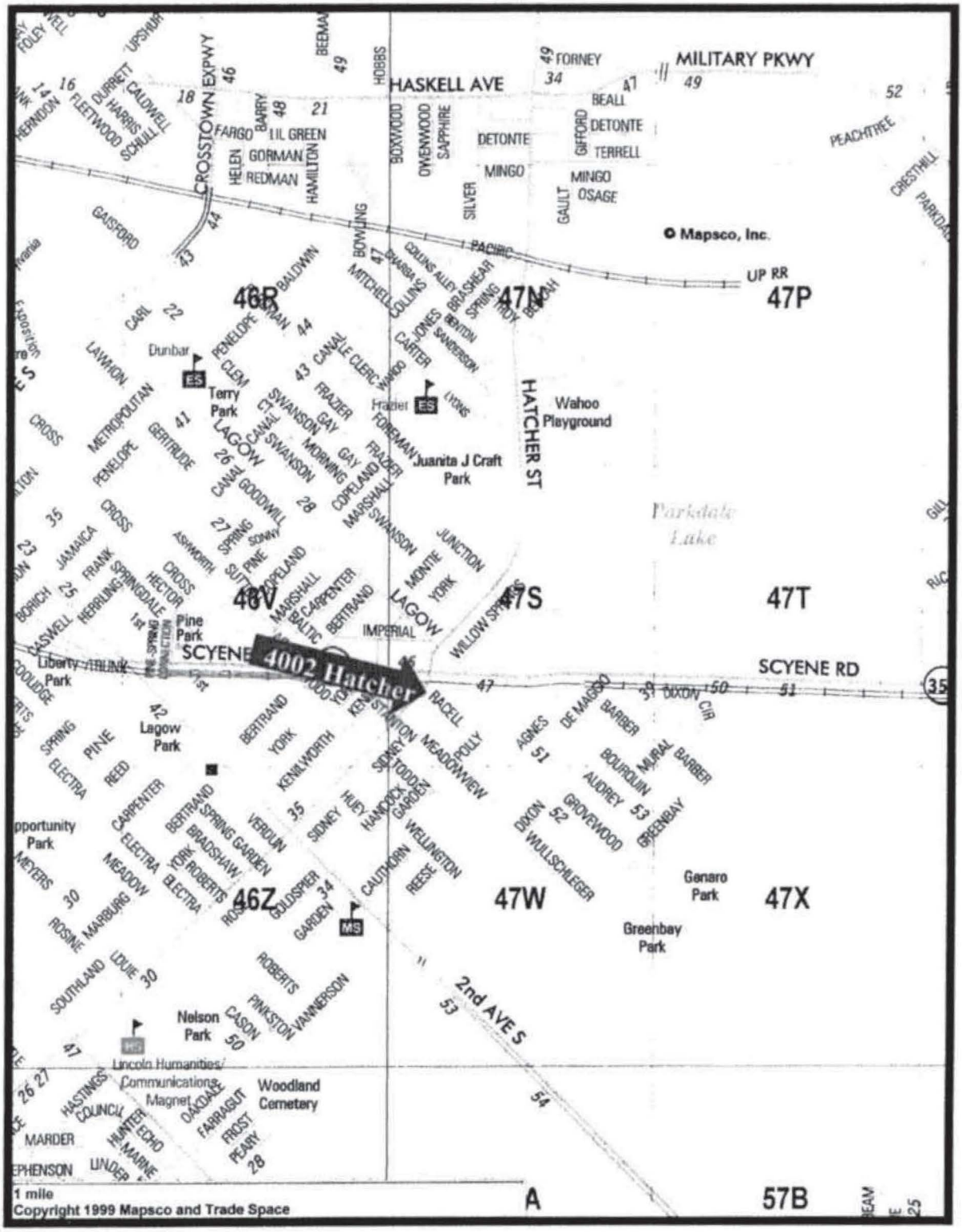
## OWNER/DEVELOPER

**KKBK Properties, LLC**

Craig Gant, Esq.
Jerry Hicks, Esq.
Kurt Thomas

## MAP

Attached


HASKELL AVE
MILITARY PKWY
FORNEY
BEALL
DETONTE
TERRELL
MINGO
OSAGE
PEACHTREE
CRESTHILL
CROSSTOWN EXPWY
FARGO
LIL GREEN
GORMAN
REDMAN
HAMILTON
BOXWOOD
OWENWOOD
SAPPHIRE
SILVER
GAULT
GIFFORD
GAISFORD
BOWLING
PACIFIC
UP RR
© Mapsco, Inc.
46R
47N
47P
46V
47S
47T
46Z
47W
47X
HATCHER ST
Wahoo Playground
Juanita J Craft Park
Parkdale Lake
Dunbar
Terry Park
Hatcher
Pine Park
Liberty Park
SCYENE
4002 Hatcher
SCYENE RD
Lagow Park
Opportunity Park
Genaro Park
Greenbay Park
Nelson Park
Lincoln Humanities/ Communications Magnet
Woodland Cemetery
2nd AVE S
1 mile
Copyright 1999 Mapsco and Trade Space

**MAPSCO 47S**

**WHEREAS,** the development of owner occupied units for households with varied income levels is a high priority of the City of Dallas to create more housing choices; and

**WHEREAS,** on June 26, 2013, City Council authorized a conditional grant agreement in the amount of $300,000 with KKBK Properties, LLC, or its wholly owned subsidiary, to provide funding for the construction of commercial and residential units at 4002 Hatcher Street by Resolution No. 13-1105; and

**WHEREAS,** January 28, 2015, City Council authorized an extension to the conditional grant agreement with KKBK Properties, LLC, or its wholly owned subsidiary, from December 31, 2014 to December 31, 2015, for the construction of commercial and residential units for the Hatcher Gardens Project by Resolution No. 15-0169; and

**WHEREAS,** on February 10, 2016, City Council authorized an amendment to Resolution No. 15-0169 to the conditional grant agreement to extend the completion date from December 31, 2015 to December 31, 2016, by Resolution No. 16-0279; and

**WHEREAS,** the City desires for KKBK Properties, LLC, or its wholly owned subsidiary, to develop housing units for low and moderate income families; **NOW, THEREFORE,**

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

**Section 1.** That following approval as to form by the City Attorney, the City Manager is authorized to amend Resolution No. 16-0279, previously approved on February 10, 2016, for a conditional grant agreement with KKBK Properties, LLC, or its wholly owned subsidiary, for the Hatcher Gardens Project for construction of commercial and residential units at 4002 Hatcher Street to extend the completion date from December 31, 2016 to August 31, 2017.

**Section 2.** The terms of the agreement will include:

(a) Borrower must execute a performance Deed of Trust and Deed Restriction.
(b) KKBK Properties, LLC, or its wholly owned subsidiary, must complete the commercial and affordable units and rent the units to low-to-moderate income families whose incomes are 140% or less of Area Median Family Income (AMFI) by the maturity date.
(c) The lien will be released after completion of construction and occupancy of the units to households at or below 140% AMFI.
(d) The property will be deed restricted for affordability at 140% or less of AMFI for rent to eligible households for a period of ten years.
(e) The City will subordinate to the interim construction lender for the construction of each unit.

**Section 3.** That the City Manager, upon approval as to form by the City Attorney, is authorized to execute the agreement described herein, as well as releases of liens and terminations of deed restrictions on the property upon compliance with the loan terms and deed restrictions for forgiveness of debt.

**Section 4.** 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 loan, until such time as the loan documents are duly approved by all parties and executed.

**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.

**AGENDA ITEM # 48**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 8

**DEPARTMENT:** Housing/Community Services

**CMO:** Alan Sims, Chief of Neighborhood Plus, 670-1611

**MAPSCO:** 70N

## SUBJECT

Authorize an amendment to Resolution No. 16-0841, previously approved on May 25, 2016, for a conditional grant agreement with Camden Homes at Shady Oaks, LLC for construction of single family homes for the Shady Oaks Project located at Highway 175 and South Woody Road to **(1)** reduce the number of houses to be built from 40 to 19; and **(2)** reduce the conditional grant amount by $630,000, from $1,200,000 to $570,000 - Financing: No cost consideration to the City

## BACKGROUND

On January 14, 2016, the City posted a Notice of Funding Availability (NOFA) for Owner Occupied Housing Development Projects requesting developers to submit proposals to build owner occupied homes in the city limits of Dallas.

Simmie Cooper and Cyrus Akhavizadeh with Camden Homes at Shady Oaks, LLC submitted a proposal to the City of Dallas for the development of 40 scattered housing units for mixed-income families. Camden Homes at Shady Oaks, LLC has over 18 years of experience as a homebuilder under Camden Homes, LLC having constructed over 3,000 homes since 1995.

Camden Homes at Shady Oaks, LLC owned 19 of the 40 lots and had obtained private interim construction financing for the construction costs. The purchase contract for the remaining 21 lots did not occur; therefore, the City will only provide gap financing for 19 homes.

The single family homes will be 3 and 4 bedrooms with 2-2.5 baths and 2 car garages with approximately 1,450-1,937 sq. ft. The construction and occupancy of the units will be completed within two years. A lien will be placed on the property for performance purposes and released on a partial basis as each City unit is built out and sold to a homebuyer. Estimated private leverage will be $3,515,000.

## BACKGROUND (Continued)

City Council approval of this item will authorize the City Manager to execute the amended conditional grant agreement with Camden Homes at Shady Oaks, LLC for these funds.

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

On January 13, 2016, City Council approved the Owner Occupied Housing Development Program Statement by Resolution No. 16-0079.

On May 25, 2016, City Council authorized a conditional grant agreement with Camden Homes at Shady Oaks, LLC for the construction of 40 single family homes for the Shady Trail Project located at Highway 175 and South Woody Road by Resolution No. 16-0841.

Information about this item will be provided to the Housing Committee on February 21, 2017.

## FISCAL INFORMATION

No cost consideration to the City

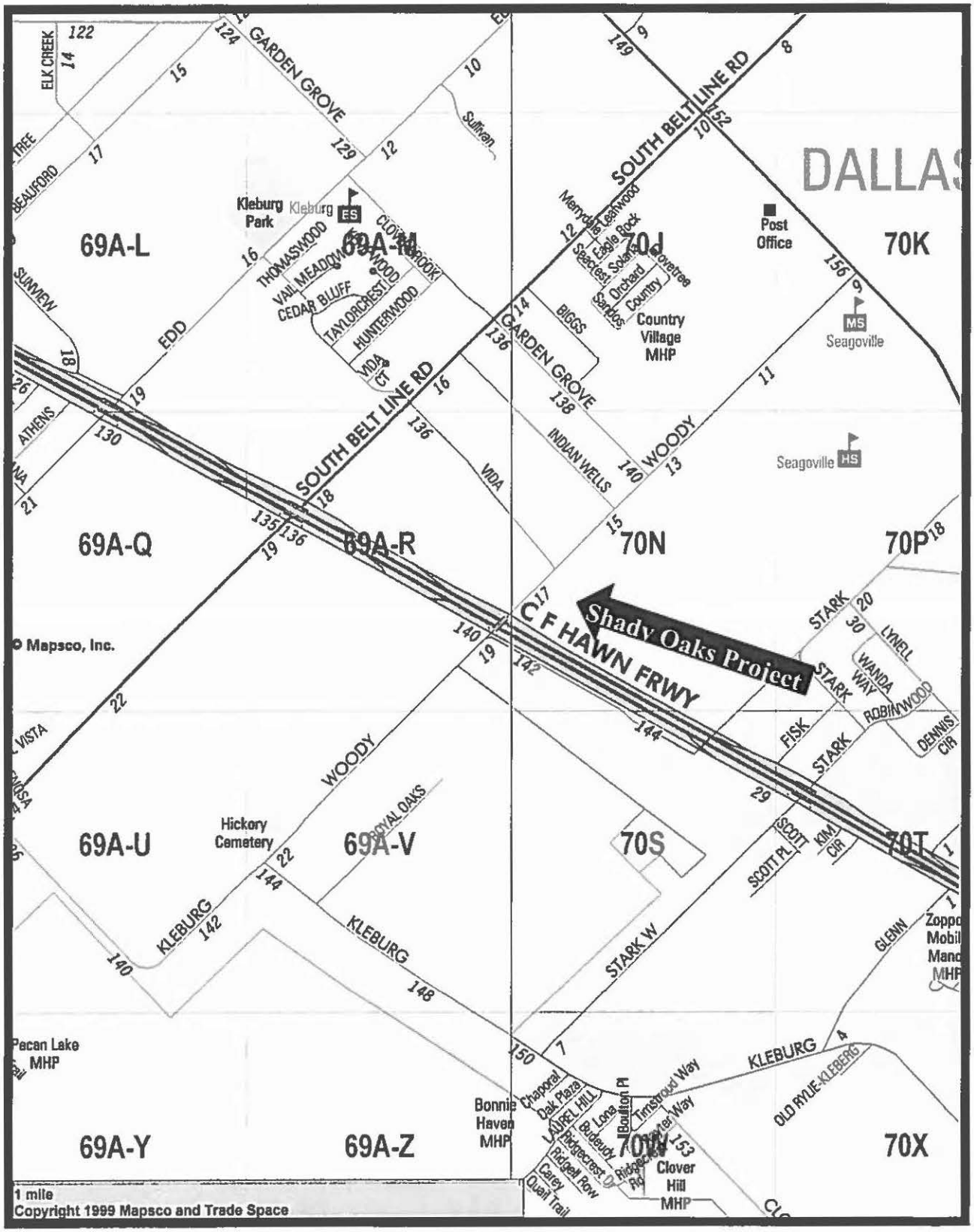
## OWNER/DEVELOPER

**Camden Homes at Shady Oaks, LLC**

Simmie Cooper, Partner
Ted Akhavizadeh, Partner
Cyrus Akhavizadeh, Partner

## MAP

Attached


Shady Oaks Project
C F HAWN FRWY
SOUTH BELT LINE RD
GARDEN GROVE
WOODY
KLEBURG
STARK
STARK W
FISK
ROBINWOOD
LYNELL
WANDA WAY
DENNIS CIR
SCOTT
SCOTT PL
KIM CIR
GLENN
OLD RYLIE-KLEBERG
VIDA
INDIAN WELLS
BIGGS
ELK CREEK
SUNVIEW
EDD
ATHENS
THOMASWOOD
VAIL MEADOW
CEDAR BLUFF
TAYLORCREST
HUNTERWOOD
VIDA CT
Kleburg Park
Kleburg ES
Country Village MHP
Post Office
Seagoville
Seagoville HS
Hickory Cemetery
Pecan Lake MHP
Bonnie Haven MHP
Clover Hill MHP
69A-L
69A-M
69A-Q
69A-R
69A-U
69A-V
69A-Y
69A-Z
70J
70K
70N
70P
70S
70T
70W
70X
© Mapsco, Inc.
1 mile
Copyright 1999 Mapsco and Trade Space

**MAPSCO 70N**

February 22, 2017

**WHEREAS,** the development of owner occupied units for households with varied income levels is a high priority of the City of Dallas to create more housing choices; and

**WHEREAS,** on January 13, 2016, City Council approved the Owner Occupied Housing Development Program Statement by Resolution No. 16-0079; and

**WHEREAS,** on May 25, 2016, City Council authorized a conditional grant agreement with Camden Homes at Shady Oaks, LLC for the construction of 40 single family homes for the Shady Trail Project located at Highway 175 and South Woody Road by Resolution No. 16-0841; and

**WHEREAS,** Camden Homes at Shady Oaks, LLC proposes to work with the City of Dallas to undertake the construction of 19 single family homes for the Shady Oaks Project at Highway 175 and South Woody Road; and

**WHEREAS,** the City desires for Camden Homes at Shady Oaks, LLC to develop single family homes for mixed-income families; **NOW, THEREFORE,**

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

**Section 1.** That following approval as to form by the City Attorney, the City Manager is authorized to amend Resolution No. 16-0841, previously approved on May 25, 2016, for a conditional grant agreement with Camden Homes at Shady Oaks, LLC for construction of single family homes for the Shady Oaks Project located at Highway 175 and South Woody Road to (1) reduce the number of houses to be built from 40 to 19; and (2) reduce the conditional grant amount by $630,000, from $1,200,000 to $570,000.

**Section 2.** That the terms of the conditional grant agreement include:

(a) Camden Homes at Shady Oaks, LLC will execute a performance Deed of Trust on the property for performance purposes.
(b) The debt will be forgiven and the lien released on a partial basis as each lot is built out and sold to a homebuyer.
(c) Camden Homes at Shady Oaks, LLC will use the funds to gap the construction costs for the units and will retain the proceeds from the sale of the units.
(d) Camden Homes at Shady Oaks, LLC will have two years to complete the build out and sale of the homes.
(e) The City will subordinate first lien position to the interim construction lender.

**Section 3.** That the City Manager, upon approval as to form by the City Attorney, is authorized to execute subordinations to senior construction lender releases of liens and terminate deed restrictions on the properties upon compliance with the conditional grant terms.

**Section 4.** That this resolution does not constitute a binding agreement upon the City or subject the City to any liability or obligation until such time as the conditional grant documents are duly approved by all parties and executed.

**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.

**AGENDA ITEM # 49**

**KEY FOCUS AREA:** E-Gov

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** Intergovernmental Services

**CMO:** T.C. Broadnax, 670-3297

**MAPSCO:** N/A

## SUBJECT

A resolution adopting the City's Federal Legislative Program for the 115th Session of the United States Congress - Financing: No cost consideration to the City

## BACKGROUND

The City of Dallas adopts a federal legislative program every two years at the beginning of the Congressional session. The agenda includes general statements regarding the City's legislative focus and a comprehensive list of legislative Initiatives on which the City of Dallas will be focused during the session.

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

Authorized adoption of the Federal Legislative Program for the 110th Session of Congress on February 28, 2007, by Resolution No. 07-0711.

The Legislative Ad Hoc Committee was briefed on February 3, 2009.

Authorized adoption of the Federal Legislative Program, for the 111th Session of Congress on February 11, 2009, by Resolution No. 09-0423.

The Legislative Ad Hoc Committee was briefed on January 28, 2011.

Authorized adoption of the Federal Legislative Program for the 112th Session of Congress on February 23, 2011, by Resolution No. 11-0542.

The Legislative Ad Hoc Committee was briefed on February 11, 2013.

Authorized adoption of the Federal Legislative Program for the 113th Session of Congress on February 20, 2013, by Resolution No. 13-0357.

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

The Legislative Ad Hoc Committee was briefed on February 9, 2015.

Authorized adoption of the Federal Legislative Program for the 114th Session of Congress on February 25, 2015, by Resolution No. 15-0375.

The Legislative Ad Hoc Committee will be briefed on February 13, 2017.

**FISCAL INFORMATION**

No cost consideration to the City

February 22, 2017

**WHEREAS,** the 115th Session of the United States Congress convened on January 3, 2017; and

**WHEREAS,** the 115th Congress will consider many issues that affect local governments; and

**WHEREAS,** the City of Dallas wishes to express its desires and concerns regarding federal issues by adopting a legislative program; and

**WHEREAS,** the City of Dallas has developed recommendations for the federal legislative agenda.

**NOW, THEREFORE,**

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

**SECTION 1.** That the City of Dallas' Federal Legislative Program for the 115th Session of the United States Congress is hereby adopted.

**SECTION 2.** That the City Manager is directed to communicate the items included in the federal legislative program to members of the United States Congress.

**SECTION 3.** That the City Manager is directed to support legislation that upholds the City of Dallas home-rule authority, as well as oppose legislation that diminishes that authority.

**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.

**AGENDA ITEM # 50**

| | |
|---|---|
| **KEY FOCUS AREA:** | Economic Vibrancy |
| **AGENDA DATE:** | February 22, 2017 |
| **COUNCIL DISTRICT(S):** | 7 |
| **DEPARTMENT:** | Mobility and Street Services<br>Water Utilities |
| **CMO:** | Jill A. Jordan, P.E., 670-5299<br>Mark McDaniel, 670-3256 |
| **MAPSCO:** | 56B F |

## SUBJECT

Authorize an increase in the construction contract with Texas Standard Construction, Ltd. for additional work associated with water and wastewater main relocations in advance of paving and drainage improvements related to Street Group 12-637 - Not to exceed $142,277, from $20,737,091 to $20,879,368 - Financing: Water Utilities Capital Construction Funds

## BACKGROUND

On May 27, 2015, the City Council authorized a construction contract with Texas Standard Construction, Ltd., related to Street Reconstruction Group 12-637. The improvements in this construction package consisted of paving, drainage, landscaping, streetscape, and water and wastewater main improvements for the following street reconstruction and complete street projects: South Lamar Street from IH-45 to Emery Street; Al Lipscomb Way (formally Grand Avenue) from South Good Latimer to Robert B. Cullum Boulevard; and J. B. Jackson, Jr. Boulevard from Martin Luther King, Jr. Boulevard to Al Lipscomb Way. On June 22, 2016, the City Council authorized Change Order No. 1 to the construction contract with Texas Standard Construction, Ltd. for the construction of tinted, stamped concrete pedestrian crosswalks and barrier-free ramp improvements along Martin Luther King, Jr. Boulevard at South Trunk Avenue, J. B. Jackson, Jr. Boulevard and Robert B. Cullum Boulevard.

This action will authorize additional work identified as a result of unforeseen underground conditions encountered during the construction of a 66-inch water main lowering at Lamar Street and Pine Street. During construction, substandard soil conditions were discovered requiring the concrete thrust blocks to be strengthened and reinforced with drilled anchors to safely support the weight of the water main and eliminate vertical displacements that could potentially create water main leaks in the future. This action also includes extending the proposed 12-inch water main to facilitate connection with an existing 12-inch water main in a different location than shown on the design plans.

## ESTIMATED SCHEDULE OF PROJECT

| | |
|---|---|
| Began Design | August 2007 |
| Completed Design | March 2015 |
| Began Construction | September 2015 |
| Complete Construction | December 2017 |

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

Authorized a professional services contract for engineering design services with Halff Associates, Inc. on June 13, 2007, by Resolution No. 07-1833.

Authorized Supplemental Agreement No. 1 with Halff Associates, Inc. for engineering design services on March 25, 2009, by Resolution No. 09-0835.

Authorized Supplemental Agreement No. 2 with Halff Associates, Inc. for engineering design services on January 11, 2012, by Resolution No. 12-0136.

Authorized a professional services contract for engineering design services with Freese and Nichols, Inc. on June 12, 2013, by Resolution No. 13-0966.

Authorized a professional services contract for engineering design services with Freese and Nichols, Inc. on December 11, 2013, by Resolution No. 13-2069.

Authorized Supplemental Agreement No. 4 with Halff Associates, Inc. for engineering design services on January 14, 2015, by Resolution No. 15-0123.

Authorized a construction contract with Texas Standard Construction, Ltd. for Street Reconstruction Group 12-637 on May 27, 2015, by Resolution No. 15-0958.

Authorized Change Order No. 1 to the construction contract with Texas Standard Construction, Ltd. for Street Reconstruction Group 12-637 on June 22, 2016, by Resolution No. 16-1131.

Information about this item will be provided to the Economic Development Committee on February 21, 2017.

## FISCAL INFORMATION

Water Utilities Capital Construction Funds - $142,276.75

| | |
|---|---|
| Design - STS | $ 1,083,837.40 |
| Design - TWM | $ 350,000.00 |
| Design - DWU | $ 211,514.00 |

**FISCAL INFORMATION** (Continued)

| | |
|---|---|
| Construction | |
| Paving & Drainage - STS | $11,789,791.25 |
| Paving & Drainage - TWM | $ 4,056,908.00 |
| Water and Wastewater - DWU | $ 4,143,014.60 |
| Change Order No. 1 | $ 747,377.00 |
| Change Order No. 2 (this action) | $ 142,276.75 |
| Total Project Cost | $22,524,719.00 |

**M/WBE INFORMATION**

See attached.

**ETHNIC COMPOSITION**

Texas Standard Construction, Ltd.

| | | | |
|---|---|---|---|
| Hispanic Female | 3 | Hispanic Male | 87 |
| African-American Female | 0 | African-American Male | 3 |
| Other Female | 0 | Other Male | 0 |
| White Female | 4 | White Male | 8 |

**OWNER**

**Texas Standard Construction, Ltd.**

Ronald H. Dalton, President

**MAP**

Attached.

# BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize an increase in the construction contract with Texas Standard Construction, Ltd. for additional work associated with water and wastewater main relocations in advance of paving and drainage improvements related to Street Group 12-637 - Not to exceed $142,277, from $20,737,091 to $20,879,368 - Financing: Water Utilities Capital Construction Funds

Texas Standard Construction, Ltd. is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractor.

PROJECT CATEGORY: Construction

---

**LOCAL/NON-LOCAL CONTRACT SUMMARY - THIS ACTION ONLY**

| | Amount | Percent |
|---|---|---|
| Local contracts | $142,276.75 | 100.00% |
| Non-local contracts | $0.00 | 0.00% |
| **TOTAL THIS ACTION** | $142,276.75 | 100.00% |

**LOCAL/NON-LOCAL M/WBE PARTICIPATION THIS ACTION**

**Local Contractors / Sub-Contractors**

| Local | Certification | Amount | Percent |
|---|---|---|---|
| Kenyatta Sand and Gravel | BMDB62563Y0517 | $36,798.75 | 25.86% |
| **Total Minority - Local** | | $36,798.75 | 25.86% |

**Non-Local Contractors / Sub-Contractors**

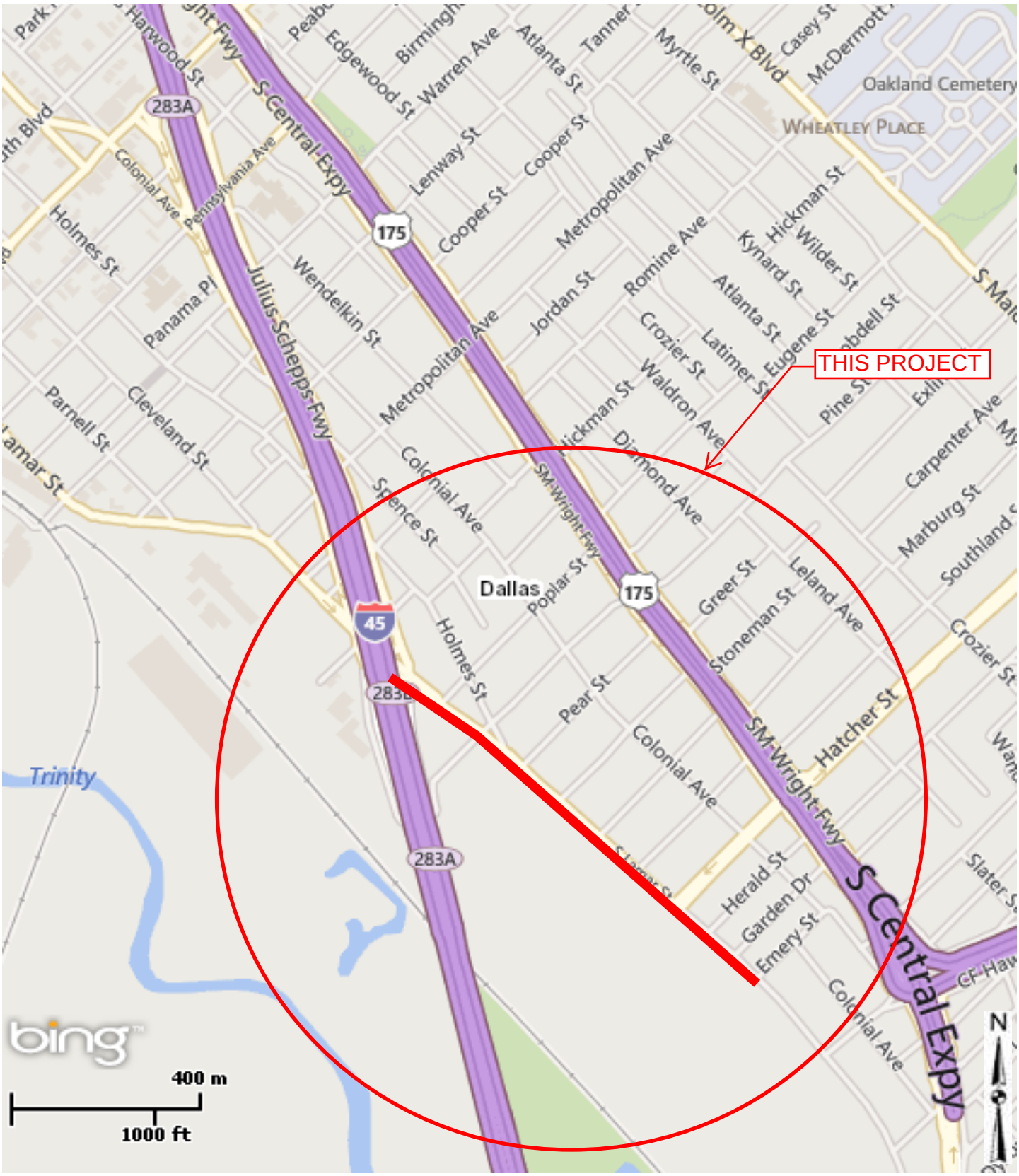
None

**TOTAL M/WBE PARTICIPATION**

| | This Action | | Participation to Date | |
|---|---|---|---|---|
| | Amount | Percent | Amount | Percent |
| African American | $36,798.75 | 25.86% | $5,428,549.17 | 26.00% |
| Hispanic American | $0.00 | 0.00% | $116,160.00 | 0.56% |
| Asian American | $0.00 | 0.00% | $0.00 | 0.00% |
| Native American | $0.00 | 0.00% | $0.00 | 0.00% |
| WBE | $0.00 | 0.00% | $6,267.00 | 0.03% |
| Total | $36,798.75 | 25.86% | $5,550,976.17 | 26.59% |

# STREET RECONSTRUCTION GROUP 12-637

## S. LAMAR ST. FROM IH-45 TO EMERY ST.




**MAPSCO 56B,F**

**WHEREAS,** on June 13, 2007, Resolution No. 07-1833 authorized professional services contracts with four engineering firms, including Halff Associates, Inc., to provide program management and engineering design of major flood management and storm drainage projects, in the amount of $8,571,100.00; and,

**WHEREAS,** on March 25, 2009, Resolution No. 09-0835 authorized Supplemental Agreement No. 1 to the professional services contract with Halff Associates, Inc. to provide additional design and analysis for drainage relief for Mill Creek Phase I, and Middle Peaks Branch, Phases I and II, for additional scope of work to develop and update master drainage plans for Mill Creek and Middle Peaks Branch, including design of the Mill Creek, Phase II system, in the amount of $3,225,500.00, from $8,571,100.00 to $11,796,600.00; and,

**WHEREAS,** on January 11, 2012, Resolution No. 12-0136 authorized Supplemental Agreement No. 2 to the professional services contract with Halff Associates, Inc. to provide additional scope of work for design and analysis for drainage relief for the State-Thomas area, and for additional survey and right-of-way services for required property acquisition, in the amount of $2,602,200.00, from $11,796,600.00 to $14,398,800.00; and,

**WHEREAS,** on June 12, 2013, Resolution No. 13-0966 authorized a professional services contract with Freese and Nichols, Inc. for the engineering design services for South Lamar Street from Interstate 45 to Emery Street, in the amount of $747,840.00; and,

**WHEREAS,** on November 15, 2013, Administrative Action No. 13-1628 authorized Supplemental Agreement No. 1 to the professional services contract with Freese and Nichols, Inc. for additional engineering services for control survey work, streetscape concept plans and additional public relations, in the amount of $42,402.50, from $747,840.00 to $790,242.50; and,

**WHEREAS,** on December 11, 2013, Resolution No. 13-2069 authorized a professional services contract with Freese and Nichols, Inc. for the engineering design services of two complete street projects which includes Al Lipscomb Way (formally Grand Avenue) and Martin Luther King, Jr. Boulevard, and one street reconstruction project which includes J. B. Jackson Boulevard, in the amount of $484,949.90; and,

**WHEREAS,** on July 25, 2014, Administrative Action No. 14-6555 authorized Supplemental Agreement No. 3 to the professional services contract with Halff Associates, Inc. to provide additional design and analysis of water and wastewater main replacements in Carroll Avenue from Junius Street to Victor Street, in the amount of $45,088.00, from $14,398,800.00 to $14,443,888.00; and,

February 22, 2017

**WHEREAS,** on January 14, 2015, Resolution No. 15-0123 authorized Supplemental Agreement No. 4 to the professional services contract with Halff Associates, Inc. to provide for additional scope of work for design of water and wastewater facilities and right-of-way acquisition support during design of the Mill Creek / Peaks Branch / State-Thomas Drainage Relief Tunnel, in the amount of $1,549,600.00, from $14,433,888.00 to $15,993,448.00; and,

**WHEREAS,** bids were received on March 26, 2015, for the reconstruction of street paving, drainage, water and wastewater main improvements for Street Reconstruction Group 12-637; and,

**WHEREAS,** on May 27, 2015, Resolution No. 15-0958 authorized a contract with Texas Standard Construction, Ltd. for the reconstruction of street paving, storm drainage, water and wastewater main improvements for Street Reconstruction Group 12-637, in the amount of $19,989,713.85; and,

**WHEREAS,** on June 22, 2016, Resolution No. 16-1131 authorized Change Order No. 1 to the construction contract with Texas Standard Construction, Ltd. for construction of tinted, stamped concrete pedestrian crosswalks and barrier-free ramp improvements at the intersections of Martin Luther King, Jr. Boulevard at South Trunk Avenue, J. B. Jackson, Jr. Boulevard and Robert B. Cullum Boulevard for Street Reconstruction Project Group 12-637 in the amount of $747,377.00, from $19,989,713.85 to $20,737,090.85; and,

**WHEREAS,** it is now necessary to authorize Change Order No. 2 to the construction contract with Texas Standard Construction, Ltd. for additional work associated with water and wastewater main relocations in advance of paving and drainage improvements related to Street Group 12-637 in the amount of $142,276.75, from $20,737,090.85 to $20,879,367.60.

**Now, Therefore,**

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

**Section 1.** That the City Manager is hereby authorized to increase the construction contract with Texas Standard Construction, Ltd. for additional work associated with water and wastewater main relocations in advance of paving and drainage improvements related to Street Group 12-637 in the amount of $142,276.75, from $20,737,090.85 to $20,879,367.60, after it has been approved as to form by the City Attorney.

**Section 2.** That the Chief Financial Officer is hereby authorized to disburse funds in accordance with the terms and conditions of the contract from:

| | |
|---|---|
| Water Construction Fund | |
| Fund 0102, Department DWU, Unit CW42 | |
| Obj. 4550, Program #715193, CT PBW715193CP | |
| Vendor #508379, in an amount not to exceed | $134,128.98 |
| | |
| Wastewater Construction Fund | |
| Fund 0103, Department DWU, Unit CS42 | |
| Obj. 4560, Program #715194, CT PBW715194CP | |
| Vendor #508379, in an amount not to exceed | $ 8,147.77 |
| | |
| Total amount not to exceed | $142,276.75 |

**Section 3.** 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.

**AGENDA ITEM # 51**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 6

**DEPARTMENT:** Mobility and Street Services

**CMO:** Jill A. Jordan, P.E., 670-5299

**MAPSCO:** 43H

## SUBJECT

Authorize Supplemental Agreement No. 1 to the professional services contract with Hayden Consultants, Inc. for additional engineering design services for improvements to the intersections of Hampton Road at Canada Drive and Hampton Road at Calypso Street - Not to exceed $187,772, from $611,569 to $799,341 - Financing: General Obligation Commercial Paper Funds

## BACKGROUND

On March 25, 2015, Resolution No. 15-0490 authorized a professional services contract with Hayden Consultants, Inc. for the engineering design services of street improvements on Canada Drive from Westmoreland Road to Hampton Road, and the development of Integrated Stormwater Management Standards and training services for City Staff.

Recent development in the vicinity of the Hampton Road at Calypso Street intersection has resulted in congestion and traffic operational issues on the surrounding local streets. A traffic study was conducted to determine available options to improve traffic operations for the area. The study recommended reconfiguring the intersections of Hampton Road at Canada Drive and Hampton Road at Calypso Street in order to help facilitate keeping traffic on the thoroughfares and off the local/residential streets. Traffic signals are also planned for these two intersections, as recommended by the study.

This action will authorize Supplemental Agreement No. 1 to the professional services contract with Hayden Consultants, Inc. for additional engineering design of improvements to the intersections of Hampton Road and Canada Drive and Hampton Road at Calypso Street.

## ESTIMATED SCHEDULE OF PROJECTS

| | |
|---|---|
| Began Design | May 2015 |
| Complete Design | July 2017 |
| Begin Construction | October 2017 |
| Complete Construction | February 2019 |

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

Authorized a professional services contract with Hayden Consultants, Inc. on March 25, 2015, by Resolution No. 15-0490.

Information about this item will be provided to the Transportation and Trinity River Project Committee on February 13, 2017.

## FISCAL INFORMATION

2012 Bond Program (General Obligation Commercial Paper Funds) - $187,772.00

| | |
|---|---|
| Design | $ 611,569.00 |
| Supplemental Agreement No. 1 (this action) | $ 187,772.00 |
| Construction | |
| Paving & Drainage - STS | $ 9,035,524.84 (est.) |
| Bridge - PBW | $ 2,027,870.00 (est.) |
| Water & Wastewater - DWU | $ 312,977.50 (est.) |
| Total Project Cost | $12,175,713.34 (est.) |

## M/WBE INFORMATION

See attached.

## ETHNIC COMPOSITION

Hayden Consultants, Inc.

| | | | |
|---|---|---|---|
| Hispanic Female | 3 | Hispanic Male | 2 |
| African-American Female | 1 | African-American Male | 0 |
| Other Female | 3 | Other Male | 2 |
| White Female | 8 | White Male | 13 |

**OWNER**

**Hayden Consultants, Inc.**

Rachel R. Hayden, P.E., President

**MAP**

Attached.

# BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize Supplemental Agreement No. 1 to the professional services contract with Hayden Consultants, Inc. for additional engineering design services for improvements to the intersections of Hampton Road at Canada Drive and Hampton Road at Calypso Street - Not to exceed $187,772, from $611,569 to $799,341 - Financing: General Obligation Commercial Paper Funds

Hayden Consultants, Inc. is a local, minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

PROJECT CATEGORY: Architecture & Engineering

---

## LOCAL/NON-LOCAL CONTRACT SUMMARY - THIS ACTION ONLY

| | Amount | Percent |
|---|---|---|
| Local contracts | $187,772.00 | 100.00% |
| Non-local contracts | $0.00 | 0.00% |
| **TOTAL THIS ACTION** | $187,772.00 | 100.00% |

## LOCAL/NON-LOCAL M/WBE PARTICIPATION THIS ACTION

### Local Contractors / Sub-Contractors

| Local | Certification | Amount | Percent |
|---|---|---|---|
| HVJ & Associates | IMDB60714N0617 | $15,647.00 | 8.33% |
| Hayden Consultants, Inc. | WFDB43038Y0817 | $115,530.00 | 61.53% |
| Nathan D. Maier Consulting | WFWB62664Y0918 | $29,005.00 | 15.45% |
| **Total Minority - Local** | | $160,182.00 | 85.31% |

### Non-Local Contractors / Sub-Contractors

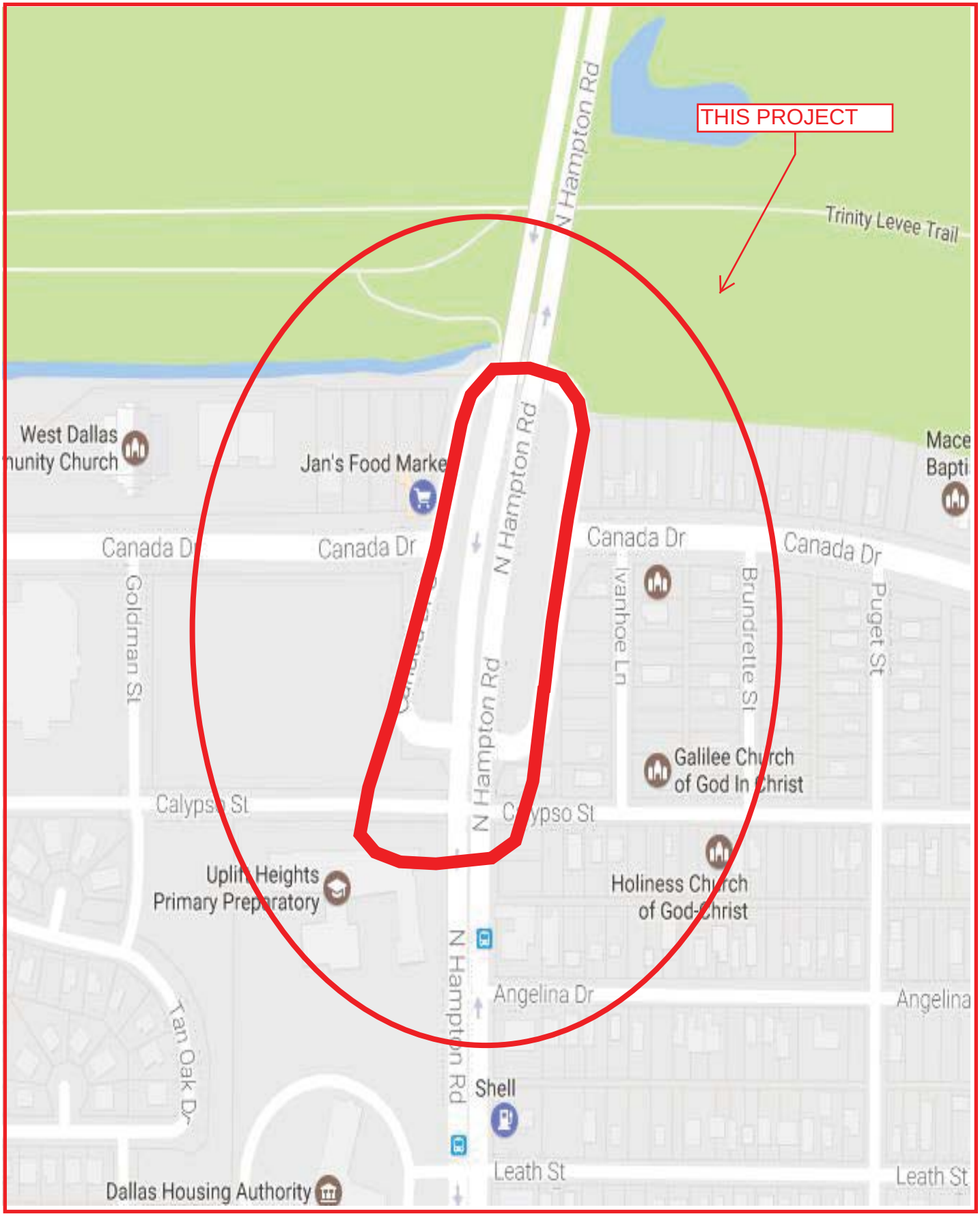
None

## TOTAL M/WBE PARTICIPATION

| | This Action | | Participation to Date | |
|---|---|---|---|---|
| | Amount | Percent | Amount | Percent |
| African American | $0.00 | 0.00% | $0.00 | 0.00% |
| Hispanic American | $0.00 | 0.00% | $0.00 | 0.00% |
| Asian American | $15,647.00 | 8.33% | $24,684.00 | 3.09% |
| Native American | $0.00 | 0.00% | $0.00 | 0.00% |
| WBE | $144,535.00 | 76.97% | $544,489.00 | 68.12% |
| Total | $160,182.00 | 85.31% | $569,173.00 | 71.21% |

# CANADA DRIVE FROM WESTMORELAND ROAD TO HAMPTON ROAD

## (CANADA DRIVE TO CALYPSO STREET CONNECTION)




**MAPSCO 43H**

February 22, 2017

**WHEREAS,** on March 25, 2015, Resolution No. 15-0490 authorized a professional services contract with Hayden Consultants, Inc. for the engineering design services for Canada Drive from Westmoreland Road to Hampton Road and provide standards of low impact development and training services for City staff.

**WHEREAS,** it is now necessary to authorize Supplemental Agreement No. 1 to the professional services contract with Hayden Consultants, Inc. for additional engineering design services for improvements to the intersections of Hampton Road at Canada Drive and Hampton Road at Calypso Street in the amount of $187,772.00, from $611,569.00 to $799,341.00.

**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 Supplemental Agreement No. 1 to the professional services contract with Hayden Consultants, Inc. for additional engineering design services for improvements to the intersections of Hampton Road at Canada Drive and Hampton Road at Calypso Street in the amount of $187,772.00, from $611,569.00 to $799,341.00, after it has been approved as to form by the City Attorney.

**Section 2.** That the Chief Financial Officer is hereby authorized to disburse funds in accordance with the terms and conditions of the contract from:

| | |
|---|---|
| Street and Transportation Improvements Fund | |
| Fund 4U22, Department STS, Unit S309, Act. SREC | |
| Obj. 4111, Program #PB12S309, CT PBW12S309F1 | |
| Vendor #352614, in an amount not to exceed | $187,772.00 |

**Section 3.** 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.

**AGENDA ITEM # 52**

**KEY FOCUS AREA:** Culture, Arts and Recreation and Educational Enhancements

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Office of Cultural Affairs

**CMO:** Joey Zapata, 670-1204

**MAPSCO:** N/A

## SUBJECT

Authorize **(1)** the acceptance of grants in the amount of $57,500 from the Texas Commission on the Arts to provide cultural services for the period September 1, 2016 through August 31, 2017; **(2)** a local match in the amount of $57,500; and **(3)** execution of the grant agreements - Total not to exceed $115,000 - Financing: Texas Commission on the Arts Grant Funds ($57,500) and Current Funds ($57,500)

## BACKGROUND

The Office of Cultural Affairs applied for Texas Commission on the Arts (TCA) funding for fiscal year 2016-17 through the following grant programs: Arts Create program for administrative, operational and/or program support for presentation, promotion or production of artistic disciplines; and Arts Create / Subgranting program, which allows local arts agencies to regrant funds to arts and other service organizations in their communities. TCA has notified the City of Dallas Office of Cultural Affairs that the following grant awards have been recommended for funding:

- $7,500 through the Arts Create program for the Bath House Cultural Center programs and services.
- $4,500 through the Arts Create program for the Latino Cultural Center programs and services.
- $8,500 through the Arts Create program for the South Dallas Cultural Center programs and services.
- $30,500 through the Arts Create / Subgranting Program to be used for the Cultural Projects Program (CPP) to procure the services of cultural organizations to teach, perform and exhibit at facilities in neighborhoods around the City.
- $6,500 through the Arts Create / Core Support Programs for the Office of Cultural Affairs programs and services.

**BACKGROUND** (Continued)

The TCA grants require a 1:1 match for which no new funds will be required. OCA will meet the TCA's requirements for the match with its General Fund appropriation in the approved FY 2016-17 budget.

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

Information about this item will be provided to the Arts, Culture and Libraries Committee on February 21, 2017.

**FISCAL INFORMATION**

$57,500 - Texas Commission on the Arts Grant Funds
$57,500 - Current Funds

February 22, 2017

**WHEREAS,** the Texas Commission on the Arts provides matching grants, through various programs under its purview, to public bodies to assist them in the development of culturally-oriented programs; and

**WHEREAS,** the City of Dallas therein has the opportunity to increase the amount of funds available to support the activities of the Office of Cultural Affairs in FY 2016-17; and

**WHEREAS,** the Texas Commission on the Arts has notified the City of Dallas Office of Cultural Affairs that it is recommending $57,500 in grant funding to the Office of Cultural Affairs under the Arts Create programs to support arts and cultural services in the City of Dallas.

**Now, Therefore,**

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

**SECTION 1.** That following approval as to form by the City Attorney, the City Manager is hereby authorized to **(1)** accept the grants from the Texas Commission on the Arts in the amount of $57,500 (Grant Nos. 17-40537, 17-40710, 17-40798, 17-40577, 17-40576) to provide cultural services for the period September 1, 2016 through August 31, 2017; **(2)** provide a local 1:1 match in the amount of $57,500; and **(3)** execute the grant agreements.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to receive and deposit grant funds in Fund S310, Dept. OCA, Units 2760-2764, Revenue Source 6508 in an amount not to exceed $57,500.

**SECTION 3.** That the City Manager is hereby authorized to establish appropriations for grant funds as follows, in an amount not to exceed $57,500:

| FUND | DEPT | UNIT | OBJ. | AMOUNT |
|---|---|---|---|---|
| S310 | OCA | 2760 | 3089 | $ 7,500 |
| S310 | OCA | 2761 | 3089 | $ 4,500 |
| S310 | OCA | 2762 | 3089 | $ 8,500 |
| S310 | OCA | 2763 | 3089 | $30,500 |
| S310 | OCA | 2764 | 3089 | $ 6,500 |

**SECTION 4.** That the Chief Financial Officer is hereby authorized to disburse grant funds from the Texas Commission on the Arts from the following funds in an amount not to exceed $57,500:

| FUND | DEPT | UNIT | OBJ. | AMOUNT |
|---|---|---|---|---|
| S310 | OCA | 2760 | 3089 | $ 7,500 |
| S310 | OCA | 2761 | 3089 | $ 4,500 |
| S310 | OCA | 2762 | 3089 | $ 8,500 |
| S310 | OCA | 2763 | 3089 | $30,500 |
| S310 | OCA | 2764 | 3089 | $ 6,500 |

**SECTION 5.** That the Chief Financial Officer is hereby authorized to provide the required matching funds in an amount not to exceed $57,500 in accordance with the terms and conditions of the grant agreements from:

| FUND | DEPT | UNIT | OBJ. | AMOUNT |
|---|---|---|---|---|
| 0001 | OCA | 4833 | 3089 | $ 7,500 |
| 0001 | OCA | 4805 | 3089 | $ 4,500 |
| 0001 | OCA | 4832 | 3089 | $ 8,500 |
| 0001 | OCA | 4880 | 3089 | $30,500 |
| 0001 | OCA | 4880 | 3089 | $ 6,500 |

**SECTION 6.** That the City Manager is hereby authorized to reimburse to the Texas Commission on the Arts, any expenditures identified as ineligible. The City Manager shall notify the appropriate City Council Committee of expenditures identified as ineligible not later than 30 days after the reimbursement.

**SECTION 7.** That the City Manager shall keep the appropriate City Council Committee informed of all final Texas Commission on the Arts monitoring reports not later than 30 days after the receipt of the report.

**SECTION 8.** 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.

**AGENDA ITEM # 53**

**KEY FOCUS AREA:** Culture, Arts and Recreation and Educational Enhancements

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 2

**DEPARTMENT:** Office of Cultural Affairs

**CMO:** Joey Zapata, 670-1204

**MAPSCO:** 34-E

## SUBJECT

Authorize **(1)** an increase in the contract with van Enter Studio, Ltd for increased materials related to the conservation services for the Umlauf Spirit of Flight fountain at Dallas Love Field in an amount not to exceed $22,463; and **(2)** an extension of the contact term through September 30, 2017 - Not to exceed $22,463, from $28,750 to $51,213 - Financing: Current Funds

## BACKGROUND

On May 17, 2016, by Administrative Action No. 16-6024, the City Manager executed a contract for conservation services to the Umlauf Spirit of Flight fountain at Dallas Love Field Airport. The agreement provides for the Conservator to provide all equipment, materials and personnel to conserve and restore the winged figure and 18 Birds. The conservator replaced the steel mounting on the winged figure and replaced steel mounting bolts attaching birds to stands. The conservator restored the 18 Bird sculptures with bronze surface treatments, removing the old coating, adjusting patina and applying a hot wax treatment on all bronze figures.

During this process the price of the steel required to complete the conservation of the fountain increased. The dimensional steel necessary for the conservation was difficult to find and expensive. This increased the cost of materials and shipping. In order to ensure historic and accurate conservation, this steel is required.

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

Information about this item will be provided to the Arts, Culture and Libraries Committee on February 21, 2017.

## FISCAL INFORMATION

$22,462.50 - Current Funds

**M/WBE INFORMATION**

See attached.

**ETHNIC COMPOSITION**

van Enter Studio, Ltd

White Male - 1
Hispanic Female - 2

**OWNER**

**van Enter Studio, Ltd**

Michael van Enter, President

**MAP**

Attached

# BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize **(1)** an increase in the contract with van Enter Studio, Ltd for increased materials related to the conservation services for the Umlauf Spirit of Flight fountain at Dallas Love Field in an amount not to exceed $22,463; and **(2)** an extension of the contact term through September 30, 2017 - Not to exceed $22,463, from $28,750 to $51,213 - Financing: Current Funds

van Enter Studio, Ltd is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce.
PROJECT CATEGORY: Other Professional Services

---

**LOCAL/NON-LOCAL CONTRACT SUMMARY - THIS ACTION ONLY**

| | Amount | Percent |
|---|---|---|
| Local contracts | $22,462.50 | 100.00% |
| Non-local contracts | $0.00 | 0.00% |
| **TOTAL THIS ACTION** | $22,462.50 | 100.00% |

**LOCAL/NON-LOCAL M/WBE PARTICIPATION THIS ACTION**

**Local Contractors / Sub-Contractors**

None

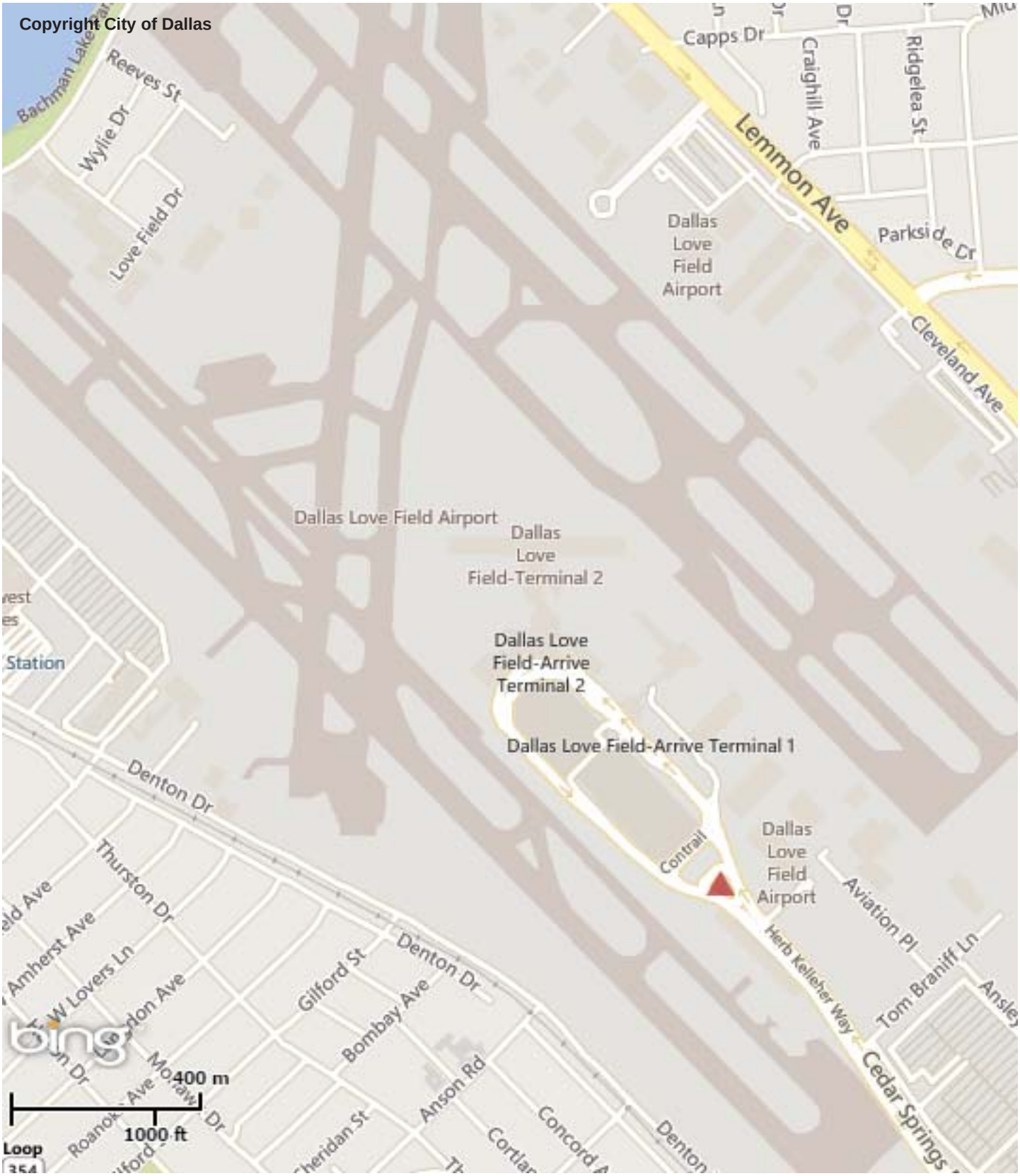
**Non-Local Contractors / Sub-Contractors**

None

**TOTAL M/WBE PARTICIPATION**

| | This Action | | Participation to Date | |
|---|---|---|---|---|
| | Amount | Percent | Amount | Percent |
| African American | $0.00 | 0.00% | $0.00 | 0.00% |
| Hispanic American | $0.00 | 0.00% | $0.00 | 0.00% |
| Asian American | $0.00 | 0.00% | $0.00 | 0.00% |
| Native American | $0.00 | 0.00% | $0.00 | 0.00% |
| WBE | $0.00 | 0.00% | $0.00 | 0.00% |
| Total | $0.00 | 0.00% | $0.00 | 0.00% |

Copyright City of Dallas




**Dallas Love Field**

City of Dallas

**DISCLAIMER**

This data has been compiled for City of Dallas.
Various official and unofficial sources were used to gather this information. Every effort was made to ensure the accuracy of this data, however, no guarantee is given or implied as to the accuracy of said data.

N

February 22, 2017

**WHEREAS,** on May 17, 2016, by Administrative Action No. 16-6024, the City Manager executed a contract for conservation services to the Umlauf Spirit of Flight fountain at Dallas Love Field Airport; and

**WHEREAS,** the price of steel required for completion of the historic restoration project increased prior to completion of the project, thus driving costs substantially higher than originally estimated; and

**WHEREAS,** it is necessary to extend the term of the agreement and allocate additional funds in order to complete the project.

**Now, Therefore,**

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

**Section 1.** That the City Manager is hereby authorized to increase the contract with van Enter Studio, Ltd for increased materials cost related to the conservation services for the Umlauf Spirit of Flight fountain at Dallas Love Field in an amount not to exceed $22,462.50 and to extend the term of the agreement through September 30, 2017, after approval as to form by the City Attorney.

**Section 2.** That the Chief Financial Officer is authorized to disburse funds in an amount not to exceed $22,462.50 from Fund 0001, Dept. OCA, Unit 4804, Object 3070, Vendor VS0000022723.

**Section 3.** 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.

**AGENDA ITEM # 54**

**KEY FOCUS AREA:** E-Gov

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** Office of Financial Services

**CMO:** Elizabeth Reich, 670-7804

**MAPSCO:** N/A

## SUBJECT

Authorize **(1)** an extension through September 30, 2017 for Community Development Block Grant (CDBG) funded projects which have not met the twelve-month obligation or twenty-four-month expenditure requirement; **(2)** preliminary adoption of Reprogramming Budget No. 1 to the FY 2016-17 Action Plan to use unspent prior year CDBG funds in the amount of $1,413,595 for the Major Systems Repair Program; and **(3)** a public hearing to be held on March 22, 2017 to receive comments on the proposed use of funds for Reprogramming Budget No. 1 to the FY 2016-17 Action Plan - Financing: No cost consideration to the City

## BACKGROUND

On August 18, 1993, Resolution No. 93-3001 established specific timeframes for the obligation and expenditure of Community Development Block Grant (CDBG) funds. Funds are to be obligated within 12 months and expended within 24 months of budget adoption. On March 28, 2007, Resolution No. 07-0992, enhanced the City's existing expenditure policy with additional benchmarks. Additional time to obligate and expend funds may be granted by the City Council.

Timely expenditure of CDBG funds by entitlement cities continues to be a primary concern of the U. S. Department of Housing and Urban Development (HUD). HUD requires that cities expend CDBG funds so that at least 60 days prior to the start of a new program year, the unexpended balance of CDBG funds should be less than 1.5 times the cities' CDBG allocation amount for the current year. The City of Dallas continues to comply with this HUD regulation.

For FY 2016-17, a review of the projects based on the timely expenditure policy (including the benchmarks), identified unspent funds remaining in 17 projects, totaling $2,926,017, recommended for extension and unspent funds remaining in 11 projects, totaling $1,413,595, recommended for reprogramming.

**BACKGROUND** (Continued)

On December 13, 2016, the Community Development Commission (CDC) Financial Monitoring/Performance Standards Committee reviewed and recommended the City Manager's proposed extensions and reprogramming of CDBG funds with no amendments.

On January 5, 2017, the CDC reviewed and approved the CDC Financial Monitoring/Performance Standards Committee's recommendation from the December 13, 2016 committee meeting. Unspent funds remaining in 17 projects, totaling $2,926,017, recommended for extension and unspent funds remaining in 11 projects, totaling $1,413,595, recommended for reprogramming.

On February 2, 2017, the CDC was briefed on the need to maintain ongoing compliance with HUD's timely expenditure policy and proposed Reprogramming Budget No. 1 to the FY 2016-17 Action Plan to use unspent prior year CDBG funds in the amount of $1,413,595 for the Major Systems Repair Program.

This item includes preliminary adoption of the FY 2016-17 Action Plan Reprogramming Budget No. 1 and calls for a public hearing for March 22, 2017 to allow citizens an opportunity to comment on the proposed use of funds. Notice will be published in the official newspaper. This proposed budget will be available for review and comment February 23, 2017 through April 11, 2017. Final adoption by the City Council is scheduled for April 12, 2017.

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

On August 18, 1993, Resolution No. 93-3001, established specific timeframes for the obligation and expenditure of Community Development Block Grant (CDBG) Funds.

On March 28, 2007, Resolution No. 07-0992, enhanced the City's existing expenditure policy with additional benchmarks.

On December 13, 2016, the Community Development Commission (CDC) Financial Monitoring/Performance Standards Committee reviewed and recommended the City Manager's proposed extensions and reprogramming of CDBG funds with no amendments.

On January 5, 2017, the Community Development Commission was briefed and recommended extending and reprogramming of the CDBG project funds.

On February 2, 2017, the CDC was briefed on the need to maintain ongoing compliance with HUD's timely expenditure policy and proposed Reprogramming Budget No. 1 to the FY 2016-17 Action Plan to use unspent prior year CDBG funds in the amount of $1,413,595 for the Major Systems Repair Program.

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

The Housing Committee and the Budget, Finance, and Audit Committee were both briefed on the recommended extensions and reprogramming on February 6, 2017. Both committees provided favorable recommendations to move forward to City Council for approval.

**FISCAL INFORMATION**

No cost consideration to the City.

February 22, 2017

**WHEREAS,** on August 18, 1993, Resolution No. 93-3001 established specific timeframes for the obligation and expenditure of Community Development Block Grant (CDBG) funds; and

**WHEREAS,** on March 28, 2007, Resolution No. 07-0992 enhanced the City's existing expenditure policy with additional benchmarks; and

**WHEREAS,** at the discretion of the City Council, the timeframes may be extended for obligating and expending CDBG funded activities; and

**WHEREAS,** on December 13, 2016, the Community Development Commission (CDC) Financial Monitoring/Performance Standards Committee reviewed and recommended the City Manager's proposed extensions and reprogramming of CDBG funds with no amendments; and

**WHEREAS,** on January 5, 2017, the Community Development Commission was briefed on the extensions and reprogramming of the CDBG project funds and made recommendations. Unspent funds remaining in 17 CDBG projects, totaling $2,926,017 were recommended for extension. In addition, unspent prior year funds remaining in 11 CDBG projects, totaling $1,413,595 were identified for reprogramming; and

**WHEREAS,** on February 2, 2017, the CDC was briefed on the proposed Reprogramming Budget No. 1 to the FY 2016-17 Action Plan to use unspent prior year CDBG funds in the amount of $1,413,595 for the Major Systems Repair Program; and

**WHEREAS,** on February 6, 2017, the Housing Committee and the Budget, Finance, and Audit Committee were briefed on the FY 2016-17 CDBG Extensions and Reprogramming recommendations which included proposed Reprogramming Budget No. 1 to the FY 2016-17 Action Plan to use unspent prior year CDBG funds in the amount of $1,413,595 for the Major Systems Repair Program.

**Now, Therefore,**

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

**Section 1.** That the City Council authorizes an extension to the timeframes for the obligation and expenditure of prior year CDBG funds to September 30, 2017 per Attachment A.

**Section 2.** That the City Council authorizes the release of funds from their originally budgeted purposes, per Attachment B, for Reprogramming Budget No. 1 to the FY 2016-17 Action Plan to use unspent prior year CDBG funds in the amount of $1,413,595 for the Major Systems Repair Program.

**Section 3.** That the preliminary adoption of the FY 2016-17 Action Plan Reprogramming Budget No. 1 be approved to use unspent prior year CDBG funds in the amount of $1,413,595 for the Major Systems Repair Program.

**Section 4.** That a public hearing to receive comments on the proposed use of funds for Reprogramming Budget No. 1 to the FY 2016-17 Action Plan will be held on March 22, 2017 in the Council Chambers.

**Section 5.** That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas, and it is accordingly so resolved.

# ATTACHMENT A

CDBG Extension of Expenditures/Commitment Policy
Recommended by Community Development Commission (CDC) 01/05/2017
Briefed to Housing Committee and Budget, Finance, & Audit Committee on 02/06/2017

| | Fiscal Year | Project Name | Amount |
|---|---|---|---|
| 1 | 15-16 | City Child Care Services Program | $29,694 |
| 2 | 10-11 | Community Based Development Org - EDCO | $101,508 |
| 3 | 10-11 | Community Based Development Org - EDCO | $14,105 |
| 4 | 11-12 | Community Based Development Org - EDCO | $284,417 |
| 5 | 14-15 | Mortgage Assistance Program | $397,787 |
| 6 | 10-11 | NIP-Neighborhood Investment Program-Infrastructure | $1,020,459 |
| 7 | 13-14 | NIP-SDFP/Mingo/Beall Streets Public Improvement | $318,408 |
| 8 | 12-13 | NIP-South Dallas/Ideal-Rochester Public Improvements | $16,052 |
| 9 | 13-14 | NIP-South Dallas/Fair Park Public Improvements | $186,506 |
| 10 | 10-11 | NIP-Spring Avenue Infrastructure | $146,636 |
| 11 | 11-12 | NIP-Spring Avenue Infrastructure | $215,476 |
| 12 | 10-11 | NIP-Spring Avenue Infrastructure | $34,987 |
| 13 | 13-14 | Reconstruction Program | $91,000 |
| 14 | 14-15 | BAC#2 Dallas Black Chamber of Commerce | $16,340 |
| 15 | 14-15 | BAC#3 Sammons Business & Community Lenders | $34,769 |
| 16 | 14-15 | BAC#6 Hampton Regional Hispanic Contractors | $16,295 |
| 17 | 14-15 | BAC#7 Illinois Regional Hispanic Contractors | $1,578 |
| | | | |
| | | **Grand Total** | **$2,926,017** |

# ATTACHMENT B

CDBG Reprogramming of Expenditures/Commitment Policy
Recommended by Community Development Commission (CDC) 01/05/2017
Briefed to Housing Committee and Budget, Finance, & Audit Committee on 02/06/2017

| | Fiscal Year | Project Name | Amount |
|---|---|---|---|
| 1 | 10-11 | Business Incentive Program - Façade Improvements | $28,592 |
| 2 | 15-16 | City Child Care Services Program | $7,498 |
| 3 | 12-13 | Community Based Development Org - CWCDC | $84,229 |
| 4 | 15-16 | Housing Development Support | $263,261 |
| 5 | 14-15 | Housing Development Support | $66,953 |
| 6 | 12-13 | Mortgage Assistance Program | $37,222 |
| 7 | 11-12 | Residential Development Acquisition Loan Program | $70,219 |
| 8 | 12-13 | Residential Development Acquisition Loan Program | $500,000 |
| 9 | 14-15 | BAC#4 Spring Ave-Business & Community Lenders | $34,881 |
| 10 | 14-15 | BAC#8 Record Crossing - BCL of Texas | $9,638 |
| 11 | | Reprogrammed Funds | $311,102 |
| | | | |
| | | **Grand Total** | **$1,413,595** |

**AGENDA ITEM # 55**

**KEY FOCUS AREA:** E-Gov

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** Office of Financial Services

**CMO:** Elizabeth Reich, 670-7804

**MAPSCO:** N/A

## SUBJECT

Ratify amendments to the 2017 City Calendar that was approved by Resolution No. 16-1777 on October 26, 2016, to **(1)** cancel the City Council Briefing Meeting that was scheduled for February 1, 2017; **(2)** cancel the council-staff planning session that was scheduled for February 15 and 16, 2017; **(3)** add a City Council Briefing Meeting on February 15, 2017; and **(4)** add a council-staff planning session on March 29 and 30, 2017 - Financing: No cost consideration to the City

## BACKGROUND

Resolution No. 89-3796 requires the City Council to adopt an annual calendar. Resolution No. 90-2673 establishes the annual July recess. The City Calendar includes all City Council briefing and agenda meetings, budget briefings and workshops, Council Committee meetings, and City holidays. The City Calendar is available on the City's website at www.dallascityhall.com and is made available in the Office of Financial Services to all citizens who request copies.

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

The City Council was briefed on October 19, 2016.

The 2017 City Calendar was approved by the City Council on October 26, 2016, by Resolution No. 16-1777.

## FISCAL INFORMATION

No cost consideration to the City.

February 22, 2017

**WHEREAS,** the 2017 calendar was approved on October 26, 2016; and

**WHEREAS,** it has become necessary to change the 2017 calendar based on the Mayor's memo of January 25, 2017; and

**WHEREAS,** the City Council Briefing Meeting, previously scheduled for February 1, 2017, should be cancelled; and

**WHEREAS,** the council-staff planning session that was scheduled for February 15 and 16, 2017, should be cancelled; and

**WHEREAS,** a City Council Briefing meeting should be added on February 15, 2017; and

**WHEREAS,** a council-staff planning session should be added on March 29 and 30, 2017;

**Now, Therefore,**

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

**Section 1.** That this item hereby ratifies amendments to the 2017 City Calendar that was approved by Resolution No. 16-1777 on October 26, 2016 (Attachment A).

**Section 2.** That this item hereby authorizes an amendment to the 2017 City Calendar to cancel the City Council Briefing Meeting that was scheduled for February 1, 2017.

**Section 3.** That this item hereby authorizes an amendment to the 2017 City Calendar to cancel the council-staff planning session that was scheduled for February 15 and 16, 2017.

**Section 4.** That this item hereby authorizes an amendment to the 2017 City Calendar to add a City Council Briefing Meeting on February 15, 2017.

**Section 5.** That this item hereby authorizes an amendment to the 2017 City Calendar to add a council-staff planning session on March 29 and 30, 2017.

**Section 6.** 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.

Attachment A

# February 2017

| Sunday | Monday | Tuesday | Wednesday | Thursday | Friday | Saturday |
|---|---|---|---|---|---|---|
| | | | 1<br>~~Council Briefing~~<br>~~9:00am~~ | 2 | 3 | **4** |
| **5** | 6<br>Council Committees:<br>9:00am-Economic Development<br>11:00am-Housing<br>1:00pm-Budget, Finance, & Audit | 7 | 8<br>Council Agenda<br>9:00am | 9 | 10 | **11** |
| **12** | 13<br>Council Committees:<br>9:00am-Quality of Life & Environment<br>11:00am-Public Safety<br>1:00pm-Transportation & Trinity River Project | 14<br>Valentine's Day | 15<br>~~Council Meeting Canceled~~<br>Council Briefing<br>9:00am<br>~~Council-Staff Planning Session~~ | 16<br>~~Council-Staff Planning Session~~ | 17 | **18** |
| **19** | 20<br>Committee Meetings moved to February 21st<br>President's Day – City Holiday | 21<br>Council Committees:<br>9:00am-Economic Development<br>11:00am-Housing<br>1:00pm-Budget, Finance, & Audit<br>3:00pm-Arts, Culture, & Libraries | 22<br>Council Agenda<br>9:00am | 23 | 24 | **25** |
| **26** | 27<br>Council Committees:<br>9:00am-Quality of Life & Environment<br>11:00am-Public Safety<br>1:00pm-Transportation & Trinity River Project | 28 | | | | |

Note: Council Agenda meetings are held in the Council Chambers and Council Briefing and committee meetings are held in room 6ES at Dallas City Hall.

Attachment A

# March 2017

| Sunday | Monday | Tuesday | Wednesday | Thursday | Friday | Saturday |
|---|---|---|---|---|---|---|
| | | | 1<br>Council Briefing<br>9:00am<br><br>Budget Workshop | 2<br><br>Texas Independence Day | 3 | **4** |
| **5** | 6<br>Council Committee Meetings Canceled<br><br>Council Recess | 7<br><br>Council Recess<br><br>City of Dallas Legislative Reception – Austin, TX | 8<br>Council Meeting Canceled<br><br>Council Recess | 9<br><br>Council Recess | 10<br><br>Council Recess | **11**<br><br>National League of Cities Congressional City Conference - Washington, DC |
| **12**<br><br>National League of Cities Congressional City Conference - Washington, DC<br><br>Daylight Savings Time Begins | 13<br>Council Committee Meetings Canceled<br><br>Council Recess<br><br>National League of Cities Congressional City Conference - Washington, DC | 14<br><br>Council Recess<br><br>National League of Cities Congressional City Conference - Washington, DC | 15<br>Council Meeting Canceled<br><br>Council Recess<br><br>National League of Cities Congressional City Conference - Washington, DC | 16<br><br>Council Recess | 17<br><br>Council Recess<br><br>St. Patrick's Day | **18** |
| **19** | 20<br>Council Committees:<br>9:00am-Economic Development<br>11:00am-Housing<br>1:00pm-Budget, Finance, & Audit<br>3:00pm-Arts, Culture, & Libraries | 21 | 22<br>Council Agenda<br>9:00am<br><br>Budget Public Hearing | 23 | 24 | **25** |
| **26** | 27<br>Council Committees:<br>9:00am-Quality of Life & Environment<br>11:00am-Public Safety<br>1:00pm-Transportation & Trinity River Project | 28 | 29<br>~~Fifth Wednesday – No City Council Meeting~~<br><br>Council-Staff Planning Session | 30<br>Council-Staff Planning Session | 31<br><br>Cesar Chavez Day | |

Note: Council Agenda meetings are held in the Council Chambers and Council Briefing and committee meetings are held in room 6ES at Dallas City Hall.

**AGENDA ITEM # 56**

**KEY FOCUS AREA:** E-Gov

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** Office of Financial Services

**CMO:** Elizabeth Reich, 670-7804

**MAPSCO:** N/A

## SUBJECT

Authorize a public hearing to be held on March 22, 2017 to receive comments on the FY 2017-18 Operating, Capital, and Grant/Trust budgets - Financing: No cost consideration to the City

## BACKGROUND

Each year the City of Dallas holds public hearings to provide the citizens of Dallas the opportunity to speak on the upcoming year's budget.

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

This item has no prior action.

## FISCAL INFORMATION

No cost consideration to the City.

February 22, 2017

**WHEREAS,** the City Council is committed to providing the citizens of Dallas with the opportunity to speak on the City's FY 2017-18 budget;

**Now, Therefore,**

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

**Section 1.** That a public hearing on the City's FY 2017-18 Operating, Capital, and Grant/Trust budgets will be held on March 22, 2017 in the Council Chambers.

**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.

**AGENDA ITEM # 57**

**KEY FOCUS AREA:** Public Safety

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Police

**CMO:** Eric Campbell, 670-3255

**MAPSCO:** N/A

## SUBJECT

Authorize **(1)** an application for and acceptance of the Dallas July 7 Overtime Reimbursement Grant from the U.S. Department of Justice through the Office of the Governor, Criminal Justice Division for the response to events on July 7, 2016, for the period July 7, 2016 through March 31, 2017; and **(2)** execution of the grant agreement - Not to exceed $705,251 - Financing: Office of the Governor, Criminal Justice Division State Grant Funds

## BACKGROUND

This grant award is from Federal (U.S. Department of Justice) pass through State (Office of Governor, Criminal Justice Division) to the City of Dallas. On the evening of July 7, 2016, a Black Lives Matter protest was organized in downtown Dallas by the Next Generation Action Network in response to the killings of two men by police officers in Louisiana on July 5th and Minnesota on July 6th. Several protests were held across the country on that same evening. An estimated 800 protesters were in attendance, and approximately 100 police officers were assigned to protect the event participants and the surrounding area.

The public response to the shooting of shock and grief culminated in several, immediate memorial events, and funerals, which continued to require extra police presence beyond DPD's regular public service duties. Law enforcement staff remained hyper vigilant during the public events that followed, but also had to struggle to process the loss of partners, friends and colleagues, and organize to provide support to all the victims and their families.

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

Information about this item will be provided to the Public Safety Committee on February 13, 2017.

## FISCAL INFORMATION

$705,250.10 - Office of the Governor, Criminal Justice Division State Grant Funds

February 22, 2017

**WHEREAS,** the U.S. Department of Justice through the Office of the Governor, Criminal Justice Division has made funds available for the response to events on July 7, 2016 for the period July 7, 2016 through March 31, 2017; and

**WHEREAS,** such funding was awarded to the City of Dallas on January 25, 2017; and

**WHEREAS,** it is in the best interest of the City of Dallas to accept such funding.

**Now, Therefore,**

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

**Section 1.** That the City Manager is hereby authorized to apply for and accept the Dallas July 7 Overtime Reimbursement Grant from the U.S. Department of Justice through the Office of the Governor, Criminal Justice Division ( Federal/State Award ID No. 2016-DG-BX-0016, State Grant No. 3223801, CFDA #16.751) for the response to events on July 7, 2016, in the amount of $705,250.10, for the period July 7, 2016 through March 31, 2017; and execute the grant agreement.

**Section 2.** That the Chief Financial Officer is hereby authorized to receive and deposit grant funds in Fund F517, Department DPD, Unit 2765, Revenue Source 6506, in an amount not to exceed $705,250.10.

**Section 3.** That the City Manager is hereby authorized to establish appropriations in an amount not to exceed $705,250.10, in Fund F517, Department DPD, Unit 2765, Object Code 3090.

**Section 4.** That the Chief Financial Officer is hereby authorized to disburse grant funds from Fund F517, Department DPD, Unit 2765, Object Code 3090 and reimburse General Fund 0001, Department DPD, Unit 2121, Object Code 5011, in an amount not to exceed $705,250.10 for the overtime costs incurred.

**Section 5.** That the City Manager is hereby authorized to reimburse to the granting agency any expenditure identified as ineligible. The City Manager shall notify the appropriate City Council Committee of expenditures identified as ineligible not later than 30 days after the reimbursement.

**Section 6.** That the City Manager shall keep the appropriate City Council Committee informed of all final granting agency monitoring reports not later than 30 days after the receipt of the report.

**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.

**AGENDA ITEM # 58**

**KEY FOCUS AREA:** E-Gov

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** Sanitation Services

**CMO:** Joey Zapata, 670-3009

**MAPSCO:** N/A

## SUBJECT

Authorize ordinances granting four franchises for solid waste collection and hauling, pursuant to Chapter XIV, of the City Charter, and Chapter 18, Article IV, of the Dallas City Code (list attached) - Estimated Annual Revenue: $9,936

## BACKGROUND

Each solid waste hauler operating in Dallas must apply for and receive a franchise to operate a solid waste collection service in the city. For a company to be submitted to City Council for franchise consideration, Sanitation Services requires the company to meet certain preliminary minimum provisions before a franchise application will be considered. Preliminary provisions include providing proof of meeting minimum insurance requirements, confirmation that the company is registered to do business in the State of Texas, the company's intent to pick up and haul solid waste in the City of Dallas, a list of vehicles that are Code compliant, payment of all city taxes (if applicable) and no past history by principals of the company operating a franchised hauling business as a principal that went out of business owing the City franchise fees or disposal fees. These businesses have met all of the preliminary requirements to be considered for a franchise ordinance.

These franchise ordinances, like the franchisees adopted on January 25, 2017, require the City to approve transfer of ownership or sale of assets in accordance with the City Charter, has tightened reporting and payment provisions for franchisees, requires strict compliance with annual certificate of insurance renewal submissions, is for a franchise term of 5 years, and allows the Council to amend the franchise if needed, more easily and has a clearer acceptance process.

There are currently 211 approved franchise ordinances in Dallas. As part of the franchise agreement, franchisees shall pay a fee of not less than four percent of the gross receipts resulting from the operation of the solid waste collection service within the City.

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

On September 27, 2006, Council authorized an amendment to the Dallas City Code to include a franchise fee method for regulating solid waste haulers, by Ordinance No. 26480.

On, October 12, 2015, the Quality of Life & Environment Committee was provided information regarding changes to ordinances related to new solid waste collection and hauling franchise agreements.

## FISCAL INFORMATION

$9,936.00 - Estimated Annual Revenue

## Franchises for Solid Waste Collection and Hauling

| **Franchise Haulers** | **Estimated Annual Franchise Revenue** |
|---|---|
| CHHJ-DALLAS, LLC | $7,200.00 |
| Evergreen Companies, Inc. | $ 720.00 |
| Fusion Recycling, LLC dba Fusion Waste & Recycling | $1,536.00 |
| A4WaysAffiliation, LLC dba Junk Genius Dallas Ft. Worth | $ 480.00 |
| Total | $9,936.00 |

01-23-2017

ORDINANCE NO. _____

An ordinance granting a franchise to CHHJ-DALLAS, LLC, a Texas limited liability company, with its principal address at 1513 E. 9th Avenue, Tampa, Florida 33605 and a local address at 1625 W. Mockingbird Lane, Suite 315, Dallas, Texas 75235, pursuant to Chapter XIV of the Dallas City Charter and Chapter 18 of Article IV of the Dallas City Code, to own, operate and maintain a solid waste collection service within the City of Dallas; providing for its terms and conditions; providing for liquidated damages for failure to adhere to the terms and conditions in the franchise ordinance; providing for payment of a franchise fee; providing for the payment of the publication fee; providing for the filing of an acceptance by Franchisee; and providing an effective date.

WHEREAS, safe and responsible solid waste collection, transport, and processing is necessary for the protection of the public health and a compelling governmental interest;

WHEREAS, solid waste haulers often use heavy equipment that contributes substantially to damage and wear and tear of the public ways, necessitating expenditures of City of Dallas resources for the maintenance and repair of those public ways, for which the City of Dallas is entitled to reasonable compensation and reimbursement;

WHEREAS, the franchise and regulation of solid waste collection, transport, and processing is necessary and furthers a compelling public interest;

WHEREAS, the City of Dallas is authorized to grant one or more non-exclusive franchises for the provision of solid waste collection service to premises within the City of Dallas; and

WHEREAS, the city council of the City of Dallas is of the opinion that the granting of the franchise on the terms and conditions set forth in this ordinance is in the public interest and in the interest of the City of Dallas and its residents. Now, Therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. Preamble. That the declarations contained in the preamble to this ordinance are material and are hereby repeated and incorporated herein as a part of this ordinance as though they were fully set forth in this Section 1.

SECTION 2. Definitions. That for the purpose of this ordinance the following terms, phrases, words and their derivations shall have the meaning given in this ordinance. When not inconsistent with the context, words used in the present tense include the future tense; words in the plural number include the singular number; words in the singular number include the plural number; and the use of any gender shall be applicable to all genders whenever the tense requires. The word “shall" is mandatory and not merely directory. The word "may" is not mandatory and is merely permissive. Words defined elsewhere in this ordinance shall be accorded that meaning throughout this ordinance. Words not defined shall be given their common and ordinary meaning.

(a) AFFILIATE and AFFILIATED means any entity controlling, controlled by, or under common control with the franchisee.

(b) AUTHORIZED AREA means the entire area from time to time within the corporate limits of the City of Dallas.

(c) CITY means the City of Dallas, a municipal corporation, a political subdivision of the State of Texas.

(d) CITY CHARTER means the city's organic law, equivalent to a constitution, which defines the city's existence and prescribes the powers, duties, and organization of the city's governmental structure.

(e) CITY CODE means the ordinances of the city codified into the Dallas City Code, The Revised Code of Civil and Criminal Ordinances of the City of Dallas, Texas (1960 Edition, 1997 Printing), as amended from time to time.

(f) CITY MANAGER means the city manager or the city manager's designated assistant or representative.

(g) CONTROL (and its variants) means actual working control, by whatever means exercised. Without limiting the generality of the foregoing, for the purposes hereof, a change in control shall be deemed to have occurred at any point in time when there is: (i) a change in working or effective voting control, in whatever manner effectuated, of franchisee; (ii) an agreement of the holders of voting stock or rights of franchisee which effectively vests or assigns policy decision-making in any person or entity other than franchisee; or (iii) a sale, assignment or transfer of any shares or interest in franchisee which results in a change in the control of franchisee.

(h) COUNCIL means the governing body of city. This section does not authorize delegation of any decision or function that is required by the city charter or state law to be made by the council. In any case in which a hearing is held pursuant to this ordinance, the council may conduct the hearing or, in its sole discretion, may by resolution appoint a committee or subcommittee of the council or a hearing officer to conduct the hearing and submit a proposal for decision to it, pursuant to procedures established by resolution.

Unless otherwise stated in this ordinance or prohibited by the city charter or state law, the council may delegate to the city manager or the director the exercise of any and all of the powers conferred upon city by its charter or by general law relating to the administration and enforcement of this ordinance and to franchisee's exercise of the rights and privileges conferred in this ordinance.

(i) DIRECTOR means the director of the department of sanitation services, or the director's designated representative.

(j) FRANCHISE means the grant of the non-exclusive permission and privilege to use public ways under this ordinance, and all of the incidental rights and obligations as described by this ordinance.

(k) FRANCHISEE means CHHJ-DALLAS, LLC, a Texas limited liability company, the grantee of rights under this ordinance; or the successor, transferee, or assignee of this ordinance.

(l) PUBLIC WAYS means all dedicated rights-of-way, streets, highways, and alleys for use by the general public and easements dedicated for the benefit of all utilities. Public ways does not include property of city which is not a dedicated public way, street, highway, or alley or available for use by the general public or easements not dedicated for the benefit of all utilities.

(M) SOLID WASTE COLLECTION SERVICE means the term as defined in Section 18-29(5) of the Dallas City Code.

(n) THIS ORDINANCE means this document.

SECTION 3. Granting of franchise. That subject to all the terms and conditions contained in this ordinance, the Texas Constitution, the city charter, the city code, other city ordinances as from time to time may be in effect, and applicable federal law, city hereby grants

franchisee non-exclusive permission and privilege solely for the purpose of operating and maintaining a solid waste collection service in, over, along and across the public ways in the authorized area. This grant is subject to the following additional conditions:

(a) Franchisee purpose. Franchisee accepts the grant set forth above and agrees to operate and maintain the solid waste collection service in the authorized area in accordance with the terms and provisions of this ordinance.

(b) Other services. By granting this ordinance, city is not authorizing any non-solid waste collection service to be provided and does not waive and specifically retains any right to regulate and receive compensation as allowed by law for services offered by franchisee which are not solid waste collection services. Franchisee shall immediately notify city if it provides any non-solid waste collection services within the authorized area.

(c) No priority. This ordinance does not establish any priority for the use of the public ways by franchisee or by any present or future recipients of franchise agreements, franchisees, permit holders, or other users of the public ways. In the event of any dispute as to the priority of use of the public ways, the first priority shall be to the public generally, the second priority to city, the third priority to the State of Texas and its political subdivisions in the performance of their various functions, and thereafter, as between recipients of franchise agreements, franchisees and other state or local permit holders, as determined by the city manager in the exercise of the city's powers, including the police power and other powers reserved to and conferred on it by the State of Texas.

(d) City's use of public ways. Franchisee acknowledges that by this ordinance it obtains no rights to use or further use of the public ways other than those expressly granted in this ordinance. Franchisee acknowledges and accepts at its own risk, provided that city has the

legal authority for the use or uses in question, that city may make use in the future of the public ways in which the solid waste collection service is located in a manner inconsistent with franchisee's use of such public ways for the solid waste collection service, and in that event franchisee shall not be entitled to compensation from city unless compensation is available to all users of the public ways which are affected in a similar manner and are similarly situated in relevant respects with the franchisee.

(e) Emergencies. City may temporarily suspend the operation of the solid waste collection service of franchisee in the event of a public emergency or calamity as determined by city. In such event, neither city nor any agent, contractor, or employee of city shall be liable to franchisee or its customers or third parties for any damages caused them or the solid waste collection system. Where reasonably possible, prior notice shall be given to franchisee. In any event, notice of such action shall be given to franchisee after such action is taken.

(g) Compliance with law and standards of operation. Franchisee shall be subject to and comply with all applicable local, state, and federal laws, including the rules and regulations of any and all agencies thereof, whether presently in force or whether enacted or adopted at any time in the future.

(h) Other approvals and authorizations. This ordinance does not relieve and franchisee shall comply with any obligation to obtain permits, licenses and other approvals from city or other units of government, which are required for the operation and maintenance of the solid waste collection service.

(i) City's right of eminent domain reserved. Nothing in this ordinance shall limit any right city may have to acquire by eminent domain any property of franchisee.

(j) Taxes, fees and other assessments. Nothing in this ordinance shall be construed to limit the authority of city to impose a tax, fee, or other assessment of any kind on any person. Franchisee shall pay all fees necessary to obtain and maintain all applicable federal, state, and local licenses, permits, and authorizations required for the construction, installation, upgrading, maintenance, or operation of its solid waste collection service.

(k) Disputes among public ways users. Franchisee shall respect the rights and property of city and other authorized users of the public ways. Disputes between franchisee and other similar franchisees over use of public ways shall be submitted to the director for resolution; provided, however, that franchisee reserves its rights to submit such disputes directly to a court of competent jurisdiction.

SECTION 4. Service requirements.

(a) It is expressly understood and agreed that franchisee has the non-exclusive right, to the extent permitted by this ordinance, to collect and transport solid waste within the authorized area where the individuals or companies contract with franchisee for those services, excluding residential service (other than apartment complexes and motels). Notwithstanding the exclusion for residential service, city reserves the right during the term of this franchise ordinance to collect and transport solid waste and other materials from any source whatsoever, including but not limited to apartment complexes, motels, and any commercial venue without any amendment or modification of this franchise ordinance. Franchisee shall, at its own expense, furnish personnel and equipment to collect and transport, solid waste and shall establish and maintain the contracted solid waste collection service in an efficient and businesslike manner.

(b) All vehicles used by franchisee for the collection and transportation of solid waste shall display a decal issued by the director in or upon a conspicuous place on the vehicle, in accordance with the applicable requirements of the city code. All vehicles shall be covered at all times while loaded and in transit to prevent the spillage of solid waste onto the public ways or properties adjacent to the public ways. Any spillage will be promptly recovered by franchisee. All vehicles and containers owned by franchisee shall be clearly marked with franchisee's name in letters not less than four inches in height. All vehicles shall be cleaned and maintained by franchisee so as to be in good repair, of good appearance and, when idle, free of solid waste residue as may cause odor, provide a breeding place for vectors, or otherwise create a nuisance. In addition, franchisee shall comply with the requirements for solid waste collection vehicles and containers contained in Sections 18-45 and 18-50 (b) of the Dallas City Code.

(c) Franchisee expressly agrees to assume liability and responsibility for all costs of repair to the public ways and other facilities that are damaged as a result of the negligence of franchisee, its officers, agents, or employees, during franchisee's operations pursuant to this ordinance.

(d) Franchisee will comply with all rules, regulations, laws and ordinances pertaining to the disposal of solid waste as directed by the city or by other responsible governmental agencies having jurisdiction. must be made at an approved solid waste disposal, collection, or processing facility, transfer station or landfill, pursuant to Chapter 18 of the city code, as amended. Disposal of all solid waste collected by franchisee from premises within the authorized area must be made at an approved solid waste disposal, collection, or processing facility, transfer station or landfill in accordance with the Dallas City Code.

SECTION 5. Indemnity and insurance.

(a) **INDEMNIFICATION OF CITY. FRANCHISEE SHALL, AT ITS SOLE COST AND EXPENSE, DEFEND, INDEMNIFY, AND HOLD HARMLESS CITY AND ITS OFFICERS, BOARDS, COMMISSIONS, EMPLOYEES, AGENTS, ATTORNEYS, AND CONTRACTORS (HEREINAFTER REFERRED TO AS "INDEMNITEES"), FROM AND AGAINST:**

**(1) ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, COSTS, AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE, OR OTHER HARM FOR WHICH RECOVERY OF DAMAGES IS SOUGHT, SUFFERED BY ANY PERSON OR PERSONS, THAT MAY ARISE OUT OF OR BE OCCASIONED BY FRANCHISEE'S BREACH OF ANY OF THE TERMS OR PROVISIONS OF THIS FRANCHISE, OR BY ANY NEGLIGENT OR STRICTLY LIABLE ACT OR OMISSION OF FRANCHISEE, ITS OFFICERS, AGENTS, EMPLOYEES, CONTRACTORS, OR SUBCONTRACTORS, IN THE OPERATION OR MAINTENANCE OF THE SOLID WASTE COLLECTION SERVICE, OR IN THE DISPOSAL, HANDLING, OR TRANSFER OF ANY SOLID WASTE COLLECTED THROUGH THE SOLID WASTE COLLECTION SERVICE; FRANCHISEE'S OBLIGATION TO DEFEND AND INDEMNIFY INDEMNITEES UNDER THIS SUBPARAGRAPH SHALL EXTEND TO CLAIMS, LOSSES, AND OTHER MATTERS COVERED UNDER THIS SUBPARAGRAPH THAT ARE CONTRIBUTED TO BY THE NEGLIGENCE OF ONE OR MORE INDEMNITEES, PROVIDED, HOWEVER, THAT INDEMNITY WILL BE REDUCED BY THE PROPORTIONATE AMOUNT THROUGH WHICH THE INDEMNITEE CONTRIBUTED TO THE LIABILITY, AS PROVIDED UNDER TEXAS LAW, WITHOUT WAIVING ANY GOVERNMENTAL**

**IMMUNITY AVAILABLE TO CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF EITHER FRANCHISEE OR CITY UNDER TEXAS LAW; THE ABOVE INDEMNIFICATION SHALL NOT, HOWEVER, APPLY TO ANY JUDGMENT OF LIABILITY RESULTING FROM THE SOLE NEGLIGENCE OR WILLFUL MISCONDUCT OF CITY; AND**

**(2) ANY AND ALL LIABILITY, OBLIGATION, DAMAGES, FINES, PENALTIES, CLAIMS, SUITS, JUDGMENTS, ACTIONS, LIENS, AND LOSSES, WHICH MAY BE IMPOSED UPON OR ASSERTED AGAINST THE INDEMNITEES BECAUSE OF ANY VIOLATION OF ANY STATE OR FEDERAL LAW OR REGULATION GOVERNING THE SOLID WASTE COLLECTION SERVICE OR RELATED TO THE COLLECTION, DISPOSAL, TRANSFER, OR HANDLING BY FRANCHISEE, ITS OFFICERS, EMPLOYEES, AGENTS, OR SUBCONTRACTORS, OF SOLID WASTE COLLECTED THROUGH THE SOLID WASTE COLLECTION SERVICE REGARDLESS OF WHETHER OR NOT THE NEGLIGENCE, FAULT, OR OTHER WRONGFUL CONDUCT OF THE INDEMNITEES CONTRIBUTED TO ANY VIOLATION; AND FRANCHISEE SHALL PAY ALL JUDGMENTS, WITH COSTS, ATTORNEY'S FEES, AND EXPENSES AWARDED IN SUCH JUDGMENT WHICH MAY BE OBTAINED AGAINST CITY RELATED TO ANY SUCH CLAIM. UPON THE WRITTEN REQUEST OF CITY, FRANCHISEE SHALL IMMEDIATELY, AT ITS SOLE COST AND EXPENSE, CAUSE ANY LIEN COVERING CITY'S PROPERTY AS DESCRIBED IN THIS SUBPARAGRAPH TO BE DISCHARGED OR BONDED.**

**(3) THIS SUBSECTION SHALL NOT BE CONSTRUED TO WAIVE ANY GOVERNMENTAL IMMUNITY FROM SUIT OR LIABILITY AVAILABLE TO**

**CITY UNDER TEXAS OR FEDERAL LAW. THE PROVISIONS OF THIS SUBSECTION ARE SOLELY FOR THE BENEFIT OF CITY AND FRANCHISEE AND ARE NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY.**

(b) Franchisee's assumption of risk. Franchisee undertakes and assumes for its officers, employees, agents, contractors, and subcontractors (collectively "Franchisee" for the purpose of this subsection), all risk of dangerous conditions, if any, on or about any city-owned or controlled property, including the public ways, **AND FRANCHISEE HEREBY AGREES TO INDEMNIFY AND HOLD HARMLESS THE INDEMNITEES AGAINST AND FROM ANY CLAIM ASSERTED OR LIABILITY IMPOSED UPON THE INDEMNITEES FOR PERSONAL INJURY OR PROPERTY DAMAGE TO ANY PERSON (OTHER THAN FROM AN INDEMNITEE'S NEGLIGENCE OR WILLFUL MISCONDUCT) ARISING OUT OF FRANCHISEE'S OPERATION, MAINTENANCE, OR CONDITION OF THE SOLID WASTE COLLECTION SERVICE OR FRANCHISEE'S FAILURE TO COMPLY WITH ANY FEDERAL, STATE OR LOCAL STATUTE, ORDINANCE OR REGULATION.**

(c) Defense of city. In the event any action or proceeding shall be brought against the indemnitees by reason of any matter for which the indemnitees are indemnified hereunder, franchisee shall, upon notice from any of the indemnitees, at franchisee's sole cost and expense, (including, without limitation, reasonable fees and expenses of attorneys, expert witnesses, and consultants, and the associated costs of document production), resist and defend the same with legal counsel selected by franchisee and consented to by city, such consent not to be unreasonably withheld; provided, however, that franchisee shall not admit liability in any such

matter on behalf of the indemnitees without city's written consent and provided further that the indemnitees shall not admit liability for, nor enter into any compromise or settlement of, any claim for which they are indemnified hereunder, without the prior written consent of franchisee and execution of any settlement agreement on behalf of the city by the city attorney, and further provided that for the search, review, and production of documents, the city attorney may elect to handle some or all of the process in-house at the expense of the franchisee.

(d) Expenses. The indemnitees shall give franchisee prompt notice of the making of any claim or the commencement of any action, suit or other proceeding covered by the provisions of this Section 5. Nothing herein shall be deemed to prevent the indemnitees from participating in the defense of any litigation by their own counsel at their own expense. Franchisee shall pay all expenses incurred by the indemnitees in participating in the defense, provided that the participation has been requested or required by franchisee in conducting the defense. These expenses may include out-of-pocket expenses reasonably and necessarily incurred, such as attorney fees and the reasonable value of any services rendered by city's counsel and the actual expenses of the indemnitees' agents, employees or expert witnesses, and disbursements and liabilities assumed by the indemnitees in connection with such suits, actions or proceedings but shall not include attorney's fees for services that are unnecessarily duplicative of services provided the Indemnitees by franchisee.

(e) Insurance required. Not later than the effective date of this ordinance, franchisee shall procure, pay for, and maintain insurance coverage in at least the minimum amounts and coverages described in Exhibit A, attached to and made a part of this ordinance. The insurance shall be written by companies approved by the State of Texas and acceptable to city. The insurance shall be evidenced by the delivery to city of policies of insurance, including all

endorsements executed by the insurer or its authorized agent stating coverages, limits, exclusions, deductibles, and expiration dates, which demonstrate compliance with all applicable provisions of the insurance laws and rules in the State of Texas. **THIS ORDINANCE SHALL NOT TAKE EFFECT UNTIL THE INSURANCE POLICY HAS BEEN DELIVERED TO CITY AND NO OFFICER OR EMPLOYEE SHALL HAVE AUTHORITY TO WAIVE THIS REQUIREMENT.** If satisfactory evidence of the required insurance is not submitted within 30 days after the date the council approves this ordinance, then this ordinance shall be considered null and void and shall have no force or effect.

(f) Changes in insurance coverage. Franchisee shall provide the city with true and complete copies of all changes to insurance policies, including any cancellation, coverage change, or termination notice, or any replacement insurance, before these changes become effective. Certificates of insurance reflecting the annual renewal, replacement insurance or coverage changes must be submitted when such policies become effective to provide evidence of continuing insurance coverage. Although certificates are routinely accepted as substitutes for copies of insurance policies, the city shall have the right to access and copy any such policy of insurance**.** The director may prevent franchisee from operating a solid waste collection service under this franchise until satisfactory evidence of insurance coverage required under this section is presented to the director.

(g) Adjustments to insurance requirements. City reserves the right to review the insurance requirements stated in Exhibit A during the effective period of this ordinance and to recommend to the council reasonable adjustments in the insurance requirements contained in the city code prior to the anniversary renewal of the insurance when deemed necessary and prudent by city's Office of Risk Management. Any adjustments shall be mutually agreeable to city and

franchisee, and based upon changes in statutory law, court decisions, or the claims history of the industry as well as franchisee. When any insurance coverage limit changes are agreed, franchisee shall pay any resulting increase in cost due to the changes.

(g) Liability of franchisee. Approval, disapproval, or failure to act by city regarding any insurance supplied or not supplied by franchisee shall not relieve franchisee of full responsibility or liability for damages and accidents as set forth in this ordinance. The bankruptcy, insolvency, or denial of liability by any insurer of franchisee shall not exonerate franchisee from the liability obligations of franchisee provided for under this ordinance.

SECTION 6. Fees, payments and compensation.

(a) Compensation required. Because the special use of the public ways by franchisee and the special business purpose for which the public ways are being used requires rental compensation for the rights and privileges granted under this ordinance, franchisee shall pay city throughout the term of this ordinance a fee in an amount equal to four percent of franchisee's gross receipts, calculated monthly and payable based on the gross receipts realized during the calendar month immediately preceding the calendar month in which the payment is due (hereinafter called the "franchise fee").

(b) Payment procedures. Franchisee shall pay the franchise fee to city each month during the term of this ordinance. The monthly payment required by this ordinance shall be due and payable by certified check, electronic funds transfer, or other means that provide immediately available funds on the day the payment is due not later than 3:00 p.m. of the thirtieth (30th) calendar day following the end of each calendar month. If the thirtieth (30th) calendar day following the end of a calendar month falls on a Saturday, Sunday, or official city holiday, then the payment is due on the business day prior to the due date, and in the month of

February, the payment is due on February 28th. Subject to applicable law, the compensation set forth in this Section 6 shall be exclusive of and in addition to all special assessments and taxes of whatever nature, including, but not limited to, ad valorem taxes. In the event any monthly payment or partial payment is received by the city later than 10 days after the due date, franchisee shall pay interest on the past due amount at the rate prescribed in Section 2-1.1 of the Dallas City Code. Payment shall be accompanied by a monthly report certified by an officer of franchisee showing the total gross receipts of the preceding calendar month. The monthly report shall also include a detailed breakdown of gross receipts and the computation of the payment amount.

(c) Annual report. Franchisee shall file with city by February 1 of each calendar year an annual report showing the total gross receipts of the preceding calendar year along with the information required under Section 18-41 of the Dallas City Code. Such annual report shall include a detailed breakdown of gross receipts and the computation of the payment amount.

(d) City audit. City may audit franchisee (or any affiliate of franchisee who has information directly pertaining to gross receipts) as often as is reasonably necessary to verify the accuracy of the franchise fees paid to city. All books, records, accounts, or other documents in paper or electronic form, necessary for the audit shall be made available by franchisee at a single location in the Dallas-Fort Worth metropolitan area. Any net undisputed amount due to city, plus interest at the rate prescribed in Section 2-1.1 of the Dallas City Code, c, calculated from the date each portion of the underpayment was originally due until the date franchisee remits the underpayment to the city, shall be paid by franchisee within 45 days after city's submitting an invoice for the underpayment to franchisee with reasonable detail supporting the amount claimed. If the amount of the underpayment exceeds five percent of the total franchise fee owed

for the audit period, franchisee shall pay city's audit costs as well. City's right to audit and franchisee's obligation to retain records related to the franchise fee shall be limited to the previous two calendar years preceding the date that written notice of intent to audit is served.

SECTION 7. Term; performance evaluation.

(a) Term and extensions. The term of this ordinance shall be five (5) years from the effective date of this ordinance.

(b) Franchisee rights upon termination. Subject to applicable law, this ordinance and all rights, permissions, and privileges of franchisee under this ordinance shall automatically terminate on the expiration of the term of this ordinance, unless extended by mutual agreement, court order, or applicable law.

(c) Performance evaluation. In order to: (i) assure that franchisee is complying with the terms of this ordinance, as it may be from time to time amended, and (ii) promote a sharing of information between city and franchisee, city may schedule a performance evaluation no more often than every five years during the term of this ordinance, subject to Subsection (d) of this section, in accordance with the following process:

(1) At least 90 days prior to each performance evaluation, city shall notify franchisee of the date, time and location of the evaluation. Such notice shall include specification of any additional information to be provided by franchisee pursuant to Subsection (c)(2)(D) below. Unless specifically waived by the council, attendance of franchisee's duly authorized representative at these meetings is mandatory.

(2) Within 60 days from receipt of notification, franchisee shall file a report with city that is sworn to by a representative of franchisee knowledgeable of the operations of

franchisee within the authorized area, in reasonable detail, specifically addressing, at a minimum, the following areas:

(A) compliance of franchisee's vehicles with solid waste and air quality requirements;

(B) customer service, including but not limited to a listing of customer complaints and their resolution;

(C) history in regard to prompt and accurate payment of franchise fees;

(D) any other topic deemed material or relevant by city for its enforcement of this ordinance.

(3) All reports to be prepared under this subsection and submitted by franchisee shall be based upon information for at least the most recent five-year period, inclusive of the most current quarter available. No report under this subsection shall be based upon data that ends more than six months before the time of the performance evaluation.

(4) Following receipt of the report, but not less than 30 days prior to the performance evaluation, city may request additional information, clarification or detailed documentation concerning those topics identified for inclusion in the performance evaluation. Franchisee shall make reasonable effort to provide such additional information to city prior to the meeting. In the event that the information cannot be made available prior to the performance evaluation, franchisee shall notify city in writing explaining the reasons for any delay. The city may authorize a delay of the performance evaluation for a reasonable time to allow franchisee to submit the additional documentation.

(5) The council shall hear any interested persons during such performance evaluation. Franchisee shall be entitled to all the rights of due process consistent with city

proceedings, including but not limited to, the right to be heard, the right to present evidence, and the right to ask questions of witnesses.

(6) Upon request of city, franchisee shall assist city in notifying customers of the evaluation session. The actual costs associated with the notification, in an amount not to exceed $1,000.00, shall be borne by franchisee.

(d) Additional performance evaluations. Notwithstanding Subsection (c), the council may initiate and conduct such additional performance evaluations regarding franchisee's performance under this ordinance as the council, in its sole discretion, may deem justified or necessary under the circumstances. Franchisee shall be given reasonable notice of the date, time, and location of any such additional performance evaluations.

SECTION 8. Transfers of ownership and control.

(a) Franchisee ownership, management and operation.

(1) Only franchisee and its affiliates, if any, shall operate, manage, and maintain the solid waste collection service. As provided in Chapter XIV, Section 2(5) of the Dallas City Charter, no franchise, nor the assets held by the franchise holder, may be sold, assigned, transferred, or conveyed to any other person, firm, corporation, or other business entity without the consent of the city first had and obtained by ordinance or resolution, unless otherwise specifically provided in this franchise ordinance. If the purchaser is the holder of a like franchise, the franchise purchased shall be canceled and merged into the franchise held by the purchaser upon terms and conditions as may be set out by the city council when permission for merger is granted. Franchisee shall not directly or indirectly transfer or assign, in whole or in part, the operation, management, ownership, or maintenance of the solid waste collection service without the prior written consent of the council as provided in Subsections 8(b) and 8(c) below.

(2) This section shall not apply to franchisee's employment contracts and other personnel decisions, nor shall it prohibit franchisee from contracting for or subcontracting, in whole or in part, any operational, management or maintenance functions in connection with the solid waste collection service, so long as franchisee does not relinquish its decision making authority over, or its responsibilities under, this ordinance for any particular function; nor shall it prohibit franchisee from complying with this ordinance or other requirements of federal, state, or local laws and regulations.

(3) Franchisee shall provide the director written notice, within five calendar days after its occurrence, of any change in the corporate or business structure, change in the chief executive or the top executive structure, change in the board of directors, or other change in the corporate or business method of governance of franchisee, regardless of whether or not it results in a transfer or assignment of the franchise or a transfer of control or ownership of franchisee.

(b) Transfer and assignment procedures. This ordinance or the solid waste collection service shall not be transferred or assigned, by operation of law or otherwise, nor shall title to franchisee's rights and obligations under this ordinance or to the solid waste collection service pass to or vest in any person, other than for mortgaging or financing of solid waste collection operations or to an affiliate of franchisee under the conditions described below, without the prior written consent of the council. This ordinance shall not be leased or subleased without the prior written consent of the council. The procedures related to transfer or assignment are as follows:

(1) The council's written consent shall not be required for a transfer solely for security purposes (such as the grant of a mortgage or security interest), but shall be required for any realization on the security by the recipient, such as a foreclosure on a mortgage or security

interest. The director shall be advised in writing of a transfer solely for security purposes at least 60 days before such transfer occurs.

(2) Franchisee may, without additional approval by the council, transfer or assign this ordinance to an affiliate provided that the affiliate: (i) assumes all of franchisee's obligations and liabilities under this ordinance occurring both before and after the transfer or assignment; (ii) agrees to comply with all provisions of this ordinance; and (iii) has the legal, technical and financial ability to properly perform and discharge such obligations and liabilities, which abilities are each at least as great as those of franchisee. The director shall be advised in writing of such transfer and of the affiliate's qualifications at least 60 days before such transfer occurs. The city shall be reimbursed any reasonable, documented costs it incurs in connection with such transfer, including the expenses of any investigation or litigation respecting a proposed or consummated transfer, up to a maximum of $10,000.00.

(c) Transfer of control. There shall be no transfer of or acquisition of control of franchisee without the prior written consent of the council.

(d) Schedule of ownership. Franchisee represents and warrants that its current ownership is as set forth on Exhibit C, attached to and made a part of this ordinance, and that it has full legal and equitable title to the solid waste collection service as of the effective date of this ordinance.

(e) Applications for consent/procedure/restrictions. If franchisee seeks to obtain the consent of the council to any transactions or matters described in this section, franchisee shall submit an application for such consent to the city and shall submit or cause to be submitted to the city such additional documents and information as the director may request that are reasonably related to the transaction, including the purchase price of the solid waste collection service, and

the legal, financial, and technical qualifications of the proposed transferee or new controlling entity.

(1) The council shall have 120 days from the date of submission of a complete and accurate application to act upon the application for consent. If the council fails to act upon such application for consent within 120 days, such application shall be deemed as consented to unless city and franchisee otherwise agree to an extension of time.

(2) The council shall not unreasonably withhold its consent to any proposed transaction. The council may: (i) grant its consent outright, (ii) grant such consent with conditions, which conditions it finds are necessary to ensure performance of franchisee or its successor under this Ordinance, or (iii) deny consent.

(3) Nothing in any approval by the city under this section shall be construed to waive or release any rights of city in and to the public ways, public places of city or property owned by city.

(4) Nothing in any approval by city under this section shall be construed as a waiver or release of any of city's police powers, or as an exercise of eminent domain.

(5) City's granting of consent in any one instance shall not require it to grant consent in other instances.

(6) Franchisee shall reimburse city for the incidental costs incurred by city in considering any request of franchisee under this section. Such reimbursement shall not exceed $10,000.00, shall be supported by invoices, and shall not include any costs or expenses incurred by city in defending any denial of the request; provided, however, that city does not waive its right to request that its attorney's fees and other costs be reimbursed by court order in any litigation related to denial of a request under this section.

(f) City approval requirements. Before any transfer, assignment, sale, foreclosure, or other change of control described under this section becomes effective and before the council shall consider giving its consent, the proposed transferee, assignee, purchaser, buyer, foreclosing party, or other person or entity seeking to obtain the rights and obligations under this ordinance through a change of control shall provide the director: (i) an agreement and acceptance in writing to comply with all terms of this ordinance, as amended; (ii) all evidence of insurance required under this ordinance, as amended; (iii) the legal name and address of the transferee, and all persons sharing control of the transferee, with a full description of their experience in the solid waste disposal industry, as well as the name and address of the person to be contacted for notices; (iv) payment of outstanding franchise fees and any other fees, taxes, and payments, including fees, interest, and penalties, due from franchisee to the city; and (iv) evidence satisfactory to the director that transferee has the legal, technical, and financial ability to properly perform and discharge all obligations and liabilities of this ordinance.

(g) Transfer of control requirements. In the event of a transfer of control, before such transfer becomes effective and before the council shall consider giving its consent, the proposed transferee shall agree in writing to not take any action that will keep franchisee from complying with this ordinance.

SECTION 9. Defaults.

(a) Events of default. The occurrence of any one or more of the following events at any time during the term of this ordinance shall constitute an event of default by franchisee under this ordinance:

(1) The failure or refusal by franchisee to pay the franchise fee when due as prescribed by this ordinance, or any failure to perform on any agreed or court-mandated extension or modification of such payment obligation.

(2) Franchisee's material violation of or failure to comply with any provision or condition of Article IV of Chapter 18 of the Dallas City Code relating to solid waste collection service franchisees or any other applicable provision or condition of the city code.

(3) Franchisee's material violation of or failure to comply with any of the other terms, covenants, representations, or warranties contained in this ordinance, or franchisee's failure or refusal to perform any obligation contained in this ordinance.

(4) Franchisee's failure or refusal to pay or cause to be paid any of city's governmentally-imposed taxes of any kind whatsoever, including but not limited to real estate taxes, sales taxes, and personal property taxes on or before the due date for same; provided, however, franchisee shall not be in default under this subsection with respect to the non-payment of taxes which are being disputed in good faith in accordance with applicable law.

(5) The entry of any judgment against franchisee in which another party becomes entitled to possession of substantially all of franchisee's assets of the solid waste collection service, for which change in possession the consent of the council has not been obtained, and such judgment is not stayed pending rehearing or appeal for 45 or more days following entry of the judgment.

(6) The dissolution or termination, as a matter of law, of franchisee without the prior consent or approval of city, which approval, if formally requested, shall not unreasonably be withheld.

(7) Franchisee's filing of a voluntary petition in bankruptcy; being adjudicated insolvent; obtaining an order for relief under Section 301 of the Bankruptcy Code (11 U.S.C. §301); filing any petition or failing to contest any petition filed against it seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for itself under any laws relating to bankruptcy, insolvency or other relief for debtors; seeking or consenting to or acquiescing in the appointment of any bankruptcy trustee, receiver, master, custodian or liquidator of franchisee, or any of franchisee's property or this ordinance or of any and all of the revenues, issues, earnings, profits or income thereof; making an assignment for the benefit of creditors (except secured creditors); or failing to pay franchisee's debts as they become due such that franchisee is unable to meet its obligations under this ordinance.

(8) Franchisee attempts to dispose of any of the facilities or property of its solid waste collection service with the intent of preventing city from purchasing it as provided for in this ordinance.

(9) Franchisee engages in any fraudulent or deceitful conduct with city or its customers.

(10) Franchisee knowingly or intentionally makes a false statement or a misrepresentation as to a material matter in the application for or in the negotiation of this ordinance, or in connection with any report of gross income as required by this ordinance.

(11) Any director, officer, employee, or agent of franchisee is convicted of the offense of bribery or fraud connected with or resulting from the granting, term extension, or renewal of this ordinance.

(12) Franchisee's failure or refusal to comply with or a violation of any applicable local, state, or federal law or regulation.

(b) Default procedures. Upon the occurrence of an event of default which can be cured by the immediate payment of money to city or a third party, franchisee shall have 30 days from written notice of the occurrence of the event of default from the director to cure the default before city may exercise any of the default remedies provided for in Section 10. Upon the occurrence of an event of default by franchisee which cannot be cured by the immediate payment of money to city or a third party, franchisee shall have 60 days from the date of written notice from city to franchisee of the occurrence of the event of default to cure the event of default before city may exercise any of its rights or remedies provided for in Section 10, unless the director, the city manager, or the council authorizes a longer cure period upon a showing of good cause to extend the cure period. If an event of default is not cured within the time period allowed for curing the event of default, as provided above, the event of default becomes, without additional notice, an uncured event of default, which shall entitle city to exercise the remedies provided for in Section 10.

SECTION 10. Remedies.

(a) Default remedies. Upon the occurrence of any uncured event of default as described in Section 9, the director shall report the occurrence of same to the city manager and the council. The council shall be entitled in its sole discretion and upon recommendation of the director and the city manager to exercise any or all of the following cumulative remedies:

(1) Exercise its rights to impose liquidated damages as described in Subsection (e).

(2) Authorize the city attorney to commence an action against franchisee at law or in equity, or both, including an action for monetary damages and specific performance.

(3) Suspend the franchise granted under this ordinance.

(4) Revoke the franchise granted under this ordinance.

(b) Suspension procedure. Upon the occurrence of an uncured event of default, the director may suspend the operation of the solid waste collection service doing business under this ordinance. If the director determines that suspension of the franchise is necessary to cure an event of default, the director shall comply with the procedures established in Section 18-37 of the Dallas City Code.

(c) Revocation procedure. Upon the occurrence of an uncured event of default, the council shall have the right to revoke this ordinance. Upon revocation, the rights, permissions, and privileges comprising the franchise granted under this ordinance shall be automatically deemed null and void and shall have no further force or effect and the provisions that are contractual in nature which are also included as a part of this ordinance are hereby automatically terminated, except that franchisee shall retain the obligation to report gross income and make franchisee fee payments covering the period prior to the effective date of the revocation. Upon revocation, city shall retain any portion of the franchise fee and other fees or payments paid to it, or which are due and payable to it, to the date of the revocation. Notwithstanding the above, prior to any council hearing to formally consider revocation of the franchise granted under this ordinance, the director shall notify franchisee in writing at least 10 days in advance of the council hearing at which the issue of revocation shall be considered and decided. Franchisee shall have the right to appear before the council in person or by legal counsel and raise any objections or defenses franchisee may have that are relevant to the proposed revocation. In addition, the following procedures shall apply in regard to the revocation hearing:

(1) The council shall hear and consider the issue of revocation, shall hear any person interested in the issue, and shall determine, in its sole discretion, whether or not any violation by franchisee has occurred justifying a revocation of the franchise.

(2) At such hearing, franchisee shall be provided due process, including the right to be heard, to ask questions of witnesses, and to present evidence.

(3) Upon completion of the hearing described above, the council shall render a decision. Within a reasonable time, the director shall transmit a copy of the decision to franchisee. Franchisee shall be bound by the council's decision, unless it appeals the decision to a court of competent jurisdiction within 15 days after the date of the decision. Franchisee reserves the right to challenge both the decision itself and the fairness of the process followed by the city in the proceeding.

(4) The council reserves the right, in its sole discretion, to impose liquidated damages or to pursue other remedies as provided in this Section 10 in lieu of a revocation.

(d) Letter of credit. As security for the faithful performance by franchisee of the provisions of this ordinance and compliance with all orders, permits, and directions of city and the payment of all claims, liens, fees, liquidated damages, and taxes to city, franchisee shall deposit with city, no later than the effective date of this ordinance, an unconditional and irrevocable letter of credit in a penal amount equal to one month's franchise fee payment. The initial value of the letter of credit shall be established on the basis of the monthly franchise fee that would have been paid on the previous calendar year's monthly average gross receipts on a cash basis from any source derived at any location regardless of whether those receipts were earned entirely within the authorized area. The letter of credit shall be updated annually in January of each calendar year during the term of this ordinance. The value of the annually updated letter of credit will be equal to the average monthly franchise fee payment submitted by franchisee as required in this ordinance during the previous calendar year. The letter of credit must be issued by a federally-chartered or state-chartered financial institution with a principal

office or branch located in Dallas County and otherwise acceptable to the council, on terms acceptable to the council and approved by the city attorney. The letter of credit shall expressly provide that partial draws are permitted and that a draft thereon to the order of the city will be honored upon presentation to the issuing financial institution at a principal office or branch located within Dallas County of a letter of demand from city delivered in person or by courier delivery. The letter of demand must be signed by a person purporting to be the city's chief financial officer, city manager, or director. No supporting documents will be required and no other language, other than a demand to pay and a recitation of title, will be required as conditions for permitting the draw. Failure to timely deposit the letter of credit, or the failure to maintain the letter(s) of credit in the full amount required under this subsection and in effect during the entire term of this ordinance, or any renewal or extension of this ordinance, shall constitute a material breach of the terms of this ordinance.

(1) If franchisee fails to make timely payment to city or its designee of any amount due as a result of this ordinance or fails to make timely payment to city of any taxes due; or fails to repay city for damages and costs, including attorney's fees; or fails to comply with any provision of this ordinance which city reasonably determines can be remedied by an expenditure of monies, city may draw upon the letter of credit an amount sufficient to repay city with interest as set forth in this ordinance, if not otherwise specified by law..

(2) Within three days after a drawing upon the letter of credit, city shall send written notification of the amount, date, and purpose of the drawing to franchisee by certified mail, return receipt requested.

(3) If, at the time of a draw by city, the aggregate amount realized from the letter of credit is insufficient to provide the total payment toward which the draw is directed, the

balance of such payment, plus accrued interest, shall constitute an obligation of franchisee to city until paid. If the interest rate is not set forth in this ordinance or set by laws, then interest shall be the prime rate as established in the Wall Street Journal on the day before city sends notice to franchisee of its intent to drawn the letter of credit.

(4) No later than 30 days after mailing of notification to franchisee of a draw pursuant to Subsection (d)(2) above, franchisee shall cause the letter of credit to be restored to the full amount required under this ordinance. Failure to timely restore the letter of credit shall constitute a material breach of the terms of this ordinance.

(5) The rights reserved to city with respect to this letter of credit are in addition to all other rights and remedies of city, whether reserved by this ordinance or authorized by law, and no action, proceeding or exercise of a right with respect to such letter of credit shall affect any other rights city may have.

(e) Liquidated damages. The parties agree that: (1) the harm or damage caused by any material breach of this franchise, other than the failure to pay franchise fees, is of a kind that is difficult or incapable of estimation; and (2) the amount of liquidated damages stipulated in the ordinance is a reasonable forecast of just compensation. Therefore, in addition to the other remedies provided for in this Section 10, liquidated damages in the amounts set forth below may be assessed by the council upon franchisee, following the notice and opportunity to cure procedures in Subsection (f) below, for failure or refusal to comply with any material term or condition of this ordinance or for any other uncured event of default. In the event the council determines that franchisee has committed, continued, or permitted a material failure or refusal of compliance or other uncured event of default that has not been cured as provided in this ordinance, franchisee shall pay $2,000 per day for each day or part of a day that the material

failure or refusal or other uncured event of default is committed, continued, or permitted, unless the council at the time of imposition of the civil penalty determines that good cause justifies a lesser penalty, based upon the surrounding circumstances, frequency, number, and seriousness of the material violations or uncured events of default in question and the public interest served by imposing a lesser civil penalty.

(f) Liquidated damages procedure. Liquidated damages may be assessed by the council in accordance with the following procedure:

(1) Following notice from the director, which notice, at the director's election, may be combined with the notice described in Section (9)(b), franchisee shall meet with the director to attempt to resolve any disagreements on whether liquidated damages should be assessed or what liquidated damages should be recommended to the council. If there is no resolution of the issue within 15 days after the mailing of the notice, then the director shall present the director's recommendation regarding liquidated damages to the city manager for review and concurrence. If the city manager concurs in the director's recommendation that liquidated damages should be assessed, the matter shall be presented to the council. The director shall notify franchisee of the recommendation of the city manager to the council, the time and date of the proposed hearing concerning the issue of liquidated damages, and a statement that franchisee has a right to appear and be heard before the council on the matter. In order to appear before and be heard by the council, franchisee must comply with applicable council procedures which can be obtained from the city secretary.

(2) Upon presentation of the recommendations of the director and the city manager, the council may decide on one or more of the following courses of action:

(A) to authorize the city attorney to proceed against franchisee under Section 10(a)(2);

(B) to assess liquidated damages in the amount provided above for the applicable material violation or uncured event of default. Council may provide for a lesser amount and may suspend all or part of said assessment upon reasonable conditions for any reasonable period, up to the end of the franchise;

(C) to determine that liquidated damages are not justified under the circumstances and assess no damages; or

(D) to remand the matter to the city manager or the director for further investigation, consideration, and recommendation to the council.

(3) Assessment of liquidated damages by the council shall be a monetary obligation of franchisee to city in the amount determined by the council and shall be paid in full by franchisee within 15 business days after the date of assessment by the council.

(4) The procedures stated in this Subsection (f) do not apply to the council's determination to require the payment of money, in lieu of other available remedies, in a revocation proceeding under Subsection (b)(4).

(g) Remedies cumulative. Subject to applicable law, the rights and remedies of city set forth in this Section 10 shall be in addition to and not in limitation of, any other rights and remedies provided by law or in equity. If the council determines that a violation by franchisee was franchisee's fault and within its control, the council may pursue any or all of the remedies provided in Section 10. The remedies of city created under this ordinance shall be cumulative to the maximum extent permitted by law. The exercise by city of any one or more remedies under this ordinance shall not preclude the exercise by city, at the same or different times, of any other

remedies for the same material uncured event of default. Notwithstanding any provision of this ordinance, however, city shall not recover both liquidated damages and actual damages for the same violation, breach, non-compliance, or material uncured event of default.

(h) Curable violations. Franchisee shall not be found in violation of this ordinance or any other applicable law or regulation, and shall suffer no penalties or damages as a result, if the violation occurs without fault of franchisee or occurs as a result of circumstances beyond its control, and, if curable, is promptly cured. Franchisee shall not be excused by mere economic hardship nor by the negligence or malfeasance of its directors, officers or employees.

(i) City right to purchase. In the event city revokes the franchise granted under this ordinance for cause, terminates the franchise as provided in Subsection (j) below, or denies renewal of the franchise granted under this ordinance, city shall have the right (but not the obligation) subject to the applicable provisions of city charter, directly or as an intermediary, to purchase the assets of the solid waste collection system through its authority under, and procedures applicable to, eminent domain.

(j) Termination in the public interest. Nothing in this section shall be construed as affecting the right of the council under the city charter to terminate this ordinance without cause in the public interest when it is deemed inconsistent with the public use of city's public ways or is deemed to cause or constitute a nuisance.

SECTION 11. Providing Information.

(a) Complete and accurate books required. Franchisee shall keep complete and accurate books of account and records of its solid waste collection service business and operations under and in connection with this ordinance in accordance with generally accepted accounting principles and generally accepted government auditing standards.

(b) City review of documentation. City may fully review such of franchisee's books, accounts, documents, and other records of franchisee or franchisee's affiliates during normal business hours on a non-disruptive basis and with such advance notice as is reasonably necessary to monitor compliance with the terms of this ordinance. All books, accounts, documents, and other records shall be made available at a single location in the Dallas-Fort Worth metropolitan area. Books, accounts, documents, and other records that are kept on an electronic basis shall also be made available on the same basis as the paper books, accounts, documents, and other records; where possible, such items shall be made available in a CD-ROM disk or other similar platform in a format that is readable by city's computers. The reviewable items shall include, but shall not be limited to, records required to be kept by franchisee pursuant to law and the financial information underlying the written report accompanying the franchise fee. To the extent permitted by law, city agrees to treat any information disclosed by franchisee under this section as confidential, if and only to the extent that franchisee provides prior written notice that specific information is confidential as trade secrets or proprietary competitive information. Blanket or overly broad claims of confidentiality will be of no effect.

(c) Additional reports. Franchisee shall, when required by the council, the city manager, or the director, report to city any reasonably requested information relating to franchisee or the affiliates or necessary for the administration of this ordinance. The director shall have the right to establish formats for these additional reports, determine the time for these reports and the frequency with which these reports, if any, are to be made, and require that any reports be made under oath.

SECTION 12. General.

(a) Entire agreement. This ordinance (with all referenced exhibits, attachments, and provisions incorporated by reference) embodies the entire agreement and the rights, privileges, and permissions between city and franchisee, superseding all oral or written previous negotiations or agreements between city and franchisee relating to matters set forth in this ordinance. This ordinance can be amended by an ordinance enacted by the council. Such action by council does not require the hearing procedures for revocation set forth in Subsection 10(4)(b) of this ordinance, but only the posting of an agenda item and the opportunity for speakers to be heard on the item.

(b) Notices. Except as otherwise provided in Subsection 12(c) of this ordinance, any notice, payment, statement, or demand required or permitted to be given under this ordinance by either party to the other may be effected by any of the means described in Subsection 12(d) of this ordinance. Mailed notices shall be addressed to the parties at the addresses appearing below, but each party may change its address by written notice in accordance with this section. Mailed notices shall be deemed communicated as of three days after mailing.

If to City:

City Manager
City of Dallas
Dallas City Hall
1500 Marilla – Room 4/F/North
Dallas, Texas 75201

With a copy to:

Director
Department of Sanitation Services
3112 Canton Street, Suite 200
Dallas, Texas 75226

If to Franchisee:

Nicholas Friedman, Manager
CHHJ-DALLAS, LLC
1625 W. Mockingbird Lane, Suite 315
Dallas, Texas 75235

Either city or franchisee may change its address or personnel for the receipt of notices at any time by giving notice of the change to the other party as provided in this Subsection 12(b) Any notice given by either city or franchisee must be signed by an authorized representative.

(c) Notice of claim. This ordinance is subject to the provisions of Section 2-86 of the Dallas City Code, relating to requirements for filing a notice of a breach of contract claim against city. Section 2-86 of the Dallas City Code is expressly incorporated by reference and made a part of this ordinance as if written word for word in this ordinance. Contractor shall comply with the requirements of Section 2-86 as a precondition of any claim against city relating to or arising out of this ordinance.

(d) Delivery of notices. Notices required to be given under this ordinance may be transmitted in any of the following four ways:

(1) By personal delivery, in which case they are deemed given when delivered.

(2) By delivery to Federal Express, United Parcel Service, or other nationally recognized overnight courier service, in which case they shall be deemed given when received for such service.

(3) By being deposited in the U.S. Mail, by registered or certified mail, return receipt requested, postage prepaid, in which case notice shall be deemed given three calendar days after having been deposited in the U.S. Mail.

(4) By facsimile or electronic mail transmission where the sender's transmittal log shows successful transmission to all the recipients (with any replacement transmission as a recipient shall request) and with a hard copy on the same date or the next day mailed to all by first class mail, postage prepaid, in which case notice shall be deemed given on the date of facsimile or electronic mail transmission.

(e) City/franchisee meetings. Franchisee shall meet with the director, the city manager or the council at reasonable times to discuss any aspect of this ordinance or the services or facilities of franchisee. At all meetings, franchisee shall make available personnel qualified for the issues to be discussed and such meetings shall be at city's offices unless otherwise agreed.

(f) Legal construction. This ordinance shall be governed by and construed in accordance with the laws and court decisions of the State of Texas, without regard to conflict of law or choice of law principles of Texas or of any other state. Exclusive venue for any litigation that may be filed in connection with this ordinance shall be in Dallas County, Texas. This ordinance is not a contract for goods or services within the meaning of Texas Local Government Code §§271.151 *et seq*.

(g) No inducement. Franchisee, by accepting this ordinance, acknowledges that it has not been induced to accept this ordinance by any promise, oral or written, by or on behalf of city or by any third person regarding any term or condition not expressed in this ordinance. Franchisee further pledges that no promise or inducement, oral or written, has been made to any city employee or official regarding the grant, receipt or award of this ordinance.

(h) Franchisee acknowledgement. Franchisee further acknowledges by acceptance of this ordinance that it has carefully read the terms and conditions of this ordinance and accepts the obligations imposed by the terms and conditions herein.

(i) No waiver by city. No failure by city to insist upon the strict performance of any covenant, provision, term or condition of this ordinance, or to exercise any right, term or remedy upon a breach thereof shall constitute a waiver of any such breach of such covenant, agreement, term, or condition. No waiver of any breach shall affect or alter this ordinance, but each and every covenant, provision, term or condition of this ordinance shall continue in full force and effect with respect to any other then existing or subsequent breach thereof.

(j) Governmental licenses. Franchisee shall, at its expense, obtain and maintain all additional governmental regulatory licenses necessary to operate the solid waste collection service in accordance with this ordinance.

(k) Severability. If any section, paragraph, or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, or provision shall not affect any of the remaining provisions of this ordinance.

(l) City retained powers. In addition to all rights provided in this ordinance, city reserves all rights and powers conferred by federal law, the Texas Constitution, Texas statutes and decisions, the City Charter, city code, and city ordinances which city is allowed to exercise.

(m) Material misinformation. The provision of information by franchisee or any of its affiliates to city in connection with any matters under this ordinance which contains an untrue statement of a material fact or omits a material fact necessary to make the information not misleading shall constitute a violation of this ordinance and shall be subject to the remedies provided in Section 10. Each day that franchisee or an affiliate fails to correct an untrue statement of a material fact or the omission of a material fact necessary to make the information not misleading shall constitute a separate violation of this ordinance.

(n) Hearing procedures. The following additional procedures shall apply to any hearing held in connection with any action taken by the council in connection with this ordinance:

(1) The council may conduct the hearing or, in its sole discretion, may by resolution appoint a committee or subcommittee of the council or a hearing officer to conduct the hearing and submit a proposal for decision to it, pursuant to procedures established by resolution.

(2) The hearing shall afford franchisee rudimentary due process. The council may by resolution establish other procedural matters in connection with the hearing.

(o) Acceptance. Upon adoption of this ordinance, franchisee agrees to be bound by all the terms and conditions contained herein, as evidenced by filing the original with the city secretary and a copy with the director, in writing, within 30 days after the date the council approves this ordinance, an unconditional acceptance of the ordinance and promise to comply with and abide by all its provisions, terms, and conditions. The form of unconditional acceptance and promise, attached to and made a part of this ordinance as Exhibit B, shall be sworn to, by, or on behalf of franchisee before a notary public. If within 30 days after the date the council approves the ordinance, franchisee fails to (1) submit and file the properly executed acceptance, (2) pay all taxes due , and (3) submit the letter of credit and required certificate of insurance, then this ordinance and the rights, permissions, and privileges granted under this ordinance shall be null and void and shall have no force or effect, unless franchisee evidences such failure was due to clerical error by someone other than franchisee or its affiliates and then acts promptly to remedy the third party's clerical error. The director may prevent franchisee from operating a solid waste collection service under this franchise or reapplying for a new franchise until the acceptance required by this subsection is filed as provided herein.

(p) Time is of the essence. Whenever this ordinance shall set forth any time for an act to be performed by or on behalf of franchisee, such time shall be deemed of the essence and any failure of franchisee to perform within time allotted shall always be sufficient grounds for city to invoke an appropriate remedy, including possible revocation of the ordinance.

(q) Force majeure. The time within which franchisee shall be required to perform any act under this ordinance shall be extended by a period of time equal to the number of days due to a force majeure. The term "force majeure" shall mean delays due to acts of God, inability to obtain governmental approvals, governmental restrictions, war, act of terrorism, civil disturbances, fire, unavoidable casualty, or other similar causes beyond the control of franchisee. Notwithstanding anything contained anywhere else in this ordinance, franchisee shall not be excused from performance of any of its obligations under this ordinance by the negligence or malfeasance of its directors, officers, or employees or by mere economic hardship.

(r) Recognition of rights. Franchisee agrees that by adopting this ordinance, neither city nor franchisee have waived any rights, claims, or defenses they may have with respect to city's rights to impose the requirements contained in this ordinance in whole or in part upon franchisee.

(s) Police powers.

(1) In accepting this ordinance, franchisee acknowledges that its rights under this ordinance are subject to the police power of city to adopt and enforce general ordinances necessary to the health, safety, and welfare of the public. Franchisee shall comply with all applicable general laws and ordinances enacted by city pursuant to such powers. Any conflict between the provisions of this ordinance and any other present or future lawful exercise of city's police powers shall be resolved in favor of the latter.

(2) Franchisee recognizes the right of city to make reasonable amendments to this ordinance; except that city shall not make amendments materially adversely affecting franchisee except under a proper exercise of city's police powers, with notice to franchisee and an opportunity to be heard in a regular public meeting of the council considering the ordinance or amendment. Franchisee acknowledges that this is the extent of its rights to a hearing respecting franchise ordinance amendments under the charter

(3) Franchisee also recognizes city's right to impose such other regulations of general applicability as shall be determined by city to be conducive to the safety, welfare, and accommodation of the public.

(t) No presumption of renewal. This ordinance and the grant contained herein do not imply, grant, or infer any renewal rights in favor of franchisee or its affiliates.

(u) Recognition of city charter. Franchisee recognizes, accepts and agrees that the terms, conditions and provisions of this ordinance are subject to the applicable provisions of Chapter XIV of the Dallas City Charter. Any request by franchisee for an amendment to this ordinance shall be subject to review by the city attorney for compliance with the applicable provisions of the city charter.

SECTION 13. Outstanding license fees. This ordinance shall not take effect until all fees still owed to city from the existing license previously issued to franchisee for solid waste collection, hauling, and disposal service under provisions of the city code applicable to solid waste collection, hauling, and disposal licenses are paid in full. If the previous license fees owed to city are not paid by franchisee within 30 days after the date the council approves this ordinance, then this ordinance shall be considered null and void and shall have no force or effect.

The director may prevent franchisee from operating a solid waste collection service under this franchise or reapplying for a new franchise until the previous license fees have been paid in full.

SECTION 14. Ordinance effective date. Subject to the provisions of Subsection 5(e), Subsection 12(o), and Section 13, this ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas (the "effective date"), and it is accordingly so ordained.

APPROVED AS TO FORM:

LARRY E. CASTO, City Attorney

BY _____
Assistant City Attorney

Passed _____

## Exhibit A

## INSURANCE COVERAGE REQUIRED

SECTION C. Subject to FRANCHISEE'S right to maintain reasonable deductibles, FRANCHISEE shall obtain and maintain in full force and effect for the duration of this contract and any extension hereof, at FRANCHISEE'S sole expense, insurance coverage in the following type(s) and amounts:
Business Automobile Liability Insurance covering owned, hired, and non-owned vehicles, with a minimum combined bodily injury (including death) and property damage limit of $500,000 per occurrence.

REQUIRED PROVISIONS

FRANCHISEE agrees that with respect to the above required insurance, all insurance contracts and certificate(s) of insurance will contain and state, in writing, the following required provisions:
a. Name the City of Dallas and its officers, employees and elected representatives as additional insureds to all applicable coverages.
b. State that coverage shall not be canceled, nonrenewed or materially changed except after thirty (30) days written notice by certified mail to:
(i) Sanitation Services, Attention: Assistant Director, 3112 Canton, Suite 200, Dallas, Texas 75226 and
(ii) Director, Office of Risk Management, 1500 Marilla, 6A-South, Dallas, Texas 75201.
c. Waive subrogation against the City of Dallas, its officers and employees, for bodily injury (including death), property damage or any other loss.
d. Provide that the FRANCHISEE'S insurance is primary insurance as respects the CITY, its officers, employees and elected representatives.
e. Provide that all provisions of this franchise concerning liability, duty and standard of care, together with the indemnification provision, shall be underwritten by contractual liability coverage sufficient to include such obligations within applicable policies.

CITY NOT LIABLE

Approval, disapproval or failure to act by the CITY regarding any insurance supplied by the FRANCHISEE or its subcontractors shall not relieve the FRANCHISEE of full responsibility or liability for damages and accidents as set forth in the franchise documents. Neither shall the bankruptcy, insolvency nor denial of liability by the insurance company exonerate the FRANCHISEE from liability.

**Exhibit B**

**Acceptance**

CHHJ-DALLAS, LLC, a Texas limited liability company, unconditionally accepts and agrees to be bound by all the terms, covenants, and conditions contained in the Solid Waste Collection Service franchise ordinance, Ordinance No. _____, passed on February 22, 2017.

Dated: ____ day of _____, 2017.

FRANCHISEE:

CHHJ-DALLAS, LLC
a Texas limited liability company

By: _____
Nicholas Friedman, Manager

State of Texas
County of _____

This instrument was acknowledged before me on _____, 2017 by Nicholas Friedman, Manager of CHHJ-DALLAS, LLC, a Texas limited liability company, on behalf of said company.

( Seal)

_____
Notary Public's Signature

**Exhibit C**
**Affidavit of Ownership or Control**

01-23-2017

ORDINANCE NO. _____

An ordinance granting a franchise to Evergreen Companies, Inc., a Texas corporation, with its principal address at 6001 West I-20, Suite 208, Arlington, Texas 76017, and its operating office at 1100 Everman Parkway, Fort Worth, Texas 76140, pursuant to Chapter XIV of the Dallas City Charter and Chapter 18 of Article IV of the Dallas City Code, to own, operate and maintain a solid waste collection service within the City of Dallas; providing for its terms and conditions; providing for liquidated damages for failure to adhere to the terms and conditions in the franchise ordinance; providing for payment of a franchise fee; providing for the payment of the publication fee; providing for the filing of an acceptance by Franchisee; and providing an effective date.

WHEREAS, safe and responsible solid waste collection, transport, and processing is necessary for the protection of the public health and a compelling governmental interest;

WHEREAS, solid waste haulers often use heavy equipment that contributes substantially to damage and wear and tear of the public ways, necessitating expenditures of City of Dallas resources for the maintenance and repair of those public ways, for which the City of Dallas is entitled to reasonable compensation and reimbursement;

WHEREAS, the franchise and regulation of solid waste collection, transport, and processing is necessary and furthers a compelling public interest;

WHEREAS, the City of Dallas is authorized to grant one or more non-exclusive franchises for the provision of solid waste collection service to premises within the City of Dallas; and

WHEREAS, the city council of the City of Dallas is of the opinion that the granting of the franchise on the terms and conditions set forth in this ordinance is in the public interest and in the interest of the City of Dallas and its residents. Now, Therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. Preamble. That the declarations contained in the preamble to this ordinance are material and are hereby repeated and incorporated herein as a part of this ordinance as though they were fully set forth in this Section 1.

SECTION 2. Definitions. That for the purpose of this ordinance the following terms, phrases, words and their derivations shall have the meaning given in this ordinance. When not inconsistent with the context, words used in the present tense include the future tense; words in the plural number include the singular number; words in the singular number include the plural number; and the use of any gender shall be applicable to all genders whenever the tense requires. The word “shall" is mandatory and not merely directory. The word "may" is not mandatory and is merely permissive. Words defined elsewhere in this ordinance shall be accorded that meaning throughout this ordinance. Words not defined shall be given their common and ordinary meaning.

(a) AFFILIATE and AFFILIATED means any entity controlling, controlled by, or under common control with the franchisee.

(b) AUTHORIZED AREA means the entire area from time to time within the corporate limits of the City of Dallas.

(c) CITY means the City of Dallas, a municipal corporation, a political subdivision of the State of Texas.

(d) CITY CHARTER means the city's organic law, equivalent to a constitution, which defines the city's existence and prescribes the powers, duties, and organization of the city's governmental structure.

(e) CITY CODE means the ordinances of the city codified into the Dallas City Code, The Revised Code of Civil and Criminal Ordinances of the City of Dallas, Texas (1960 Edition, 1997 Printing), as amended from time to time.

(f) CITY MANAGER means the city manager or the city manager's designated assistant or representative.

(g) CONTROL (and its variants) means actual working control, by whatever means exercised. Without limiting the generality of the foregoing, for the purposes hereof, a change in control shall be deemed to have occurred at any point in time when there is: (i) a change in working or effective voting control, in whatever manner effectuated, of franchisee; (ii) an agreement of the holders of voting stock or rights of franchisee which effectively vests or assigns policy decision-making in any person or entity other than franchisee; or (iii) a sale, assignment or transfer of any shares or interest in franchisee which results in a change in the control of franchisee.

(h) COUNCIL means the governing body of city. This section does not authorize delegation of any decision or function that is required by the city charter or state law to be made by the council. In any case in which a hearing is held pursuant to this ordinance, the council may conduct the hearing or, in its sole discretion, may by resolution appoint a committee or subcommittee of the council or a hearing officer to conduct the hearing and submit a proposal for decision to it, pursuant to procedures established by resolution.

Unless otherwise stated in this ordinance or prohibited by the city charter or state law, the council may delegate to the city manager or the director the exercise of any and all of the powers conferred upon city by its charter or by general law relating to the administration and enforcement of this ordinance and to franchisee's exercise of the rights and privileges conferred in this ordinance.

(i) DIRECTOR means the director of the department of sanitation services, or the director's designated representative.

(j) FRANCHISE means the grant of the non-exclusive permission and privilege to use public ways under this ordinance, and all of the incidental rights and obligations as described by this ordinance.

(k) FRANCHISEE means Evergreen Companies, Inc., a Texas corporation, the grantee of rights under this ordinance; or the successor, transferee, or assignee of this ordinance.

(l) PUBLIC WAYS means all dedicated rights-of-way, streets, highways, and alleys for use by the general public and easements dedicated for the benefit of all utilities. Public ways does not include property of city which is not a dedicated public way, street, highway, or alley or available for use by the general public or easements not dedicated for the benefit of all utilities.

(M) SOLID WASTE COLLECTION SERVICE means the term as defined in Section 18-29(5) of the Dallas City Code.

(n) THIS ORDINANCE means this document.

SECTION 3. Granting of franchise. That subject to all the terms and conditions contained in this ordinance, the Texas Constitution, the city charter, the city code, other city ordinances as from time to time may be in effect, and applicable federal law, city hereby grants franchisee non-exclusive permission and privilege solely for the purpose of operating and

maintaining a solid waste collection service in, over, along and across the public ways in the authorized area. This grant is subject to the following additional conditions:

(a) Franchisee purpose. Franchisee accepts the grant set forth above and agrees to operate and maintain the solid waste collection service in the authorized area in accordance with the terms and provisions of this ordinance.

(b) Other services. By granting this ordinance, city is not authorizing any non-solid waste collection service to be provided and does not waive and specifically retains any right to regulate and receive compensation as allowed by law for services offered by franchisee which are not solid waste collection services. Franchisee shall immediately notify city if it provides any non-solid waste collection services within the authorized area.

(c) No priority. This ordinance does not establish any priority for the use of the public ways by franchisee or by any present or future recipients of franchise agreements, franchisees, permit holders, or other users of the public ways. In the event of any dispute as to the priority of use of the public ways, the first priority shall be to the public generally, the second priority to city, the third priority to the State of Texas and its political subdivisions in the performance of their various functions, and thereafter, as between recipients of franchise agreements, franchisees and other state or local permit holders, as determined by the city manager in the exercise of the city's powers, including the police power and other powers reserved to and conferred on it by the State of Texas.

(d) City's use of public ways. Franchisee acknowledges that by this ordinance it obtains no rights to use or further use of the public ways other than those expressly granted in this ordinance. Franchisee acknowledges and accepts at its own risk, provided that city has the legal authority for the use or uses in question, that city may make use in the future of the public

ways in which the solid waste collection service is located in a manner inconsistent with franchisee's use of such public ways for the solid waste collection service, and in that event franchisee shall not be entitled to compensation from city unless compensation is available to all users of the public ways which are affected in a similar manner and are similarly situated in relevant respects with the franchisee.

(e) Emergencies. City may temporarily suspend the operation of the solid waste collection service of franchisee in the event of a public emergency or calamity as determined by city. In such event, neither city nor any agent, contractor, or employee of city shall be liable to franchisee or its customers or third parties for any damages caused them or the solid waste collection system. Where reasonably possible, prior notice shall be given to franchisee. In any event, notice of such action shall be given to franchisee after such action is taken.

(g) Compliance with law and standards of operation. Franchisee shall be subject to and comply with all applicable local, state, and federal laws, including the rules and regulations of any and all agencies thereof, whether presently in force or whether enacted or adopted at any time in the future.

(h) Other approvals and authorizations. This ordinance does not relieve and franchisee shall comply with any obligation to obtain permits, licenses and other approvals from city or other units of government, which are required for the operation and maintenance of the solid waste collection service.

(i) City's right of eminent domain reserved. Nothing in this ordinance shall limit any right city may have to acquire by eminent domain any property of franchisee.

(j) Taxes, fees and other assessments. Nothing in this ordinance shall be construed to limit the authority of city to impose a tax, fee, or other assessment of any kind on any person.

Franchisee shall pay all fees necessary to obtain and maintain all applicable federal, state, and local licenses, permits, and authorizations required for the construction, installation, upgrading, maintenance, or operation of its solid waste collection service.

(k) Disputes among public ways users. Franchisee shall respect the rights and property of city and other authorized users of the public ways. Disputes between franchisee and other similar franchisees over use of public ways shall be submitted to the director for resolution; provided, however, that franchisee reserves its rights to submit such disputes directly to a court of competent jurisdiction.

SECTION 4. Service requirements.

(a) It is expressly understood and agreed that franchisee has the non-exclusive right, to the extent permitted by this ordinance, to collect and transport solid waste within the authorized area where the individuals or companies contract with franchisee for those services, excluding residential service (other than apartment complexes and motels). Notwithstanding the exclusion for residential service, city reserves the right during the term of this franchise ordinance to collect and transport solid waste and other materials from any source whatsoever, including but not limited to apartment complexes, motels, and any commercial venue without any amendment or modification of this franchise ordinance. Franchisee shall, at its own expense, furnish personnel and equipment to collect and transport, solid waste and shall establish and maintain the contracted solid waste collection service in an efficient and businesslike manner.

(b) All vehicles used by franchisee for the collection and transportation of solid waste shall display a decal issued by the director in or upon a conspicuous place on the vehicle, in accordance with the applicable requirements of the city code. All vehicles shall be covered at all

times while loaded and in transit to prevent the spillage of solid waste onto the public ways or properties adjacent to the public ways. Any spillage will be promptly recovered by franchisee. All vehicles and containers owned by franchisee shall be clearly marked with franchisee's name in letters not less than four inches in height. All vehicles shall be cleaned and maintained by franchisee so as to be in good repair, of good appearance and, when idle, free of solid waste residue as may cause odor, provide a breeding place for vectors, or otherwise create a nuisance. In addition, franchisee shall comply with the requirements for solid waste collection vehicles and containers contained in Sections 18-45 and 18-50 (b) of the Dallas City Code.

(c) Franchisee expressly agrees to assume liability and responsibility for all costs of repair to the public ways and other facilities that are damaged as a result of the negligence of franchisee, its officers, agents, or employees, during franchisee's operations pursuant to this ordinance.

(d) Franchisee will comply with all rules, regulations, laws and ordinances pertaining to the disposal of solid waste as directed by the city or by other responsible governmental agencies having jurisdiction. must be made at an approved solid waste disposal, collection, or processing facility, transfer station or landfill, pursuant to Chapter 18 of the city code, as amended. Disposal of all solid waste collected by franchisee from premises within the authorized area must be made at an approved solid waste disposal, collection, or processing facility, transfer station or landfill in accordance with the Dallas City Code.

SECTION 5. Indemnity and insurance.

(a) **INDEMNIFICATION OF CITY. FRANCHISEE SHALL, AT ITS SOLE COST AND EXPENSE, DEFEND, INDEMNIFY, AND HOLD HARMLESS CITY AND ITS OFFICERS, BOARDS, COMMISSIONS, EMPLOYEES, AGENTS, ATTORNEYS,**

**AND CONTRACTORS (HEREINAFTER REFERRED TO AS "INDEMNITEES"), FROM AND AGAINST:**

**(1) ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, COSTS, AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE, OR OTHER HARM FOR WHICH RECOVERY OF DAMAGES IS SOUGHT, SUFFERED BY ANY PERSON OR PERSONS, THAT MAY ARISE OUT OF OR BE OCCASIONED BY FRANCHISEE'S BREACH OF ANY OF THE TERMS OR PROVISIONS OF THIS FRANCHISE, OR BY ANY NEGLIGENT OR STRICTLY LIABLE ACT OR OMISSION OF FRANCHISEE, ITS OFFICERS, AGENTS, EMPLOYEES, CONTRACTORS, OR SUBCONTRACTORS, IN THE OPERATION OR MAINTENANCE OF THE SOLID WASTE COLLECTION SERVICE, OR IN THE DISPOSAL, HANDLING, OR TRANSFER OF ANY SOLID WASTE COLLECTED THROUGH THE SOLID WASTE COLLECTION SERVICE; FRANCHISEE'S OBLIGATION TO DEFEND AND INDEMNIFY INDEMNITEES UNDER THIS SUBPARAGRAPH SHALL EXTEND TO CLAIMS, LOSSES, AND OTHER MATTERS COVERED UNDER THIS SUBPARAGRAPH THAT ARE CONTRIBUTED TO BY THE NEGLIGENCE OF ONE OR MORE INDEMNITEES, PROVIDED, HOWEVER, THAT INDEMNITY WILL BE REDUCED BY THE PROPORTIONATE AMOUNT THROUGH WHICH THE INDEMNITEE CONTRIBUTED TO THE LIABILITY, AS PROVIDED UNDER TEXAS LAW, WITHOUT WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF EITHER FRANCHISEE OR CITY UNDER TEXAS LAW; THE ABOVE INDEMNIFICATION SHALL NOT, HOWEVER, APPLY TO ANY**

**JUDGMENT OF LIABILITY RESULTING FROM THE SOLE NEGLIGENCE OR WILLFUL MISCONDUCT OF CITY; AND**

**(2) ANY AND ALL LIABILITY, OBLIGATION, DAMAGES, FINES, PENALTIES, CLAIMS, SUITS, JUDGMENTS, ACTIONS, LIENS, AND LOSSES, WHICH MAY BE IMPOSED UPON OR ASSERTED AGAINST THE INDEMNITEES BECAUSE OF ANY VIOLATION OF ANY STATE OR FEDERAL LAW OR REGULATION GOVERNING THE SOLID WASTE COLLECTION SERVICE OR RELATED TO THE COLLECTION, DISPOSAL, TRANSFER, OR HANDLING BY FRANCHISEE, ITS OFFICERS, EMPLOYEES, AGENTS, OR SUBCONTRACTORS, OF SOLID WASTE COLLECTED THROUGH THE SOLID WASTE COLLECTION SERVICE REGARDLESS OF WHETHER OR NOT THE NEGLIGENCE, FAULT, OR OTHER WRONGFUL CONDUCT OF THE INDEMNITEES CONTRIBUTED TO ANY VIOLATION; AND FRANCHISEE SHALL PAY ALL JUDGMENTS, WITH COSTS, ATTORNEY'S FEES, AND EXPENSES AWARDED IN SUCH JUDGMENT WHICH MAY BE OBTAINED AGAINST CITY RELATED TO ANY SUCH CLAIM. UPON THE WRITTEN REQUEST OF CITY, FRANCHISEE SHALL IMMEDIATELY, AT ITS SOLE COST AND EXPENSE, CAUSE ANY LIEN COVERING CITY'S PROPERTY AS DESCRIBED IN THIS SUBPARAGRAPH TO BE DISCHARGED OR BONDED.**

**(3) THIS SUBSECTION SHALL NOT BE CONSTRUED TO WAIVE ANY GOVERNMENTAL IMMUNITY FROM SUIT OR LIABILITY AVAILABLE TO CITY UNDER TEXAS OR FEDERAL LAW. THE PROVISIONS OF THIS SUBSECTION ARE SOLELY FOR THE BENEFIT OF CITY AND FRANCHISEE AND**

**ARE NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY.**

(b) Franchisee's assumption of risk. Franchisee undertakes and assumes for its officers, employees, agents, contractors, and subcontractors (collectively "Franchisee" for the purpose of this subsection), all risk of dangerous conditions, if any, on or about any city-owned or controlled property, including the public ways, **AND FRANCHISEE HEREBY AGREES TO INDEMNIFY AND HOLD HARMLESS THE INDEMNITEES AGAINST AND FROM ANY CLAIM ASSERTED OR LIABILITY IMPOSED UPON THE INDEMNITEES FOR PERSONAL INJURY OR PROPERTY DAMAGE TO ANY PERSON (OTHER THAN FROM AN INDEMNITEE'S NEGLIGENCE OR WILLFUL MISCONDUCT) ARISING OUT OF FRANCHISEE'S OPERATION, MAINTENANCE, OR CONDITION OF THE SOLID WASTE COLLECTION SERVICE OR FRANCHISEE'S FAILURE TO COMPLY WITH ANY FEDERAL, STATE OR LOCAL STATUTE, ORDINANCE OR REGULATION.**

(c) Defense of city. In the event any action or proceeding shall be brought against the indemnitees by reason of any matter for which the indemnitees are indemnified hereunder, franchisee shall, upon notice from any of the indemnitees, at franchisee's sole cost and expense, (including, without limitation, reasonable fees and expenses of attorneys, expert witnesses, and consultants, and the associated costs of document production), resist and defend the same with legal counsel selected by franchisee and consented to by city, such consent not to be unreasonably withheld; provided, however, that franchisee shall not admit liability in any such matter on behalf of the indemnitees without city's written consent and provided further that the indemnitees shall not admit liability for, nor enter into any compromise or settlement of, any

claim for which they are indemnified hereunder, without the prior written consent of franchisee and execution of any settlement agreement on behalf of the city by the city attorney, and further provided that for the search, review, and production of documents, the city attorney may elect to handle some or all of the process in-house at the expense of the franchisee.

(d) Expenses. The indemnitees shall give franchisee prompt notice of the making of any claim or the commencement of any action, suit or other proceeding covered by the provisions of this Section 5. Nothing herein shall be deemed to prevent the indemnitees from participating in the defense of any litigation by their own counsel at their own expense. Franchisee shall pay all expenses incurred by the indemnitees in participating in the defense, provided that the participation has been requested or required by franchisee in conducting the defense. These expenses may include out-of-pocket expenses reasonably and necessarily incurred, such as attorney fees and the reasonable value of any services rendered by city's counsel and the actual expenses of the indemnitees' agents, employees or expert witnesses, and disbursements and liabilities assumed by the indemnitees in connection with such suits, actions or proceedings but shall not include attorney's fees for services that are unnecessarily duplicative of services provided the Indemnitees by franchisee.

(e) Insurance required. Not later than the effective date of this ordinance, franchisee shall procure, pay for, and maintain insurance coverage in at least the minimum amounts and coverages described in Exhibit A, attached to and made a part of this ordinance. The insurance shall be written by companies approved by the State of Texas and acceptable to city. The insurance shall be evidenced by the delivery to city of policies of insurance, including all endorsements executed by the insurer or its authorized agent stating coverages, limits, exclusions, deductibles, and expiration dates, which demonstrate compliance with all applicable

provisions of the insurance laws and rules in the State of Texas. **THIS ORDINANCE SHALL NOT TAKE EFFECT UNTIL THE INSURANCE POLICY HAS BEEN DELIVERED TO CITY AND NO OFFICER OR EMPLOYEE SHALL HAVE AUTHORITY TO WAIVE THIS REQUIREMENT.** If satisfactory evidence of the required insurance is not submitted within 30 days after the date the council approves this ordinance, then this ordinance shall be considered null and void and shall have no force or effect.

(f) Changes in insurance coverage. Franchisee shall provide the city with true and complete copies of all changes to insurance policies, including any cancellation, coverage change, or termination notice, or any replacement insurance, before these changes become effective. Certificates of insurance reflecting the annual renewal, replacement insurance or coverage changes must be submitted when such policies become effective to provide evidence of continuing insurance coverage. Although certificates are routinely accepted as substitutes for copies of insurance policies, the city shall have the right to access and copy any such policy of insurance**.** The director may prevent franchisee from operating a solid waste collection service under this franchise until satisfactory evidence of insurance coverage required under this section is presented to the director.

(g) Adjustments to insurance requirements. City reserves the right to review the insurance requirements stated in Exhibit A during the effective period of this ordinance and to recommend to the council reasonable adjustments in the insurance requirements contained in the city code prior to the anniversary renewal of the insurance when deemed necessary and prudent by city's Office of Risk Management. Any adjustments shall be mutually agreeable to city and franchisee, and based upon changes in statutory law, court decisions, or the claims history of the

industry as well as franchisee. When any insurance coverage limit changes are agreed, franchisee shall pay any resulting increase in cost due to the changes.

(g) Liability of franchisee. Approval, disapproval, or failure to act by city regarding any insurance supplied or not supplied by franchisee shall not relieve franchisee of full responsibility or liability for damages and accidents as set forth in this ordinance. The bankruptcy, insolvency, or denial of liability by any insurer of franchisee shall not exonerate franchisee from the liability obligations of franchisee provided for under this ordinance.

SECTION 6. Fees, payments and compensation.

(a) Compensation required. Because the special use of the public ways by franchisee and the special business purpose for which the public ways are being used requires rental compensation for the rights and privileges granted under this ordinance, franchisee shall pay city throughout the term of this ordinance a fee in an amount equal to four percent of franchisee's gross receipts, calculated monthly and payable based on the gross receipts realized during the calendar month immediately preceding the calendar month in which the payment is due (hereinafter called the "franchise fee").

(b) Payment procedures. Franchisee shall pay the franchise fee to city each month during the term of this ordinance. The monthly payment required by this ordinance shall be due and payable by certified check, electronic funds transfer, or other means that provide immediately available funds on the day the payment is due not later than 3:00 p.m. of the thirtieth (30th) calendar day following the end of each calendar month. If the thirtieth (30th) calendar day following the end of a calendar month falls on a Saturday, Sunday, or official city holiday, then the payment is due on the business day prior to the due date, and in the month of February, the payment is due on February 28th. Subject to applicable law, the compensation set

forth in this Section 6 shall be exclusive of and in addition to all special assessments and taxes of whatever nature, including, but not limited to, ad valorem taxes. In the event any monthly payment or partial payment is received by the city later than 10 days after the due date, franchisee shall pay interest on the past due amount at the rate prescribed in Section 2-1.1 of the Dallas City Code. Payment shall be accompanied by a monthly report certified by an officer of franchisee showing the total gross receipts of the preceding calendar month. The monthly report shall also include a detailed breakdown of gross receipts and the computation of the payment amount.

(c) Annual report. Franchisee shall file with city by February 1 of each calendar year an annual report showing the total gross receipts of the preceding calendar year along with the information required under Section 18-41 of the Dallas City Code. Such annual report shall include a detailed breakdown of gross receipts and the computation of the payment amount.

(d) City audit. City may audit franchisee (or any affiliate of franchisee who has information directly pertaining to gross receipts) as often as is reasonably necessary to verify the accuracy of the franchise fees paid to city. All books, records, accounts, or other documents in paper or electronic form, necessary for the audit shall be made available by franchisee at a single location in the Dallas-Fort Worth metropolitan area. Any net undisputed amount due to city, plus interest at the rate prescribed in Section 2-1.1 of the Dallas City Code, c, calculated from the date each portion of the underpayment was originally due until the date franchisee remits the underpayment to the city, shall be paid by franchisee within 45 days after city's submitting an invoice for the underpayment to franchisee with reasonable detail supporting the amount claimed. If the amount of the underpayment exceeds five percent of the total franchise fee owed for the audit period, franchisee shall pay city's audit costs as well. City's right to audit and

franchisee's obligation to retain records related to the franchise fee shall be limited to the previous two calendar years preceding the date that written notice of intent to audit is served.

SECTION 7. Term; performance evaluation.

(a) Term and extensions. The term of this ordinance shall be five (5) years from the effective date of this ordinance.

(b) Franchisee rights upon termination. Subject to applicable law, this ordinance and all rights, permissions, and privileges of franchisee under this ordinance shall automatically terminate on the expiration of the term of this ordinance, unless extended by mutual agreement, court order, or applicable law.

(c) Performance evaluation. In order to: (i) assure that franchisee is complying with the terms of this ordinance, as it may be from time to time amended, and (ii) promote a sharing of information between city and franchisee, city may schedule a performance evaluation no more often than every five years during the term of this ordinance, subject to Subsection (d) of this section, in accordance with the following process:

(1) At least 90 days prior to each performance evaluation, city shall notify franchisee of the date, time and location of the evaluation. Such notice shall include specification of any additional information to be provided by franchisee pursuant to Subsection (c)(2)(D) below. Unless specifically waived by the council, attendance of franchisee's duly authorized representative at these meetings is mandatory.

(2) Within 60 days from receipt of notification, franchisee shall file a report with city that is sworn to by a representative of franchisee knowledgeable of the operations of franchisee within the authorized area, in reasonable detail, specifically addressing, at a minimum, the following areas:

(A) compliance of franchisee's vehicles with solid waste and air quality requirements;

(B) customer service, including but not limited to a listing of customer complaints and their resolution;

(C) history in regard to prompt and accurate payment of franchise fees;

(D) any other topic deemed material or relevant by city for its enforcement of this ordinance.

(3) All reports to be prepared under this subsection and submitted by franchisee shall be based upon information for at least the most recent five-year period, inclusive of the most current quarter available. No report under this subsection shall be based upon data that ends more than six months before the time of the performance evaluation.

(4) Following receipt of the report, but not less than 30 days prior to the performance evaluation, city may request additional information, clarification or detailed documentation concerning those topics identified for inclusion in the performance evaluation. Franchisee shall make reasonable effort to provide such additional information to city prior to the meeting. In the event that the information cannot be made available prior to the performance evaluation, franchisee shall notify city in writing explaining the reasons for any delay. The city may authorize a delay of the performance evaluation for a reasonable time to allow franchisee to submit the additional documentation.

(5) The council shall hear any interested persons during such performance evaluation. Franchisee shall be entitled to all the rights of due process consistent with city proceedings, including but not limited to, the right to be heard, the right to present evidence, and the right to ask questions of witnesses.

(6) Upon request of city, franchisee shall assist city in notifying customers of the evaluation session. The actual costs associated with the notification, in an amount not to exceed $1,000.00, shall be borne by franchisee.

(d) Additional performance evaluations. Notwithstanding Subsection (c), the council may initiate and conduct such additional performance evaluations regarding franchisee's performance under this ordinance as the council, in its sole discretion, may deem justified or necessary under the circumstances. Franchisee shall be given reasonable notice of the date, time, and location of any such additional performance evaluations.

SECTION 8. Transfers of ownership and control.

(a) Franchisee ownership, management and operation.

(1) Only franchisee and its affiliates, if any, shall operate, manage, and maintain the solid waste collection service. As provided in Chapter XIV, Section 2(5) of the Dallas City Charter, no franchise, nor the assets held by the franchise holder, may be sold, assigned, transferred, or conveyed to any other person, firm, corporation, or other business entity without the consent of the city first had and obtained by ordinance or resolution, unless otherwise specifically provided in this franchise ordinance. If the purchaser is the holder of a like franchise, the franchise purchased shall be canceled and merged into the franchise held by the purchaser upon terms and conditions as may be set out by the city council when permission for merger is granted. Franchisee shall not directly or indirectly transfer or assign, in whole or in part, the operation, management, ownership, or maintenance of the solid waste collection service without the prior written consent of the council as provided in Subsections 8(b) and 8(c) below.

(2) This section shall not apply to franchisee's employment contracts and other personnel decisions, nor shall it prohibit franchisee from contracting for or subcontracting,

in whole or in part, any operational, management or maintenance functions in connection with the solid waste collection service, so long as franchisee does not relinquish its decision making authority over, or its responsibilities under, this ordinance for any particular function; nor shall it prohibit franchisee from complying with this ordinance or other requirements of federal, state, or local laws and regulations.

(3) Franchisee shall provide the director written notice, within five calendar days after its occurrence, of any change in the corporate or business structure, change in the chief executive or the top executive structure, change in the board of directors, or other change in the corporate or business method of governance of franchisee, regardless of whether or not it results in a transfer or assignment of the franchise or a transfer of control or ownership of franchisee.

(b) Transfer and assignment procedures. This ordinance or the solid waste collection service shall not be transferred or assigned, by operation of law or otherwise, nor shall title to franchisee's rights and obligations under this ordinance or to the solid waste collection service pass to or vest in any person, other than for mortgaging or financing of solid waste collection operations or to an affiliate of franchisee under the conditions described below, without the prior written consent of the council. This ordinance shall not be leased or subleased without the prior written consent of the council. The procedures related to transfer or assignment are as follows:

(1) The council's written consent shall not be required for a transfer solely for security purposes (such as the grant of a mortgage or security interest), but shall be required for any realization on the security by the recipient, such as a foreclosure on a mortgage or security interest. The director shall be advised in writing of a transfer solely for security purposes at least 60 days before such transfer occurs.

(2) Franchisee may, without additional approval by the council, transfer or assign this ordinance to an affiliate provided that the affiliate: (i) assumes all of franchisee's obligations and liabilities under this ordinance occurring both before and after the transfer or assignment; (ii) agrees to comply with all provisions of this ordinance; and (iii) has the legal, technical and financial ability to properly perform and discharge such obligations and liabilities, which abilities are each at least as great as those of franchisee. The director shall be advised in writing of such transfer and of the affiliate's qualifications at least 60 days before such transfer occurs. The city shall be reimbursed any reasonable, documented costs it incurs in connection with such transfer, including the expenses of any investigation or litigation respecting a proposed or consummated transfer, up to a maximum of $10,000.00.

(c) Transfer of control. There shall be no transfer of or acquisition of control of franchisee without the prior written consent of the council.

(d) Schedule of ownership. Franchisee represents and warrants that its current ownership is as set forth on Exhibit C, attached to and made a part of this ordinance, and that it has full legal and equitable title to the solid waste collection service as of the effective date of this ordinance.

(e) Applications for consent/procedure/restrictions. If franchisee seeks to obtain the consent of the council to any transactions or matters described in this section, franchisee shall submit an application for such consent to the city and shall submit or cause to be submitted to the city such additional documents and information as the director may request that are reasonably related to the transaction, including the purchase price of the solid waste collection service, and the legal, financial, and technical qualifications of the proposed transferee or new controlling entity.

(1) The council shall have 120 days from the date of submission of a complete and accurate application to act upon the application for consent. If the council fails to act upon such application for consent within 120 days, such application shall be deemed as consented to unless city and franchisee otherwise agree to an extension of time.

(2) The council shall not unreasonably withhold its consent to any proposed transaction. The council may: (i) grant its consent outright, (ii) grant such consent with conditions, which conditions it finds are necessary to ensure performance of franchisee or its successor under this Ordinance, or (iii) deny consent.

(3) Nothing in any approval by the city under this section shall be construed to waive or release any rights of city in and to the public ways, public places of city or property owned by city.

(4) Nothing in any approval by city under this section shall be construed as a waiver or release of any of city's police powers, or as an exercise of eminent domain.

(5) City's granting of consent in any one instance shall not require it to grant consent in other instances.

(6) Franchisee shall reimburse city for the incidental costs incurred by city in considering any request of franchisee under this section. Such reimbursement shall not exceed $10,000.00, shall be supported by invoices, and shall not include any costs or expenses incurred by city in defending any denial of the request; provided, however, that city does not waive its right to request that its attorney's fees and other costs be reimbursed by court order in any litigation related to denial of a request under this section.

(f) City approval requirements. Before any transfer, assignment, sale, foreclosure, or other change of control described under this section becomes effective and before the council

shall consider giving its consent, the proposed transferee, assignee, purchaser, buyer, foreclosing party, or other person or entity seeking to obtain the rights and obligations under this ordinance through a change of control shall provide the director: (i) an agreement and acceptance in writing to comply with all terms of this ordinance, as amended; (ii) all evidence of insurance required under this ordinance, as amended; (iii) the legal name and address of the transferee, and all persons sharing control of the transferee, with a full description of their experience in the solid waste disposal industry, as well as the name and address of the person to be contacted for notices; (iv) payment of outstanding franchise fees and any other fees, taxes, and payments, including fees, interest, and penalties, due from franchisee to the city; and (iv) evidence satisfactory to the director that transferee has the legal, technical, and financial ability to properly perform and discharge all obligations and liabilities of this ordinance.

(g) Transfer of control requirements. In the event of a transfer of control, before such transfer becomes effective and before the council shall consider giving its consent, the proposed transferee shall agree in writing to not take any action that will keep franchisee from complying with this ordinance.

SECTION 9. Defaults.

(a) Events of default. The occurrence of any one or more of the following events at any time during the term of this ordinance shall constitute an event of default by franchisee under this ordinance:

(1) The failure or refusal by franchisee to pay the franchise fee when due as prescribed by this ordinance, or any failure to perform on any agreed or court-mandated extension or modification of such payment obligation.

(2) Franchisee's material violation of or failure to comply with any provision or condition of Article IV of Chapter 18 of the Dallas City Code relating to solid waste collection service franchisees or any other applicable provision or condition of the city code.

(3) Franchisee's material violation of or failure to comply with any of the other terms, covenants, representations, or warranties contained in this ordinance, or franchisee's failure or refusal to perform any obligation contained in this ordinance.

(4) Franchisee's failure or refusal to pay or cause to be paid any of city's governmentally-imposed taxes of any kind whatsoever, including but not limited to real estate taxes, sales taxes, and personal property taxes on or before the due date for same; provided, however, franchisee shall not be in default under this subsection with respect to the non-payment of taxes which are being disputed in good faith in accordance with applicable law.

(5) The entry of any judgment against franchisee in which another party becomes entitled to possession of substantially all of franchisee's assets of the solid waste collection service, for which change in possession the consent of the council has not been obtained, and such judgment is not stayed pending rehearing or appeal for 45 or more days following entry of the judgment.

(6) The dissolution or termination, as a matter of law, of franchisee without the prior consent or approval of city, which approval, if formally requested, shall not unreasonably be withheld.

(7) Franchisee's filing of a voluntary petition in bankruptcy; being adjudicated insolvent; obtaining an order for relief under Section 301 of the Bankruptcy Code (11 U.S.C. §301); filing any petition or failing to contest any petition filed against it seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief

for itself under any laws relating to bankruptcy, insolvency or other relief for debtors; seeking or consenting to or acquiescing in the appointment of any bankruptcy trustee, receiver, master, custodian or liquidator of franchisee, or any of franchisee's property or this ordinance or of any and all of the revenues, issues, earnings, profits or income thereof; making an assignment for the benefit of creditors (except secured creditors); or failing to pay franchisee's debts as they become due such that franchisee is unable to meet its obligations under this ordinance.

(8) Franchisee attempts to dispose of any of the facilities or property of its solid waste collection service with the intent of preventing city from purchasing it as provided for in this ordinance.

(9) Franchisee engages in any fraudulent or deceitful conduct with city or its customers.

(10) Franchisee knowingly or intentionally makes a false statement or a misrepresentation as to a material matter in the application for or in the negotiation of this ordinance, or in connection with any report of gross income as required by this ordinance.

(11) Any director, officer, employee, or agent of franchisee is convicted of the offense of bribery or fraud connected with or resulting from the granting, term extension, or renewal of this ordinance.

(12) Franchisee's failure or refusal to comply with or a violation of any applicable local, state, or federal law or regulation.

(b) Default procedures. Upon the occurrence of an event of default which can be cured by the immediate payment of money to city or a third party, franchisee shall have 30 days from written notice of the occurrence of the event of default from the director to cure the default before city may exercise any of the default remedies provided for in Section 10. Upon the

occurrence of an event of default by franchisee which cannot be cured by the immediate payment of money to city or a third party, franchisee shall have 60 days from the date of written notice from city to franchisee of the occurrence of the event of default to cure the event of default before city may exercise any of its rights or remedies provided for in Section 10, unless the director, the city manager, or the council authorizes a longer cure period upon a showing of good cause to extend the cure period. If an event of default is not cured within the time period allowed for curing the event of default, as provided above, the event of default becomes, without additional notice, an uncured event of default, which shall entitle city to exercise the remedies provided for in Section 10.

SECTION 10. Remedies.

(a) Default remedies. Upon the occurrence of any uncured event of default as described in Section 9, the director shall report the occurrence of same to the city manager and the council. The council shall be entitled in its sole discretion and upon recommendation of the director and the city manager to exercise any or all of the following cumulative remedies:

(1) Exercise its rights to impose liquidated damages as described in Subsection (e).

(2) Authorize the city attorney to commence an action against franchisee at law or in equity, or both, including an action for monetary damages and specific performance.

(3) Suspend the franchise granted under this ordinance.

(4) Revoke the franchise granted under this ordinance.

(b) Suspension procedure. Upon the occurrence of an uncured event of default, the director may suspend the operation of the solid waste collection service doing business under this ordinance. If the director determines that suspension of the franchise is necessary to cure an

event of default, the director shall comply with the procedures established in Section 18-37 of the Dallas City Code.

(c) Revocation procedure. Upon the occurrence of an uncured event of default, the council shall have the right to revoke this ordinance. Upon revocation, the rights, permissions, and privileges comprising the franchise granted under this ordinance shall be automatically deemed null and void and shall have no further force or effect and the provisions that are contractual in nature which are also included as a part of this ordinance are hereby automatically terminated, except that franchisee shall retain the obligation to report gross income and make franchisee fee payments covering the period prior to the effective date of the revocation. Upon revocation, city shall retain any portion of the franchise fee and other fees or payments paid to it, or which are due and payable to it, to the date of the revocation. Notwithstanding the above, prior to any council hearing to formally consider revocation of the franchise granted under this ordinance, the director shall notify franchisee in writing at least 10 days in advance of the council hearing at which the issue of revocation shall be considered and decided. Franchisee shall have the right to appear before the council in person or by legal counsel and raise any objections or defenses franchisee may have that are relevant to the proposed revocation. In addition, the following procedures shall apply in regard to the revocation hearing:

(1) The council shall hear and consider the issue of revocation, shall hear any person interested in the issue, and shall determine, in its sole discretion, whether or not any violation by franchisee has occurred justifying a revocation of the franchise.

(2) At such hearing, franchisee shall be provided due process, including the right to be heard, to ask questions of witnesses, and to present evidence.

(3) Upon completion of the hearing described above, the council shall render a decision. Within a reasonable time, the director shall transmit a copy of the decision to franchisee. Franchisee shall be bound by the council's decision, unless it appeals the decision to a court of competent jurisdiction within 15 days after the date of the decision. Franchisee reserves the right to challenge both the decision itself and the fairness of the process followed by the city in the proceeding.

(4) The council reserves the right, in its sole discretion, to impose liquidated damages or to pursue other remedies as provided in this Section 10 in lieu of a revocation.

(d) Letter of credit. As security for the faithful performance by franchisee of the provisions of this ordinance and compliance with all orders, permits, and directions of city and the payment of all claims, liens, fees, liquidated damages, and taxes to city, franchisee shall deposit with city, no later than the effective date of this ordinance, an unconditional and irrevocable letter of credit in a penal amount equal to one month's franchise fee payment. The initial value of the letter of credit shall be established on the basis of the monthly franchise fee that would have been paid on the previous calendar year's monthly average gross receipts on a cash basis from any source derived at any location regardless of whether those receipts were earned entirely within the authorized area. The letter of credit shall be updated annually in January of each calendar year during the term of this ordinance. The value of the annually updated letter of credit will be equal to the average monthly franchise fee payment submitted by franchisee as required in this ordinance during the previous calendar year. The letter of credit must be issued by a federally-chartered or state-chartered financial institution with a principal office or branch located in Dallas County and otherwise acceptable to the council, on terms acceptable to the council and approved by the city attorney. The letter of credit shall expressly

provide that partial draws are permitted and that a draft thereon to the order of the city will be honored upon presentation to the issuing financial institution at a principal office or branch located within Dallas County of a letter of demand from city delivered in person or by courier delivery. The letter of demand must be signed by a person purporting to be the city's chief financial officer, city manager, or director. No supporting documents will be required and no other language, other than a demand to pay and a recitation of title, will be required as conditions for permitting the draw. Failure to timely deposit the letter of credit, or the failure to maintain the letter(s) of credit in the full amount required under this subsection and in effect during the entire term of this ordinance, or any renewal or extension of this ordinance, shall constitute a material breach of the terms of this ordinance.

(1) If franchisee fails to make timely payment to city or its designee of any amount due as a result of this ordinance or fails to make timely payment to city of any taxes due; or fails to repay city for damages and costs, including attorney's fees; or fails to comply with any provision of this ordinance which city reasonably determines can be remedied by an expenditure of monies, city may draw upon the letter of credit an amount sufficient to repay city with interest as set forth in this ordinance, if not otherwise specified by law..

(2) Within three days after a drawing upon the letter of credit, city shall send written notification of the amount, date, and purpose of the drawing to franchisee by certified mail, return receipt requested.

(3) If, at the time of a draw by city, the aggregate amount realized from the letter of credit is insufficient to provide the total payment toward which the draw is directed, the balance of such payment, plus accrued interest, shall constitute an obligation of franchisee to city until paid. If the interest rate is not set forth in this ordinance or set by laws, then interest shall be

the prime rate as established in the Wall Street Journal on the day before city sends notice to franchisee of its intent to drawn the letter of credit.

(4) No later than 30 days after mailing of notification to franchisee of a draw pursuant to Subsection (d)(2) above, franchisee shall cause the letter of credit to be restored to the full amount required under this ordinance. Failure to timely restore the letter of credit shall constitute a material breach of the terms of this ordinance.

(5) The rights reserved to city with respect to this letter of credit are in addition to all other rights and remedies of city, whether reserved by this ordinance or authorized by law, and no action, proceeding or exercise of a right with respect to such letter of credit shall affect any other rights city may have.

(e) Liquidated damages. The parties agree that: (1) the harm or damage caused by any material breach of this franchise, other than the failure to pay franchise fees, is of a kind that is difficult or incapable of estimation; and (2) the amount of liquidated damages stipulated in the ordinance is a reasonable forecast of just compensation. Therefore, in addition to the other remedies provided for in this Section 10, liquidated damages in the amounts set forth below may be assessed by the council upon franchisee, following the notice and opportunity to cure procedures in Subsection (f) below, for failure or refusal to comply with any material term or condition of this ordinance or for any other uncured event of default. In the event the council determines that franchisee has committed, continued, or permitted a material failure or refusal of compliance or other uncured event of default that has not been cured as provided in this ordinance, franchisee shall pay $2,000 per day for each day or part of a day that the material failure or refusal or other uncured event of default is committed, continued, or permitted, unless the council at the time of imposition of the civil penalty determines that good cause justifies a

lesser penalty, based upon the surrounding circumstances, frequency, number, and seriousness of the material violations or uncured events of default in question and the public interest served by imposing a lesser civil penalty.

(f) Liquidated damages procedure. Liquidated damages may be assessed by the council in accordance with the following procedure:

(1) Following notice from the director, which notice, at the director's election, may be combined with the notice described in Section (9)(b), franchisee shall meet with the director to attempt to resolve any disagreements on whether liquidated damages should be assessed or what liquidated damages should be recommended to the council. If there is no resolution of the issue within 15 days after the mailing of the notice, then the director shall present the director's recommendation regarding liquidated damages to the city manager for review and concurrence. If the city manager concurs in the director's recommendation that liquidated damages should be assessed, the matter shall be presented to the council. The director shall notify franchisee of the recommendation of the city manager to the council, the time and date of the proposed hearing concerning the issue of liquidated damages, and a statement that franchisee has a right to appear and be heard before the council on the matter. In order to appear before and be heard by the council, franchisee must comply with applicable council procedures which can be obtained from the city secretary.

(2) Upon presentation of the recommendations of the director and the city manager, the council may decide on one or more of the following courses of action:

(A) to authorize the city attorney to proceed against franchisee under Section 10(a)(2);

(B) to assess liquidated damages in the amount provided above for the applicable material violation or uncured event of default. Council may provide for a lesser amount and may suspend all or part of said assessment upon reasonable conditions for any reasonable period, up to the end of the franchise;

(C) to determine that liquidated damages are not justified under the circumstances and assess no damages; or

(D) to remand the matter to the city manager or the director for further investigation, consideration, and recommendation to the council.

(3) Assessment of liquidated damages by the council shall be a monetary obligation of franchisee to city in the amount determined by the council and shall be paid in full by franchisee within 15 business days after the date of assessment by the council.

(4) The procedures stated in this Subsection (f) do not apply to the council's determination to require the payment of money, in lieu of other available remedies, in a revocation proceeding under Subsection (b)(4).

(g) Remedies cumulative. Subject to applicable law, the rights and remedies of city set forth in this Section 10 shall be in addition to and not in limitation of, any other rights and remedies provided by law or in equity. If the council determines that a violation by franchisee was franchisee's fault and within its control, the council may pursue any or all of the remedies provided in Section 10. The remedies of city created under this ordinance shall be cumulative to the maximum extent permitted by law. The exercise by city of any one or more remedies under this ordinance shall not preclude the exercise by city, at the same or different times, of any other remedies for the same material uncured event of default. Notwithstanding any provision of this

ordinance, however, city shall not recover both liquidated damages and actual damages for the same violation, breach, non-compliance, or material uncured event of default.

(h) Curable violations. Franchisee shall not be found in violation of this ordinance or any other applicable law or regulation, and shall suffer no penalties or damages as a result, if the violation occurs without fault of franchisee or occurs as a result of circumstances beyond its control, and, if curable, is promptly cured. Franchisee shall not be excused by mere economic hardship nor by the negligence or malfeasance of its directors, officers or employees.

(i) City right to purchase. In the event city revokes the franchise granted under this ordinance for cause, terminates the franchise as provided in Subsection (j) below, or denies renewal of the franchise granted under this ordinance, city shall have the right (but not the obligation) subject to the applicable provisions of city charter, directly or as an intermediary, to purchase the assets of the solid waste collection system through its authority under, and procedures applicable to, eminent domain.

(j) Termination in the public interest. Nothing in this section shall be construed as affecting the right of the council under the city charter to terminate this ordinance without cause in the public interest when it is deemed inconsistent with the public use of city's public ways or is deemed to cause or constitute a nuisance.

SECTION 11. Providing Information.

(a) Complete and accurate books required. Franchisee shall keep complete and accurate books of account and records of its solid waste collection service business and operations under and in connection with this ordinance in accordance with generally accepted accounting principles and generally accepted government auditing standards.

(b) City review of documentation. City may fully review such of franchisee's books, accounts, documents, and other records of franchisee or franchisee's affiliates during normal business hours on a non-disruptive basis and with such advance notice as is reasonably necessary to monitor compliance with the terms of this ordinance. All books, accounts, documents, and other records shall be made available at a single location in the Dallas-Fort Worth metropolitan area. Books, accounts, documents, and other records that are kept on an electronic basis shall also be made available on the same basis as the paper books, accounts, documents, and other records; where possible, such items shall be made available in a CD-ROM disk or other similar platform in a format that is readable by city's computers. The reviewable items shall include, but shall not be limited to, records required to be kept by franchisee pursuant to law and the financial information underlying the written report accompanying the franchise fee. To the extent permitted by law, city agrees to treat any information disclosed by franchisee under this section as confidential, if and only to the extent that franchisee provides prior written notice that specific information is confidential as trade secrets or proprietary competitive information. Blanket or overly broad claims of confidentiality will be of no effect.

(c) Additional reports. Franchisee shall, when required by the council, the city manager, or the director, report to city any reasonably requested information relating to franchisee or the affiliates or necessary for the administration of this ordinance. The director shall have the right to establish formats for these additional reports, determine the time for these reports and the frequency with which these reports, if any, are to be made, and require that any reports be made under oath.

SECTION 12. General.

(a) Entire agreement. This ordinance (with all referenced exhibits, attachments, and provisions incorporated by reference) embodies the entire agreement and the rights, privileges, and permissions between city and franchisee, superseding all oral or written previous negotiations or agreements between city and franchisee relating to matters set forth in this ordinance. This ordinance can be amended by an ordinance enacted by the council. Such action by council does not require the hearing procedures for revocation set forth in Subsection 10(4)(b) of this ordinance, but only the posting of an agenda item and the opportunity for speakers to be heard on the item.

(b) Notices. Except as otherwise provided in Subsection 12(c) of this ordinance, any notice, payment, statement, or demand required or permitted to be given under this ordinance by either party to the other may be effected by any of the means described in Subsection 12(d) of this ordinance. Mailed notices shall be addressed to the parties at the addresses appearing below, but each party may change its address by written notice in accordance with this section. Mailed notices shall be deemed communicated as of three days after mailing.

If to City:

City Manager
City of Dallas
Dallas City Hall
1500 Marilla – Room 4/F/North
Dallas, Texas 75201

With a copy to:

Director
Department of Sanitation Services
3112 Canton Street, Suite 200
Dallas, Texas 75226

If to Franchisee:

Timothy M. Haugh, President
Evergreen Companies, Inc.
1100 Everman Parkway
Fort Worth, Texas 76140

Either city or franchisee may change its address or personnel for the receipt of notices at any time by giving notice of the change to the other party as provided in this Subsection 12(b) Any notice given by either city or franchisee must be signed by an authorized representative.

(c) Notice of claim. This ordinance is subject to the provisions of Section 2-86 of the Dallas City Code, relating to requirements for filing a notice of a breach of contract claim against city. Section 2-86 of the Dallas City Code is expressly incorporated by reference and made a part of this ordinance as if written word for word in this ordinance. Contractor shall comply with the requirements of Section 2-86 as a precondition of any claim against city relating to or arising out of this ordinance.

(d) Delivery of notices. Notices required to be given under this ordinance may be transmitted in any of the following four ways:

(1) By personal delivery, in which case they are deemed given when delivered.

(2) By delivery to Federal Express, United Parcel Service, or other nationally recognized overnight courier service, in which case they shall be deemed given when received for such service.

(3) By being deposited in the U.S. Mail, by registered or certified mail, return receipt requested, postage prepaid, in which case notice shall be deemed given three calendar days after having been deposited in the U.S. Mail.

(4) By facsimile or electronic mail transmission where the sender's transmittal log shows successful transmission to all the recipients (with any replacement transmission as a recipient shall request) and with a hard copy on the same date or the next day mailed to all by first class mail, postage prepaid, in which case notice shall be deemed given on the date of facsimile or electronic mail transmission.

(e) City/franchisee meetings. Franchisee shall meet with the director, the city manager or the council at reasonable times to discuss any aspect of this ordinance or the services or facilities of franchisee. At all meetings, franchisee shall make available personnel qualified for the issues to be discussed and such meetings shall be at city's offices unless otherwise agreed.

(f) Legal construction. This ordinance shall be governed by and construed in accordance with the laws and court decisions of the State of Texas, without regard to conflict of law or choice of law principles of Texas or of any other state. Exclusive venue for any litigation that may be filed in connection with this ordinance shall be in Dallas County, Texas. This ordinance is not a contract for goods or services within the meaning of Texas Local Government Code §§271.151 *et seq*.

(g) No inducement. Franchisee, by accepting this ordinance, acknowledges that it has not been induced to accept this ordinance by any promise, oral or written, by or on behalf of city or by any third person regarding any term or condition not expressed in this ordinance. Franchisee further pledges that no promise or inducement, oral or written, has been made to any city employee or official regarding the grant, receipt or award of this ordinance.

(h) Franchisee acknowledgement. Franchisee further acknowledges by acceptance of this ordinance that it has carefully read the terms and conditions of this ordinance and accepts the obligations imposed by the terms and conditions herein.

(i) No waiver by city. No failure by city to insist upon the strict performance of any covenant, provision, term or condition of this ordinance, or to exercise any right, term or remedy upon a breach thereof shall constitute a waiver of any such breach of such covenant, agreement, term, or condition. No waiver of any breach shall affect or alter this ordinance, but each and every covenant, provision, term or condition of this ordinance shall continue in full force and effect with respect to any other then existing or subsequent breach thereof.

(j) Governmental licenses. Franchisee shall, at its expense, obtain and maintain all additional governmental regulatory licenses necessary to operate the solid waste collection service in accordance with this ordinance.

(k) Severability. If any section, paragraph, or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, or provision shall not affect any of the remaining provisions of this ordinance.

(l) City retained powers. In addition to all rights provided in this ordinance, city reserves all rights and powers conferred by federal law, the Texas Constitution, Texas statutes and decisions, the City Charter, city code, and city ordinances which city is allowed to exercise.

(m) Material misinformation. The provision of information by franchisee or any of its affiliates to city in connection with any matters under this ordinance which contains an untrue statement of a material fact or omits a material fact necessary to make the information not misleading shall constitute a violation of this ordinance and shall be subject to the remedies provided in Section 10. Each day that franchisee or an affiliate fails to correct an untrue statement of a material fact or the omission of a material fact necessary to make the information not misleading shall constitute a separate violation of this ordinance.

(n) Hearing procedures. The following additional procedures shall apply to any hearing held in connection with any action taken by the council in connection with this ordinance:

(1) The council may conduct the hearing or, in its sole discretion, may by resolution appoint a committee or subcommittee of the council or a hearing officer to conduct the hearing and submit a proposal for decision to it, pursuant to procedures established by resolution.

(2) The hearing shall afford franchisee rudimentary due process. The council may by resolution establish other procedural matters in connection with the hearing.

(o) Acceptance. Upon adoption of this ordinance, franchisee agrees to be bound by all the terms and conditions contained herein, as evidenced by filing the original with the city secretary and a copy with the director, in writing, within 30 days after the date the council approves this ordinance, an unconditional acceptance of the ordinance and promise to comply with and abide by all its provisions, terms, and conditions. The form of unconditional acceptance and promise, attached to and made a part of this ordinance as Exhibit B, shall be sworn to, by, or on behalf of franchisee before a notary public. If within 30 days after the date the council approves the ordinance, franchisee fails to (1) submit and file the properly executed acceptance, (2) pay all taxes due , and (3) submit the letter of credit and required certificate of insurance, then this ordinance and the rights, permissions, and privileges granted under this ordinance shall be null and void and shall have no force or effect, unless franchisee evidences such failure was due to clerical error by someone other than franchisee or its affiliates and then acts promptly to remedy the third party's clerical error. The director may prevent franchisee from operating a solid waste collection service under this franchise or reapplying for a new franchise until the acceptance required by this subsection is filed as provided herein.

(p) Time is of the essence. Whenever this ordinance shall set forth any time for an act to be performed by or on behalf of franchisee, such time shall be deemed of the essence and any failure of franchisee to perform within time allotted shall always be sufficient grounds for city to invoke an appropriate remedy, including possible revocation of the ordinance.

(q) Force majeure. The time within which franchisee shall be required to perform any act under this ordinance shall be extended by a period of time equal to the number of days due to a force majeure. The term “force majeure” shall mean delays due to acts of God, inability to obtain governmental approvals, governmental restrictions, war, act of terrorism, civil disturbances, fire, unavoidable casualty, or other similar causes beyond the control of franchisee. Notwithstanding anything contained anywhere else in this ordinance, franchisee shall not be excused from performance of any of its obligations under this ordinance by the negligence or malfeasance of its directors, officers, or employees or by mere economic hardship.

(r) Recognition of rights. Franchisee agrees that by adopting this ordinance, neither city nor franchisee have waived any rights, claims, or defenses they may have with respect to city's rights to impose the requirements contained in this ordinance in whole or in part upon franchisee.

(s) Police powers.

(1) In accepting this ordinance, franchisee acknowledges that its rights under this ordinance are subject to the police power of city to adopt and enforce general ordinances necessary to the health, safety, and welfare of the public. Franchisee shall comply with all applicable general laws and ordinances enacted by city pursuant to such powers. Any conflict between the provisions of this ordinance and any other present or future lawful exercise of city’s police powers shall be resolved in favor of the latter.

(2) Franchisee recognizes the right of city to make reasonable amendments to this ordinance; except that city shall not make amendments materially adversely affecting franchisee except under a proper exercise of city's police powers, with notice to franchisee and an opportunity to be heard in a regular public meeting of the council considering the ordinance or amendment. Franchisee acknowledges that this is the extent of its rights to a hearing respecting franchise ordinance amendments under the charter

(3) Franchisee also recognizes city's right to impose such other regulations of general applicability as shall be determined by city to be conducive to the safety, welfare, and accommodation of the public.

(t) No presumption of renewal. This ordinance and the grant contained herein do not imply, grant, or infer any renewal rights in favor of franchisee or its affiliates.

(u) Recognition of city charter. Franchisee recognizes, accepts and agrees that the terms, conditions and provisions of this ordinance are subject to the applicable provisions of Chapter XIV of the Dallas City Charter. Any request by franchisee for an amendment to this ordinance shall be subject to review by the city attorney for compliance with the applicable provisions of the city charter.

SECTION 13. Outstanding license fees. This ordinance shall not take effect until all fees still owed to city from the existing license previously issued to franchisee for solid waste collection, hauling, and disposal service under provisions of the city code applicable to solid waste collection, hauling, and disposal licenses are paid in full. If the previous license fees owed to city are not paid by franchisee within 30 days after the date the council approves this ordinance, then this ordinance shall be considered null and void and shall have no force or effect.

The director may prevent franchisee from operating a solid waste collection service under this franchise or reapplying for a new franchise until the previous license fees have been paid in full.

SECTION 14. Ordinance effective date. Subject to the provisions of Subsection 5(e), Subsection 12(o), and Section 13, this ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas (the "effective date"), and it is accordingly so ordained.

APPROVED AS TO FORM:

LARRY E. CASTO, City Attorney

BY _____
Assistant City Attorney

Passed _____

## Exhibit A

## INSURANCE COVERAGE REQUIRED

SECTION C. Subject to FRANCHISEE'S right to maintain reasonable deductibles, FRANCHISEE shall obtain and maintain in full force and effect for the duration of this contract and any extension hereof, at FRANCHISEE'S sole expense, insurance coverage in the following type(s) and amounts:
Business Automobile Liability Insurance covering owned, hired, and non-owned vehicles, with a minimum combined bodily injury (including death) and property damage limit of $500,000 per occurrence.

REQUIRED PROVISIONS

FRANCHISEE agrees that with respect to the above required insurance, all insurance contracts and certificate(s) of insurance will contain and state, in writing, the following required provisions:
a. Name the City of Dallas and its officers, employees and elected representatives as additional insureds to all applicable coverages.
b. State that coverage shall not be canceled, nonrenewed or materially changed except after thirty (30) days written notice by certified mail to:
(i) Sanitation Services, Attention: Assistant Director, 3112 Canton, Suite 200, Dallas, Texas 75226 and
(ii) Director, Office of Risk Management, 1500 Marilla, 6A-South, Dallas, Texas 75201.
c. Waive subrogation against the City of Dallas, its officers and employees, for bodily injury (including death), property damage or any other loss.
d. Provide that the FRANCHISEE'S insurance is primary insurance as respects the CITY, its officers, employees and elected representatives.
e. Provide that all provisions of this franchise concerning liability, duty and standard of care, together with the indemnification provision, shall be underwritten by contractual liability coverage sufficient to include such obligations within applicable policies.

CITY NOT LIABLE

Approval, disapproval or failure to act by the CITY regarding any insurance supplied by the FRANCHISEE or its subcontractors shall not relieve the FRANCHISEE of full responsibility or liability for damages and accidents as set forth in the franchise documents. Neither shall the bankruptcy, insolvency nor denial of liability by the insurance company exonerate the FRANCHISEE from liability.

**Exhibit B**

**Acceptance**

Evergreen Companies, Inc., a Texas corporation, unconditionally accepts and agrees to be bound by all the terms, covenants, and conditions contained in the Solid Waste Collection Service franchise ordinance, Ordinance No. _____, passed on February 22, 2017.

Dated: ____ day of _____, 2017.

FRANCHISEE:

EVERGREEN COMPANIES, INC.
a Texas corporation

By: _____
Timothy M. Haugh, President

State of Texas
County of _____

This instrument was acknowledged before me on _____, 2017, by Timothy M. Haugh, President of Evergreen Companies, Inc., a Texas corporation, on behalf of said corporation.

( Seal)

_____
Notary Public's Signature

**Exhibit C**
**Affidavit of Ownership or Control**

01- 23- 2017

ORDINANCE NO. _____

An ordinance granting a franchise to Fusion Recycling, LLC dba Fusion Waste & Recycling, a Texas limited liability company, with its principal address at 867 Talco Road, Lancaster, Texas 75134, pursuant to Chapter XIV of the Dallas City Charter and Chapter 18 of Article IV of the Dallas City Code, to own, operate and maintain a solid waste collection service within the City of Dallas; providing for its terms and conditions; providing for liquidated damages for failure to adhere to the terms and conditions in the franchise ordinance; providing for payment of a franchise fee; providing for the payment of the publication fee; providing for the filing of an acceptance by Franchisee; and providing an effective date.

WHEREAS, safe and responsible solid waste collection, transport, and processing is necessary for the protection of the public health and a compelling governmental interest;

WHEREAS, solid waste haulers often use heavy equipment that contributes substantially to damage and wear and tear of the public ways, necessitating expenditures of City of Dallas resources for the maintenance and repair of those public ways, for which the City of Dallas is entitled to reasonable compensation and reimbursement;

WHEREAS, the franchise and regulation of solid waste collection, transport, and processing is necessary and furthers a compelling public interest;

WHEREAS, the City of Dallas is authorized to grant one or more non-exclusive franchises for the provision of solid waste collection service to premises within the City of Dallas; and

WHEREAS, the city council of the City of Dallas is of the opinion that the granting of the franchise on the terms and conditions set forth in this ordinance is in the public interest and in

the interest of the City of Dallas and its residents. Now, Therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. Preamble. That the declarations contained in the preamble to this ordinance are material and are hereby repeated and incorporated herein as a part of this ordinance as though they were fully set forth in this Section 1.

SECTION 2. Definitions. That for the purpose of this ordinance the following terms, phrases, words and their derivations shall have the meaning given in this ordinance. When not inconsistent with the context, words used in the present tense include the future tense; words in the plural number include the singular number; words in the singular number include the plural number; and the use of any gender shall be applicable to all genders whenever the tense requires. The word “shall" is mandatory and not merely directory. The word "may" is not mandatory and is merely permissive. Words defined elsewhere in this ordinance shall be accorded that meaning throughout this ordinance. Words not defined shall be given their common and ordinary meaning.

(a) AFFILIATE and AFFILIATED means any entity controlling, controlled by, or under common control with the franchisee.

(b) AUTHORIZED AREA means the entire area from time to time within the corporate limits of the City of Dallas.

(c) CITY means the City of Dallas, a municipal corporation, a political subdivision of the State of Texas.

(d) CITY CHARTER means the city’s organic law, equivalent to a constitution, which defines the city’s existence and prescribes the powers, duties, and organization of the city’s governmental structure.

(e) CITY CODE means the ordinances of the city codified into the Dallas City Code, The Revised Code of Civil and Criminal Ordinances of the City of Dallas, Texas (1960 Edition, 1997 Printing), as amended from time to time.

(f) CITY MANAGER means the city manager or the city manager's designated assistant or representative.

(g) CONTROL (and its variants) means actual working control, by whatever means exercised. Without limiting the generality of the foregoing, for the purposes hereof, a change in control shall be deemed to have occurred at any point in time when there is: (i) a change in working or effective voting control, in whatever manner effectuated, of franchisee; (ii) an agreement of the holders of voting stock or rights of franchisee which effectively vests or assigns policy decision-making in any person or entity other than franchisee; or (iii) a sale, assignment or transfer of any shares or interest in franchisee which results in a change in the control of franchisee.

(h) COUNCIL means the governing body of city. This section does not authorize delegation of any decision or function that is required by the city charter or state law to be made by the council. In any case in which a hearing is held pursuant to this ordinance, the council may conduct the hearing or, in its sole discretion, may by resolution appoint a committee or subcommittee of the council or a hearing officer to conduct the hearing and submit a proposal for decision to it, pursuant to procedures established by resolution.

Unless otherwise stated in this ordinance or prohibited by the city charter or state law, the council may delegate to the city manager or the director the exercise of any and all of the powers conferred upon city by its charter or by general law relating to the administration and

enforcement of this ordinance and to franchisee's exercise of the rights and privileges conferred in this ordinance.

(i) DIRECTOR means the director of the department of sanitation services, or the director's designated representative.

(j) FRANCHISE means the grant of the non-exclusive permission and privilege to use public ways under this ordinance, and all of the incidental rights and obligations as described by this ordinance.

(k) FRANCHISEE means Fusion Recycling, LLC dba Fusion Waste & Recycling, a Texas limited liability company, the grantee of rights under this ordinance; or the successor, transferee, or assignee of this ordinance.

(l) PUBLIC WAYS means all dedicated rights-of-way, streets, highways, and alleys for use by the general public and easements dedicated for the benefit of all utilities. Public ways does not include property of city which is not a dedicated public way, street, highway, or alley or available for use by the general public or easements not dedicated for the benefit of all utilities.

(M) SOLID WASTE COLLECTION SERVICE means the term as defined in Section 18-29(5) of the Dallas City Code.

(n) THIS ORDINANCE means this document.

SECTION 3. Granting of franchise. That subject to all the terms and conditions contained in this ordinance, the Texas Constitution, the city charter, the city code, other city ordinances as from time to time may be in effect, and applicable federal law, city hereby grants franchisee non-exclusive permission and privilege solely for the purpose of operating and maintaining a solid waste collection service in, over, along and across the public ways in the authorized area. This grant is subject to the following additional conditions:

(a) Franchisee purpose. Franchisee accepts the grant set forth above and agrees to operate and maintain the solid waste collection service in the authorized area in accordance with the terms and provisions of this ordinance.

(b) Other services. By granting this ordinance, city is not authorizing any non-solid waste collection service to be provided and does not waive and specifically retains any right to regulate and receive compensation as allowed by law for services offered by franchisee which are not solid waste collection services. Franchisee shall immediately notify city if it provides any non-solid waste collection services within the authorized area.

(c) No priority. This ordinance does not establish any priority for the use of the public ways by franchisee or by any present or future recipients of franchise agreements, franchisees, permit holders, or other users of the public ways. In the event of any dispute as to the priority of use of the public ways, the first priority shall be to the public generally, the second priority to city, the third priority to the State of Texas and its political subdivisions in the performance of their various functions, and thereafter, as between recipients of franchise agreements, franchisees and other state or local permit holders, as determined by the city manager in the exercise of the city's powers, including the police power and other powers reserved to and conferred on it by the State of Texas.

(d) City's use of public ways. Franchisee acknowledges that by this ordinance it obtains no rights to use or further use of the public ways other than those expressly granted in this ordinance. Franchisee acknowledges and accepts at its own risk, provided that city has the legal authority for the use or uses in question, that city may make use in the future of the public ways in which the solid waste collection service is located in a manner inconsistent with franchisee's use of such public ways for the solid waste collection service, and in that event

franchisee shall not be entitled to compensation from city unless compensation is available to all users of the public ways which are affected in a similar manner and are similarly situated in relevant respects with the franchisee.

(e) Emergencies. City may temporarily suspend the operation of the solid waste collection service of franchisee in the event of a public emergency or calamity as determined by city. In such event, neither city nor any agent, contractor, or employee of city shall be liable to franchisee or its customers or third parties for any damages caused them or the solid waste collection system. Where reasonably possible, prior notice shall be given to franchisee. In any event, notice of such action shall be given to franchisee after such action is taken.

(g) Compliance with law and standards of operation. Franchisee shall be subject to and comply with all applicable local, state, and federal laws, including the rules and regulations of any and all agencies thereof, whether presently in force or whether enacted or adopted at any time in the future.

(h) Other approvals and authorizations. This ordinance does not relieve and franchisee shall comply with any obligation to obtain permits, licenses and other approvals from city or other units of government, which are required for the operation and maintenance of the solid waste collection service.

(i) City's right of eminent domain reserved. Nothing in this ordinance shall limit any right city may have to acquire by eminent domain any property of franchisee.

(j) Taxes, fees and other assessments. Nothing in this ordinance shall be construed to limit the authority of city to impose a tax, fee, or other assessment of any kind on any person. Franchisee shall pay all fees necessary to obtain and maintain all applicable federal, state, and

local licenses, permits, and authorizations required for the construction, installation, upgrading, maintenance, or operation of its solid waste collection service.

(k) Disputes among public ways users. Franchisee shall respect the rights and property of city and other authorized users of the public ways. Disputes between franchisee and other similar franchisees over use of public ways shall be submitted to the director for resolution; provided, however, that franchisee reserves its rights to submit such disputes directly to a court of competent jurisdiction.

SECTION 4. Service requirements.

(a) It is expressly understood and agreed that franchisee has the non-exclusive right, to the extent permitted by this ordinance, to collect and transport solid waste within the authorized area where the individuals or companies contract with franchisee for those services, excluding residential service (other than apartment complexes and motels). Notwithstanding the exclusion for residential service, city reserves the right during the term of this franchise ordinance to collect and transport solid waste and other materials from any source whatsoever, including but not limited to apartment complexes, motels, and any commercial venue without any amendment or modification of this franchise ordinance. Franchisee shall, at its own expense, furnish personnel and equipment to collect and transport, solid waste and shall establish and maintain the contracted solid waste collection service in an efficient and businesslike manner.

(b) All vehicles used by franchisee for the collection and transportation of solid waste shall display a decal issued by the director in or upon a conspicuous place on the vehicle, in accordance with the applicable requirements of the city code. All vehicles shall be covered at all times while loaded and in transit to prevent the spillage of solid waste onto the public ways or

properties adjacent to the public ways. Any spillage will be promptly recovered by franchisee. All vehicles and containers owned by franchisee shall be clearly marked with franchisee's name in letters not less than four inches in height. All vehicles shall be cleaned and maintained by franchisee so as to be in good repair, of good appearance and, when idle, free of solid waste residue as may cause odor, provide a breeding place for vectors, or otherwise create a nuisance. In addition, franchisee shall comply with the requirements for solid waste collection vehicles and containers contained in Sections 18-45 and 18-50 (b) of the Dallas City Code.

(c) Franchisee expressly agrees to assume liability and responsibility for all costs of repair to the public ways and other facilities that are damaged as a result of the negligence of franchisee, its officers, agents, or employees, during franchisee's operations pursuant to this ordinance.

(d) Franchisee will comply with all rules, regulations, laws and ordinances pertaining to the disposal of solid waste as directed by the city or by other responsible governmental agencies having jurisdiction. must be made at an approved solid waste disposal, collection, or processing facility, transfer station or landfill, pursuant to Chapter 18 of the city code, as amended. Disposal of all solid waste collected by franchisee from premises within the authorized area must be made at an approved solid waste disposal, collection, or processing facility, transfer station or landfill in accordance with the Dallas City Code.

SECTION 5. Indemnity and insurance.

(a) **INDEMNIFICATION OF CITY. FRANCHISEE SHALL, AT ITS SOLE COST AND EXPENSE, DEFEND, INDEMNIFY, AND HOLD HARMLESS CITY AND ITS OFFICERS, BOARDS, COMMISSIONS, EMPLOYEES, AGENTS, ATTORNEYS,**

**AND CONTRACTORS (HEREINAFTER REFERRED TO AS "INDEMNITEES"), FROM AND AGAINST:**

**(1) ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, COSTS, AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE, OR OTHER HARM FOR WHICH RECOVERY OF DAMAGES IS SOUGHT, SUFFERED BY ANY PERSON OR PERSONS, THAT MAY ARISE OUT OF OR BE OCCASIONED BY FRANCHISEE'S BREACH OF ANY OF THE TERMS OR PROVISIONS OF THIS FRANCHISE, OR BY ANY NEGLIGENT OR STRICTLY LIABLE ACT OR OMISSION OF FRANCHISEE, ITS OFFICERS, AGENTS, EMPLOYEES, CONTRACTORS, OR SUBCONTRACTORS, IN THE OPERATION OR MAINTENANCE OF THE SOLID WASTE COLLECTION SERVICE, OR IN THE DISPOSAL, HANDLING, OR TRANSFER OF ANY SOLID WASTE COLLECTED THROUGH THE SOLID WASTE COLLECTION SERVICE; FRANCHISEE'S OBLIGATION TO DEFEND AND INDEMNIFY INDEMNITEES UNDER THIS SUBPARAGRAPH SHALL EXTEND TO CLAIMS, LOSSES, AND OTHER MATTERS COVERED UNDER THIS SUBPARAGRAPH THAT ARE CONTRIBUTED TO BY THE NEGLIGENCE OF ONE OR MORE INDEMNITEES, PROVIDED, HOWEVER, THAT INDEMNITY WILL BE REDUCED BY THE PROPORTIONATE AMOUNT THROUGH WHICH THE INDEMNITEE CONTRIBUTED TO THE LIABILITY, AS PROVIDED UNDER TEXAS LAW, WITHOUT WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF EITHER FRANCHISEE OR CITY UNDER TEXAS LAW; THE ABOVE INDEMNIFICATION SHALL NOT, HOWEVER, APPLY TO ANY**

**JUDGMENT OF LIABILITY RESULTING FROM THE SOLE NEGLIGENCE OR WILLFUL MISCONDUCT OF CITY; AND**

**(2) ANY AND ALL LIABILITY, OBLIGATION, DAMAGES, FINES, PENALTIES, CLAIMS, SUITS, JUDGMENTS, ACTIONS, LIENS, AND LOSSES, WHICH MAY BE IMPOSED UPON OR ASSERTED AGAINST THE INDEMNITEES BECAUSE OF ANY VIOLATION OF ANY STATE OR FEDERAL LAW OR REGULATION GOVERNING THE SOLID WASTE COLLECTION SERVICE OR RELATED TO THE COLLECTION, DISPOSAL, TRANSFER, OR HANDLING BY FRANCHISEE, ITS OFFICERS, EMPLOYEES, AGENTS, OR SUBCONTRACTORS, OF SOLID WASTE COLLECTED THROUGH THE SOLID WASTE COLLECTION SERVICE REGARDLESS OF WHETHER OR NOT THE NEGLIGENCE, FAULT, OR OTHER WRONGFUL CONDUCT OF THE INDEMNITEES CONTRIBUTED TO ANY VIOLATION; AND FRANCHISEE SHALL PAY ALL JUDGMENTS, WITH COSTS, ATTORNEY'S FEES, AND EXPENSES AWARDED IN SUCH JUDGMENT WHICH MAY BE OBTAINED AGAINST CITY RELATED TO ANY SUCH CLAIM. UPON THE WRITTEN REQUEST OF CITY, FRANCHISEE SHALL IMMEDIATELY, AT ITS SOLE COST AND EXPENSE, CAUSE ANY LIEN COVERING CITY'S PROPERTY AS DESCRIBED IN THIS SUBPARAGRAPH TO BE DISCHARGED OR BONDED.**

**(3) THIS SUBSECTION SHALL NOT BE CONSTRUED TO WAIVE ANY GOVERNMENTAL IMMUNITY FROM SUIT OR LIABILITY AVAILABLE TO CITY UNDER TEXAS OR FEDERAL LAW. THE PROVISIONS OF THIS SUBSECTION ARE SOLELY FOR THE BENEFIT OF CITY AND FRANCHISEE AND**

**ARE NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY.**

(b) Franchisee's assumption of risk. Franchisee undertakes and assumes for its officers, employees, agents, contractors, and subcontractors (collectively "Franchisee" for the purpose of this subsection), all risk of dangerous conditions, if any, on or about any city-owned or controlled property, including the public ways, **AND FRANCHISEE HEREBY AGREES TO INDEMNIFY AND HOLD HARMLESS THE INDEMNITEES AGAINST AND FROM ANY CLAIM ASSERTED OR LIABILITY IMPOSED UPON THE INDEMNITEES FOR PERSONAL INJURY OR PROPERTY DAMAGE TO ANY PERSON (OTHER THAN FROM AN INDEMNITEE'S NEGLIGENCE OR WILLFUL MISCONDUCT) ARISING OUT OF FRANCHISEE'S OPERATION, MAINTENANCE, OR CONDITION OF THE SOLID WASTE COLLECTION SERVICE OR FRANCHISEE'S FAILURE TO COMPLY WITH ANY FEDERAL, STATE OR LOCAL STATUTE, ORDINANCE OR REGULATION.**

(c) Defense of city. In the event any action or proceeding shall be brought against the indemnitees by reason of any matter for which the indemnitees are indemnified hereunder, franchisee shall, upon notice from any of the indemnitees, at franchisee's sole cost and expense, (including, without limitation, reasonable fees and expenses of attorneys, expert witnesses, and consultants, and the associated costs of document production), resist and defend the same with legal counsel selected by franchisee and consented to by city, such consent not to be unreasonably withheld; provided, however, that franchisee shall not admit liability in any such matter on behalf of the indemnitees without city's written consent and provided further that the indemnitees shall not admit liability for, nor enter into any compromise or settlement of, any

claim for which they are indemnified hereunder, without the prior written consent of franchisee and execution of any settlement agreement on behalf of the city by the city attorney, and further provided that for the search, review, and production of documents, the city attorney may elect to handle some or all of the process in-house at the expense of the franchisee.

(d) Expenses. The indemnitees shall give franchisee prompt notice of the making of any claim or the commencement of any action, suit or other proceeding covered by the provisions of this Section 5. Nothing herein shall be deemed to prevent the indemnitees from participating in the defense of any litigation by their own counsel at their own expense. Franchisee shall pay all expenses incurred by the indemnitees in participating in the defense, provided that the participation has been requested or required by franchisee in conducting the defense. These expenses may include out-of-pocket expenses reasonably and necessarily incurred, such as attorney fees and the reasonable value of any services rendered by city's counsel and the actual expenses of the indemnitees' agents, employees or expert witnesses, and disbursements and liabilities assumed by the indemnitees in connection with such suits, actions or proceedings but shall not include attorney's fees for services that are unnecessarily duplicative of services provided the Indemnitees by franchisee.

(e) Insurance required. Not later than the effective date of this ordinance, franchisee shall procure, pay for, and maintain insurance coverage in at least the minimum amounts and coverages described in Exhibit A, attached to and made a part of this ordinance. The insurance shall be written by companies approved by the State of Texas and acceptable to city. The insurance shall be evidenced by the delivery to city of policies of insurance, including all endorsements executed by the insurer or its authorized agent stating coverages, limits, exclusions, deductibles, and expiration dates, which demonstrate compliance with all applicable

provisions of the insurance laws and rules in the State of Texas. **THIS ORDINANCE SHALL NOT TAKE EFFECT UNTIL THE INSURANCE POLICY HAS BEEN DELIVERED TO CITY AND NO OFFICER OR EMPLOYEE SHALL HAVE AUTHORITY TO WAIVE THIS REQUIREMENT.** If satisfactory evidence of the required insurance is not submitted within 30 days after the date the council approves this ordinance, then this ordinance shall be considered null and void and shall have no force or effect.

(f) Changes in insurance coverage. Franchisee shall provide the city with true and complete copies of all changes to insurance policies, including any cancellation, coverage change, or termination notice, or any replacement insurance, before these changes become effective. Certificates of insurance reflecting the annual renewal, replacement insurance or coverage changes must be submitted when such policies become effective to provide evidence of continuing insurance coverage. Although certificates are routinely accepted as substitutes for copies of insurance policies, the city shall have the right to access and copy any such policy of insurance**.** The director may prevent franchisee from operating a solid waste collection service under this franchise until satisfactory evidence of insurance coverage required under this section is presented to the director.

(g) Adjustments to insurance requirements. City reserves the right to review the insurance requirements stated in Exhibit A during the effective period of this ordinance and to recommend to the council reasonable adjustments in the insurance requirements contained in the city code prior to the anniversary renewal of the insurance when deemed necessary and prudent by city's Office of Risk Management. Any adjustments shall be mutually agreeable to city and franchisee, and based upon changes in statutory law, court decisions, or the claims history of the

industry as well as franchisee. When any insurance coverage limit changes are agreed, franchisee shall pay any resulting increase in cost due to the changes.

(g) Liability of franchisee. Approval, disapproval, or failure to act by city regarding any insurance supplied or not supplied by franchisee shall not relieve franchisee of full responsibility or liability for damages and accidents as set forth in this ordinance. The bankruptcy, insolvency, or denial of liability by any insurer of franchisee shall not exonerate franchisee from the liability obligations of franchisee provided for under this ordinance.

SECTION 6. Fees, payments and compensation.

(a) Compensation required. Because the special use of the public ways by franchisee and the special business purpose for which the public ways are being used requires rental compensation for the rights and privileges granted under this ordinance, franchisee shall pay city throughout the term of this ordinance a fee in an amount equal to four percent of franchisee's gross receipts, calculated monthly and payable based on the gross receipts realized during the calendar month immediately preceding the calendar month in which the payment is due (hereinafter called the "franchise fee").

(b) Payment procedures. Franchisee shall pay the franchise fee to city each month during the term of this ordinance. The monthly payment required by this ordinance shall be due and payable by certified check, electronic funds transfer, or other means that provide immediately available funds on the day the payment is due not later than 3:00 p.m. of the thirtieth (30th) calendar day following the end of each calendar month. If the thirtieth (30th) calendar day following the end of a calendar month falls on a Saturday, Sunday, or official city holiday, then the payment is due on the business day prior to the due date, and in the month of February, the payment is due on February 28th. Subject to applicable law, the compensation set

forth in this Section 6 shall be exclusive of and in addition to all special assessments and taxes of whatever nature, including, but not limited to, ad valorem taxes. In the event any monthly payment or partial payment is received by the city later than 10 days after the due date, franchisee shall pay interest on the past due amount at the rate prescribed in Section 2-1.1 of the Dallas City Code. Payment shall be accompanied by a monthly report certified by an officer of franchisee showing the total gross receipts of the preceding calendar month. The monthly report shall also include a detailed breakdown of gross receipts and the computation of the payment amount.

(c) Annual report. Franchisee shall file with city by February 1 of each calendar year an annual report showing the total gross receipts of the preceding calendar year along with the information required under Section 18-41 of the Dallas City Code. Such annual report shall include a detailed breakdown of gross receipts and the computation of the payment amount.

(d) City audit. City may audit franchisee (or any affiliate of franchisee who has information directly pertaining to gross receipts) as often as is reasonably necessary to verify the accuracy of the franchise fees paid to city. All books, records, accounts, or other documents in paper or electronic form, necessary for the audit shall be made available by franchisee at a single location in the Dallas-Fort Worth metropolitan area. Any net undisputed amount due to city, plus interest at the rate prescribed in Section 2-1.1 of the Dallas City Code, c, calculated from the date each portion of the underpayment was originally due until the date franchisee remits the underpayment to the city, shall be paid by franchisee within 45 days after city's submitting an invoice for the underpayment to franchisee with reasonable detail supporting the amount claimed. If the amount of the underpayment exceeds five percent of the total franchise fee owed for the audit period, franchisee shall pay city's audit costs as well. City's right to audit and

franchisee's obligation to retain records related to the franchise fee shall be limited to the previous two calendar years preceding the date that written notice of intent to audit is served.

SECTION 7. Term; performance evaluation.

(a) Term and extensions. The term of this ordinance shall be five (5) years from the effective date of this ordinance.

(b) Franchisee rights upon termination. Subject to applicable law, this ordinance and all rights, permissions, and privileges of franchisee under this ordinance shall automatically terminate on the expiration of the term of this ordinance, unless extended by mutual agreement, court order, or applicable law.

(c) Performance evaluation. In order to: (i) assure that franchisee is complying with the terms of this ordinance, as it may be from time to time amended, and (ii) promote a sharing of information between city and franchisee, city may schedule a performance evaluation no more often than every five years during the term of this ordinance, subject to Subsection (d) of this section, in accordance with the following process:

(1) At least 90 days prior to each performance evaluation, city shall notify franchisee of the date, time and location of the evaluation. Such notice shall include specification of any additional information to be provided by franchisee pursuant to Subsection (c)(2)(D) below. Unless specifically waived by the council, attendance of franchisee's duly authorized representative at these meetings is mandatory.

(2) Within 60 days from receipt of notification, franchisee shall file a report with city that is sworn to by a representative of franchisee knowledgeable of the operations of franchisee within the authorized area, in reasonable detail, specifically addressing, at a minimum, the following areas:

(A) compliance of franchisee's vehicles with solid waste and air quality requirements;

(B) customer service, including but not limited to a listing of customer complaints and their resolution;

(C) history in regard to prompt and accurate payment of franchise fees;

(D) any other topic deemed material or relevant by city for its enforcement of this ordinance.

(3) All reports to be prepared under this subsection and submitted by franchisee shall be based upon information for at least the most recent five-year period, inclusive of the most current quarter available. No report under this subsection shall be based upon data that ends more than six months before the time of the performance evaluation.

(4) Following receipt of the report, but not less than 30 days prior to the performance evaluation, city may request additional information, clarification or detailed documentation concerning those topics identified for inclusion in the performance evaluation. Franchisee shall make reasonable effort to provide such additional information to city prior to the meeting. In the event that the information cannot be made available prior to the performance evaluation, franchisee shall notify city in writing explaining the reasons for any delay. The city may authorize a delay of the performance evaluation for a reasonable time to allow franchisee to submit the additional documentation.

(5) The council shall hear any interested persons during such performance evaluation. Franchisee shall be entitled to all the rights of due process consistent with city proceedings, including but not limited to, the right to be heard, the right to present evidence, and the right to ask questions of witnesses.

(6) Upon request of city, franchisee shall assist city in notifying customers of the evaluation session. The actual costs associated with the notification, in an amount not to exceed $1,000.00, shall be borne by franchisee.

(d) Additional performance evaluations. Notwithstanding Subsection (c), the council may initiate and conduct such additional performance evaluations regarding franchisee's performance under this ordinance as the council, in its sole discretion, may deem justified or necessary under the circumstances. Franchisee shall be given reasonable notice of the date, time, and location of any such additional performance evaluations.

SECTION 8. Transfers of ownership and control.

(a) Franchisee ownership, management and operation.

(1) Only franchisee and its affiliates, if any, shall operate, manage, and maintain the solid waste collection service. As provided in Chapter XIV, Section 2(5) of the Dallas City Charter, no franchise, nor the assets held by the franchise holder, may be sold, assigned, transferred, or conveyed to any other person, firm, corporation, or other business entity without the consent of the city first had and obtained by ordinance or resolution, unless otherwise specifically provided in this franchise ordinance. If the purchaser is the holder of a like franchise, the franchise purchased shall be canceled and merged into the franchise held by the purchaser upon terms and conditions as may be set out by the city council when permission for merger is granted. Franchisee shall not directly or indirectly transfer or assign, in whole or in part, the operation, management, ownership, or maintenance of the solid waste collection service without the prior written consent of the council as provided in Subsections 8(b) and 8(c) below.

(2) This section shall not apply to franchisee's employment contracts and other personnel decisions, nor shall it prohibit franchisee from contracting for or subcontracting,

in whole or in part, any operational, management or maintenance functions in connection with the solid waste collection service, so long as franchisee does not relinquish its decision making authority over, or its responsibilities under, this ordinance for any particular function; nor shall it prohibit franchisee from complying with this ordinance or other requirements of federal, state, or local laws and regulations.

(3) Franchisee shall provide the director written notice, within five calendar days after its occurrence, of any change in the corporate or business structure, change in the chief executive or the top executive structure, change in the board of directors, or other change in the corporate or business method of governance of franchisee, regardless of whether or not it results in a transfer or assignment of the franchise or a transfer of control or ownership of franchisee.

(b) Transfer and assignment procedures. This ordinance or the solid waste collection service shall not be transferred or assigned, by operation of law or otherwise, nor shall title to franchisee's rights and obligations under this ordinance or to the solid waste collection service pass to or vest in any person, other than for mortgaging or financing of solid waste collection operations or to an affiliate of franchisee under the conditions described below, without the prior written consent of the council. This ordinance shall not be leased or subleased without the prior written consent of the council. The procedures related to transfer or assignment are as follows:

(1) The council's written consent shall not be required for a transfer solely for security purposes (such as the grant of a mortgage or security interest), but shall be required for any realization on the security by the recipient, such as a foreclosure on a mortgage or security interest. The director shall be advised in writing of a transfer solely for security purposes at least 60 days before such transfer occurs.

(2) Franchisee may, without additional approval by the council, transfer or assign this ordinance to an affiliate provided that the affiliate: (i) assumes all of franchisee's obligations and liabilities under this ordinance occurring both before and after the transfer or assignment; (ii) agrees to comply with all provisions of this ordinance; and (iii) has the legal, technical and financial ability to properly perform and discharge such obligations and liabilities, which abilities are each at least as great as those of franchisee. The director shall be advised in writing of such transfer and of the affiliate's qualifications at least 60 days before such transfer occurs. The city shall be reimbursed any reasonable, documented costs it incurs in connection with such transfer, including the expenses of any investigation or litigation respecting a proposed or consummated transfer, up to a maximum of $10,000.00.

(c) Transfer of control. There shall be no transfer of or acquisition of control of franchisee without the prior written consent of the council.

(d) Schedule of ownership. Franchisee represents and warrants that its current ownership is as set forth on Exhibit C, attached to and made a part of this ordinance, and that it has full legal and equitable title to the solid waste collection service as of the effective date of this ordinance.

(e) Applications for consent/procedure/restrictions. If franchisee seeks to obtain the consent of the council to any transactions or matters described in this section, franchisee shall submit an application for such consent to the city and shall submit or cause to be submitted to the city such additional documents and information as the director may request that are reasonably related to the transaction, including the purchase price of the solid waste collection service, and the legal, financial, and technical qualifications of the proposed transferee or new controlling entity.

(1) The council shall have 120 days from the date of submission of a complete and accurate application to act upon the application for consent. If the council fails to act upon such application for consent within 120 days, such application shall be deemed as consented to unless city and franchisee otherwise agree to an extension of time.

(2) The council shall not unreasonably withhold its consent to any proposed transaction. The council may: (i) grant its consent outright, (ii) grant such consent with conditions, which conditions it finds are necessary to ensure performance of franchisee or its successor under this Ordinance, or (iii) deny consent.

(3) Nothing in any approval by the city under this section shall be construed to waive or release any rights of city in and to the public ways, public places of city or property owned by city.

(4) Nothing in any approval by city under this section shall be construed as a waiver or release of any of city's police powers, or as an exercise of eminent domain.

(5) City's granting of consent in any one instance shall not require it to grant consent in other instances.

(6) Franchisee shall reimburse city for the incidental costs incurred by city in considering any request of franchisee under this section. Such reimbursement shall not exceed $10,000.00, shall be supported by invoices, and shall not include any costs or expenses incurred by city in defending any denial of the request; provided, however, that city does not waive its right to request that its attorney's fees and other costs be reimbursed by court order in any litigation related to denial of a request under this section.

(f) City approval requirements. Before any transfer, assignment, sale, foreclosure, or other change of control described under this section becomes effective and before the council

shall consider giving its consent, the proposed transferee, assignee, purchaser, buyer, foreclosing party, or other person or entity seeking to obtain the rights and obligations under this ordinance through a change of control shall provide the director: (i) an agreement and acceptance in writing to comply with all terms of this ordinance, as amended; (ii) all evidence of insurance required under this ordinance, as amended; (iii) the legal name and address of the transferee, and all persons sharing control of the transferee, with a full description of their experience in the solid waste disposal industry, as well as the name and address of the person to be contacted for notices; (iv) payment of outstanding franchise fees and any other fees, taxes, and payments, including fees, interest, and penalties, due from franchisee to the city; and (iv) evidence satisfactory to the director that transferee has the legal, technical, and financial ability to properly perform and discharge all obligations and liabilities of this ordinance.

(g) Transfer of control requirements. In the event of a transfer of control, before such transfer becomes effective and before the council shall consider giving its consent, the proposed transferee shall agree in writing to not take any action that will keep franchisee from complying with this ordinance.

SECTION 9. Defaults.

(a) Events of default. The occurrence of any one or more of the following events at any time during the term of this ordinance shall constitute an event of default by franchisee under this ordinance:

(1) The failure or refusal by franchisee to pay the franchise fee when due as prescribed by this ordinance, or any failure to perform on any agreed or court-mandated extension or modification of such payment obligation.

(2) Franchisee's material violation of or failure to comply with any provision or condition of Article IV of Chapter 18 of the Dallas City Code relating to solid waste collection service franchisees or any other applicable provision or condition of the city code.

(3) Franchisee's material violation of or failure to comply with any of the other terms, covenants, representations, or warranties contained in this ordinance, or franchisee's failure or refusal to perform any obligation contained in this ordinance.

(4) Franchisee's failure or refusal to pay or cause to be paid any of city's governmentally-imposed taxes of any kind whatsoever, including but not limited to real estate taxes, sales taxes, and personal property taxes on or before the due date for same; provided, however, franchisee shall not be in default under this subsection with respect to the non-payment of taxes which are being disputed in good faith in accordance with applicable law.

(5) The entry of any judgment against franchisee in which another party becomes entitled to possession of substantially all of franchisee's assets of the solid waste collection service, for which change in possession the consent of the council has not been obtained, and such judgment is not stayed pending rehearing or appeal for 45 or more days following entry of the judgment.

(6) The dissolution or termination, as a matter of law, of franchisee without the prior consent or approval of city, which approval, if formally requested, shall not unreasonably be withheld.

(7) Franchisee's filing of a voluntary petition in bankruptcy; being adjudicated insolvent; obtaining an order for relief under Section 301 of the Bankruptcy Code (11 U.S.C. §301); filing any petition or failing to contest any petition filed against it seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief

for itself under any laws relating to bankruptcy, insolvency or other relief for debtors; seeking or consenting to or acquiescing in the appointment of any bankruptcy trustee, receiver, master, custodian or liquidator of franchisee, or any of franchisee's property or this ordinance or of any and all of the revenues, issues, earnings, profits or income thereof; making an assignment for the benefit of creditors (except secured creditors); or failing to pay franchisee's debts as they become due such that franchisee is unable to meet its obligations under this ordinance.

(8) Franchisee attempts to dispose of any of the facilities or property of its solid waste collection service with the intent of preventing city from purchasing it as provided for in this ordinance.

(9) Franchisee engages in any fraudulent or deceitful conduct with city or its customers.

(10) Franchisee knowingly or intentionally makes a false statement or a misrepresentation as to a material matter in the application for or in the negotiation of this ordinance, or in connection with any report of gross income as required by this ordinance.

(11) Any director, officer, employee, or agent of franchisee is convicted of the offense of bribery or fraud connected with or resulting from the granting, term extension, or renewal of this ordinance.

(12) Franchisee's failure or refusal to comply with or a violation of any applicable local, state, or federal law or regulation.

(b) Default procedures. Upon the occurrence of an event of default which can be cured by the immediate payment of money to city or a third party, franchisee shall have 30 days from written notice of the occurrence of the event of default from the director to cure the default before city may exercise any of the default remedies provided for in Section 10. Upon the

occurrence of an event of default by franchisee which cannot be cured by the immediate payment of money to city or a third party, franchisee shall have 60 days from the date of written notice from city to franchisee of the occurrence of the event of default to cure the event of default before city may exercise any of its rights or remedies provided for in Section 10, unless the director, the city manager, or the council authorizes a longer cure period upon a showing of good cause to extend the cure period. If an event of default is not cured within the time period allowed for curing the event of default, as provided above, the event of default becomes, without additional notice, an uncured event of default, which shall entitle city to exercise the remedies provided for in Section 10.

SECTION 10. Remedies.

(a) Default remedies. Upon the occurrence of any uncured event of default as described in Section 9, the director shall report the occurrence of same to the city manager and the council. The council shall be entitled in its sole discretion and upon recommendation of the director and the city manager to exercise any or all of the following cumulative remedies:

(1) Exercise its rights to impose liquidated damages as described in Subsection (e).

(2) Authorize the city attorney to commence an action against franchisee at law or in equity, or both, including an action for monetary damages and specific performance.

(3) Suspend the franchise granted under this ordinance.

(4) Revoke the franchise granted under this ordinance.

(b) Suspension procedure. Upon the occurrence of an uncured event of default, the director may suspend the operation of the solid waste collection service doing business under this ordinance. If the director determines that suspension of the franchise is necessary to cure an

event of default, the director shall comply with the procedures established in Section 18-37 of the Dallas City Code.

(c) Revocation procedure. Upon the occurrence of an uncured event of default, the council shall have the right to revoke this ordinance. Upon revocation, the rights, permissions, and privileges comprising the franchise granted under this ordinance shall be automatically deemed null and void and shall have no further force or effect and the provisions that are contractual in nature which are also included as a part of this ordinance are hereby automatically terminated, except that franchisee shall retain the obligation to report gross income and make franchisee fee payments covering the period prior to the effective date of the revocation. Upon revocation, city shall retain any portion of the franchise fee and other fees or payments paid to it, or which are due and payable to it, to the date of the revocation. Notwithstanding the above, prior to any council hearing to formally consider revocation of the franchise granted under this ordinance, the director shall notify franchisee in writing at least 10 days in advance of the council hearing at which the issue of revocation shall be considered and decided. Franchisee shall have the right to appear before the council in person or by legal counsel and raise any objections or defenses franchisee may have that are relevant to the proposed revocation. In addition, the following procedures shall apply in regard to the revocation hearing:

(1) The council shall hear and consider the issue of revocation, shall hear any person interested in the issue, and shall determine, in its sole discretion, whether or not any violation by franchisee has occurred justifying a revocation of the franchise.

(2) At such hearing, franchisee shall be provided due process, including the right to be heard, to ask questions of witnesses, and to present evidence.

(3) Upon completion of the hearing described above, the council shall render a decision. Within a reasonable time, the director shall transmit a copy of the decision to franchisee. Franchisee shall be bound by the council's decision, unless it appeals the decision to a court of competent jurisdiction within 15 days after the date of the decision. Franchisee reserves the right to challenge both the decision itself and the fairness of the process followed by the city in the proceeding.

(4) The council reserves the right, in its sole discretion, to impose liquidated damages or to pursue other remedies as provided in this Section 10 in lieu of a revocation.

(d) Letter of credit. As security for the faithful performance by franchisee of the provisions of this ordinance and compliance with all orders, permits, and directions of city and the payment of all claims, liens, fees, liquidated damages, and taxes to city, franchisee shall deposit with city, no later than the effective date of this ordinance, an unconditional and irrevocable letter of credit in a penal amount equal to one month's franchise fee payment. The initial value of the letter of credit shall be established on the basis of the monthly franchise fee that would have been paid on the previous calendar year's monthly average gross receipts on a cash basis from any source derived at any location regardless of whether those receipts were earned entirely within the authorized area. The letter of credit shall be updated annually in January of each calendar year during the term of this ordinance. The value of the annually updated letter of credit will be equal to the average monthly franchise fee payment submitted by franchisee as required in this ordinance during the previous calendar year. The letter of credit must be issued by a federally-chartered or state-chartered financial institution with a principal office or branch located in Dallas County and otherwise acceptable to the council, on terms acceptable to the council and approved by the city attorney. The letter of credit shall expressly

provide that partial draws are permitted and that a draft thereon to the order of the city will be honored upon presentation to the issuing financial institution at a principal office or branch located within Dallas County of a letter of demand from city delivered in person or by courier delivery. The letter of demand must be signed by a person purporting to be the city's chief financial officer, city manager, or director. No supporting documents will be required and no other language, other than a demand to pay and a recitation of title, will be required as conditions for permitting the draw. Failure to timely deposit the letter of credit, or the failure to maintain the letter(s) of credit in the full amount required under this subsection and in effect during the entire term of this ordinance, or any renewal or extension of this ordinance, shall constitute a material breach of the terms of this ordinance.

(1) If franchisee fails to make timely payment to city or its designee of any amount due as a result of this ordinance or fails to make timely payment to city of any taxes due; or fails to repay city for damages and costs, including attorney's fees; or fails to comply with any provision of this ordinance which city reasonably determines can be remedied by an expenditure of monies, city may draw upon the letter of credit an amount sufficient to repay city with interest as set forth in this ordinance, if not otherwise specified by law..

(2) Within three days after a drawing upon the letter of credit, city shall send written notification of the amount, date, and purpose of the drawing to franchisee by certified mail, return receipt requested.

(3) If, at the time of a draw by city, the aggregate amount realized from the letter of credit is insufficient to provide the total payment toward which the draw is directed, the balance of such payment, plus accrued interest, shall constitute an obligation of franchisee to city until paid. If the interest rate is not set forth in this ordinance or set by laws, then interest shall be

the prime rate as established in the Wall Street Journal on the day before city sends notice to franchisee of its intent to drawn the letter of credit.

(4) No later than 30 days after mailing of notification to franchisee of a draw pursuant to Subsection (d)(2) above, franchisee shall cause the letter of credit to be restored to the full amount required under this ordinance. Failure to timely restore the letter of credit shall constitute a material breach of the terms of this ordinance.

(5) The rights reserved to city with respect to this letter of credit are in addition to all other rights and remedies of city, whether reserved by this ordinance or authorized by law, and no action, proceeding or exercise of a right with respect to such letter of credit shall affect any other rights city may have.

(e) Liquidated damages. The parties agree that: (1) the harm or damage caused by any material breach of this franchise, other than the failure to pay franchise fees, is of a kind that is difficult or incapable of estimation; and (2) the amount of liquidated damages stipulated in the ordinance is a reasonable forecast of just compensation. Therefore, in addition to the other remedies provided for in this Section 10, liquidated damages in the amounts set forth below may be assessed by the council upon franchisee, following the notice and opportunity to cure procedures in Subsection (f) below, for failure or refusal to comply with any material term or condition of this ordinance or for any other uncured event of default. In the event the council determines that franchisee has committed, continued, or permitted a material failure or refusal of compliance or other uncured event of default that has not been cured as provided in this ordinance, franchisee shall pay $2,000 per day for each day or part of a day that the material failure or refusal or other uncured event of default is committed, continued, or permitted, unless the council at the time of imposition of the civil penalty determines that good cause justifies a

lesser penalty, based upon the surrounding circumstances, frequency, number, and seriousness of the material violations or uncured events of default in question and the public interest served by imposing a lesser civil penalty.

(f) Liquidated damages procedure. Liquidated damages may be assessed by the council in accordance with the following procedure:

(1) Following notice from the director, which notice, at the director's election, may be combined with the notice described in Section (9)(b), franchisee shall meet with the director to attempt to resolve any disagreements on whether liquidated damages should be assessed or what liquidated damages should be recommended to the council. If there is no resolution of the issue within 15 days after the mailing of the notice, then the director shall present the director's recommendation regarding liquidated damages to the city manager for review and concurrence. If the city manager concurs in the director's recommendation that liquidated damages should be assessed, the matter shall be presented to the council. The director shall notify franchisee of the recommendation of the city manager to the council, the time and date of the proposed hearing concerning the issue of liquidated damages, and a statement that franchisee has a right to appear and be heard before the council on the matter. In order to appear before and be heard by the council, franchisee must comply with applicable council procedures which can be obtained from the city secretary.

(2) Upon presentation of the recommendations of the director and the city manager, the council may decide on one or more of the following courses of action:

(A) to authorize the city attorney to proceed against franchisee under Section 10(a)(2);

(B) to assess liquidated damages in the amount provided above for the applicable material violation or uncured event of default. Council may provide for a lesser amount and may suspend all or part of said assessment upon reasonable conditions for any reasonable period, up to the end of the franchise;

(C) to determine that liquidated damages are not justified under the circumstances and assess no damages; or

(D) to remand the matter to the city manager or the director for further investigation, consideration, and recommendation to the council.

(3) Assessment of liquidated damages by the council shall be a monetary obligation of franchisee to city in the amount determined by the council and shall be paid in full by franchisee within 15 business days after the date of assessment by the council.

(4) The procedures stated in this Subsection (f) do not apply to the council's determination to require the payment of money, in lieu of other available remedies, in a revocation proceeding under Subsection (b)(4).

(g) Remedies cumulative. Subject to applicable law, the rights and remedies of city set forth in this Section 10 shall be in addition to and not in limitation of, any other rights and remedies provided by law or in equity. If the council determines that a violation by franchisee was franchisee's fault and within its control, the council may pursue any or all of the remedies provided in Section 10. The remedies of city created under this ordinance shall be cumulative to the maximum extent permitted by law. The exercise by city of any one or more remedies under this ordinance shall not preclude the exercise by city, at the same or different times, of any other remedies for the same material uncured event of default. Notwithstanding any provision of this

ordinance, however, city shall not recover both liquidated damages and actual damages for the same violation, breach, non-compliance, or material uncured event of default.

(h) Curable violations. Franchisee shall not be found in violation of this ordinance or any other applicable law or regulation, and shall suffer no penalties or damages as a result, if the violation occurs without fault of franchisee or occurs as a result of circumstances beyond its control, and, if curable, is promptly cured. Franchisee shall not be excused by mere economic hardship nor by the negligence or malfeasance of its directors, officers or employees.

(i) City right to purchase. In the event city revokes the franchise granted under this ordinance for cause, terminates the franchise as provided in Subsection (j) below, or denies renewal of the franchise granted under this ordinance, city shall have the right (but not the obligation) subject to the applicable provisions of city charter, directly or as an intermediary, to purchase the assets of the solid waste collection system through its authority under, and procedures applicable to, eminent domain.

(j) Termination in the public interest. Nothing in this section shall be construed as affecting the right of the council under the city charter to terminate this ordinance without cause in the public interest when it is deemed inconsistent with the public use of city's public ways or is deemed to cause or constitute a nuisance.

SECTION 11. Providing Information.

(a) Complete and accurate books required. Franchisee shall keep complete and accurate books of account and records of its solid waste collection service business and operations under and in connection with this ordinance in accordance with generally accepted accounting principles and generally accepted government auditing standards.

(b) City review of documentation. City may fully review such of franchisee's books, accounts, documents, and other records of franchisee or franchisee's affiliates during normal business hours on a non-disruptive basis and with such advance notice as is reasonably necessary to monitor compliance with the terms of this ordinance. All books, accounts, documents, and other records shall be made available at a single location in the Dallas-Fort Worth metropolitan area. Books, accounts, documents, and other records that are kept on an electronic basis shall also be made available on the same basis as the paper books, accounts, documents, and other records; where possible, such items shall be made available in a CD-ROM disk or other similar platform in a format that is readable by city's computers. The reviewable items shall include, but shall not be limited to, records required to be kept by franchisee pursuant to law and the financial information underlying the written report accompanying the franchise fee. To the extent permitted by law, city agrees to treat any information disclosed by franchisee under this section as confidential, if and only to the extent that franchisee provides prior written notice that specific information is confidential as trade secrets or proprietary competitive information. Blanket or overly broad claims of confidentiality will be of no effect.

(c) Additional reports. Franchisee shall, when required by the council, the city manager, or the director, report to city any reasonably requested information relating to franchisee or the affiliates or necessary for the administration of this ordinance. The director shall have the right to establish formats for these additional reports, determine the time for these reports and the frequency with which these reports, if any, are to be made, and require that any reports be made under oath.

SECTION 12. General.

(a) Entire agreement. This ordinance (with all referenced exhibits, attachments, and provisions incorporated by reference) embodies the entire agreement and the rights, privileges, and permissions between city and franchisee, superseding all oral or written previous negotiations or agreements between city and franchisee relating to matters set forth in this ordinance. This ordinance can be amended by an ordinance enacted by the council. Such action by council does not require the hearing procedures for revocation set forth in Subsection 10(4)(b) of this ordinance, but only the posting of an agenda item and the opportunity for speakers to be heard on the item.

(b) Notices. Except as otherwise provided in Subsection 12(c) of this ordinance, any notice, payment, statement, or demand required or permitted to be given under this ordinance by either party to the other may be effected by any of the means described in Subsection 12(d) of this ordinance. Mailed notices shall be addressed to the parties at the addresses appearing below, but each party may change its address by written notice in accordance with this section. Mailed notices shall be deemed communicated as of three days after mailing.

If to City:

City Manager
City of Dallas
Dallas City Hall
1500 Marilla – Room 4/F/North
Dallas, Texas 75201

With a copy to:

Director
Department of Sanitation Services
3112 Canton Street, Suite 200
Dallas, Texas 75226

If to Franchisee:

Hector Hernandez, President
Fusion Recycling, LLC dba Fusion Waste & Recycling
867 Talco Road
Lancaster, Texas 75134

Either city or franchisee may change its address or personnel for the receipt of notices at any time by giving notice of the change to the other party as provided in this Subsection 12(b) Any notice given by either city or franchisee must be signed by an authorized representative.

(c) Notice of claim. This ordinance is subject to the provisions of Section 2-86 of the Dallas City Code, relating to requirements for filing a notice of a breach of contract claim against city. Section 2-86 of the Dallas City Code is expressly incorporated by reference and made a part of this ordinance as if written word for word in this ordinance. Contractor shall comply with the requirements of Section 2-86 as a precondition of any claim against city relating to or arising out of this ordinance.

(d) Delivery of notices. Notices required to be given under this ordinance may be transmitted in any of the following four ways:

(1) By personal delivery, in which case they are deemed given when delivered.

(2) By delivery to Federal Express, United Parcel Service, or other nationally recognized overnight courier service, in which case they shall be deemed given when received for such service.

(3) By being deposited in the U.S. Mail, by registered or certified mail, return receipt requested, postage prepaid, in which case notice shall be deemed given three calendar days after having been deposited in the U.S. Mail.

(4) By facsimile or electronic mail transmission where the sender's transmittal log shows successful transmission to all the recipients (with any replacement transmission as a recipient shall request) and with a hard copy on the same date or the next day mailed to all by first class mail, postage prepaid, in which case notice shall be deemed given on the date of facsimile or electronic mail transmission.

(e) City/franchisee meetings. Franchisee shall meet with the director, the city manager or the council at reasonable times to discuss any aspect of this ordinance or the services or facilities of franchisee. At all meetings, franchisee shall make available personnel qualified for the issues to be discussed and such meetings shall be at city's offices unless otherwise agreed.

(f) Legal construction. This ordinance shall be governed by and construed in accordance with the laws and court decisions of the State of Texas, without regard to conflict of law or choice of law principles of Texas or of any other state. Exclusive venue for any litigation that may be filed in connection with this ordinance shall be in Dallas County, Texas. This ordinance is not a contract for goods or services within the meaning of Texas Local Government Code §§271.151 *et seq*.

(g) No inducement. Franchisee, by accepting this ordinance, acknowledges that it has not been induced to accept this ordinance by any promise, oral or written, by or on behalf of city or by any third person regarding any term or condition not expressed in this ordinance. Franchisee further pledges that no promise or inducement, oral or written, has been made to any city employee or official regarding the grant, receipt or award of this ordinance.

(h) Franchisee acknowledgement. Franchisee further acknowledges by acceptance of this ordinance that it has carefully read the terms and conditions of this ordinance and accepts the obligations imposed by the terms and conditions herein.

(i) No waiver by city. No failure by city to insist upon the strict performance of any covenant, provision, term or condition of this ordinance, or to exercise any right, term or remedy upon a breach thereof shall constitute a waiver of any such breach of such covenant, agreement, term, or condition. No waiver of any breach shall affect or alter this ordinance, but each and every covenant, provision, term or condition of this ordinance shall continue in full force and effect with respect to any other then existing or subsequent breach thereof.

(j) Governmental licenses. Franchisee shall, at its expense, obtain and maintain all additional governmental regulatory licenses necessary to operate the solid waste collection service in accordance with this ordinance.

(k) Severability. If any section, paragraph, or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, or provision shall not affect any of the remaining provisions of this ordinance.

(l) City retained powers. In addition to all rights provided in this ordinance, city reserves all rights and powers conferred by federal law, the Texas Constitution, Texas statutes and decisions, the City Charter, city code, and city ordinances which city is allowed to exercise.

(m) Material misinformation. The provision of information by franchisee or any of its affiliates to city in connection with any matters under this ordinance which contains an untrue statement of a material fact or omits a material fact necessary to make the information not misleading shall constitute a violation of this ordinance and shall be subject to the remedies provided in Section 10. Each day that franchisee or an affiliate fails to correct an untrue statement of a material fact or the omission of a material fact necessary to make the information not misleading shall constitute a separate violation of this ordinance.

(n) Hearing procedures. The following additional procedures shall apply to any hearing held in connection with any action taken by the council in connection with this ordinance:

(1) The council may conduct the hearing or, in its sole discretion, may by resolution appoint a committee or subcommittee of the council or a hearing officer to conduct the hearing and submit a proposal for decision to it, pursuant to procedures established by resolution.

(2) The hearing shall afford franchisee rudimentary due process. The council may by resolution establish other procedural matters in connection with the hearing.

(o) Acceptance. Upon adoption of this ordinance, franchisee agrees to be bound by all the terms and conditions contained herein, as evidenced by filing the original with the city secretary and a copy with the director, in writing, within 30 days after the date the council approves this ordinance, an unconditional acceptance of the ordinance and promise to comply with and abide by all its provisions, terms, and conditions. The form of unconditional acceptance and promise, attached to and made a part of this ordinance as Exhibit B, shall be sworn to, by, or on behalf of franchisee before a notary public. If within 30 days after the date the council approves the ordinance, franchisee fails to (1) submit and file the properly executed acceptance, (2) pay all taxes due , and (3) submit the letter of credit and required certificate of insurance, then this ordinance and the rights, permissions, and privileges granted under this ordinance shall be null and void and shall have no force or effect, unless franchisee evidences such failure was due to clerical error by someone other than franchisee or its affiliates and then acts promptly to remedy the third party's clerical error. The director may prevent franchisee from operating a solid waste collection service under this franchise or reapplying for a new franchise until the acceptance required by this subsection is filed as provided herein.

(p) Time is of the essence. Whenever this ordinance shall set forth any time for an act to be performed by or on behalf of franchisee, such time shall be deemed of the essence and any failure of franchisee to perform within time allotted shall always be sufficient grounds for city to invoke an appropriate remedy, including possible revocation of the ordinance.

(q) Force majeure. The time within which franchisee shall be required to perform any act under this ordinance shall be extended by a period of time equal to the number of days due to a force majeure. The term “force majeure” shall mean delays due to acts of God, inability to obtain governmental approvals, governmental restrictions, war, act of terrorism, civil disturbances, fire, unavoidable casualty, or other similar causes beyond the control of franchisee. Notwithstanding anything contained anywhere else in this ordinance, franchisee shall not be excused from performance of any of its obligations under this ordinance by the negligence or malfeasance of its directors, officers, or employees or by mere economic hardship.

(r) Recognition of rights. Franchisee agrees that by adopting this ordinance, neither city nor franchisee have waived any rights, claims, or defenses they may have with respect to city's rights to impose the requirements contained in this ordinance in whole or in part upon franchisee.

(s) Police powers.

(1) In accepting this ordinance, franchisee acknowledges that its rights under this ordinance are subject to the police power of city to adopt and enforce general ordinances necessary to the health, safety, and welfare of the public. Franchisee shall comply with all applicable general laws and ordinances enacted by city pursuant to such powers. Any conflict between the provisions of this ordinance and any other present or future lawful exercise of city’s police powers shall be resolved in favor of the latter.

(2) Franchisee recognizes the right of city to make reasonable amendments to this ordinance; except that city shall not make amendments materially adversely affecting franchisee except under a proper exercise of city's police powers, with notice to franchisee and an opportunity to be heard in a regular public meeting of the council considering the ordinance or amendment. Franchisee acknowledges that this is the extent of its rights to a hearing respecting franchise ordinance amendments under the charter

(3) Franchisee also recognizes city's right to impose such other regulations of general applicability as shall be determined by city to be conducive to the safety, welfare, and accommodation of the public.

(t) No presumption of renewal. This ordinance and the grant contained herein do not imply, grant, or infer any renewal rights in favor of franchisee or its affiliates.

(u) Recognition of city charter. Franchisee recognizes, accepts and agrees that the terms, conditions and provisions of this ordinance are subject to the applicable provisions of Chapter XIV of the Dallas City Charter. Any request by franchisee for an amendment to this ordinance shall be subject to review by the city attorney for compliance with the applicable provisions of the city charter.

SECTION 13. Outstanding license fees. This ordinance shall not take effect until all fees still owed to city from the existing license previously issued to franchisee for solid waste collection, hauling, and disposal service under provisions of the city code applicable to solid waste collection, hauling, and disposal licenses are paid in full. If the previous license fees owed to city are not paid by franchisee within 30 days after the date the council approves this ordinance, then this ordinance shall be considered null and void and shall have no force or effect.

The director may prevent franchisee from operating a solid waste collection service under this franchise or reapplying for a new franchise until the previous license fees have been paid in full.

SECTION 14. Ordinance effective date. Subject to the provisions of Subsection 5(e), Subsection 12(o), and Section 13, this ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas (the "effective date"), and it is accordingly so ordained.

APPROVED AS TO FORM:

LARRY E. CASTO, City Attorney

BY _____
Assistant City Attorney

Passed _____

## Exhibit A

## INSURANCE COVERAGE REQUIRED

SECTION C. Subject to FRANCHISEE'S right to maintain reasonable deductibles, FRANCHISEE shall obtain and maintain in full force and effect for the duration of this contract and any extension hereof, at FRANCHISEE'S sole expense, insurance coverage in the following type(s) and amounts:
Business Automobile Liability Insurance covering owned, hired, and non-owned vehicles, with a minimum combined bodily injury (including death) and property damage limit of $500,000 per occurrence.

REQUIRED PROVISIONS

FRANCHISEE agrees that with respect to the above required insurance, all insurance contracts and certificate(s) of insurance will contain and state, in writing, the following required provisions:
a. Name the City of Dallas and its officers, employees and elected representatives as additional insureds to all applicable coverages.
b. State that coverage shall not be canceled, nonrenewed or materially changed except after thirty (30) days written notice by certified mail to:
(i) Sanitation Services, Attention: Assistant Director, 3112 Canton, Suite 200, Dallas, Texas 75226 and
(ii) Director, Office of Risk Management, 1500 Marilla, 6A-South, Dallas, Texas 75201.
c. Waive subrogation against the City of Dallas, its officers and employees, for bodily injury (including death), property damage or any other loss.
d. Provide that the FRANCHISEE'S insurance is primary insurance as respects the CITY, its officers, employees and elected representatives.
e. Provide that all provisions of this franchise concerning liability, duty and standard of care, together with the indemnification provision, shall be underwritten by contractual liability coverage sufficient to include such obligations within applicable policies.

CITY NOT LIABLE

Approval, disapproval or failure to act by the CITY regarding any insurance supplied by the FRANCHISEE or its subcontractors shall not relieve the FRANCHISEE of full responsibility or liability for damages and accidents as set forth in the franchise documents. Neither shall the bankruptcy, insolvency nor denial of liability by the insurance company exonerate the FRANCHISEE from liability.

**Exhibit B**

**Acceptance**

Fusion Recycling, LLC dba Fusion Waste & Recycling, a Texas limited liability company, unconditionally accepts and agrees to be bound by all the terms, covenants, and conditions contained in the Solid Waste Collection Service franchise ordinance, Ordinance No. _____, passed on February 22, 2017.

Dated: ____ day of _____, 2017.

FRANCHISEE:

FUSION RECYCLING, LLC
DBA FUSION WASTE & RECYCLING
a Texas limited liability company

By: _____
Hector F. Hernandez, President

State of Texas
County of _____

This instrument was acknowledged before me on _____, 2017 by Hector F. Hernandez, President of Fusion Recycling, LLC dba Fusion Waste & Recycling, a Texas limited liability company, on behalf of said company.

( Seal)

_____
Notary Public's Signature

**Exhibit C**
**Affidavit of Ownership or Control**

01-23-2017

ORDINANCE NO. _____

An ordinance granting a franchise to A4WaysAffiliation, LLC dba Junk Genius Dallas Ft. Worth, a Texas limited liability company, with its principal address at 555 Republic Drive, Suite 200, Plano, Texas 75074, pursuant to Chapter XIV of the Dallas City Charter and Chapter 18 of Article IV of the Dallas City Code, to own, operate and maintain a solid waste collection service within the City of Dallas; providing for its terms and conditions; providing for liquidated damages for failure to adhere to the terms and conditions in the franchise ordinance; providing for payment of a franchise fee; providing for the payment of the publication fee; providing for the filing of an acceptance by Franchisee; and providing an effective date.

WHEREAS, safe and responsible solid waste collection, transport, and processing is necessary for the protection of the public health and a compelling governmental interest;

WHEREAS, solid waste haulers often use heavy equipment that contributes substantially to damage and wear and tear of the public ways, necessitating expenditures of City of Dallas resources for the maintenance and repair of those public ways, for which the City of Dallas is entitled to reasonable compensation and reimbursement;

WHEREAS, the franchise and regulation of solid waste collection, transport, and processing is necessary and furthers a compelling public interest;

WHEREAS, the City of Dallas is authorized to grant one or more non-exclusive franchises for the provision of solid waste collection service to premises within the City of Dallas; and

WHEREAS, the city council of the City of Dallas is of the opinion that the granting of the franchise on the terms and conditions set forth in this ordinance is in the public interest and in the interest of the City of Dallas and its residents. Now, Therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. Preamble. That the declarations contained in the preamble to this ordinance are material and are hereby repeated and incorporated herein as a part of this ordinance as though they were fully set forth in this Section 1.

SECTION 2. Definitions. That for the purpose of this ordinance the following terms, phrases, words and their derivations shall have the meaning given in this ordinance. When not inconsistent with the context, words used in the present tense include the future tense; words in the plural number include the singular number; words in the singular number include the plural number; and the use of any gender shall be applicable to all genders whenever the tense requires. The word “shall" is mandatory and not merely directory. The word "may" is not mandatory and is merely permissive. Words defined elsewhere in this ordinance shall be accorded that meaning throughout this ordinance. Words not defined shall be given their common and ordinary meaning.

(a) AFFILIATE and AFFILIATED means any entity controlling, controlled by, or under common control with the franchisee.

(b) AUTHORIZED AREA means the entire area from time to time within the corporate limits of the City of Dallas.

(c) CITY means the City of Dallas, a municipal corporation, a political subdivision of the State of Texas.

(d) CITY CHARTER means the city's organic law, equivalent to a constitution, which defines the city's existence and prescribes the powers, duties, and organization of the city's governmental structure.

(e) CITY CODE means the ordinances of the city codified into the Dallas City Code, The Revised Code of Civil and Criminal Ordinances of the City of Dallas, Texas (1960 Edition, 1997 Printing), as amended from time to time.

(f) CITY MANAGER means the city manager or the city manager's designated assistant or representative.

(g) CONTROL (and its variants) means actual working control, by whatever means exercised. Without limiting the generality of the foregoing, for the purposes hereof, a change in control shall be deemed to have occurred at any point in time when there is: (i) a change in working or effective voting control, in whatever manner effectuated, of franchisee; (ii) an agreement of the holders of voting stock or rights of franchisee which effectively vests or assigns policy decision-making in any person or entity other than franchisee; or (iii) a sale, assignment or transfer of any shares or interest in franchisee which results in a change in the control of franchisee.

(h) COUNCIL means the governing body of city. This section does not authorize delegation of any decision or function that is required by the city charter or state law to be made by the council. In any case in which a hearing is held pursuant to this ordinance, the council may conduct the hearing or, in its sole discretion, may by resolution appoint a committee or subcommittee of the council or a hearing officer to conduct the hearing and submit a proposal for decision to it, pursuant to procedures established by resolution.

Unless otherwise stated in this ordinance or prohibited by the city charter or state law, the council may delegate to the city manager or the director the exercise of any and all of the powers conferred upon city by its charter or by general law relating to the administration and enforcement of this ordinance and to franchisee's exercise of the rights and privileges conferred in this ordinance.

(i) DIRECTOR means the director of the department of sanitation services, or the director's designated representative.

(j) FRANCHISE means the grant of the non-exclusive permission and privilege to use public ways under this ordinance, and all of the incidental rights and obligations as described by this ordinance.

(k) FRANCHISEE means A4WaysAffiliation, LLC dba Junk Genius Dallas Ft. Worth, a Texas limited liability company, the grantee of rights under this ordinance; or the successor, transferee, or assignee of this ordinance.

(l) PUBLIC WAYS means all dedicated rights-of-way, streets, highways, and alleys for use by the general public and easements dedicated for the benefit of all utilities. Public ways does not include property of city which is not a dedicated public way, street, highway, or alley or available for use by the general public or easements not dedicated for the benefit of all utilities.

(M) SOLID WASTE COLLECTION SERVICE means the term as defined in Section 18-29(5) of the Dallas City Code.

(n) THIS ORDINANCE means this document.

SECTION 3. Granting of franchise. That subject to all the terms and conditions contained in this ordinance, the Texas Constitution, the city charter, the city code, other city ordinances as from time to time may be in effect, and applicable federal law, city hereby grants

franchisee non-exclusive permission and privilege solely for the purpose of operating and maintaining a solid waste collection service in, over, along and across the public ways in the authorized area. This grant is subject to the following additional conditions:

(a) Franchisee purpose. Franchisee accepts the grant set forth above and agrees to operate and maintain the solid waste collection service in the authorized area in accordance with the terms and provisions of this ordinance.

(b) Other services. By granting this ordinance, city is not authorizing any non-solid waste collection service to be provided and does not waive and specifically retains any right to regulate and receive compensation as allowed by law for services offered by franchisee which are not solid waste collection services. Franchisee shall immediately notify city if it provides any non-solid waste collection services within the authorized area.

(c) No priority. This ordinance does not establish any priority for the use of the public ways by franchisee or by any present or future recipients of franchise agreements, franchisees, permit holders, or other users of the public ways. In the event of any dispute as to the priority of use of the public ways, the first priority shall be to the public generally, the second priority to city, the third priority to the State of Texas and its political subdivisions in the performance of their various functions, and thereafter, as between recipients of franchise agreements, franchisees and other state or local permit holders, as determined by the city manager in the exercise of the city's powers, including the police power and other powers reserved to and conferred on it by the State of Texas.

(d) City's use of public ways. Franchisee acknowledges that by this ordinance it obtains no rights to use or further use of the public ways other than those expressly granted in this ordinance. Franchisee acknowledges and accepts at its own risk, provided that city has the

legal authority for the use or uses in question, that city may make use in the future of the public ways in which the solid waste collection service is located in a manner inconsistent with franchisee's use of such public ways for the solid waste collection service, and in that event franchisee shall not be entitled to compensation from city unless compensation is available to all users of the public ways which are affected in a similar manner and are similarly situated in relevant respects with the franchisee.

(e) Emergencies. City may temporarily suspend the operation of the solid waste collection service of franchisee in the event of a public emergency or calamity as determined by city. In such event, neither city nor any agent, contractor, or employee of city shall be liable to franchisee or its customers or third parties for any damages caused them or the solid waste collection system. Where reasonably possible, prior notice shall be given to franchisee. In any event, notice of such action shall be given to franchisee after such action is taken.

(g) Compliance with law and standards of operation. Franchisee shall be subject to and comply with all applicable local, state, and federal laws, including the rules and regulations of any and all agencies thereof, whether presently in force or whether enacted or adopted at any time in the future.

(h) Other approvals and authorizations. This ordinance does not relieve and franchisee shall comply with any obligation to obtain permits, licenses and other approvals from city or other units of government, which are required for the operation and maintenance of the solid waste collection service.

(i) City's right of eminent domain reserved. Nothing in this ordinance shall limit any right city may have to acquire by eminent domain any property of franchisee.

(j) Taxes, fees and other assessments. Nothing in this ordinance shall be construed to limit the authority of city to impose a tax, fee, or other assessment of any kind on any person. Franchisee shall pay all fees necessary to obtain and maintain all applicable federal, state, and local licenses, permits, and authorizations required for the construction, installation, upgrading, maintenance, or operation of its solid waste collection service.

(k) Disputes among public ways users. Franchisee shall respect the rights and property of city and other authorized users of the public ways. Disputes between franchisee and other similar franchisees over use of public ways shall be submitted to the director for resolution; provided, however, that franchisee reserves its rights to submit such disputes directly to a court of competent jurisdiction.

SECTION 4. Service requirements.

(a) It is expressly understood and agreed that franchisee has the non-exclusive right, to the extent permitted by this ordinance, to collect and transport solid waste within the authorized area where the individuals or companies contract with franchisee for those services, excluding residential service (other than apartment complexes and motels). Notwithstanding the exclusion for residential service, city reserves the right during the term of this franchise ordinance to collect and transport solid waste and other materials from any source whatsoever, including but not limited to apartment complexes, motels, and any commercial venue without any amendment or modification of this franchise ordinance. Franchisee shall, at its own expense, furnish personnel and equipment to collect and transport, solid waste and shall establish and maintain the contracted solid waste collection service in an efficient and businesslike manner.

(b) All vehicles used by franchisee for the collection and transportation of solid waste shall display a decal issued by the director in or upon a conspicuous place on the vehicle, in accordance with the applicable requirements of the city code. All vehicles shall be covered at all times while loaded and in transit to prevent the spillage of solid waste onto the public ways or properties adjacent to the public ways. Any spillage will be promptly recovered by franchisee. All vehicles and containers owned by franchisee shall be clearly marked with franchisee's name in letters not less than four inches in height. All vehicles shall be cleaned and maintained by franchisee so as to be in good repair, of good appearance and, when idle, free of solid waste residue as may cause odor, provide a breeding place for vectors, or otherwise create a nuisance. In addition, franchisee shall comply with the requirements for solid waste collection vehicles and containers contained in Sections 18-45 and 18-50 (b) of the Dallas City Code.

(c) Franchisee expressly agrees to assume liability and responsibility for all costs of repair to the public ways and other facilities that are damaged as a result of the negligence of franchisee, its officers, agents, or employees, during franchisee's operations pursuant to this ordinance.

(d) Franchisee will comply with all rules, regulations, laws and ordinances pertaining to the disposal of solid waste as directed by the city or by other responsible governmental agencies having jurisdiction. must be made at an approved solid waste disposal, collection, or processing facility, transfer station or landfill, pursuant to Chapter 18 of the city code, as amended. Disposal of all solid waste collected by franchisee from premises within the authorized area must be made at an approved solid waste disposal, collection, or processing facility, transfer station or landfill in accordance with the Dallas City Code.

SECTION 5. Indemnity and insurance.

(a) **INDEMNIFICATION OF CITY. FRANCHISEE SHALL, AT ITS SOLE COST AND EXPENSE, DEFEND, INDEMNIFY, AND HOLD HARMLESS CITY AND ITS OFFICERS, BOARDS, COMMISSIONS, EMPLOYEES, AGENTS, ATTORNEYS, AND CONTRACTORS (HEREINAFTER REFERRED TO AS "INDEMNITEES"), FROM AND AGAINST:**

**(1) ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, COSTS, AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE, OR OTHER HARM FOR WHICH RECOVERY OF DAMAGES IS SOUGHT, SUFFERED BY ANY PERSON OR PERSONS, THAT MAY ARISE OUT OF OR BE OCCASIONED BY FRANCHISEE'S BREACH OF ANY OF THE TERMS OR PROVISIONS OF THIS FRANCHISE, OR BY ANY NEGLIGENT OR STRICTLY LIABLE ACT OR OMISSION OF FRANCHISEE, ITS OFFICERS, AGENTS, EMPLOYEES, CONTRACTORS, OR SUBCONTRACTORS, IN THE OPERATION OR MAINTENANCE OF THE SOLID WASTE COLLECTION SERVICE, OR IN THE DISPOSAL, HANDLING, OR TRANSFER OF ANY SOLID WASTE COLLECTED THROUGH THE SOLID WASTE COLLECTION SERVICE; FRANCHISEE'S OBLIGATION TO DEFEND AND INDEMNIFY INDEMNITEES UNDER THIS SUBPARAGRAPH SHALL EXTEND TO CLAIMS, LOSSES, AND OTHER MATTERS COVERED UNDER THIS SUBPARAGRAPH THAT ARE CONTRIBUTED TO BY THE NEGLIGENCE OF ONE OR MORE INDEMNITEES, PROVIDED, HOWEVER, THAT INDEMNITY WILL BE REDUCED BY THE PROPORTIONATE AMOUNT THROUGH WHICH THE INDEMNITEE CONTRIBUTED TO THE LIABILITY, AS PROVIDED UNDER TEXAS LAW, WITHOUT WAIVING ANY GOVERNMENTAL**

**IMMUNITY AVAILABLE TO CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF EITHER FRANCHISEE OR CITY UNDER TEXAS LAW; THE ABOVE INDEMNIFICATION SHALL NOT, HOWEVER, APPLY TO ANY JUDGMENT OF LIABILITY RESULTING FROM THE SOLE NEGLIGENCE OR WILLFUL MISCONDUCT OF CITY; AND**

**(2) ANY AND ALL LIABILITY, OBLIGATION, DAMAGES, FINES, PENALTIES, CLAIMS, SUITS, JUDGMENTS, ACTIONS, LIENS, AND LOSSES, WHICH MAY BE IMPOSED UPON OR ASSERTED AGAINST THE INDEMNITEES BECAUSE OF ANY VIOLATION OF ANY STATE OR FEDERAL LAW OR REGULATION GOVERNING THE SOLID WASTE COLLECTION SERVICE OR RELATED TO THE COLLECTION, DISPOSAL, TRANSFER, OR HANDLING BY FRANCHISEE, ITS OFFICERS, EMPLOYEES, AGENTS, OR SUBCONTRACTORS, OF SOLID WASTE COLLECTED THROUGH THE SOLID WASTE COLLECTION SERVICE REGARDLESS OF WHETHER OR NOT THE NEGLIGENCE, FAULT, OR OTHER WRONGFUL CONDUCT OF THE INDEMNITEES CONTRIBUTED TO ANY VIOLATION; AND FRANCHISEE SHALL PAY ALL JUDGMENTS, WITH COSTS, ATTORNEY'S FEES, AND EXPENSES AWARDED IN SUCH JUDGMENT WHICH MAY BE OBTAINED AGAINST CITY RELATED TO ANY SUCH CLAIM. UPON THE WRITTEN REQUEST OF CITY, FRANCHISEE SHALL IMMEDIATELY, AT ITS SOLE COST AND EXPENSE, CAUSE ANY LIEN COVERING CITY'S PROPERTY AS DESCRIBED IN THIS SUBPARAGRAPH TO BE DISCHARGED OR BONDED.**

**(3) THIS SUBSECTION SHALL NOT BE CONSTRUED TO WAIVE ANY GOVERNMENTAL IMMUNITY FROM SUIT OR LIABILITY AVAILABLE TO**

**CITY UNDER TEXAS OR FEDERAL LAW. THE PROVISIONS OF THIS SUBSECTION ARE SOLELY FOR THE BENEFIT OF CITY AND FRANCHISEE AND ARE NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY.**

(b) Franchisee's assumption of risk. Franchisee undertakes and assumes for its officers, employees, agents, contractors, and subcontractors (collectively "Franchisee" for the purpose of this subsection), all risk of dangerous conditions, if any, on or about any city-owned or controlled property, including the public ways, **AND FRANCHISEE HEREBY AGREES TO INDEMNIFY AND HOLD HARMLESS THE INDEMNITEES AGAINST AND FROM ANY CLAIM ASSERTED OR LIABILITY IMPOSED UPON THE INDEMNITEES FOR PERSONAL INJURY OR PROPERTY DAMAGE TO ANY PERSON (OTHER THAN FROM AN INDEMNITEE'S NEGLIGENCE OR WILLFUL MISCONDUCT) ARISING OUT OF FRANCHISEE'S OPERATION, MAINTENANCE, OR CONDITION OF THE SOLID WASTE COLLECTION SERVICE OR FRANCHISEE'S FAILURE TO COMPLY WITH ANY FEDERAL, STATE OR LOCAL STATUTE, ORDINANCE OR REGULATION.**

(c) Defense of city. In the event any action or proceeding shall be brought against the indemnitees by reason of any matter for which the indemnitees are indemnified hereunder, franchisee shall, upon notice from any of the indemnitees, at franchisee's sole cost and expense, (including, without limitation, reasonable fees and expenses of attorneys, expert witnesses, and consultants, and the associated costs of document production), resist and defend the same with legal counsel selected by franchisee and consented to by city, such consent not to be unreasonably withheld; provided, however, that franchisee shall not admit liability in any such

matter on behalf of the indemnitees without city's written consent and provided further that the indemnitees shall not admit liability for, nor enter into any compromise or settlement of, any claim for which they are indemnified hereunder, without the prior written consent of franchisee and execution of any settlement agreement on behalf of the city by the city attorney, and further provided that for the search, review, and production of documents, the city attorney may elect to handle some or all of the process in-house at the expense of the franchisee.

(d) Expenses. The indemnitees shall give franchisee prompt notice of the making of any claim or the commencement of any action, suit or other proceeding covered by the provisions of this Section 5. Nothing herein shall be deemed to prevent the indemnitees from participating in the defense of any litigation by their own counsel at their own expense. Franchisee shall pay all expenses incurred by the indemnitees in participating in the defense, provided that the participation has been requested or required by franchisee in conducting the defense. These expenses may include out-of-pocket expenses reasonably and necessarily incurred, such as attorney fees and the reasonable value of any services rendered by city's counsel and the actual expenses of the indemnitees' agents, employees or expert witnesses, and disbursements and liabilities assumed by the indemnitees in connection with such suits, actions or proceedings but shall not include attorney's fees for services that are unnecessarily duplicative of services provided the Indemnitees by franchisee.

(e) Insurance required. Not later than the effective date of this ordinance, franchisee shall procure, pay for, and maintain insurance coverage in at least the minimum amounts and coverages described in Exhibit A, attached to and made a part of this ordinance. The insurance shall be written by companies approved by the State of Texas and acceptable to city. The insurance shall be evidenced by the delivery to city of policies of insurance, including all

endorsements executed by the insurer or its authorized agent stating coverages, limits, exclusions, deductibles, and expiration dates, which demonstrate compliance with all applicable provisions of the insurance laws and rules in the State of Texas. **THIS ORDINANCE SHALL NOT TAKE EFFECT UNTIL THE INSURANCE POLICY HAS BEEN DELIVERED TO CITY AND NO OFFICER OR EMPLOYEE SHALL HAVE AUTHORITY TO WAIVE THIS REQUIREMENT.** If satisfactory evidence of the required insurance is not submitted within 30 days after the date the council approves this ordinance, then this ordinance shall be considered null and void and shall have no force or effect.

(f) Changes in insurance coverage. Franchisee shall provide the city with true and complete copies of all changes to insurance policies, including any cancellation, coverage change, or termination notice, or any replacement insurance, before these changes become effective. Certificates of insurance reflecting the annual renewal, replacement insurance or coverage changes must be submitted when such policies become effective to provide evidence of continuing insurance coverage. Although certificates are routinely accepted as substitutes for copies of insurance policies, the city shall have the right to access and copy any such policy of insurance**.** The director may prevent franchisee from operating a solid waste collection service under this franchise until satisfactory evidence of insurance coverage required under this section is presented to the director.

(g) Adjustments to insurance requirements. City reserves the right to review the insurance requirements stated in Exhibit A during the effective period of this ordinance and to recommend to the council reasonable adjustments in the insurance requirements contained in the city code prior to the anniversary renewal of the insurance when deemed necessary and prudent by city's Office of Risk Management. Any adjustments shall be mutually agreeable to city and

franchisee, and based upon changes in statutory law, court decisions, or the claims history of the industry as well as franchisee. When any insurance coverage limit changes are agreed, franchisee shall pay any resulting increase in cost due to the changes.

(g) Liability of franchisee. Approval, disapproval, or failure to act by city regarding any insurance supplied or not supplied by franchisee shall not relieve franchisee of full responsibility or liability for damages and accidents as set forth in this ordinance. The bankruptcy, insolvency, or denial of liability by any insurer of franchisee shall not exonerate franchisee from the liability obligations of franchisee provided for under this ordinance.

SECTION 6. Fees, payments and compensation.

(a) Compensation required. Because the special use of the public ways by franchisee and the special business purpose for which the public ways are being used requires rental compensation for the rights and privileges granted under this ordinance, franchisee shall pay city throughout the term of this ordinance a fee in an amount equal to four percent of franchisee's gross receipts, calculated monthly and payable based on the gross receipts realized during the calendar month immediately preceding the calendar month in which the payment is due (hereinafter called the "franchise fee").

(b) Payment procedures. Franchisee shall pay the franchise fee to city each month during the term of this ordinance. The monthly payment required by this ordinance shall be due and payable by certified check, electronic funds transfer, or other means that provide immediately available funds on the day the payment is due not later than 3:00 p.m. of the thirtieth (30th) calendar day following the end of each calendar month. If the thirtieth (30th) calendar day following the end of a calendar month falls on a Saturday, Sunday, or official city holiday, then the payment is due on the business day prior to the due date, and in the month of

February, the payment is due on February 28th. Subject to applicable law, the compensation set forth in this Section 6 shall be exclusive of and in addition to all special assessments and taxes of whatever nature, including, but not limited to, ad valorem taxes. In the event any monthly payment or partial payment is received by the city later than 10 days after the due date, franchisee shall pay interest on the past due amount at the rate prescribed in Section 2-1.1 of the Dallas City Code. Payment shall be accompanied by a monthly report certified by an officer of franchisee showing the total gross receipts of the preceding calendar month. The monthly report shall also include a detailed breakdown of gross receipts and the computation of the payment amount.

(c) Annual report. Franchisee shall file with city by February 1 of each calendar year an annual report showing the total gross receipts of the preceding calendar year along with the information required under Section 18-41 of the Dallas City Code. Such annual report shall include a detailed breakdown of gross receipts and the computation of the payment amount.

(d) City audit. City may audit franchisee (or any affiliate of franchisee who has information directly pertaining to gross receipts) as often as is reasonably necessary to verify the accuracy of the franchise fees paid to city. All books, records, accounts, or other documents in paper or electronic form, necessary for the audit shall be made available by franchisee at a single location in the Dallas-Fort Worth metropolitan area. Any net undisputed amount due to city, plus interest at the rate prescribed in Section 2-1.1 of the Dallas City Code, c, calculated from the date each portion of the underpayment was originally due until the date franchisee remits the underpayment to the city, shall be paid by franchisee within 45 days after city's submitting an invoice for the underpayment to franchisee with reasonable detail supporting the amount claimed. If the amount of the underpayment exceeds five percent of the total franchise fee owed

for the audit period, franchisee shall pay city's audit costs as well. City's right to audit and franchisee's obligation to retain records related to the franchise fee shall be limited to the previous two calendar years preceding the date that written notice of intent to audit is served.

SECTION 7. Term; performance evaluation.

(a) Term and extensions. The term of this ordinance shall be five (5) years from the effective date of this ordinance.

(b) Franchisee rights upon termination. Subject to applicable law, this ordinance and all rights, permissions, and privileges of franchisee under this ordinance shall automatically terminate on the expiration of the term of this ordinance, unless extended by mutual agreement, court order, or applicable law.

(c) Performance evaluation. In order to: (i) assure that franchisee is complying with the terms of this ordinance, as it may be from time to time amended, and (ii) promote a sharing of information between city and franchisee, city may schedule a performance evaluation no more often than every five years during the term of this ordinance, subject to Subsection (d) of this section, in accordance with the following process:

(1) At least 90 days prior to each performance evaluation, city shall notify franchisee of the date, time and location of the evaluation. Such notice shall include specification of any additional information to be provided by franchisee pursuant to Subsection (c)(2)(D) below. Unless specifically waived by the council, attendance of franchisee's duly authorized representative at these meetings is mandatory.

(2) Within 60 days from receipt of notification, franchisee shall file a report with city that is sworn to by a representative of franchisee knowledgeable of the operations of

franchisee within the authorized area, in reasonable detail, specifically addressing, at a minimum, the following areas:

(A) compliance of franchisee's vehicles with solid waste and air quality requirements;

(B) customer service, including but not limited to a listing of customer complaints and their resolution;

(C) history in regard to prompt and accurate payment of franchise fees;

(D) any other topic deemed material or relevant by city for its enforcement of this ordinance.

(3) All reports to be prepared under this subsection and submitted by franchisee shall be based upon information for at least the most recent five-year period, inclusive of the most current quarter available. No report under this subsection shall be based upon data that ends more than six months before the time of the performance evaluation.

(4) Following receipt of the report, but not less than 30 days prior to the performance evaluation, city may request additional information, clarification or detailed documentation concerning those topics identified for inclusion in the performance evaluation. Franchisee shall make reasonable effort to provide such additional information to city prior to the meeting. In the event that the information cannot be made available prior to the performance evaluation, franchisee shall notify city in writing explaining the reasons for any delay. The city may authorize a delay of the performance evaluation for a reasonable time to allow franchisee to submit the additional documentation.

(5) The council shall hear any interested persons during such performance evaluation. Franchisee shall be entitled to all the rights of due process consistent with city

proceedings, including but not limited to, the right to be heard, the right to present evidence, and the right to ask questions of witnesses.

(6) Upon request of city, franchisee shall assist city in notifying customers of the evaluation session. The actual costs associated with the notification, in an amount not to exceed $1,000.00, shall be borne by franchisee.

(d) Additional performance evaluations. Notwithstanding Subsection (c), the council may initiate and conduct such additional performance evaluations regarding franchisee's performance under this ordinance as the council, in its sole discretion, may deem justified or necessary under the circumstances. Franchisee shall be given reasonable notice of the date, time, and location of any such additional performance evaluations.

SECTION 8. Transfers of ownership and control.

(a) Franchisee ownership, management and operation.

(1) Only franchisee and its affiliates, if any, shall operate, manage, and maintain the solid waste collection service. As provided in Chapter XIV, Section 2(5) of the Dallas City Charter, no franchise, nor the assets held by the franchise holder, may be sold, assigned, transferred, or conveyed to any other person, firm, corporation, or other business entity without the consent of the city first had and obtained by ordinance or resolution, unless otherwise specifically provided in this franchise ordinance. If the purchaser is the holder of a like franchise, the franchise purchased shall be canceled and merged into the franchise held by the purchaser upon terms and conditions as may be set out by the city council when permission for merger is granted. Franchisee shall not directly or indirectly transfer or assign, in whole or in part, the operation, management, ownership, or maintenance of the solid waste collection service without the prior written consent of the council as provided in Subsections 8(b) and 8(c) below.

(2) This section shall not apply to franchisee's employment contracts and other personnel decisions, nor shall it prohibit franchisee from contracting for or subcontracting, in whole or in part, any operational, management or maintenance functions in connection with the solid waste collection service, so long as franchisee does not relinquish its decision making authority over, or its responsibilities under, this ordinance for any particular function; nor shall it prohibit franchisee from complying with this ordinance or other requirements of federal, state, or local laws and regulations.

(3) Franchisee shall provide the director written notice, within five calendar days after its occurrence, of any change in the corporate or business structure, change in the chief executive or the top executive structure, change in the board of directors, or other change in the corporate or business method of governance of franchisee, regardless of whether or not it results in a transfer or assignment of the franchise or a transfer of control or ownership of franchisee.

(b) Transfer and assignment procedures. This ordinance or the solid waste collection service shall not be transferred or assigned, by operation of law or otherwise, nor shall title to franchisee's rights and obligations under this ordinance or to the solid waste collection service pass to or vest in any person, other than for mortgaging or financing of solid waste collection operations or to an affiliate of franchisee under the conditions described below, without the prior written consent of the council. This ordinance shall not be leased or subleased without the prior written consent of the council. The procedures related to transfer or assignment are as follows:

(1) The council's written consent shall not be required for a transfer solely for security purposes (such as the grant of a mortgage or security interest), but shall be required for any realization on the security by the recipient, such as a foreclosure on a mortgage or security

interest. The director shall be advised in writing of a transfer solely for security purposes at least 60 days before such transfer occurs.

(2) Franchisee may, without additional approval by the council, transfer or assign this ordinance to an affiliate provided that the affiliate: (i) assumes all of franchisee's obligations and liabilities under this ordinance occurring both before and after the transfer or assignment; (ii) agrees to comply with all provisions of this ordinance; and (iii) has the legal, technical and financial ability to properly perform and discharge such obligations and liabilities, which abilities are each at least as great as those of franchisee. The director shall be advised in writing of such transfer and of the affiliate's qualifications at least 60 days before such transfer occurs. The city shall be reimbursed any reasonable, documented costs it incurs in connection with such transfer, including the expenses of any investigation or litigation respecting a proposed or consummated transfer, up to a maximum of $10,000.00.

(c) Transfer of control. There shall be no transfer of or acquisition of control of franchisee without the prior written consent of the council.

(d) Schedule of ownership. Franchisee represents and warrants that its current ownership is as set forth on Exhibit C, attached to and made a part of this ordinance, and that it has full legal and equitable title to the solid waste collection service as of the effective date of this ordinance.

(e) Applications for consent/procedure/restrictions. If franchisee seeks to obtain the consent of the council to any transactions or matters described in this section, franchisee shall submit an application for such consent to the city and shall submit or cause to be submitted to the city such additional documents and information as the director may request that are reasonably related to the transaction, including the purchase price of the solid waste collection service, and

the legal, financial, and technical qualifications of the proposed transferee or new controlling entity.

(1) The council shall have 120 days from the date of submission of a complete and accurate application to act upon the application for consent. If the council fails to act upon such application for consent within 120 days, such application shall be deemed as consented to unless city and franchisee otherwise agree to an extension of time.

(2) The council shall not unreasonably withhold its consent to any proposed transaction. The council may: (i) grant its consent outright, (ii) grant such consent with conditions, which conditions it finds are necessary to ensure performance of franchisee or its successor under this Ordinance, or (iii) deny consent.

(3) Nothing in any approval by the city under this section shall be construed to waive or release any rights of city in and to the public ways, public places of city or property owned by city.

(4) Nothing in any approval by city under this section shall be construed as a waiver or release of any of city's police powers, or as an exercise of eminent domain.

(5) City's granting of consent in any one instance shall not require it to grant consent in other instances.

(6) Franchisee shall reimburse city for the incidental costs incurred by city in considering any request of franchisee under this section. Such reimbursement shall not exceed $10,000.00, shall be supported by invoices, and shall not include any costs or expenses incurred by city in defending any denial of the request; provided, however, that city does not waive its right to request that its attorney's fees and other costs be reimbursed by court order in any litigation related to denial of a request under this section.

(f) City approval requirements. Before any transfer, assignment, sale, foreclosure, or other change of control described under this section becomes effective and before the council shall consider giving its consent, the proposed transferee, assignee, purchaser, buyer, foreclosing party, or other person or entity seeking to obtain the rights and obligations under this ordinance through a change of control shall provide the director: (i) an agreement and acceptance in writing to comply with all terms of this ordinance, as amended; (ii) all evidence of insurance required under this ordinance, as amended; (iii) the legal name and address of the transferee, and all persons sharing control of the transferee, with a full description of their experience in the solid waste disposal industry, as well as the name and address of the person to be contacted for notices; (iv) payment of outstanding franchise fees and any other fees, taxes, and payments, including fees, interest, and penalties, due from franchisee to the city; and (iv) evidence satisfactory to the director that transferee has the legal, technical, and financial ability to properly perform and discharge all obligations and liabilities of this ordinance.

(g) Transfer of control requirements. In the event of a transfer of control, before such transfer becomes effective and before the council shall consider giving its consent, the proposed transferee shall agree in writing to not take any action that will keep franchisee from complying with this ordinance.

SECTION 9. Defaults.

(a) Events of default. The occurrence of any one or more of the following events at any time during the term of this ordinance shall constitute an event of default by franchisee under this ordinance:

(1) The failure or refusal by franchisee to pay the franchise fee when due as prescribed by this ordinance, or any failure to perform on any agreed or court-mandated extension or modification of such payment obligation.

(2) Franchisee's material violation of or failure to comply with any provision or condition of Article IV of Chapter 18 of the Dallas City Code relating to solid waste collection service franchisees or any other applicable provision or condition of the city code.

(3) Franchisee's material violation of or failure to comply with any of the other terms, covenants, representations, or warranties contained in this ordinance, or franchisee's failure or refusal to perform any obligation contained in this ordinance.

(4) Franchisee's failure or refusal to pay or cause to be paid any of city's governmentally-imposed taxes of any kind whatsoever, including but not limited to real estate taxes, sales taxes, and personal property taxes on or before the due date for same; provided, however, franchisee shall not be in default under this subsection with respect to the non-payment of taxes which are being disputed in good faith in accordance with applicable law.

(5) The entry of any judgment against franchisee in which another party becomes entitled to possession of substantially all of franchisee's assets of the solid waste collection service, for which change in possession the consent of the council has not been obtained, and such judgment is not stayed pending rehearing or appeal for 45 or more days following entry of the judgment.

(6) The dissolution or termination, as a matter of law, of franchisee without the prior consent or approval of city, which approval, if formally requested, shall not unreasonably be withheld.

(7) Franchisee's filing of a voluntary petition in bankruptcy; being adjudicated insolvent; obtaining an order for relief under Section 301 of the Bankruptcy Code (11 U.S.C. §301); filing any petition or failing to contest any petition filed against it seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for itself under any laws relating to bankruptcy, insolvency or other relief for debtors; seeking or consenting to or acquiescing in the appointment of any bankruptcy trustee, receiver, master, custodian or liquidator of franchisee, or any of franchisee's property or this ordinance or of any and all of the revenues, issues, earnings, profits or income thereof; making an assignment for the benefit of creditors (except secured creditors); or failing to pay franchisee's debts as they become due such that franchisee is unable to meet its obligations under this ordinance.

(8) Franchisee attempts to dispose of any of the facilities or property of its solid waste collection service with the intent of preventing city from purchasing it as provided for in this ordinance.

(9) Franchisee engages in any fraudulent or deceitful conduct with city or its customers.

(10) Franchisee knowingly or intentionally makes a false statement or a misrepresentation as to a material matter in the application for or in the negotiation of this ordinance, or in connection with any report of gross income as required by this ordinance.

(11) Any director, officer, employee, or agent of franchisee is convicted of the offense of bribery or fraud connected with or resulting from the granting, term extension, or renewal of this ordinance.

(12) Franchisee's failure or refusal to comply with or a violation of any applicable local, state, or federal law or regulation.

(b) Default procedures. Upon the occurrence of an event of default which can be cured by the immediate payment of money to city or a third party, franchisee shall have 30 days from written notice of the occurrence of the event of default from the director to cure the default before city may exercise any of the default remedies provided for in Section 10. Upon the occurrence of an event of default by franchisee which cannot be cured by the immediate payment of money to city or a third party, franchisee shall have 60 days from the date of written notice from city to franchisee of the occurrence of the event of default to cure the event of default before city may exercise any of its rights or remedies provided for in Section 10, unless the director, the city manager, or the council authorizes a longer cure period upon a showing of good cause to extend the cure period. If an event of default is not cured within the time period allowed for curing the event of default, as provided above, the event of default becomes, without additional notice, an uncured event of default, which shall entitle city to exercise the remedies provided for in Section 10.

SECTION 10. Remedies.

(a) Default remedies. Upon the occurrence of any uncured event of default as described in Section 9, the director shall report the occurrence of same to the city manager and the council. The council shall be entitled in its sole discretion and upon recommendation of the director and the city manager to exercise any or all of the following cumulative remedies:

(1) Exercise its rights to impose liquidated damages as described in Subsection (e).

(2) Authorize the city attorney to commence an action against franchisee at law or in equity, or both, including an action for monetary damages and specific performance.

(3) Suspend the franchise granted under this ordinance.

(4) Revoke the franchise granted under this ordinance.

(b) Suspension procedure. Upon the occurrence of an uncured event of default, the director may suspend the operation of the solid waste collection service doing business under this ordinance. If the director determines that suspension of the franchise is necessary to cure an event of default, the director shall comply with the procedures established in Section 18-37 of the Dallas City Code.

(c) Revocation procedure. Upon the occurrence of an uncured event of default, the council shall have the right to revoke this ordinance. Upon revocation, the rights, permissions, and privileges comprising the franchise granted under this ordinance shall be automatically deemed null and void and shall have no further force or effect and the provisions that are contractual in nature which are also included as a part of this ordinance are hereby automatically terminated, except that franchisee shall retain the obligation to report gross income and make franchisee fee payments covering the period prior to the effective date of the revocation. Upon revocation, city shall retain any portion of the franchise fee and other fees or payments paid to it, or which are due and payable to it, to the date of the revocation. Notwithstanding the above, prior to any council hearing to formally consider revocation of the franchise granted under this ordinance, the director shall notify franchisee in writing at least 10 days in advance of the council hearing at which the issue of revocation shall be considered and decided. Franchisee shall have the right to appear before the council in person or by legal counsel and raise any objections or defenses franchisee may have that are relevant to the proposed revocation. In addition, the following procedures shall apply in regard to the revocation hearing:

(1) The council shall hear and consider the issue of revocation, shall hear any person interested in the issue, and shall determine, in its sole discretion, whether or not any violation by franchisee has occurred justifying a revocation of the franchise.

(2) At such hearing, franchisee shall be provided due process, including the right to be heard, to ask questions of witnesses, and to present evidence.

(3) Upon completion of the hearing described above, the council shall render a decision. Within a reasonable time, the director shall transmit a copy of the decision to franchisee. Franchisee shall be bound by the council's decision, unless it appeals the decision to a court of competent jurisdiction within 15 days after the date of the decision. Franchisee reserves the right to challenge both the decision itself and the fairness of the process followed by the city in the proceeding.

(4) The council reserves the right, in its sole discretion, to impose liquidated damages or to pursue other remedies as provided in this Section 10 in lieu of a revocation.

(d) Letter of credit. As security for the faithful performance by franchisee of the provisions of this ordinance and compliance with all orders, permits, and directions of city and the payment of all claims, liens, fees, liquidated damages, and taxes to city, franchisee shall deposit with city, no later than the effective date of this ordinance, an unconditional and irrevocable letter of credit in a penal amount equal to one month's franchise fee payment. The initial value of the letter of credit shall be established on the basis of the monthly franchise fee that would have been paid on the previous calendar year's monthly average gross receipts on a cash basis from any source derived at any location regardless of whether those receipts were earned entirely within the authorized area. The letter of credit shall be updated annually in January of each calendar year during the term of this ordinance. The value of the annually updated letter of credit will be equal to the average monthly franchise fee payment submitted by franchisee as required in this ordinance during the previous calendar year. The letter of credit must be issued by a federally-chartered or state-chartered financial institution with a principal

office or branch located in Dallas County and otherwise acceptable to the council, on terms acceptable to the council and approved by the city attorney. The letter of credit shall expressly provide that partial draws are permitted and that a draft thereon to the order of the city will be honored upon presentation to the issuing financial institution at a principal office or branch located within Dallas County of a letter of demand from city delivered in person or by courier delivery. The letter of demand must be signed by a person purporting to be the city's chief financial officer, city manager, or director. No supporting documents will be required and no other language, other than a demand to pay and a recitation of title, will be required as conditions for permitting the draw. Failure to timely deposit the letter of credit, or the failure to maintain the letter(s) of credit in the full amount required under this subsection and in effect during the entire term of this ordinance, or any renewal or extension of this ordinance, shall constitute a material breach of the terms of this ordinance.

(1) If franchisee fails to make timely payment to city or its designee of any amount due as a result of this ordinance or fails to make timely payment to city of any taxes due; or fails to repay city for damages and costs, including attorney's fees; or fails to comply with any provision of this ordinance which city reasonably determines can be remedied by an expenditure of monies, city may draw upon the letter of credit an amount sufficient to repay city with interest as set forth in this ordinance, if not otherwise specified by law..

(2) Within three days after a drawing upon the letter of credit, city shall send written notification of the amount, date, and purpose of the drawing to franchisee by certified mail, return receipt requested.

(3) If, at the time of a draw by city, the aggregate amount realized from the letter of credit is insufficient to provide the total payment toward which the draw is directed, the

balance of such payment, plus accrued interest, shall constitute an obligation of franchisee to city until paid. If the interest rate is not set forth in this ordinance or set by laws, then interest shall be the prime rate as established in the Wall Street Journal on the day before city sends notice to franchisee of its intent to drawn the letter of credit.

(4) No later than 30 days after mailing of notification to franchisee of a draw pursuant to Subsection (d)(2) above, franchisee shall cause the letter of credit to be restored to the full amount required under this ordinance. Failure to timely restore the letter of credit shall constitute a material breach of the terms of this ordinance.

(5) The rights reserved to city with respect to this letter of credit are in addition to all other rights and remedies of city, whether reserved by this ordinance or authorized by law, and no action, proceeding or exercise of a right with respect to such letter of credit shall affect any other rights city may have.

(e) Liquidated damages. The parties agree that: (1) the harm or damage caused by any material breach of this franchise, other than the failure to pay franchise fees, is of a kind that is difficult or incapable of estimation; and (2) the amount of liquidated damages stipulated in the ordinance is a reasonable forecast of just compensation. Therefore, in addition to the other remedies provided for in this Section 10, liquidated damages in the amounts set forth below may be assessed by the council upon franchisee, following the notice and opportunity to cure procedures in Subsection (f) below, for failure or refusal to comply with any material term or condition of this ordinance or for any other uncured event of default. In the event the council determines that franchisee has committed, continued, or permitted a material failure or refusal of compliance or other uncured event of default that has not been cured as provided in this ordinance, franchisee shall pay $2,000 per day for each day or part of a day that the material

failure or refusal or other uncured event of default is committed, continued, or permitted, unless the council at the time of imposition of the civil penalty determines that good cause justifies a lesser penalty, based upon the surrounding circumstances, frequency, number, and seriousness of the material violations or uncured events of default in question and the public interest served by imposing a lesser civil penalty.

(f) Liquidated damages procedure. Liquidated damages may be assessed by the council in accordance with the following procedure:

(1) Following notice from the director, which notice, at the director's election, may be combined with the notice described in Section (9)(b), franchisee shall meet with the director to attempt to resolve any disagreements on whether liquidated damages should be assessed or what liquidated damages should be recommended to the council. If there is no resolution of the issue within 15 days after the mailing of the notice, then the director shall present the director's recommendation regarding liquidated damages to the city manager for review and concurrence. If the city manager concurs in the director's recommendation that liquidated damages should be assessed, the matter shall be presented to the council. The director shall notify franchisee of the recommendation of the city manager to the council, the time and date of the proposed hearing concerning the issue of liquidated damages, and a statement that franchisee has a right to appear and be heard before the council on the matter. In order to appear before and be heard by the council, franchisee must comply with applicable council procedures which can be obtained from the city secretary.

(2) Upon presentation of the recommendations of the director and the city manager, the council may decide on one or more of the following courses of action:

(A) to authorize the city attorney to proceed against franchisee under Section 10(a)(2);

(B) to assess liquidated damages in the amount provided above for the applicable material violation or uncured event of default. Council may provide for a lesser amount and may suspend all or part of said assessment upon reasonable conditions for any reasonable period, up to the end of the franchise;

(C) to determine that liquidated damages are not justified under the circumstances and assess no damages; or

(D) to remand the matter to the city manager or the director for further investigation, consideration, and recommendation to the council.

(3) Assessment of liquidated damages by the council shall be a monetary obligation of franchisee to city in the amount determined by the council and shall be paid in full by franchisee within 15 business days after the date of assessment by the council.

(4) The procedures stated in this Subsection (f) do not apply to the council's determination to require the payment of money, in lieu of other available remedies, in a revocation proceeding under Subsection (b)(4).

(g) Remedies cumulative. Subject to applicable law, the rights and remedies of city set forth in this Section 10 shall be in addition to and not in limitation of, any other rights and remedies provided by law or in equity. If the council determines that a violation by franchisee was franchisee's fault and within its control, the council may pursue any or all of the remedies provided in Section 10. The remedies of city created under this ordinance shall be cumulative to the maximum extent permitted by law. The exercise by city of any one or more remedies under this ordinance shall not preclude the exercise by city, at the same or different times, of any other

remedies for the same material uncured event of default. Notwithstanding any provision of this ordinance, however, city shall not recover both liquidated damages and actual damages for the same violation, breach, non-compliance, or material uncured event of default.

(h) Curable violations. Franchisee shall not be found in violation of this ordinance or any other applicable law or regulation, and shall suffer no penalties or damages as a result, if the violation occurs without fault of franchisee or occurs as a result of circumstances beyond its control, and, if curable, is promptly cured. Franchisee shall not be excused by mere economic hardship nor by the negligence or malfeasance of its directors, officers or employees.

(i) City right to purchase. In the event city revokes the franchise granted under this ordinance for cause, terminates the franchise as provided in Subsection (j) below, or denies renewal of the franchise granted under this ordinance, city shall have the right (but not the obligation) subject to the applicable provisions of city charter, directly or as an intermediary, to purchase the assets of the solid waste collection system through its authority under, and procedures applicable to, eminent domain.

(j) Termination in the public interest. Nothing in this section shall be construed as affecting the right of the council under the city charter to terminate this ordinance without cause in the public interest when it is deemed inconsistent with the public use of city's public ways or is deemed to cause or constitute a nuisance.

SECTION 11. Providing Information.

(a) Complete and accurate books required. Franchisee shall keep complete and accurate books of account and records of its solid waste collection service business and operations under and in connection with this ordinance in accordance with generally accepted accounting principles and generally accepted government auditing standards.

(b) City review of documentation. City may fully review such of franchisee's books, accounts, documents, and other records of franchisee or franchisee's affiliates during normal business hours on a non-disruptive basis and with such advance notice as is reasonably necessary to monitor compliance with the terms of this ordinance. All books, accounts, documents, and other records shall be made available at a single location in the Dallas-Fort Worth metropolitan area. Books, accounts, documents, and other records that are kept on an electronic basis shall also be made available on the same basis as the paper books, accounts, documents, and other records; where possible, such items shall be made available in a CD-ROM disk or other similar platform in a format that is readable by city's computers. The reviewable items shall include, but shall not be limited to, records required to be kept by franchisee pursuant to law and the financial information underlying the written report accompanying the franchise fee. To the extent permitted by law, city agrees to treat any information disclosed by franchisee under this section as confidential, if and only to the extent that franchisee provides prior written notice that specific information is confidential as trade secrets or proprietary competitive information. Blanket or overly broad claims of confidentiality will be of no effect.

(c) Additional reports. Franchisee shall, when required by the council, the city manager, or the director, report to city any reasonably requested information relating to franchisee or the affiliates or necessary for the administration of this ordinance. The director shall have the right to establish formats for these additional reports, determine the time for these reports and the frequency with which these reports, if any, are to be made, and require that any reports be made under oath.

SECTION 12. General.

(a) Entire agreement. This ordinance (with all referenced exhibits, attachments, and provisions incorporated by reference) embodies the entire agreement and the rights, privileges, and permissions between city and franchisee, superseding all oral or written previous negotiations or agreements between city and franchisee relating to matters set forth in this ordinance. This ordinance can be amended by an ordinance enacted by the council. Such action by council does not require the hearing procedures for revocation set forth in Subsection 10(4)(b) of this ordinance, but only the posting of an agenda item and the opportunity for speakers to be heard on the item.

(b) Notices. Except as otherwise provided in Subsection 12(c) of this ordinance, any notice, payment, statement, or demand required or permitted to be given under this ordinance by either party to the other may be effected by any of the means described in Subsection 12(d) of this ordinance. Mailed notices shall be addressed to the parties at the addresses appearing below, but each party may change its address by written notice in accordance with this section. Mailed notices shall be deemed communicated as of three days after mailing.

If to City:

City Manager
City of Dallas
Dallas City Hall
1500 Marilla – Room 4/F/North
Dallas, Texas 75201

With a copy to:

Director
Department of Sanitation Services
3112 Canton Street, Suite 200
Dallas, Texas 75226

If to Franchisee:

Jeremy Holloway, Manager
A4WaysAffiliation, LLC dba Junk Genius Dallas Ft. Worth
555 Republic Drive, Suite 200
Plano, Texas 75074

Either city or franchisee may change its address or personnel for the receipt of notices at any time by giving notice of the change to the other party as provided in this Subsection 12(b) Any notice given by either city or franchisee must be signed by an authorized representative.

(c) Notice of claim. This ordinance is subject to the provisions of Section 2-86 of the Dallas City Code, relating to requirements for filing a notice of a breach of contract claim against city. Section 2-86 of the Dallas City Code is expressly incorporated by reference and made a part of this ordinance as if written word for word in this ordinance. Contractor shall comply with the requirements of Section 2-86 as a precondition of any claim against city relating to or arising out of this ordinance.

(d) Delivery of notices. Notices required to be given under this ordinance may be transmitted in any of the following four ways:

(1) By personal delivery, in which case they are deemed given when delivered.

(2) By delivery to Federal Express, United Parcel Service, or other nationally recognized overnight courier service, in which case they shall be deemed given when received for such service.

(3) By being deposited in the U.S. Mail, by registered or certified mail, return receipt requested, postage prepaid, in which case notice shall be deemed given three calendar days after having been deposited in the U.S. Mail.

(4) By facsimile or electronic mail transmission where the sender's transmittal log shows successful transmission to all the recipients (with any replacement transmission as a recipient shall request) and with a hard copy on the same date or the next day mailed to all by first class mail, postage prepaid, in which case notice shall be deemed given on the date of facsimile or electronic mail transmission.

(e) City/franchisee meetings. Franchisee shall meet with the director, the city manager or the council at reasonable times to discuss any aspect of this ordinance or the services or facilities of franchisee. At all meetings, franchisee shall make available personnel qualified for the issues to be discussed and such meetings shall be at city's offices unless otherwise agreed.

(f) Legal construction. This ordinance shall be governed by and construed in accordance with the laws and court decisions of the State of Texas, without regard to conflict of law or choice of law principles of Texas or of any other state. Exclusive venue for any litigation that may be filed in connection with this ordinance shall be in Dallas County, Texas. This ordinance is not a contract for goods or services within the meaning of Texas Local Government Code §§271.151 *et seq*.

(g) No inducement. Franchisee, by accepting this ordinance, acknowledges that it has not been induced to accept this ordinance by any promise, oral or written, by or on behalf of city or by any third person regarding any term or condition not expressed in this ordinance. Franchisee further pledges that no promise or inducement, oral or written, has been made to any city employee or official regarding the grant, receipt or award of this ordinance.

(h) Franchisee acknowledgement. Franchisee further acknowledges by acceptance of this ordinance that it has carefully read the terms and conditions of this ordinance and accepts the obligations imposed by the terms and conditions herein.

(i) No waiver by city. No failure by city to insist upon the strict performance of any covenant, provision, term or condition of this ordinance, or to exercise any right, term or remedy upon a breach thereof shall constitute a waiver of any such breach of such covenant, agreement, term, or condition. No waiver of any breach shall affect or alter this ordinance, but each and every covenant, provision, term or condition of this ordinance shall continue in full force and effect with respect to any other then existing or subsequent breach thereof.

(j) Governmental licenses. Franchisee shall, at its expense, obtain and maintain all additional governmental regulatory licenses necessary to operate the solid waste collection service in accordance with this ordinance.

(k) Severability. If any section, paragraph, or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, or provision shall not affect any of the remaining provisions of this ordinance.

(l) City retained powers. In addition to all rights provided in this ordinance, city reserves all rights and powers conferred by federal law, the Texas Constitution, Texas statutes and decisions, the City Charter, city code, and city ordinances which city is allowed to exercise.

(m) Material misinformation. The provision of information by franchisee or any of its affiliates to city in connection with any matters under this ordinance which contains an untrue statement of a material fact or omits a material fact necessary to make the information not misleading shall constitute a violation of this ordinance and shall be subject to the remedies provided in Section 10. Each day that franchisee or an affiliate fails to correct an untrue statement of a material fact or the omission of a material fact necessary to make the information not misleading shall constitute a separate violation of this ordinance.

(n) Hearing procedures. The following additional procedures shall apply to any hearing held in connection with any action taken by the council in connection with this ordinance:

(1) The council may conduct the hearing or, in its sole discretion, may by resolution appoint a committee or subcommittee of the council or a hearing officer to conduct the hearing and submit a proposal for decision to it, pursuant to procedures established by resolution.

(2) The hearing shall afford franchisee rudimentary due process. The council may by resolution establish other procedural matters in connection with the hearing.

(o) Acceptance. Upon adoption of this ordinance, franchisee agrees to be bound by all the terms and conditions contained herein, as evidenced by filing the original with the city secretary and a copy with the director, in writing, within 30 days after the date the council approves this ordinance, an unconditional acceptance of the ordinance and promise to comply with and abide by all its provisions, terms, and conditions. The form of unconditional acceptance and promise, attached to and made a part of this ordinance as Exhibit B, shall be sworn to, by, or on behalf of franchisee before a notary public. If within 30 days after the date the council approves the ordinance, franchisee fails to (1) submit and file the properly executed acceptance, (2) pay all taxes due , and (3) submit the letter of credit and required certificate of insurance, then this ordinance and the rights, permissions, and privileges granted under this ordinance shall be null and void and shall have no force or effect, unless franchisee evidences such failure was due to clerical error by someone other than franchisee or its affiliates and then acts promptly to remedy the third party's clerical error. The director may prevent franchisee from operating a solid waste collection service under this franchise or reapplying for a new franchise until the acceptance required by this subsection is filed as provided herein.

(p) Time is of the essence. Whenever this ordinance shall set forth any time for an act to be performed by or on behalf of franchisee, such time shall be deemed of the essence and any failure of franchisee to perform within time allotted shall always be sufficient grounds for city to invoke an appropriate remedy, including possible revocation of the ordinance.

(q) Force majeure. The time within which franchisee shall be required to perform any act under this ordinance shall be extended by a period of time equal to the number of days due to a force majeure. The term “force majeure” shall mean delays due to acts of God, inability to obtain governmental approvals, governmental restrictions, war, act of terrorism, civil disturbances, fire, unavoidable casualty, or other similar causes beyond the control of franchisee. Notwithstanding anything contained anywhere else in this ordinance, franchisee shall not be excused from performance of any of its obligations under this ordinance by the negligence or malfeasance of its directors, officers, or employees or by mere economic hardship.

(r) Recognition of rights. Franchisee agrees that by adopting this ordinance, neither city nor franchisee have waived any rights, claims, or defenses they may have with respect to city's rights to impose the requirements contained in this ordinance in whole or in part upon franchisee.

(s) Police powers.

(1) In accepting this ordinance, franchisee acknowledges that its rights under this ordinance are subject to the police power of city to adopt and enforce general ordinances necessary to the health, safety, and welfare of the public. Franchisee shall comply with all applicable general laws and ordinances enacted by city pursuant to such powers. Any conflict between the provisions of this ordinance and any other present or future lawful exercise of city’s police powers shall be resolved in favor of the latter.

(2) Franchisee recognizes the right of city to make reasonable amendments to this ordinance; except that city shall not make amendments materially adversely affecting franchisee except under a proper exercise of city's police powers, with notice to franchisee and an opportunity to be heard in a regular public meeting of the council considering the ordinance or amendment. Franchisee acknowledges that this is the extent of its rights to a hearing respecting franchise ordinance amendments under the charter

(3) Franchisee also recognizes city's right to impose such other regulations of general applicability as shall be determined by city to be conducive to the safety, welfare, and accommodation of the public.

(t) No presumption of renewal. This ordinance and the grant contained herein do not imply, grant, or infer any renewal rights in favor of franchisee or its affiliates.

(u) Recognition of city charter. Franchisee recognizes, accepts and agrees that the terms, conditions and provisions of this ordinance are subject to the applicable provisions of Chapter XIV of the Dallas City Charter. Any request by franchisee for an amendment to this ordinance shall be subject to review by the city attorney for compliance with the applicable provisions of the city charter.

SECTION 13. Outstanding license fees. This ordinance shall not take effect until all fees still owed to city from the existing license previously issued to franchisee for solid waste collection, hauling, and disposal service under provisions of the city code applicable to solid waste collection, hauling, and disposal licenses are paid in full. If the previous license fees owed to city are not paid by franchisee within 30 days after the date the council approves this ordinance, then this ordinance shall be considered null and void and shall have no force or effect.

The director may prevent franchisee from operating a solid waste collection service under this franchise or reapplying for a new franchise until the previous license fees have been paid in full.

SECTION 14. Ordinance effective date. Subject to the provisions of Subsection 5(e), Subsection 12(o), and Section 13, this ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas (the "effective date"), and it is accordingly so ordained.

APPROVED AS TO FORM:

LARRY E. CASTO, City Attorney

BY _____
Assistant City Attorney

Passed _____

## Exhibit A

## INSURANCE COVERAGE REQUIRED

SECTION C. Subject to FRANCHISEE'S right to maintain reasonable deductibles, FRANCHISEE shall obtain and maintain in full force and effect for the duration of this contract and any extension hereof, at FRANCHISEE'S sole expense, insurance coverage in the following type(s) and amounts:
Business Automobile Liability Insurance covering owned, hired, and non-owned vehicles, with a minimum combined bodily injury (including death) and property damage limit of $500,000 per occurrence.

REQUIRED PROVISIONS

FRANCHISEE agrees that with respect to the above required insurance, all insurance contracts and certificate(s) of insurance will contain and state, in writing, the following required provisions:
a. Name the City of Dallas and its officers, employees and elected representatives as additional insureds to all applicable coverages.
b. State that coverage shall not be canceled, nonrenewed or materially changed except after thirty (30) days written notice by certified mail to:
(i) Sanitation Services, Attention: Assistant Director, 3112 Canton, Suite 200, Dallas, Texas 75226 and
(ii) Director, Office of Risk Management, 1500 Marilla, 6A-South, Dallas, Texas 75201.
c. Waive subrogation against the City of Dallas, its officers and employees, for bodily injury (including death), property damage or any other loss.
d. Provide that the FRANCHISEE'S insurance is primary insurance as respects the CITY, its officers, employees and elected representatives.
e. Provide that all provisions of this franchise concerning liability, duty and standard of care, together with the indemnification provision, shall be underwritten by contractual liability coverage sufficient to include such obligations within applicable policies.

CITY NOT LIABLE

Approval, disapproval or failure to act by the CITY regarding any insurance supplied by the FRANCHISEE or its subcontractors shall not relieve the FRANCHISEE of full responsibility or liability for damages and accidents as set forth in the franchise documents. Neither shall the bankruptcy, insolvency nor denial of liability by the insurance company exonerate the FRANCHISEE from liability.

**Exhibit B**

**Acceptance**

A4WaysAffiliation, LLC dba Junk Genius Dallas Ft. Worth, a Texas limited liability company, unconditionally accepts and agrees to be bound by all the terms, covenants, and conditions contained in the Solid Waste Collection Service franchise ordinance, Ordinance No. _____, passed on February 22, 2017.

Dated: ____ day of _____, 2017.

FRANCHISEE:

A4WAYSAFFILIATION, LLC
dba JUNK GENIUS DALLAS FT. WORTH
a Texas limited liability company

By: _____
Jeremy Holloway, Manager

State of Texas
County of _____

This instrument was acknowledged before me on _____, 2017, by Jeremy Holloway, Manager of A4WaysAffiliation, LLC dba Junk Genius Dallas Ft. Worth, a Texas limited liability company, on behalf of said company.

( Seal)

_____
Notary Public's Signature

**Exhibit C**
**Affidavit of Ownership or Control**

**AGENDA ITEM # 59**

**KEY FOCUS AREA:** E-Gov

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** Sanitation Services

**CMO:** Joey Zapata, 670-3009

**MAPSCO:** N/A

## SUBJECT

Authorize consent of name change on solid waste franchise Ordinance No. 30044 from Custom Recycling Solutions, LLC to County Recycling Services, LLC in accordance with the terms of the franchise ordinance, Chapter XIV, of the City Charter, and Chapter 18, Article IV of the Dallas City Code - Financing: No cost consideration to the City

## BACKGROUND

Custom Recycling Solutions, LLC, a Texas limited liability company, holds a solid waste disposal franchise pursuant to Ordinance No. 30044, adopted by the City Council on April 13, 2016 ("the Ordinance"), for use of the city streets for the collection and hauling of waste, in accordance with the regulation of Chapter XIV, of the City Charter, and Chapter 18, Article IV of the Dallas City Code.

In accordance with Section 8, Subsection a. 3, the franchisee must obtain approval for such a name change so that the City records have an approved record as to the correct franchisee ownership, management, and operation of the franchise ordinance.

On September 16, 2016, Custom Recycling Solutions, LLC gave notice that the company name was changing to County Recycling Services, LLC and that a portion of the assets and name associated with Custom Recycling Services, LLC had been sold.

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

On September 27, 2006, City Council authorized an amendment to the Dallas City Code to include a franchise fee method for regulating solid waste haulers, by Ordinance No. 26480.

On, October 12, 2015, the Quality of Life & Environment Committee was provided information regarding changes to ordinances related to new solid waste collection and hauling franchise agreements.

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

On April 13, 2016, by Ordinance No. 30044, City Council granted a franchise for solid waste collection and hauling, pursuant to Chapter XIV of the City Charter, and Chapter 18, Article IV, of the Dallas City Code, to Custom Recycling Services, LLC. The franchise was accepted by the franchisee and became effective on April 13, 2016.

## FISCAL INFORMATION

No cost consideration to the City

February 22, 2017

**WHEREAS,** Custom Recycling Solutions, LLC, a Texas limited liability company, holds a solid waste disposal franchise pursuant to Ordinance No. 30044, adopted by the City Council on April 13, 2016 ("the Ordinance"), for use of the city streets for the collection and hauling of waste, in accordance with the regulation of Chapter XIV, of the City Charter, and Chapter 18, Article IV of the Dallas City Code; and

**WHEREAS,** Section 8, Transfers of ownership and control, of Subsection (c), Transfer of control, of the Ordinance requires the prior written consent of the City Council for a transfer or acquisition of control of the franchisee; and

**WHEREAS,** on September 16, 2016, Custom Recycling Solutions, LLC gave notice that the company name was changing to County Recycling Services, LLC and that a portion of the assets and name associated with Custom Recycling Services, LLC had been sold;

**NOW, THEREFORE,**

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

**Section 1.** That the City Council consents to the name change of Custom Recycling Solutions, LLC to County Recycling Services, LLC.

**Section 2.** That nothing in this consent shall be construed to waive or release any rights of the City of Dallas to require prior written consent of the City Council for any transfer of control, acquisition, or assignment of any solid waste franchise ordinance granted by the City Council or to the right to audit and to require payment of any past due fees owed to the City.

**Section 3.** That the granting of this consent by the City Council does not authorize future transfers of control, acquisition, or assignment by Custom Recycling Solutions, LLC or County Recycling Services, LLC without first obtaining the prior consent of the City Council.

**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.

**AGENDA ITEM # 60**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 8

**DEPARTMENT:** Sustainable Development and Construction
City Attorney's Office
Water Utilities

**CMO:** Mark McDaniel, 670-3256
Larry Casto, 670-3491

**MAPSCO:** 39W

---

## SUBJECT

Authorize **(1)** settlement in lieu of proceeding further with condemnation in the condemnation suit styled City of Dallas v. Raleigh Investment Group, LP, et al., Cause No. CC-13-06290-A, pending in Dallas County Court At Law No. 1, for acquisition from Raleigh Investment Group, LP, of approximately 82,849 square feet of land located near the intersection of Kate Road and Interstate Highway 20 for the Southwest 120/96-inch Water Transmission Pipeline Project; and **(2)** the deposit of the settlement amount reached through Court ordered mediation and negotiation of the condemnation suit for an amount not to exceed the settlement amount - Not to exceed $121,414, increased from $341,234 ($335,586 being the award, plus closing costs and title expenses not to exceed $5,648) to $462,648 ($457,000 being the settlement amount, plus closing costs and title expenses not to exceed $5,648) - Financing: Water Utilities Capital Construction Funds

## BACKGROUND

This item authorizes settlement for the acquisition of approximately 82,849 square feet of land located in Dallas County, Texas for the Southwest 120/96-inch Water Transmission Pipeline Project. This settlement will allow acquisition of the property without further condemnation proceedings.

The first resolutions approved on January 23, 2013, by Resolution Nos. 13-0201 and 13-0202 authorized the purchase and/or condemnation in the total amount of $284,255, based on an independent appraisal and inclusive of title expenses and closing costs. The Owner rejected the official offer and the City Attorney filed the condemnation proceeding for the acquisition of the property for the project.

The Special Commissioners awarded $335,586 on June 25, 2014. The Defendant filed Objections to the Special Commissioners' Award on July 3, 2014.

**BACKGROUND** (Continued)

On February 11, 2015, Resolution No. 15-0282 authorized the Special Commissioner's Award amount of $341,234, which included the award and closing costs and title expenses. The Special Commissioners' Award was deposited with the County Clerk of Dallas County, Texas on April 28, 2015.

The City and Raleigh Investment Group, LP attended a court ordered mediation on January 2, 2016. The parties did not settle the lawsuit at mediation, but recently renewed negotiation discussions and agreed to the Mediator's proposed amount to settle the lawsuit.

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

Authorized acquisition on January 23, 2013, by Resolution Nos. 13-0201 and 13-0202.

Authorized deposit of Special Commissioners' Award on February 11, 2015, by Resolution No. 15-0282.

Council was briefed in Closed Session on December 14, 2016.

**FISCAL INFORMATION**

Water Utilities Capital Construction Funds - $121,414

| | |
|---|---|
| Resolution No. 13-0201 | $103,121 |
| Resolution No. 13-0202 | $181,134 |
| Resolution No. 15-0282 | $ 56,979 |
| Additional Amount (this action) | $121,414 |
| Total Authorized Amount | $462,648 |

**OWNER**

**Raleigh Investment Group, LP**

**Cleerco Management, Inc.**

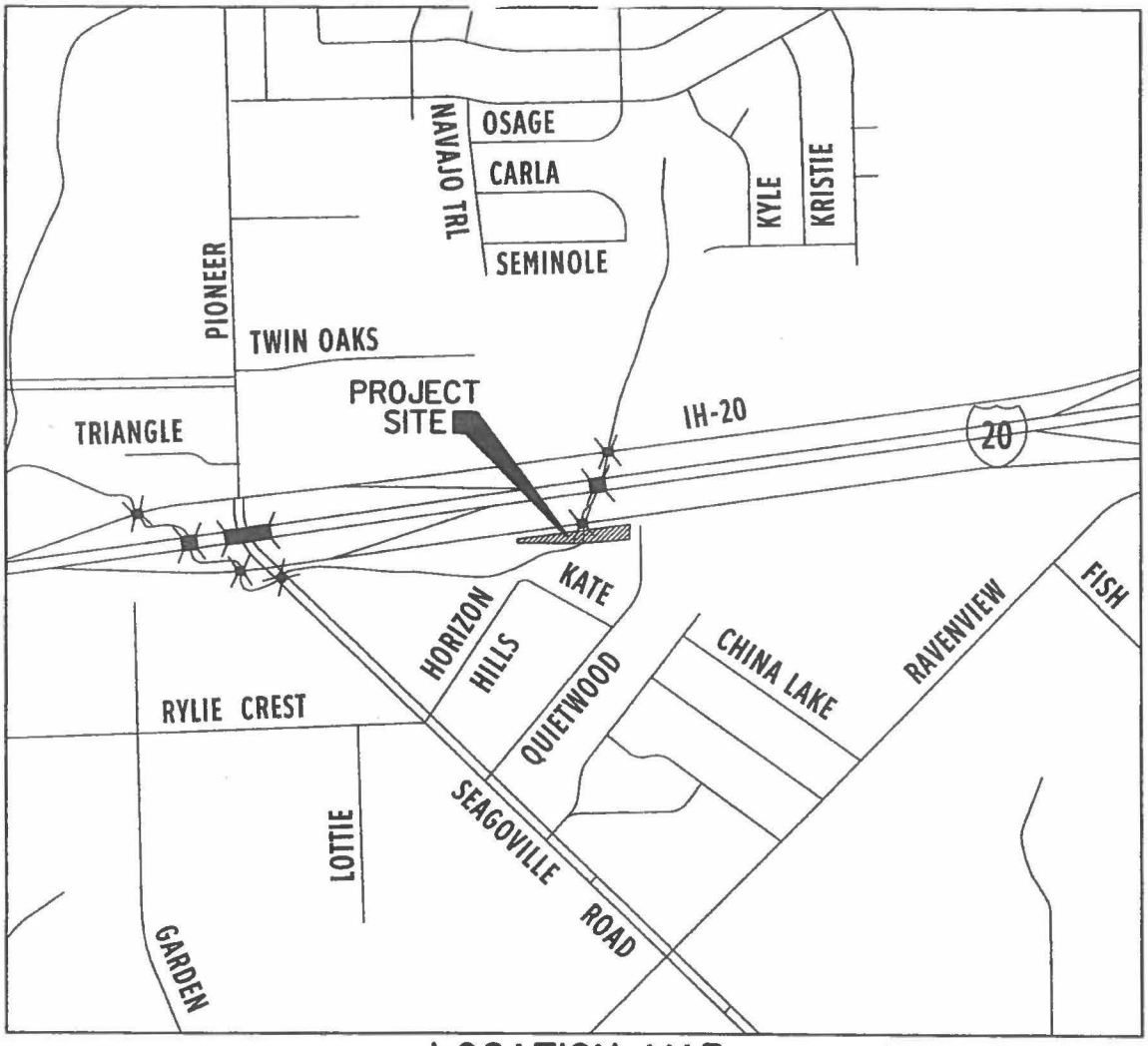
Charles L. Raleigh, President

**MAP**

Attached

PARCEL E-057
CITY OF DALLAS RIGHT-OF-WAY
0.8390 ACRE TRACT
CITY OF DALLAS BLOCK NO. 8833,
CASWELL JOHNSON SURVEY, ABSTRACT NUMBER 714,
C. L. REEDY SURVEY, ABSTRACT NUMBER 1265
CITY OF DALLAS, DALLAS COUNTY, TEXAS

N




LOCATION MAP
NOT TO SCALE

2/5/2010 2:39:16 PM ah2419 DWU H:\25000s\25143\CADD\LOCATOR MAPS\E057_LOCMAP-25143.dgn Design RCH/ZS HP8100 8-5x11.plt

February 22, 2017

**A RESOLUTION AUTHORIZING SETTLEMENT OF THE CONDEMNATION LAWSUIT.**

**IN THIS RESOLUTION THE FOLLOWING DEFINITIONS SHALL APPLY:**

"CONDEMNATION SUIT": Cause No. CC-13-06290-A, in Dallas County Court at Law No. 1, and styled City of Dallas v. Raleigh Investment Group, LP, et al., filed pursuant to City Council Resolution Nos. 13-0201, 13-0202 and 15-0282.

"PROJECT": Southwest 120/96-inch Water Transmission Pipeline Project

"PROPERTY": Approximately 82,849 square feet of land located in Dallas County, Texas, as described in the CONDEMNATION SUIT.

"OFFER": $278,607

"COMMISSIONERS AWARD": $335,586

"PREVIOUS AUTHORIZED AMOUNT": $341,234 (Resolution No. 15-0282), which includes the COMMISSIONERS AWARD and the CLOSING COSTS AND TITLE EXPENSES.

"SETTLEMENT AMOUNT": $457,000, which includes the PREVIOUS AUTHORIZED AMOUNT and the ADDITIONAL AMOUNT.

"ADDITIONAL AMOUNT": $115,766, which is the difference between the SETTLEMENT AMOUNT and the PREVIOUS AUTHORIZED AMOUNT.

"CLOSING COSTS AND TITLE EXPENSES": Not to exceed $5,648

"DESIGNATED FUNDS": $103,121 from Water Utilities Capital Improvement Fund, Fund No. 2115, Department DWU, Unit PW40, Activity MPSA, Program No. 706623, Object 4210, Encumbrance No. CT-DWU706623CP8.

$181,134 from Water Utilities Capital Improvement Fund, Fund No. 2115, Department DWU, Unit PW40, Activity MPSA, Program No. 706623, Object 4210, Encumbrance No. CT-DWU706623CP10.

$56,979 from Water Utilities Capital Improvement Fund, Fund No. 0102, Department DWU, Unit CW40, Activity MPSA, Program No. 706623, Object 4210, Encumbrance No. CT-DWU706623ENAK.

February 22, 2017

$121,414 from Water Utilities Capital Construction Fund, Fund No. 0102, Department DWU, Unit CW40, Activity MPSA, Program No. 706623, Object 4210, Encumbrance No. CT-DWU706623ENAW

**WHEREAS,** Defendants have agreed to settle the CONDEMNATION SUIT for the SETTLEMENT AMOUNT; and

**WHEREAS,** the City Council desires to authorize the City Attorney to settle the CONDEMNATION SUIT;

**Now, Therefore,**

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

**SECTION 1.** That the City Attorney and the City Manager are authorized to settle the CONDEMNATION SUIT for the SETTLEMENT AMOUNT.

**SECTION 2.** That the City Attorney and the City Manager are authorized to prepare and execute such documents as may be necessary to effect the settlement described herein.

**SECTION 3**. That the Chief Financial Officer is authorized and directed to issue a check, paid out of and charged to the DESIGNATED FUNDS, in the amount of the ADDITIONAL AMOUNT, payable to the County Clerk of Dallas County, Texas, to be deposited by the City Attorney with said County Clerk and in the amount of the CLOSING COSTS and TITLE EXPENSES payable to the title company providing the title policy for the transaction described herein.

**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.

**APPROVED AS TO FORM:**
**LARRY E. CASTO, CITY ATTORNEY**

**BY:** _____
**Assistant City Attorney**

**AGENDA ITEM # 61**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 6

**DEPARTMENT:** Sustainable Development and Construction
City Attorney's Office
Mobility and Street Services

**CMO:** Mark McDaniel, 670-3256
Larry Casto, 670-3491
Jill A. Jordan, P.E., 670-5299

**MAPSCO:** 22G

---

## SUBJECT

Authorize **(1)** settlement in lieu of proceeding further with condemnation in the condemnation suit styled City of Dallas v. The Hale Living Trust, Connie E. Hale, et al., Cause No. CC-15-01531-B, pending in Dallas County Court At Law No. 2, for acquisition from The Hale Living Trust, of approximately 7,044 square feet of land located near the intersection of Royal and Goodnight Lanes for the Goodnight Lane Street Improvements Project; and **(2)** the deposit of the settlement amount reached through Court ordered mediation of the condemnation suit for an amount not to exceed the mediation settlement amount - Not to exceed $7,818, increased from $68,732 ($65,432 being the award, plus closing costs and title expenses not to exceed $3,300) to $76,550 ($73,250 being the mediation settlement amount, plus closing costs and title expenses not to exceed $3,300) - Financing: 2006 Bond Funds

## BACKGROUND

This item authorizes a mediated settlement for the acquisition of approximately 7,044 square feet of land located near the intersection of Royal and Goodnight Lanes for the Goodnight Lane Street Improvements Project. This mediated settlement will allow acquisition of the property without further condemnation proceedings.

The first resolution approved on November 12, 2013, authorized the purchase and/or condemnation in the amount of $47,579, based on an independent appraisal and inclusive of title expenses and closing costs. The Owner rejected the official offer and the City Attorney filed the condemnation proceeding for the acquisition of the property for the project.

**BACKGROUND** (Continued)

The Special Commissioners awarded $65,432 on August 26, 2015. The City filed Objections to Award of Special Commissioners on August 31, 2015.

On October 28, 2015, the second resolution was approved and authorized $68,732, which included the award and closing costs and title expenses. The Special Commissioners' award was deposited with the County Clerk of Dallas County, Texas on December 8, 2015.

The City attended a court ordered mediation on January 19, 2017. The mediation settlement will avoid additional costs.

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

Authorized acquisition on November 12, 2013, by Resolution No. 13-1965.

Authorized deposit of Special Commissioners' Award on October 28, 2015, by Resolution No. 15-1976.

The Economic Development Committee will be briefed by memorandum regarding this item.

**FISCAL INFORMATION**

2006 Bond Funds - $7,818

| | |
|---|---|
| Resolution No. 13-1965 | $47,579 |
| Resolution No. 15-1976 | $21,153 |
| Additional Amount (this action) | $ 7,818 |
| Total Authorized Amount | $76,550 |

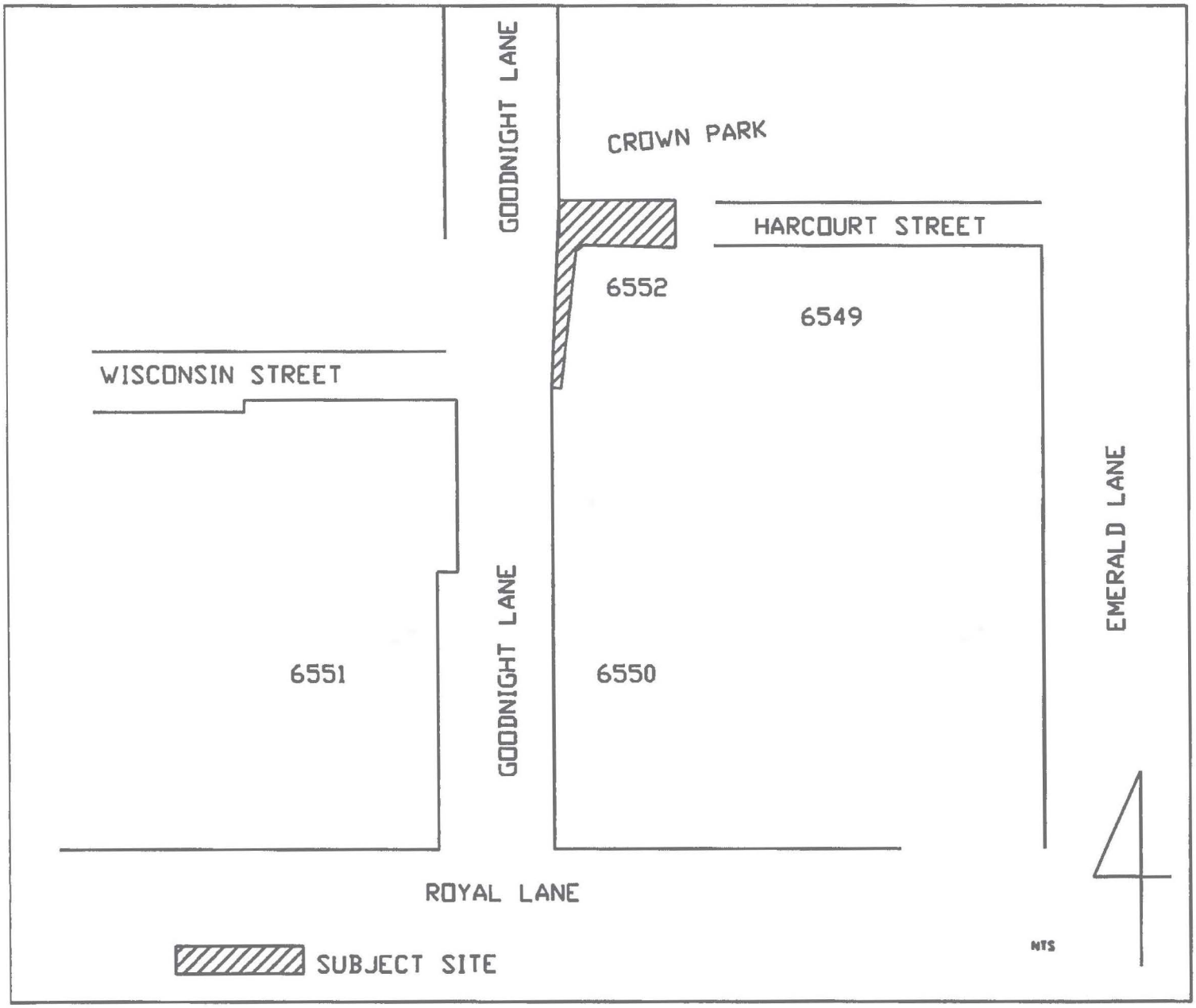
**OWNER**

**The Hale Living Trust**

Connie E. Hale, Trustee

**MAP**

Attached


GOODNIGHT LANE
CROWN PARK
HARCOURT STREET
6552
6549
WISCONSIN STREET
EMERALD LANE
6551
GOODNIGHT LANE
6550
ROYAL LANE
SUBJECT SITE
NTS

February 22, 2017

**A RESOLUTION AUTHORIZING SETTLEMENT OF THE CONDEMNATION LAWSUIT.**

**IN THIS RESOLUTION THE FOLLOWING DEFINITIONS SHALL APPLY:**

"CONDEMNATION SUIT": Cause No. CC-15-01531-B, in Dallas County Court at Law No. 2, and styled City of Dallas v. The Hale Living Trust, Connie E. Hale, et al., filed pursuant to City Council Resolution Nos. 13-1965 and 15-1976.

"PROJECT": Goodnight Lane Street Improvements Project

"PROPERTY": Approximately 7,044 square feet of land located in Dallas County, Texas, as described in the CONDEMNATION SUIT.

"OFFER": $44,279

"COMMISSIONERS AWARD": $65,432

"PREVIOUS AUTHORIZED AMOUNT": $68,732 (Resolution No. 15-1976), which includes the COMMISSIONERS AWARD and the CLOSING COSTS AND TITLE EXPENSES.

"SETTLEMENT AMOUNT": $73,250, which includes the PREVIOUS AUTHORIZED AMOUNT and the ADDITIONAL AMOUNT.

"ADDITIONAL AMOUNT": $7,818, which is the difference between the SETTLEMENT AMOUNT and the PREVIOUS AUTHORIZED AMOUNT.

"CLOSING COSTS AND TITLE EXPENSES": Not to exceed $3,300

"DESIGNATED FUNDS": $44,279 – Street and Transportation Improvements Fund, Fund No. 2T22, Department PBW, Unit U787, Activity THRF, Program No. PB06U787, Object 4210, Encumbrance No. SUSCAU78781.

$21,153 – Street and Transportation Improvements Fund, Fund No. 8T22, Department PBW, Unit U787, Activity THRF, Program No. PB06U787, Object 4210, Encumbrance No. SUSCAU78707.

$3,300 – Street and Transportation Improvements Fund, Fund No. 2T22, Department PBW, Unit U787, Activity THRF, Program No. PB06U787, Object 4230, Encumbrance No. SUSCAU78706.

February 22, 2017

$7,818 – Street and Transportation Improvements Fund, Fund No. 8T22, Department STS, Unit U787, Activity THRF, Program No. PB06U787, Object 4210, Encumbrance No. SUSCAU78759

**WHEREAS,** Defendants have agreed to settle the CONDEMNATION SUIT for the SETTLEMENT AMOUNT; and

**WHEREAS,** the City Council desires to authorize the City Attorney to settle the CONDEMNATION SUIT;

**Now, Therefore,**

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

**SECTION 1.** That the City Attorney and the City Manager are authorized to settle the CONDEMNATION SUIT FOR THE SETTLEMENT AMOUNT.

**SECTION 2.** That the City Attorney and the City Manager are authorized to prepare and execute such documents as may be necessary to effect the settlement described herein.

**SECTION 3.** That the Chief Financial Officer is authorized and directed to issue a check, paid out of and charged to the DESIGNATED FUNDS, in the amount of the ADDITIONAL AMOUNT, payable to the County Clerk of Dallas County, Texas, to be deposited by the City Attorney with said County Clerk and in the amount of the CLOSING COSTS and TITLE EXPENSES payable to the title company providing the title policy for the transaction described herein.

**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.

**APPROVED AS TO FORM:**

**LARRY E. CASTO, CITY ATTORNEY**

**BY:** _____
**Assistant City Attorney**

**AGENDA ITEM # 62**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 14

**DEPARTMENT:** Sustainable Development and Construction

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 36X

## SUBJECT

An ordinance granting a private license to Cary Ray, Neil Connell, and Jack Chaplin for the use of approximately 65 square feet of land to occupy, maintain and utilize a sidewalk cafe on a portion of Greenville Avenue right-of-way, near its intersection with La Vista Court - Revenue: $200 annually, plus the $20 ordinance publication fee

## BACKGROUND

This item grants a private license to Cary Ray, Neil Connell, and Jack Chaplin for the use of approximately 65 square feet of land to occupy, maintain and utilize a sidewalk cafe on a portion of Greenville Avenue right-of-way, near its intersection with La Vista Court. The use of this area will not impede pedestrian or vehicular traffic.

The licensee will indemnify the City and carry general liability insurance naming the City as an additional insured.

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

The Economic Development Committee will be briefed by memorandum regarding this item.

## FISCAL INFORMATION

Revenue - $200 annually, plus the $20 ordinance publication fee

**OWNERS**

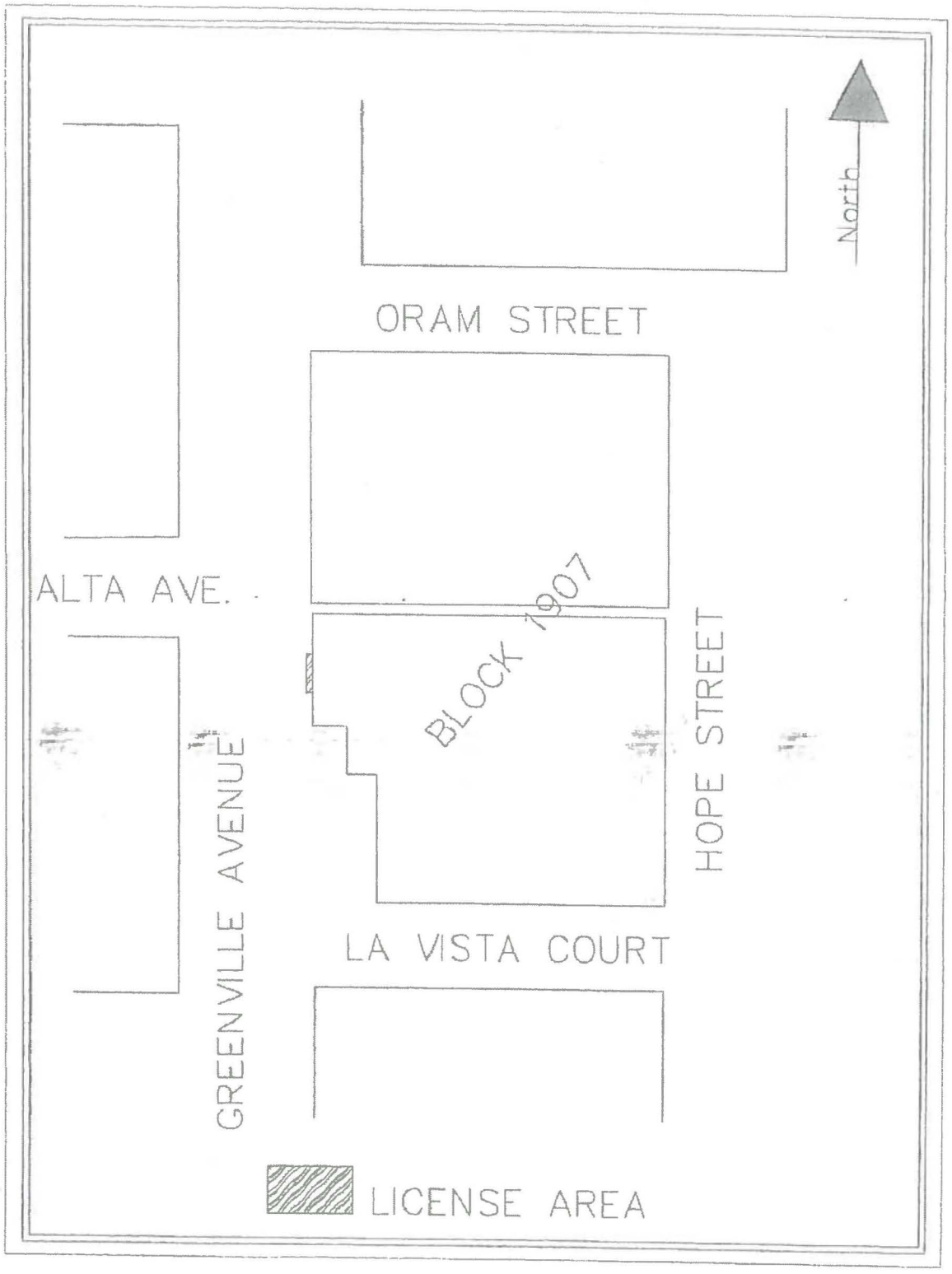
Cary Ray

Neil Connell

Jack Chaplin

**MAP**

Attached


North
ORAM STREET
ALTA AVE.
BLOCK 1907
HOPE STREET
GREENVILLE AVENUE
LA VISTA COURT
LICENSE AREA

**ORDINANCE NO. _____**

An ordinance granting a private license to Cary Ray, Neil Connell, and Jack Chaplin to occupy, maintain and utilize a portion of Greenville Avenue right-of-way located near its intersection with La Vista Court adjacent to City Block 1907 within the limits hereinafter more fully described, for the purpose of maintaining and utilizing a sidewalk cafe; providing for the terms and conditions of this license; providing for the annual compensation to be paid to the City of Dallas; providing for payment of the publication fee; and providing an effective date of this license and ordinance.

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

**SECTION 1.** That a private license, hereinafter referred to as "license", subject to the restrictions and conditions of this ordinance, is hereby granted to Cary Ray, an individual, Neil Connell, an individual, and Jack Chaplin, an individual, their successors and assigns, hereinafter referred to collectively as **"GRANTEE"**, to occupy, maintain and utilize for the purpose set out hereinbelow the tract of land described in Exhibit A, hereinafter referred to as "licensed area" which is attached hereto and made a part hereof.

**SECTION 2.** That this license is granted for a term of forty (40) years, unless sooner terminated according to other terms and provisions herein contained.

**SECTION 3.** That **GRANTEE** shall pay to the City of Dallas the sum of **TWO HUNDRED AND NO/100 ($200.00) DOLLARS** annually for the license herein granted for a sidewalk cafe, following the effective date of ordinance, said sum to become due and payable on the 2nd day of January each year, in advance, during the term hereof; provided, however, that the first payment due hereunder in the sum of **TWO HUNDRED AND NO/100 ($200.00) DOLLARS** shall be paid prior to the final passage of this ordinance and shall cover the consideration for 2017. Such consideration shall be in addition to and exclusive of any other taxes or special assessments required by law to be paid by **GRANTEE.** Should **GRANTEE** fail to pay the above stated annual fee within sixty (60) days of the due date, the Director of Department of Sustainable Development and Construction may terminate this license.

All sums payable to the City of Dallas hereunder shall be paid to the Chief Financial Officer of the City of Dallas and deposited in Fund 0001, Department DEV, Unit 1181, Revenue Source 8200. In the event **GRANTEE's** check for the license fee is dishonored, **GRANTEE** shall pay to the City a processing fee of $25.00 for each dishonored check. Additionally, all monies owed to the City under this license shall be subject to the assessment of interest at a rate of 10% a year from the day after any monies become due until it is paid in full, in accordance with Section 2-1.1 of the Dallas City Code.

**SECTION 4.** That the licensed area shall be used by **GRANTEE** for the following purpose under the direction of the Director of Department of Sustainable Development and Construction of the City of Dallas: occupy, maintain and utilize a sidewalk café.

**SECTION 5.** That this license is subject to the provisions set forth in EXHIBIT B, attached hereto and made a part hereof.

**SECTION 6.** That this license is nonexclusive and is made expressly subject and subordinate to the right of the City to use the licensed area for any public purpose. The Governing Body of the City of Dallas reserves the right by resolution duly passed by said Governing Body, to terminate and cancel this license upon giving **GRANTEE** sixty (60) days notice of its intent to cancel. Upon termination, all rights granted hereunder shall thereupon be considered fully terminated and cancelled and the City of Dallas shall not be held liable by reason thereof. Said resolution shall be final and shall not be subject to review by the Courts. **GRANTEE** shall have the right of cancellation upon giving the City of Dallas sixty (60) days written notice of its intention to cancel, and in either event upon the termination or cancellation by the City or **GRANTEE**, as the case may be, this license shall become null and void and **GRANTEE** or anyone claiming any rights under this instrument shall remove, to the extent required by the Director of Department of Sustainable Development and Construction, any improvements and encroachments from the licensed areas at **GRANTEE's** expense. Failure to do so shall subject **GRANTEE** to the provisions contained in EXHIBIT B, Subsection (a). All work shall be done at the sole cost of **GRANTEE** and to the satisfaction of the Director of Department of Sustainable Development and Construction.

**SECTION 7.** That the license is subject to the following conditions, terms and reservations:

a) **GRANTEE** shall not impede or restrict on-street parking.

b) **GRANTEE** shall meet sidewalk café design standards.

c) **GRANTEE** shall attain a right-of-way permit if using the right-of-way for construction.

d) **GRANTEE** acknowledges that ATMOS has active facilities within the right-of-way of Greenville Avenue. If conflicts exist, **GRANTEE** will be responsible for cost to relocate these facilities.

**SECTION 8.** That upon the effectiveness of this ordinance, the Director of Department of Sustainable Development and Construction, or designee, is hereby authorized to execute a NOTICE OF LICENSE and to file same in the deed records of Dallas County, Texas. Additionally, the Director of Department of Sustainable Development and Construction, or designee, is hereby authorized to execute a cancellation of Notice of License upon termination by the City or **GRANTEE** and to file such cancellation of Notice of License in the deed records of Dallas County, Texas.

**SECTION 9.** That the terms and conditions contained in this ordinance shall be binding upon **GRANTEE**, their heirs, successors and assigns.

**SECTION 10.** That this license may not be assigned without prior written approval from the Director of Department of Sustainable Development and Construction, or designee. Such assignment shall recite that it is subject to the terms, restriction and conditions contained in this ordinance. The assignee shall deliver evidence of ownership of property abutting the licensed area**,** and a copy of the assignment, along with the assignee's written acceptance of the provisions of this ordinance, to the Director of Department of Sustainable Development and Construction within 10 days of such assignment; said assignment and written acceptance shall be forwarded to the City Secretary of the City of Dallas. Should **GRANTEE** fail to obtain prior written approval for assignment of this license or fail to provide the City of Dallas with the required written acceptance and a copy of the assignment, the Director of Department of Sustainable Development and Construction, or designee, may terminate this license.

**SECTION 11.** That the City Secretary is hereby authorized and directed to certify a copy of this ordinance for recordation in the Deed Records of Dallas County, Texas, which certified copy shall be delivered to the Director of Department of Sustainable Development and Construction, or designee. Upon receipt of the fee for the year 2017, an acceptable certificate of insurance and the fee for publishing this ordinance which **GRANTEE** shall likewise pay, the Director of Department of Sustainable Development and Construction, or designee, shall deliver to **GRANTEE** the certified copy of this ordinance. The Director of Department of Sustainable Development and Construction, or designee, shall be the sole source for receiving certified copies of this ordinance for one year after its passage.

**SECTION 12.** That this ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

**APPROVED AS TO FORM:**
**LARRY E. CASTO**
**City Attorney**

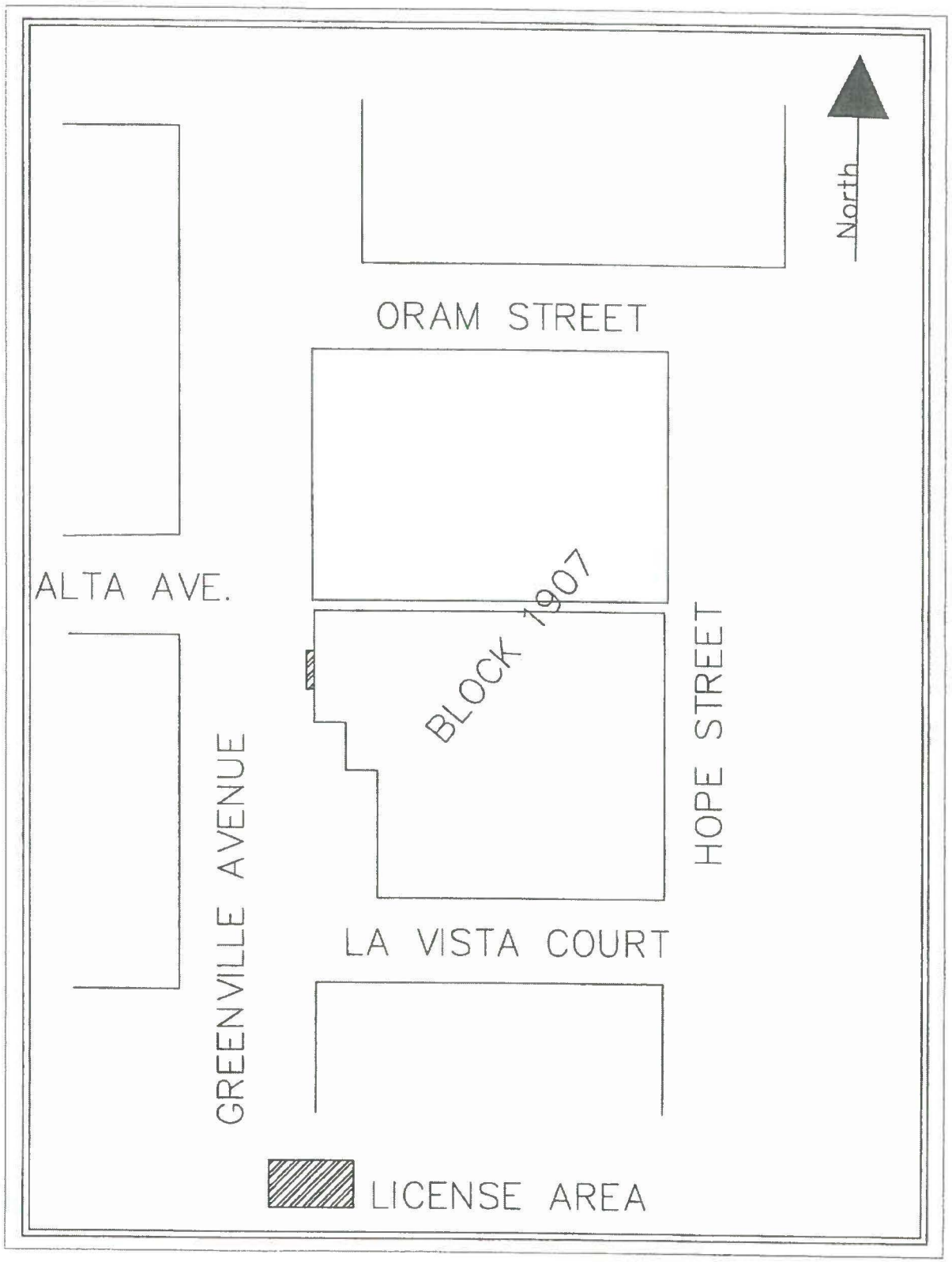
**BY** _____
**Assistant City Attorney**

**DAVID COSSUM**
**Director of Department of Sustainable Development and Construction**

**BY** _____
**Assistant Director**

**Passed** _____.

# EXHIBIT A


North
ORAM STREET
ALTA AVE.
BLOCK 1907
HOPE STREET
GREENVILLE AVENUE
LA VISTA COURT
LICENSE AREA

# EXHIBIT B
# COMMERCIAL ENTITY
# ADDITIONAL LICENSE PROVISIONS

That this license is granted subject to the following additional conditions, terms and reservations:

**(a)** That at such time as this license is terminated or canceled for any reason whatsoever, **GRANTEE**, upon orders issued by the City acting through the Director of Sustainable Development and Construction, or designee, shall remove all installations, improvements and appurtenances owned by it situated in, under or attached to the licensed area, and shall restore the premises to its former condition in accordance with the requirements of the Director of Sustainable Development and Construction at the sole cost of **GRANTEE**. In the event, upon termination of this license, **GRANTEE** shall fail to remove its installations, improvements and appurtenances and to restore the licensed area in compliance with orders issued by City, or such work is not done to the satisfaction of the Director of Sustainable Development and Construction, then in either event the City shall have the right to do all work necessary to restore said area to its former condition or cause such work to be done, and to assess the cost of all such work against **GRANTEE**; in neither event shall the City of Dallas be liable to **GRANTEE** on account thereof.

**(b)** It is further understood that if and when the City of Dallas, in the exercise of its discretion, shall determine that the grade of any street, sidewalk or parkway should be modified or changed, or that any other work should be done in connection with any public improvement which will affect the licensed area, and/or any of **GRANTEE's** installations and improvements thereon, any modifications or changes to **GRANTEE's** facilities in the licensed area or in construction or reconstruction of any public improvement attributable to **GRANTEE's** use of the licensed area and/or its installations and improvements thereon, shall be made at the sole expense of **GRANTEE** and to the satisfaction of the Director of Sustainable Development and Construction.

**(c)** At such time as this license is granted, it is agreed, and a condition hereof, that **GRANTEE** shall procure and keep in full force and effect **Commercial General Liability Insurance** coverage issued by an insurance company authorized and approved by the State of Texas, acceptable to the City of Dallas and issued in the standard form approved by the Texas Department of Insurance. The insured provisions of this policy must name the City of Dallas as an additional insured protecting the City of Dallas against any and all claims for damages to persons or property as a result of or arising out of the use, operation and maintenance by **GRANTEE** of the licensed area and **GRANTEE's** installations, improvements, landscaping and equipment in connection therewith and located therein. The Commercial General Liability coverage must include, but not limited to, Premises/Operations, Independent Contractors and Contractual Liability with minimum combined bodily injury (including death) and property damage limits of not less than $500,000 per occurrence and $500,000 annual aggregate. This insurance shall also include coverage for underground, explosion and collapse hazards (i.e. not excluded). If this insurance is written on a claims-made form, coverage shall be continuous (by renewal or extended reporting period) for not less than

twelve (12) months following termination of this license and removal of the installations, improvements and appurtenances and restoration of the licensed area pursuant to paragraph (a) above. Coverage, including any renewals, shall contain the same retroactive date as the original policy applicable to this license. The City of Dallas reserves the right to review the insurance requirements set forth herein during the effective term of the license and to adjust insurance coverages and their limits when deemed necessary and prudent by the City of Dallas' Risk Management based upon changes in statutory law, court decisions, or the claims history of the industry as well as the City of Dallas.

1. **GRANTEE** agrees that with respect to the above required insurance, all insurance contracts and certificates of insurance will contain and state, in writing, that coverage shall not be canceled, nonrenewed or materially changed except after thirty (30) days written notice by certified mail to Department of Sustainable Development and Construction.
2. **GRANTEE** shall carry said insurance at its expense and shall furnish the City of Dallas proof of such insurance. In the event said insurance should terminate during the licensing term hereof, or **GRANTEE** fails to furnish proof of insurance coverage in accordance with the specifications as required by this section, the Director of Sustainable Development and Construction, or designee, may terminate the license granted herein.

**(d)** **GRANTEE** is prohibited from using the licensed area in any manner which violates Federal, State or local laws, regulations, rules and orders, regardless of when they become or became effective, including without limitation, those related to health, safety, noise, environmental protection, waste disposal and water and air quality, and shall provide satisfactory evidence of compliance upon the request of the City of Dallas. Should any discharge, leakage, spillage, emission or pollution of any type occur upon or from the licensed area due to **GRANTEE's** use and occupancy thereof, **GRANTEE**, at its expense, shall be obligated to clean up the licensed area to the satisfaction of the City of Dallas and any governmental body having jurisdiction thereover. The City of Dallas may, at its option, clean the licensed area. If the City of Dallas elects to do so, **GRANTEE** shall promptly pay to the City of Dallas the reasonable cost of such cleanup upon receipt of bills therefore. **GRANTEE** agrees that the indemnity provisions contained in paragraph (g) herein shall be fully applicable to the requirements of this paragraph, in event of **GRANTEE's** breach of this paragraph, or as a result of any such discharge, leakage, spillage, emission or pollution arising out of the **GRANTEE's** use of the licensed area.

**(e)** This license is subject to all State laws, the provisions of the Charter of the City of Dallas as it now exists, or may hereafter be adopted or amended, and the ordinances of the City of Dallas now in effect or those which may hereafter be passed or adopted. The City of Dallas shall have the right to increase or decrease the compensation to be charged for the use contemplated by this grant in

accordance with the provisions of the Dallas City Code as it now exists, or as may hereafter be adopted or amended.

**(f)** The Governing Body of the City of Dallas reserves the right, at any time without notice, to terminate and cancel this license, by resolution, upon a finding by the Governing Body that this license is inconsistent with the public use of the property or whenever the purpose or use of the license is likely to become a nuisance and all rights granted hereunder shall thereupon be considered fully terminated and canceled and the City of Dallas shall not be held liable by reason thereof. The decision of the Governing Body of the City in this matter shall be final and binding upon all parties insofar as the City's determination as to whether the **GRANTEE's** use of this license constitutes a nuisance or is inconsistent with the public use of the property.

**(g)** As a condition hereof, **GRANTEE** agrees and is bound to defend, indemnify and hold the City of Dallas, its officers, agents and employees, harmless against any and all claims, lawsuits, judgments, costs and expenses for bodily injury (including death), property damage or other harm for which recovery of damages is sought, suffered by any person or persons, that may arise out of or be occasioned by the use, occupancy and maintenance of the licensed area or **GRANTEE's** installations and improvements within the licensed area, from any act or omission of any representative, agent, customer and/or employee of **GRANTEE**, or by **GRANTEE's** breach of any of the terms or provisions of this license, or by any negligent or strictly liable act or omission of **GRANTEE**, its officers, agents, employees or contractors in the use, occupancy and maintenance of **GRANTEE's** installations and improvements within the licensed area; except that the indemnity provided for in this paragraph shall not apply to any liability resulting from the sole negligence or fault of the City of Dallas, its officers, agents, employees or separate contractors, and in the event of joint and concurring negligence or fault of both the **GRANTEE** and the City of Dallas, responsibility and liability, if any, shall be apportioned comparatively in accordance with the laws of the State of Texas, without, however, waiving any governmental immunity available to the City of Dallas under Texas law and without waiving any defenses of the parties under Texas law. This obligation to indemnify and defend shall also include any claim for damage that any utility or communication company, whether publicly or privately owned, may sustain or receive by reason of **GRANTEE's** use of the licensed area or **GRANTEE's** improvements and equipment located thereon. In addition to the foregoing, **GRANTEE** covenants and agrees never to make a claim of any kind or character whatsoever against the City of Dallas for damage of any kind that it may suffer by reason of the installation, construction, reconstruction, operation or maintenance of any public improvement, utility or communication facility on the licensed area, whether presently in place or which may in the future be constructed or installed, including but not limited to, any water or wastewater mains or storm sewer facilities, regardless of whether such damage is due to

flooding, infiltration, backflow or seepage caused from the failure of any installation, natural causes, City's negligence, or from any other cause whatsoever.

**(h)** This license is subject to any existing utilities or communication facilities, including drainage, presently located within the licensed area, owned and/or operated by the City of Dallas or any utility or communications company, public or private, and to any vested rights presently owned by an utility or communications company, public or private, for the use of the licensed area for facilities presently located within the boundaries of said licensed area. It is the intent of the foregoing that this permission herein is made expressly subject to the utilization of the licensed area for communication and utility purposes, both public and private, including drainage, over, under, through, across and along the licensed area. No buildings shall be constructed or placed upon, over or across the licensed area in such a manner as to interfere with the operation of any utilities and communication facilities. All and any communication company and utility, both public and private, shall have the right to remove and keep removed all or parts of any buildings which may in any way endanger or interfere with the construction, maintenance or efficiency of its respective systems within the licensed area. All communication companies and utilities, both public and private, shall have the full right to remove and keep removed all parts of any buildings, fences, trees, or other improvements or growths which in any way may endanger or interfere with the construction, maintenance and efficiency of its respective system and shall at all times have the full right of ingress and egress to or from and upon the licensed area for the purpose of constructing, relocating, inspecting, patrolling, maintaining and adding to or removing all or part of its respective systems without the necessity at any time of procuring the permission of anyone.

**AGENDA ITEM # 63**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 14

**DEPARTMENT:** Sustainable Development and Construction

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 45Q

## SUBJECT

An ordinance granting a revocable license to Spice in the City, LLC, for the use of approximately 12 square feet of aerial space to install, occupy, use and maintain an aerial sign, over and above a portion of Commerce Street right-of-way, near its intersection with Lane Street - Revenue: $1,000 annually, plus the $20 ordinance publication fee

## BACKGROUND

This item grants a revocable license to Spice in the City, LLC for the use of approximately 12 square feet of aerial space to install, occupy, use and maintain an aerial sign, over and above a portion of Commerce Street right-of-way, near its intersection with Lane Street. The use of this area will not impede pedestrian or vehicular traffic.

The licensee will indemnify the City and carry general liability insurance naming the City as an additional insured.

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

The Economic Development Committee will be briefed by memorandum regarding this item.

## FISCAL INFORMATION

Revenue - $1,000 annually, plus the $20 ordinance publication fee

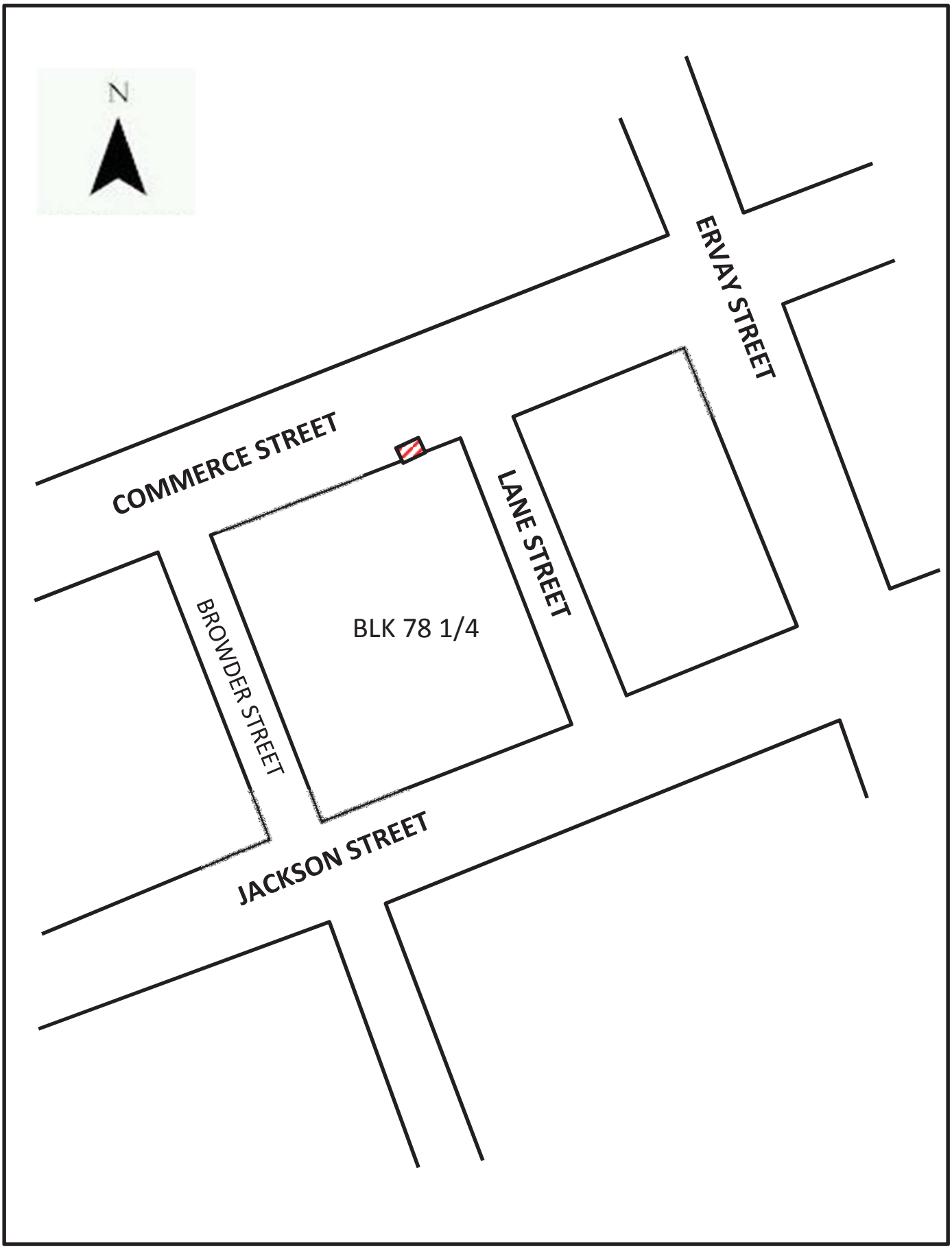
**OWNER**

**Spice in the City, LLC**

Navin Harprasad, Owner

**MAP**

Attached




LICENSE AREA

**ORDINANCE NO. _____**

An ordinance granting a revocable license to Spice in the City, LLC, to occupy, maintain and utilize a portion of Commerce Street right-of-way located near its intersection with Lane Street, adjacent to City Block 78 1/4 within the limits hereinafter more fully described, for the purpose of installing, maintaining, and utilizing an aerial sign; providing for the terms and conditions of this license; providing for the annual compensation to be paid to the City of Dallas; providing for payment of the publication fee; and providing an effective date of this license and ordinance.

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

**SECTION 1.** That a revocable license, hereinafter referred to as "license", subject to the restrictions and conditions of this ordinance, is hereby granted to Spice in the City, LLC, a Texas limited liability company, its successors and assigns, hereinafter referred to as **"GRANTEE"**, to occupy, maintain and utilize for the purpose set out hereinbelow the tract of land described in Exhibit A, hereinafter referred to as "licensed area" which is attached hereto and made a part hereof.

**SECTION 2.** That this license is granted for a term of two (2) years, unless sooner terminated according to other terms and provisions herein contained.

**SECTION 3.** That **GRANTEE** shall pay to the City of Dallas the sum of **ONE THOUSAND AND NO/100 ($1,000.00) DOLLARS** annually for the license herein granted for an aerial sign, following the effective date of ordinance, said sum to become due and payable on the 2nd day of January each year, in advance, during the term hereof; provided, however, that the first payment due hereunder in the sum of **ONE THOUSAND AND NO/100 ($1,000.00) DOLLARS** shall be paid prior to the final passage of this ordinance and shall cover the consideration for 2017. Such consideration shall be in addition to and exclusive of any other taxes or special assessments required by law to be paid by **GRANTEE**.

Should **GRANTEE** fail to pay the above stated annual fees within sixty (60) days of the due date the Director of Department of Sustainable Development and Construction may terminate this license. All sums payable to the City of Dallas hereunder shall be paid to the Chief Financial Officer of the City of Dallas and deposited in Fund 0001, Department DEV, Unit 1181, Revenue Source 8200. In the event **GRANTEE's** check for the license fee is dishonored, **GRANTEE** shall pay to the City a processing fee of $25.00 for each dishonored check. Additionally, all monies owed to the City under this license shall be subject to the assessment of interest at a rate of 10% a year from the day after any monies become due until it is paid in full, in accordance with Section 2-1.1 of the Dallas City Code.

**SECTION 4.** That the licensed area shall be used by **GRANTEE** for the following purpose under the direction of the Director of Department of Sustainable Development and Construction of the City of Dallas: install, use and maintain an aerial sign.

**SECTION 5.** That this license is subject to the provisions set forth in EXHIBIT B, attached hereto and made a part hereof.

**SECTION 6.** That this license is nonexclusive and is made expressly subject and subordinate to the right of the City to use the licensed area for any public purpose. The Governing Body of the City of Dallas reserves the right by to terminate and cancel this license, at will, by resolution passed by said Governing Body. Upon termination, all rights granted hereunder shall thereupon be considered fully terminated and cancelled and the City of Dallas shall not be held liable by reason thereof. Said resolution shall be final and shall not be subject to review by the Courts. **GRANTEE** shall have the right of cancellation upon giving the City of Dallas sixty (60) days written notice of its intention to cancel, and in either event upon the termination or cancellation by the City or **GRANTEE**, as the case may be, this license shall become null and void and **GRANTEE** or anyone claiming any rights under this instrument shall remove, to the extent required by the Director of Department of Sustainable Development and Construction, any improvements and encroachments from the licensed area at **GRANTEE's** expense.

Failure to do so shall subject **GRANTEE** to the provisions contained in EXHIBIT B, Subsection (a). All work shall be done at the sole cost of **GRANTEE** and to the satisfaction of the Director of Department of Sustainable Development and Construction.

**SECTION 7.** That the license is subject to the following conditions, terms and reservations:

a) **GRANTEE** shall ensure that the sign or any equipment/hardware related to the sign cannot remove or obstruct the use of on-street parking in any metered or non-metered space.

**SECTION 8.** That upon the effectiveness of this ordinance, the Director of Department of Sustainable Development and Construction, or designee, is hereby authorized to execute a NOTICE OF LICENSE and to file same in the deed records of Dallas County, Texas. Additionally, the Director of Department of Sustainable Development and Construction, or designee, is hereby authorized to execute a cancellation of Notice of License upon termination by the City or **GRANTEE** and to file such cancellation of Notice of License in the deed records of Dallas County, Texas.

**SECTION 9.** That the terms and conditions contained in this ordinance shall be binding upon **GRANTEE**, its successors and assigns.

**SECTION 10.** That this license may not be assigned without prior written approval from the Director of Department of Sustainable Development and Construction, or designee. Such assignment shall recite that it is subject to the terms, restriction and conditions contained in this ordinance. The assignee shall deliver evidence of ownership of property abutting the licensed area, and a copy of the assignment, along with the assignee's written acceptance of the provisions of this ordinance, to the Director of Department of Sustainable Development and Construction within 10 days of such assignment; said assignment and written acceptance shall be forwarded to the City Secretary of the City of Dallas.

Should **GRANTEE** fail to obtain prior written approval for assignment of this license or fail to provide the City of Dallas with the required written acceptance and a copy of the assignment, the Director of Department of Sustainable Development and Construction, or designee, may terminate this license.

**SECTION 11.** That the City Secretary is hereby authorized and directed to certify a copy of this ordinance for recordation in the Deed Records of Dallas County, Texas, which certified copy shall be delivered to the Director of Department of Sustainable Development and Construction, or designee. Upon receipt of the fee for the year 2017, an acceptable certificate of insurance and the fee for publishing this ordinance which **GRANTEE** shall likewise pay, the Director of Department of Sustainable Development and Construction, or designee, shall deliver to **GRANTEE** the certified copy of this ordinance. The Director of Department of Sustainable Development and Construction, or designee, shall be the sole source for receiving certified copies of this ordinance for one year after its passage.

**SECTION 12.** That this ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

**APPROVED AS TO FORM:**
**LARRY E. CASTO**
**City Attorney**

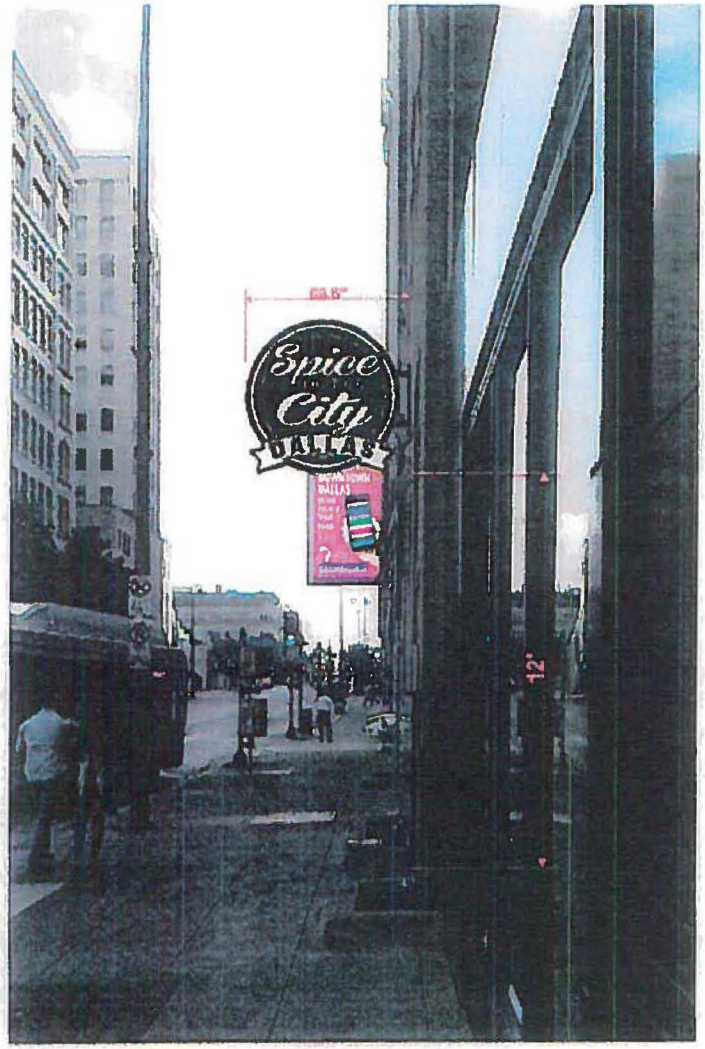
**BY** _____
**Assistant City Attorney**

**DAVID COSSUM**
**Director of Department of Sustainable Development and Construction**

**BY** _____
**Assistant Director**

**Passed** _____.

EXHIBIT A

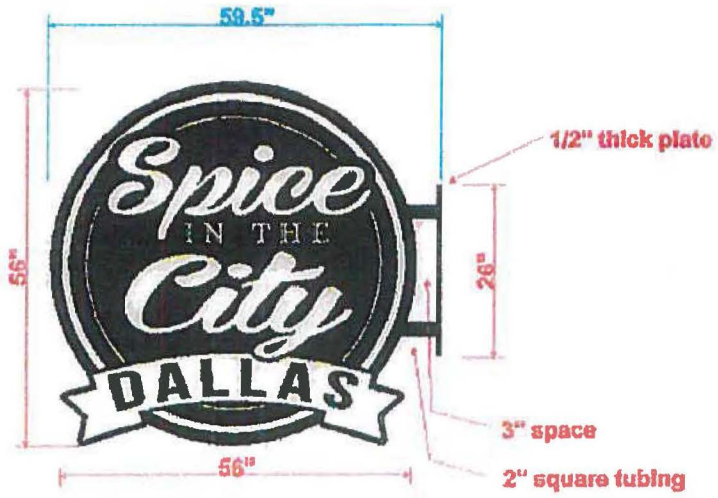



OPTION 2
CUSTOM CABINET BLADE (DOUBLE SIDED) WITH ROUTED FACES AND ACRYLIC PUSH THROUGH



56" x 56" custom cabinet blade sign with routed black aluminum faces, white acrylic push through and 8" black aluminum return.
Illuminated with RGB LEDs.

Mounted on a 1/2" thick x 26" tall black metal plate with 2" black square tubing arms extended into the sign. Stand-off is 3"...making outside edge of sign 59.5" total inches from building fascia. Bottom of sign is 12' from sidewalk.



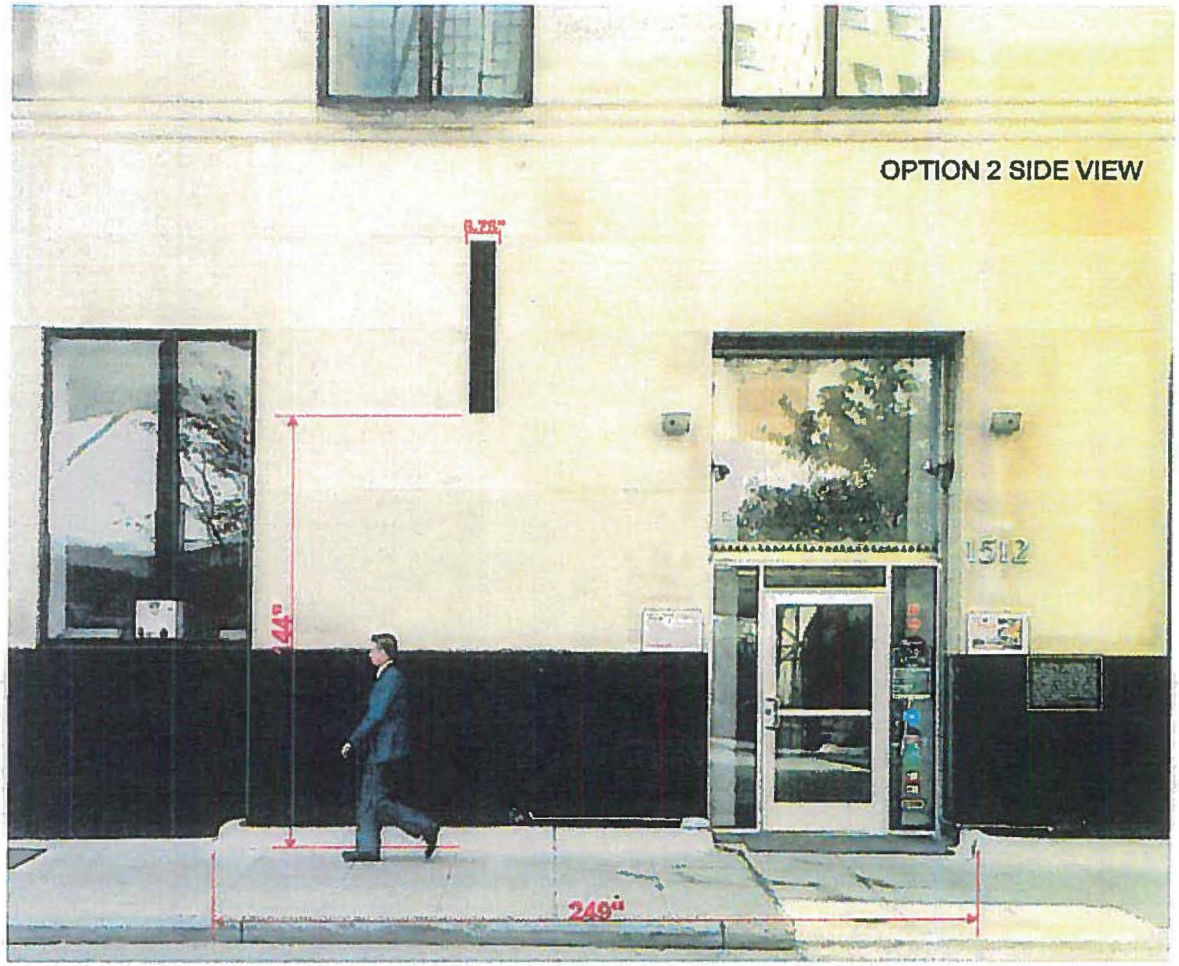

PLEASE NOTE UP TO 2 REVISIONS INCLUDED IN INITIAL DESIGN. ANY ADDITIONAL CHANGES WILL INCUR STANDARD DESIGN CHARGE OF $60.00 PER HOUR, BILLING IN 1/4 HR INCREMENTS. PLEASE CAREFULLY

FINAL ELECTRICAL CONNECTION BY

EXHIBIT A



OPTION 2 SIDE VIEW




PLEASE NOTE: UP TO 2 REVISIONS INCLUDED IN INITIAL DESIGN. ANY ADDITIONAL CHANGES WILL INCUR STANDARD DESIGN CHARGE OF $60.00 PER HOUR. BILLING IN 1/4 HR INCREMENTS. PLEASE CAREFULLY

FINAL ELECTRICAL

# EXHIBIT B
# COMMERCIAL ENTITY
# ADDITIONAL LICENSE PROVISIONS

That this license is granted subject to the following additional conditions, terms and reservations:

**(a)** That at such time as this license is terminated or canceled for any reason whatsoever, **GRANTEE**, upon orders issued by the City acting through the Director of Sustainable Development and Construction, or designee, shall remove all installations, improvements and appurtenances owned by it situated in, under or attached to the licensed area, and shall restore the premises to its former condition in accordance with the requirements of the Director of Sustainable Development and Construction at the sole cost of **GRANTEE**. In the event, upon termination of this license, **GRANTEE** shall fail to remove its installations, improvements and appurtenances and to restore the licensed area in compliance with orders issued by City, or such work is not done to the satisfaction of the Director of Sustainable Development and Construction, then in either event the City shall have the right to do all work necessary to restore said area to its former condition or cause such work to be done, and to assess the cost of all such work against **GRANTEE**; in neither event shall the City of Dallas be liable to **GRANTEE** on account thereof.

**(b)** It is further understood that if and when the City of Dallas, in the exercise of its discretion, shall determine that the grade of any street, sidewalk or parkway should be modified or changed, or that any other work should be done in connection with any public improvement which will affect the licensed area, and/or any of **GRANTEE's** installations and improvements thereon, any modifications or changes to **GRANTEE's** facilities in the licensed area or in construction or reconstruction of any public improvement attributable to **GRANTEE's** use of the licensed area and/or its installations and improvements thereon, shall be made at the sole expense of **GRANTEE** and to the satisfaction of the Director of Sustainable Development and Construction.

**(c)** At such time as this license is granted, it is agreed, and a condition hereof, that **GRANTEE** shall procure and keep in full force and effect **Commercial General Liability Insurance** coverage issued by an insurance company authorized and approved by the State of Texas, acceptable to the City of Dallas and issued in the standard form approved by the Texas Department of Insurance. The insured provisions of this policy must name the City of Dallas as an additional insured protecting the City of Dallas against any and all claims for damages to persons or property as a result of or arising out of the use, operation and maintenance by **GRANTEE** of the licensed area and **GRANTEE's** installations, improvements, landscaping and equipment in connection therewith and located therein. The Commercial General Liability coverage must include, but not limited to, Premises/Operations, Independent Contractors and Contractual Liability with minimum combined bodily injury (including death) and property damage limits of not less than $500,000 per occurrence and $500,000 annual aggregate. This insurance shall also include coverage for underground, explosion and collapse hazards (i.e. not excluded). If this insurance is written on a claims-made form, coverage shall be continuous (by renewal or extended reporting period) for not less than

twelve (12) months following termination of this license and removal of the installations, improvements and appurtenances and restoration of the licensed area pursuant to paragraph (a) above. Coverage, including any renewals, shall contain the same retroactive date as the original policy applicable to this license. The City of Dallas reserves the right to review the insurance requirements set forth herein during the effective term of the license and to adjust insurance coverages and their limits when deemed necessary and prudent by the City of Dallas' Risk Management based upon changes in statutory law, court decisions, or the claims history of the industry as well as the City of Dallas.

1. **GRANTEE** agrees that with respect to the above required insurance, all insurance contracts and certificates of insurance will contain and state, in writing, that coverage shall not be canceled, nonrenewed or materially changed except after thirty (30) days written notice by certified mail to Department of Sustainable Development and Construction.
2. **GRANTEE** shall carry said insurance at its expense and shall furnish the City of Dallas proof of such insurance. In the event said insurance should terminate during the licensing term hereof, or **GRANTEE** fails to furnish proof of insurance coverage in accordance with the specifications as required by this section, the Director of Sustainable Development and Construction, or designee, may terminate the license granted herein.

**(d)** **GRANTEE** is prohibited from using the licensed area in any manner which violates Federal, State or local laws, regulations, rules and orders, regardless of when they become or became effective, including without limitation, those related to health, safety, noise, environmental protection, waste disposal and water and air quality, and shall provide satisfactory evidence of compliance upon the request of the City of Dallas. Should any discharge, leakage, spillage, emission or pollution of any type occur upon or from the licensed area due to **GRANTEE's** use and occupancy thereof, **GRANTEE**, at its expense, shall be obligated to clean up the licensed area to the satisfaction of the City of Dallas and any governmental body having jurisdiction thereover. The City of Dallas may, at its option, clean the licensed area. If the City of Dallas elects to do so, **GRANTEE** shall promptly pay to the City of Dallas the reasonable cost of such cleanup upon receipt of bills therefore. **GRANTEE** agrees that the indemnity provisions contained in paragraph (g) herein shall be fully applicable to the requirements of this paragraph, in event of **GRANTEE's** breach of this paragraph, or as a result of any such discharge, leakage, spillage, emission or pollution arising out of the **GRANTEE's** use of the licensed area.

**(e)** This license is subject to all State laws, the provisions of the Charter of the City of Dallas as it now exists, or may hereafter be adopted or amended, and the ordinances of the City of Dallas now in effect or those which may hereafter be passed or adopted. The City of Dallas shall have the right to increase or decrease the compensation to be charged for the use contemplated by this grant in

accordance with the provisions of the Dallas City Code as it now exists, or as may hereafter be adopted or amended.

**(f)** The Governing Body of the City of Dallas reserves the right, at any time without notice, to terminate and cancel this license, by resolution, upon a finding by the Governing Body that this license is inconsistent with the public use of the property or whenever the purpose or use of the license is likely to become a nuisance and all rights granted hereunder shall thereupon be considered fully terminated and canceled and the City of Dallas shall not be held liable by reason thereof. The decision of the Governing Body of the City in this matter shall be final and binding upon all parties insofar as the City's determination as to whether the **GRANTEE's** use of this license constitutes a nuisance or is inconsistent with the public use of the property.

**(g)** As a condition hereof, **GRANTEE** agrees and is bound to defend, indemnify and hold the City of Dallas, its officers, agents and employees, harmless against any and all claims, lawsuits, judgments, costs and expenses for bodily injury (including death), property damage or other harm for which recovery of damages is sought, suffered by any person or persons, that may arise out of or be occasioned by the use, occupancy and maintenance of the licensed area or **GRANTEE's** installations and improvements within the licensed area, from any act or omission of any representative, agent, customer and/or employee of **GRANTEE**, or by **GRANTEE's** breach of any of the terms or provisions of this license, or by any negligent or strictly liable act or omission of **GRANTEE**, its officers, agents, employees or contractors in the use, occupancy and maintenance of **GRANTEE's** installations and improvements within the licensed area; except that the indemnity provided for in this paragraph shall not apply to any liability resulting from the sole negligence or fault of the City of Dallas, its officers, agents, employees or separate contractors, and in the event of joint and concurring negligence or fault of both the **GRANTEE** and the City of Dallas, responsibility and liability, if any, shall be apportioned comparatively in accordance with the laws of the State of Texas, without, however, waiving any governmental immunity available to the City of Dallas under Texas law and without waiving any defenses of the parties under Texas law. This obligation to indemnify and defend shall also include any claim for damage that any utility or communication company, whether publicly or privately owned, may sustain or receive by reason of **GRANTEE's** use of the licensed area or **GRANTEE's** improvements and equipment located thereon. In addition to the foregoing, **GRANTEE** covenants and agrees never to make a claim of any kind or character whatsoever against the City of Dallas for damage of any kind that it may suffer by reason of the installation, construction, reconstruction, operation or maintenance of any public improvement, utility or communication facility on the licensed area, whether presently in place or which may in the future be constructed or installed, including but not limited to, any water or wastewater mains or storm sewer facilities, regardless of whether such damage is due to

flooding, infiltration, backflow or seepage caused from the failure of any installation, natural causes, City's negligence, or from any other cause whatsoever.

**(h)** This license is subject to any existing utilities or communication facilities, including drainage, presently located within the licensed area, owned and/or operated by the City of Dallas or any utility or communications company, public or private, and to any vested rights presently owned by an utility or communications company, public or private, for the use of the licensed area for facilities presently located within the boundaries of said licensed area. It is the intent of the foregoing that this permission herein is made expressly subject to the utilization of the licensed area for communication and utility purposes, both public and private, including drainage, over, under, through, across and along the licensed area. No buildings shall be constructed or placed upon, over or across the licensed area in such a manner as to interfere with the operation of any utilities and communication facilities. All and any communication company and utility, both public and private, shall have the right to remove and keep removed all or parts of any buildings which may in any way endanger or interfere with the construction, maintenance or efficiency of its respective systems within the licensed area. All communication companies and utilities, both public and private, shall have the full right to remove and keep removed all parts of any buildings, fences, trees, or other improvements or growths which in any way may endanger or interfere with the construction, maintenance and efficiency of its respective system and shall at all times have the full right of ingress and egress to or from and upon the licensed area for the purpose of constructing, relocating, inspecting, patrolling, maintaining and adding to or removing all or part of its respective systems without the necessity at any time of procuring the permission of anyone.

**AGENDA ITEM # 64**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 12

**DEPARTMENT:** Sustainable Development and Construction

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 5C

## SUBJECT

An ordinance abandoning a portion of Cross Timbers Lane to Plano Independent School District, the abutting owner, containing approximately 29,622 square feet of land, located near the intersection of Cross Timbers and Mapleshade Lanes, authorizing the quitclaim and providing for the dedication of approximately 2,923 square feet of land needed for street right-of-way - Revenue: $334,739, plus the $20 ordinance publication fee

## BACKGROUND

This item authorizes the abandonment of a portion of Cross Timbers Lane to Plano Independent School District, the abutting owner. The area will be included with the property of the abutting owner for a new school. The owner will dedicate approximately 2,923 square feet of land needed for street right-of-way. The abandonment fee is based on an independent appraisal.

Notices were sent to 11 property owners located within 300 feet of the proposed abandonment area. There were no responses received in opposition to this request.

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

The Economic Development Committee will be briefed by memorandum regarding this item.

## FISCAL INFORMATION

Revenue - $334,739, plus the $20 ordinance publication fee

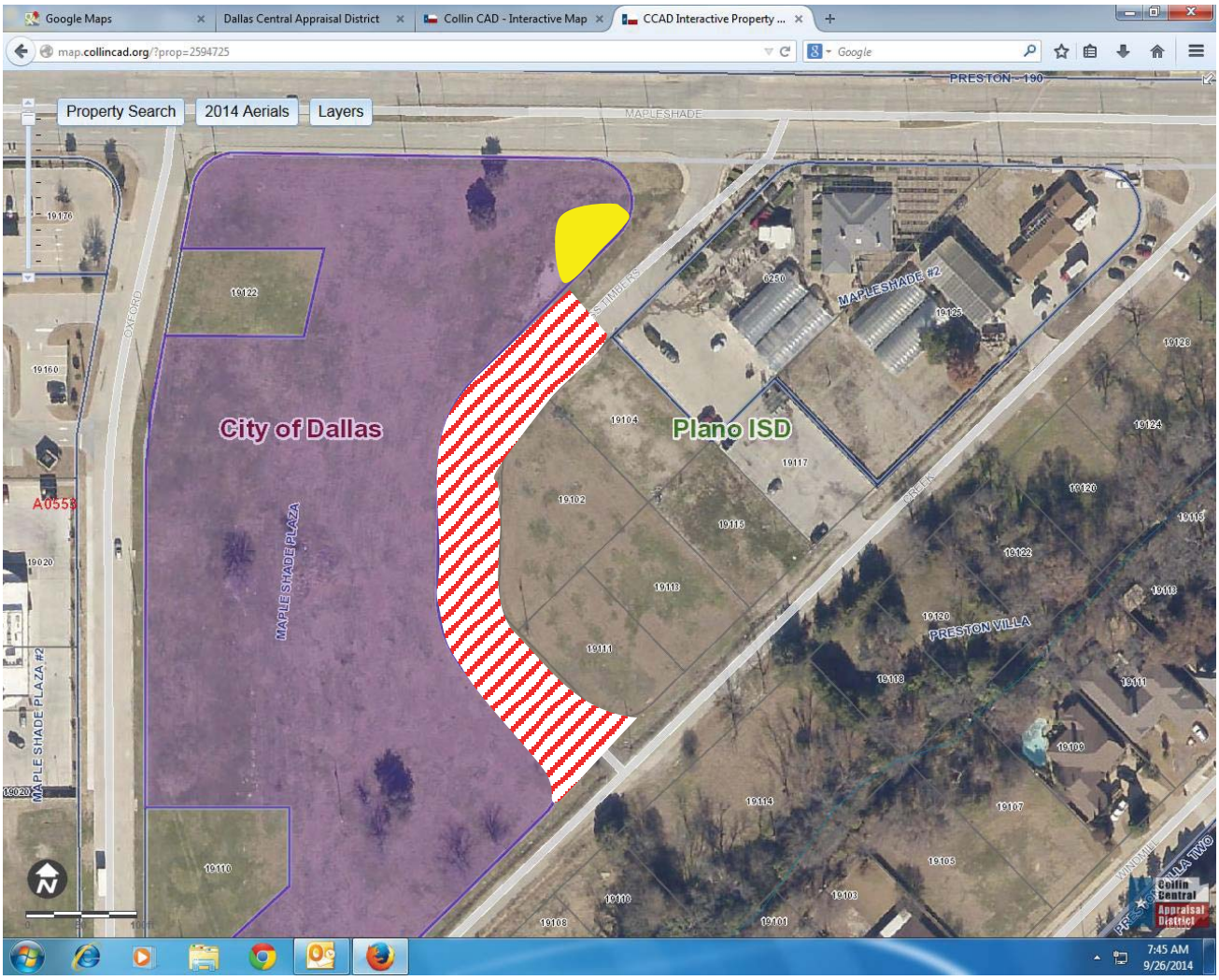
**OWNER**

**Plano Independent School District**

Richard Matkin, Superintendent of Schools

**MAP**

Attached

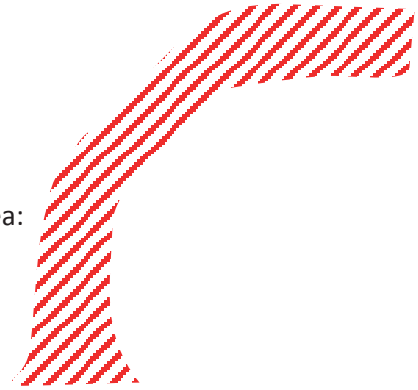



Log 40690

Mapsco 5C

Applicant Plano I.S.D.

Abandonment Area:



Dedication Area:

**ORDINANCE NO. _____**

An ordinance providing for the abandonment of a portion of Cross Timbers Lane located adjacent to City Blocks I/8728 and J/8728 in the City of Dallas and County of Collin, Texas; providing for the quitclaim thereof to Plano Independent School District; providing for the terms and conditions of the abandonment and quitclaim made herein; providing for barricading; providing for the conveyance of needed land to the City of Dallas; providing for the indemnification of the City of Dallas against damages arising out of the abandonment herein; providing for the consideration to be paid to the City of Dallas; providing for the payment of the publication fee; providing a future effective date for this abandonment; and providing an effective date for this ordinance.

**ooo0ooo**

**WHEREAS,** the City Council of the City of Dallas, acting pursuant to law and upon the request and petition of Plano Independent School District, a governmental instrumentality, hereinafter referred to as **GRANTEE**, deems it advisable to abandon and quitclaim the hereinafter described tract of land to **GRANTEE**, and is of the opinion that, subject to the terms and conditions herein provided, said portion of Cross Timbers Lane is not needed for public use, and same should be abandoned and quitclaimed to **GRANTEE**, as hereinafter stated; and

**WHEREAS,** the City Council of the City of Dallas is of the opinion that the best interest and welfare of the public will be served by abandoning and quitclaiming the same to **GRANTEE** for the consideration and subject to the terms and conditions hereinafter more fully set forth; **Now, Therefore,**

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

**SECTION 1.** That the tract of land described in Exhibit A, which is attached hereto and made a part hereof for all purposes, be and the same is abandoned, vacated and closed insofar as the right, title and interest of the public are concerned; subject, however, to the conditions and future effective date hereinafter more fully set out.

**SECTION 2.** That for and in monetary consideration of the sum of **THREE HUNDRED THIRTY-FOUR THOUSAND SEVEN HUNDRED THIRTY-NINE AND NO/100 DOLLARS ($334,739.00)** paid by **GRANTEE**, and the further consideration described in Sections 8, 9, 10, 11, 13 and 14, the City of Dallas does by these presents **FOREVER QUITCLAIM** unto the said **GRANTEE**, subject to the conditions, reservations, future effective date, and exceptions hereinafter made and with the restrictions and upon the covenants below stated, all of its right, title and interest in and to the certain tract of land hereinabove described in Exhibit A. **TO HAVE AND TO HOLD** all of such right, title and interest in and to the property and premises, subject aforesaid, together with all and singular the rights, privileges, hereditaments and appurtenances thereto in any manner belonging unto the said **GRANTEE** forever.

**SECTION 3.** That upon payment of the monetary consideration set forth in Section 2, **GRANTEE** accepts the terms, provisions, future effective date and conditions of this ordinance.

**SECTION 4.** That the Chief Financial Officer is authorized to deposit the sum paid by **GRANTEE** pursuant to Section 2 above in the General Fund 0001, Department DEV, Balance Sheet 0519 and Department of Sustainable Development and Construction-Real Estate Division shall be reimbursed for the cost of obtaining the legal description, appraisal and other administrative costs incurred. The reimbursement proceeds shall be deposited in General Fund 0001, Department DEV, Unit 1183, Object 5011 and any remaining proceeds shall be transferred to the General Capital Reserve Fund 0625, Department BMS, Unit 8888, Revenue Source 8416.

**SECTION 5.** That the abandonment and quitclaim provided for herein are made subject to all present zoning and deed restrictions, if the latter exist, and are subject to all existing easement rights of others, if any, whether apparent or non-apparent, aerial, surface, underground or otherwise, and are further subject to the conditions contained in Exhibit B, which is attached hereto and made a part hereof for all purposes..

**SECTION 6.** That the terms and conditions contained in this ordinance shall be binding upon **GRANTEE**, its successors and assigns.

**SECTION 7.** That the abandonment and quitclaim provided for herein shall extend only to the public right, title, easement and interest, and shall be construed to extend only to that interest the Governing Body of the City of Dallas may legally and lawfully abandon and vacate.

**SECTION 8.** That as a condition of this abandonment and as a part of the consideration for the quitclaim to **GRANTEE** herein, **GRANTEE**, its successors and assigns, to the extent allowed by law, agree to indemnify, defend, release and hold harmless the City of Dallas as to any and all claims for damages, fines, penalties, costs or expenses to persons or property that may arise out of, or be occasioned by or from: (i) the use and occupancy of the area described in Exhibit A by **GRANTEE**, its successors and assigns; (ii) the presence, generation, spillage, discharge, release, treatment or disposition of any Hazardous Substance on or affecting the area set out in Exhibit A, (iii) all corrective actions concerning any discovered Hazardous Substances on or affecting the area described in Exhibit A, which **GRANTEE**, its successors and assigns agree to undertake and complete in accordance with applicable federal, state and local laws and regulations; and (iv) the abandonment, closing, vacation and quitclaim by the City of Dallas of the area set out in Exhibit A. **GRANTEE**, its successors and assigns hereby agree to defend any and all suits, claims, or causes of action brought against the City of Dallas on account of same, and discharge any judgment or judgments that may be rendered against the City of Dallas in connection therewith. For purposes hereof, "Hazardous Substance" means the following: (a) any "hazardous substances" under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 et seq., as amended; (b) any "hazardous substance" under the Texas Hazardous Substances Spill Prevention and Control Act, TEX. WATER CODE, Section 26.261 et seq., as amended; (c) petroleum or petroleum-based products (or any derivative or hazardous constituents thereof or additives thereto), including without limitation, fuel and lubricating oils; (d) any "hazardous chemicals" or "toxic chemicals" under the Occupational Safety and Health Act, 29 U.S.C. Section 651 et seq., as amended; (e) any "hazardous waste" under the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., as amended; and (f) any "chemical substance" under the Toxic Substance Control Act, 15

U.S.C. Section 2601 et seq., as amended. References to particular acts or codifications in this definition include all past and future amendments thereto, as well as applicable rules and regulations as now or hereafter promulgated thereunder.

**SECTION 9.** That as a condition of this abandonment and as a part of the consideration for the quitclaim made herein, **GRANTEE** shall design and construct the cul-de-sac within the area described and to be conveyed to the City pursuant to Section 11 of this Ordinance based on City of Dallas standards.

**SECTION 10.** That as a condition of this abandonment and as a part of the consideration for the quitclaim made herein, **GRANTEE** shall record a final replat of the adjoining properties prior to the issuance of any building permits affecting the tract of land abandoned and quitclaimed herein. This final replat shall be recorded by **GRANTEE** in the official real property records of the county in which the abandoned area is located after its approval by the City Plan Commission of the City of Dallas.

**SECTION 11.** That as a condition of this abandonment and as a part of the consideration for the quitclaim made herein, **GRANTEE** shall convey by General Warranty Deed to the City of Dallas, within 90 days of the effective date of this ordinance, good, indefeasible and marketable fee simple title, subject to only those title exceptions approved by the City Attorney, and insured by an owner's policy of title insurance approved as to form by the City Attorney, to certain properties located in City Block J/8728, containing approximately 2,923 square feet of land, a description of which is attached hereto and made a part hereof as Exhibit C. This abandonment shall not be effective unless and until this dedication is completed as herein provided and failure to convey the above described property as set forth shall render this ordinance null and void and of no further effect.

**SECTION 12.** That at such time as the instrument described in Section 11 above is executed and delivered to the City of Dallas and has been approved as to form by the City Attorney it be accepted, and thereafter, the Director of Department of Sustainable Development and Construction is authorized and directed to record said instrument in the official real property records of the county in which the subject property is located.

**SECTION 13.** That this ordinance and properly executed General Warranty Deed, approved as to form by the City Attorney, be forwarded to a title insurance company for closing. Subsequent to closing, all instruments conveying real estate interests to the City of Dallas shall be recorded in the official real property records of the county in which the subject property is located and thereafter returned to the City Secretary for permanent record.

**SECTION 14.** That as a condition of this abandonment and as a part of the consideration for the quitclaim made herein, **GRANTEE** shall pay all closing costs and title expenses associated with the acquisition of the property described in Section 11 above.

**SECTION 15.** That as a condition of this abandonment and as a part of the consideration for the quitclaim made herein, **GRANTEE** shall, immediately upon the effectiveness of this abandonment, close, barricade and/or place signs in the area described in Exhibit A in accordance with detailed plans approved by the Director of Department of Sustainable Development and Construction. **GRANTEE's** responsibility for keeping the area described in Exhibit A closed, barricaded and/or the signs in place shall continue until the street improvements and intersection returns are removed by **GRANTEE**, its successors and assigns, to the satisfaction of the Director of Department of Sustainable Development and Construction.

**SECTION 16.** That the City Secretary is hereby authorized and directed to certify a copy of this ordinance for recordation in the official real property records of the county in which the abandonment area is located, which certified copy shall be delivered to the Director of Department of Sustainable Development and Construction, or designee. Upon receipt of the monetary consideration set forth in Sections 2 and 14, plus the fee for the publishing of this ordinance, which **GRANTEE** shall likewise pay, and completion of the dedication set forth in Section 11, the Director of Department of Sustainable Development and Construction, or designee: (i) shall deliver to **GRANTEE** a certified copy of this ordinance, and (ii) is authorized to and shall prepare and deliver a **QUITCLAIM DEED** with regard to the area abandoned herein, to **GRANTEE** hereunder, same to be executed by the City Manager on behalf of the City of Dallas, attested by the City Secretary and approved as to form by the City Attorney.

The Director of Department of Sustainable Development and Construction, or designee, shall be the sole source for receiving certified copies of this ordinance for one year after its passage.

**SECTION 17.** That this ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

**APPROVED AS TO FORM:**
**LARRY E. CASTO**
**City Attorney**

**BY** _____
**Assistant City Attorney**

**DAVID COSSUM**
**Director of Department of Sustainable Development and Construction**

**BY** _____
**Assistant Director**

**Passed** _____.

# EXHIBIT A

BEING a 29,622 square feet tract situated in the Martha McBride Survey, Abstract No. 553, Collin County, Texas, being part of Cross Timbers Lane between Mapleshade Lane and Creek Drive, as created by Preston Villa Addition, an addition to the City of Dallas, Collin County, Texas, according to the plat thereof recorded in Volume 2, Page 63 of the Plat Records of Collin County, Texas, and being in City Block 8728 in the City of Dallas, Collin County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a X cut set for corner in the east Right Of Way line of Cross Timbers Lane (60' Right Of Way) said X cut being S 46°13'51" W a distance of 1.00' from the west corner of Lot 11A, Block I/8728, Mapleshade Addition No. 2, according to the plat thereof recorded in Volume 2013, Page 191, Plat Records of Collin County, Texas;

THENCE S 46°13'51" W following the east Right Of Way line of Cross Timbers Lane and the west line of Block I/8728, of said Preston Villa Addition, a distance of 119.00' to a capped 1/2" iron rod stamped (Surveying Asso.) found for corner at the beginning of a tangent curve to the left;

THENCE along said curve to the left following the east Right Of Way line of Cross Timbers Lane and the west line of Block I/8728, of said Preston Villa Addition, through a central angle of 43°38'50", a radius of 40.00', and an arc length of 30.47', with a chord bearing of S 24°24'26" W, and a chord length of 29.74' to a capped 1/2" iron rod stamped (Surveying Asso.) found for corner;

THENCE S 02°34'57" W following the east Right Of Way line of Cross Timbers Lane and the west line of Block I/8728, of said Preston Villa Addition, a distance of 110.83' to a capped 1/2" iron rod stamped "4613" found for corner at the beginning of a tangent curve to the left;

THENCE along said curve to the left following the east Right Of Way line of Cross Timbers Lane and the west line of Block I/8728, of said Preston Villa Addition, through a central angle of 46°15'18", a radius of 40.00', and an arc length of 32.29', with a chord bearing of S 20°32'42" E, and a chord length of 31.42' to a capped 1/2" iron rod stamped "4613" found for corner;

THENCE S 43°40'22" E following the east Right Of Way line of Cross Timbers Lane and the west line of Block I/8728, of said Preston Villa Addition, a distance of 103.50' to a capped 1/2" iron rod stamped "4613" found for corner at the beginning of a tangent curve to the left;

THENCE along said curve to the left following the east Right Of Way line of Cross Timbers Lane and the west line of Block I/8728, of said Preston Villa Addition, through a central angle of 87°21'06", a radius of 40.00', and an arc length of 60.98', with a chord bearing of S 87°20'55" E, and a chord length of 55.25' to a capped 1/2" iron rod stamped "4613" found for corner in the northwest Right Of Way line of Creek Drive (60' Right Of Way);

THENCE S 47°36'11" W following the northwest Right Of Way line of Creek Drive a distance of 138.35' to a capped 1/2" iron rod stamped "4613" found for corner at the beginning of a non-tangent curve to the left, said capped iron rod being in the east line of Block J/8728, Maple Shade Plaza, an addition to the City of Dallas, Dallas County, Texas, according to the plat thereof recorded in Cabinet R, Page 271, Plat Records of Collin County, Texas;

REVIEWED BY
08.19.2015
SPRG 3022

**SURDUKAN SURVEYING, INC.**
P.O. BOX 126
ANNA, TEXAS 75409
(972) 924-8200
TEXAS FIRM NO. 10069500

STREET ABANDONMENT
CROSS TIMBERS LANE
BLOCK 8728
CITY OF DALLAS
COLLIN COUNTY, TEXAS

DATE: SEPTEMBER 15, 2014

# EXHIBIT A

THENCE along said curve to the left following the west Right Of Way line of Cross Timbers Lane and the east line of said Block J/8728, through a central angle of 90°14'27", a radius of 40.00', and an arc length of 63.00', with a chord bearing of N 01°26'52" E, and a chord length of 56.69' to a capped 1/2" iron rod stamped "4613" found for corner;

THENCE N 43°40'22" W following the west Right Of Way line of Cross Timbers Lane and the east line of said Block J/8728, a distance of 100.38' to a capped 1/2" iron rod stamped "4613" found for corner at the beginning of a tangent curve to the right;

THENCE along said curve to the right following the west Right Of Way line of Cross Timbers Lane and the east line of said Block J/8728, through a central angle of 46°15'18", a radius of 100.00', and an arc length of 80.73', with a chord bearing of N 20°32'42" W, and a chord length of 78.56' to a capped 1/2" iron rod stamped "4613" found for corner;

THENCE N 02°34'57" E following the west Right Of Way line of Cross Timbers Lane and the east line of said Block J/8728, a distance of 110.83' to a capped 1/2" iron rod stamped "4613" found for corner at the beginning of a tangent curve to the right;

THENCE along said curve to the right following the west Right Of Way line of Cross Timbers Lane and the east line of said Block J/8728, through a central angle of 43°38'53", a radius of 100.00', and an arc length of 76.18', with a chord bearing of N 24°24'25" E, and a chord length of 74.35' to a capped (Weir) 1/2" iron rod found for corner;

THENCE N 46°13'51" E following the west Right Of Way line of Cross Timbers Lane and the east line of said Block J/8728, a distance of 121.01' to a capped 1/2" iron rod stamped "4613" found for corner at the beginning of a non-tangent curve to the left;

THENCE along said curve to the left through a central angle of 10°24'08", a radius of 50.00', and an arc length of 9.08', with a chord bearing of S 37°26'00" E, and a chord length of 9.07' to a mag nail set for corner;

THENCE S 42°38'05" E a distance of 51.00' to the POINT OF BEGINNING and containing 29,622 square feet or 0.680 acres of land.

Basis of bearings is the east line of the Final Plat of Maple Shade Plaza Addition as recorded in Cabinet R, Page 271, P.R.C.C.T. (S46°13'51"W)

REVIEWED BY
08.19.2015
SPRG 3022

| CURVE | DELTA ANGLE | RADIUS | ARC LENGTH | CHORD BEARING | CHORD LENGTH |
|---|---|---|---|---|---|
| C1 | 43°38'50" | 40.00' | 30.47' | S 24°24'26" W | 29.74' |
| C2 | 46°15'18" | 40.00' | 32.29' | S 20°32'42" E | 31.42' |
| C3 | 87°21'06" | 40.00' | 60.98' | S 87°20'55" E | 55.25' |
| C4 | 90°14'27" | 40.00' | 63.00' | N 01°26'52" E | 56.69' |
| C5 | 46°15'18" | 100.00' | 80.73' | N 20°32'42" W | 78.56' |
| C6 | 43°38'53" | 100.00' | 76.18' | N 24°24'25" E | 74.35' |
| C7 | 10°24'08" | 50.00' | 9.08' | S 37°26'00" E | 9.07' |

STATE OF TEXAS
REGISTERED
DAVID J. SURDUKAN
4613
PROFESSIONAL
LAND SURVEYOR

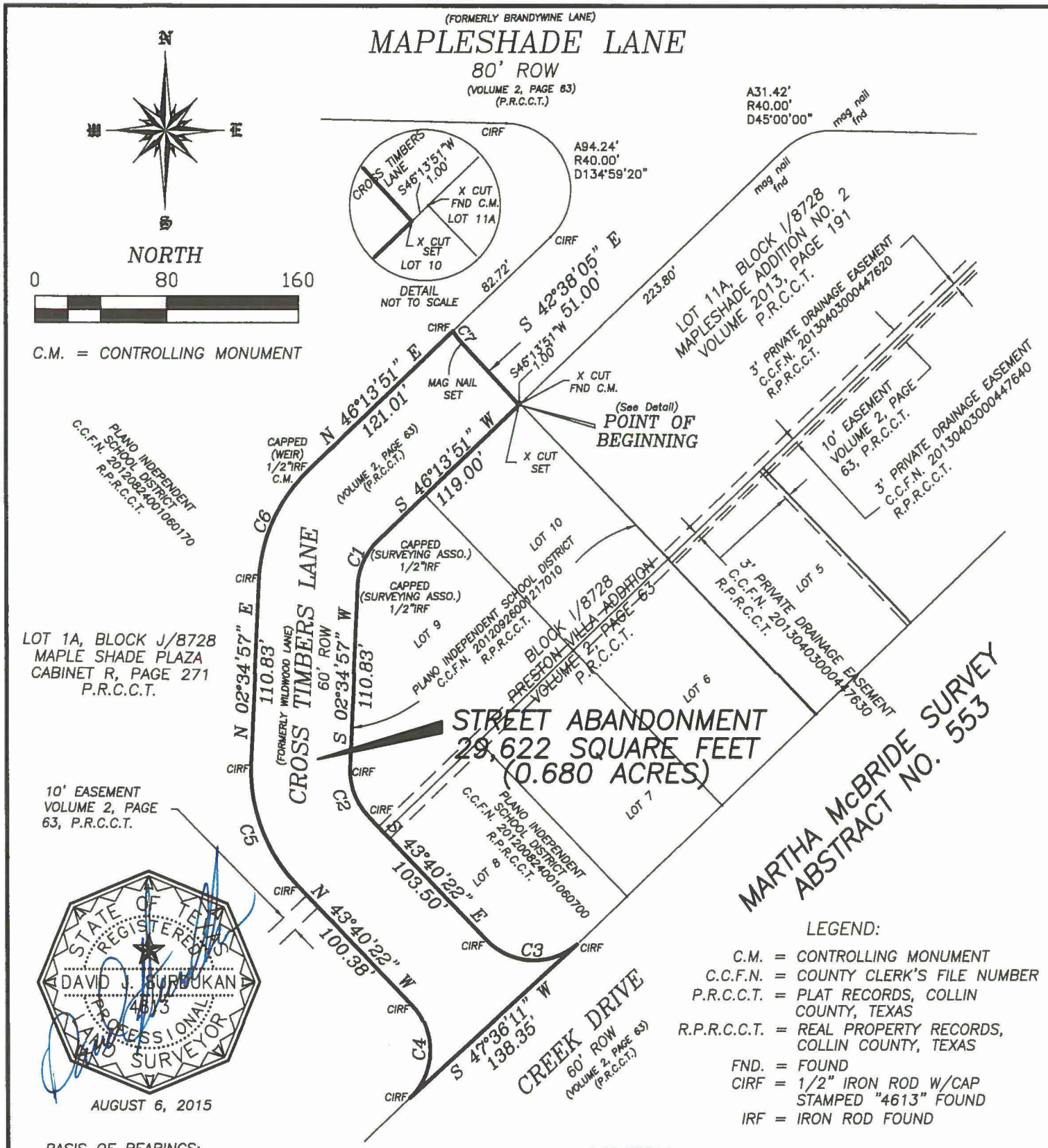
AUGUST 6, 2015


**SURDUKAN SURVEYING, INC.**
P.O. BOX 126
ANNA, TEXAS 75409
(972) 924-8200
TEXAS FIRM NO. 10069500


STREET ABANDONMENT
CROSS TIMBERS LANE
BLOCK 8728
CITY OF DALLAS
COLLIN COUNTY, TEXAS

DATE: SEPTEMBER 15, 2014

EXHIBIT A




LEGEND:

| | | |
|---|---|---|
| C.M. | = | CONTROLLING MONUMENT |
| C.C.F.N. | = | COUNTY CLERK'S FILE NUMBER |
| P.R.C.C.T. | = | PLAT RECORDS, COLLIN COUNTY, TEXAS |
| R.P.R.C.C.T. | = | REAL PROPERTY RECORDS, COLLIN COUNTY, TEXAS |
| FND. | = | FOUND |
| CIRF | = | 1/2" IRON ROD W/CAP STAMPED "4613" FOUND |
| IRF | = | IRON ROD FOUND |

BASIS OF BEARINGS:
The bearings shown on this survey are based on the east line of Final Plat of Maple Shade Plaza Addition as recorded in Cabinet R, Page 271, P.R.C.C.T., S 46°13'51" W:

REVIEWED BY
08.19.2015
SPRG 3022


SURDUKAN SURVEYING, INC.
P.O. BOX 126
ANNA, TEXAS 75409
(972) 924-8200
TEXAS FIRM NO. 10069500


STREET ABANDONMENT
CROSS TIMBERS LANE
BLOCK 8728
CITY OF DALLAS
COLLIN COUNTY, TEXAS

DATE: SEPTEMBER 15, 2014

SHEET 3 OF 3 JOB NO. 2014-62

# EXHIBIT B

## ADDITIONAL ABANDONMENT PROVISIONS

That as a condition hereof, this abandonment is subject to any utilities or communication facilities, including without limitation water and wastewater lines, gas lines, and storm sewers, ("Facilities") presently located within the abandoned area described in Exhibit "A", owned and/or operated by the City of Dallas or any utility or communications company, public or private, ("Utility") and to the rights of any Utility for the use of the abandoned area for its Facilities. It is the intent of the foregoing to confirm and maintain and there is hereby reserved and excepted unto the City of Dallas, and not abandoned or conveyed hereunder, an easement (to which this abandonment is made expressly subject) over, upon, under, through, in, and across the abandoned area for each Utility for its respective Facilities located therein at the time of this abandonment, together with the right to make any subsequent alterations, additions, expansions, upgrades or modifications to such Facilities as may, from time to time be deemed necessary or convenient by the Utility owning and/or operating same. No buildings, structures (above or below ground) or trees shall be constructed or placed within the abandoned area without written consent of each affected Utility. Each Utility shall have the full right to remove and keep removed all or part of any buildings, fences, trees, or other improvements or growths which in any way may endanger or interfere with the construction, maintenance or efficiency of its respective Facilities lying within the abandoned area and shall at all times have the full right of ingress and egress to or from and upon the abandoned area for the purposes of reconstructing, removing, relocating, inspecting, patrolling, maintaining, expanding, upgrading, and/or adding to all or part of its Facilities without the necessity at any time of procuring the permission of anyone. The easement reserved hereunder and the conditions and restrictions to which this abandonment is subject shall remain for the benefit of the applicable Utility and/or operators of the Facilities until said Facilities are removed and relocated from the abandoned area. The relocation, removal or adjustment of any or all such Facilities, if made necessary by GRANTEE'S (whether one or more natural persons or legal entities) use of the abandonment area, shall be at the expense of GRANTEE herein, or GRANTEE'S successors and assigns. Should GRANTEE'S relocation or removal of the Facilities require the obtaining of new easements, the acquisition of same shall be at the expense of GRANTEE, GRANTEE'S successors and assigns. If any of the Facilities (or relocations thereof) are allowed to remain on any part of the abandoned area, the easements and buildings restrictions provided herein shall remain thereon. Upon removal or relocation of all of the Facilities, any easements reserved or created herein relating to such removed or relocated Facilities shall terminate, and any building restrictions herein created shall cease.

EXHIBIT C

BEING a 2,923 square feet tract situated in the Martha McBride Survey, Abstract No. 553, Collin County, Texas and being part of Lot 1A, Block J/8728, Maple Shade Plaza, an addition to the City of Dallas, Collin County, Texas, according to the map or plat thereof recorded in Cabinet R, Page 271, Plat Records of Collin County, Texas, and being part of a called 5.271 acre tract conveyed by Warranty Deed to the Plano Independent School District as recorded in County Clerk's File Number 20120824001060170, Real Property Records of Collin County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a capped 1/2" iron rod stamped "4613" found for corner at the south end of a curved corner clip at the southwest corner of Mapleshade Lane (80' Right Of Way) and Cross Timbers Lane (60' Right Of Way), and being in the east line of said Lot 1A, Block J/8728;

THENCE S 46°13'51" W following the west Right Of Way line of Cross Timbers Lane and the the east line of said Lot 1A, Block J/8728, a distance of 82.72' to a capped 1/2" iron rod stamped "4613" found for corner at the beginning of a non-tangent curve to the right;

THENCE along said curve to the right through a central angle of 145°38'50", a radius of 50.00', and an arc length of 127.10', with a chord bearing of N 40°35'29" E, and a chord length of 95.54' to a capped 1/2" iron rod stamped "4613" set for corner being a point of reverse curve to the left;

THENCE along said curve to the left through a central angle of 17°18'30", a radius of 23.50', and an arc length of 7.10', with a chord bearing of S 75°34'48" E, and a chord length of 7.07' to a capped 1/2" iron rod stamped "4613" set for corner being a point of a non-tangent curve to the right and also being in the west Right Of Way line of Cross Timbers Lane and the the east line of said Lot 1A, Block J/8728;

THENCE along said curve to the right following the west Right Of Way line of Cross Timbers Lane and the east line of said Lot 1A, through a central angle of 23°42'55", a radius of 40.00', and an arc length of 16.56', with a chord bearing of S 34°22'11" W, and a chord length of 16.44' to the POINT OF BEGINNING and containing 2,923 square feet or 0.067 acres of land.

Basis of bearings is the east line of the Final Plat of Maple Shade Plaza Addition as recorded in Cabinet R, Page 271, P.R.C.C.T. (S46°13'51"W)

STATE OF TEXAS
REGISTERED
DAVID J. SURDUKAN
4613
PROFESSIONAL
LAND SURVEYOR

APRIL 21, 2015

REVIEWED BY
05.14.2015
SPRG 3023


**SURDUKAN SURVEYING, INC.**
P.O. BOX 126
ANNA, TEXAS 75409
(972) 924-8200
TEXAS FIRM NO. 10069500

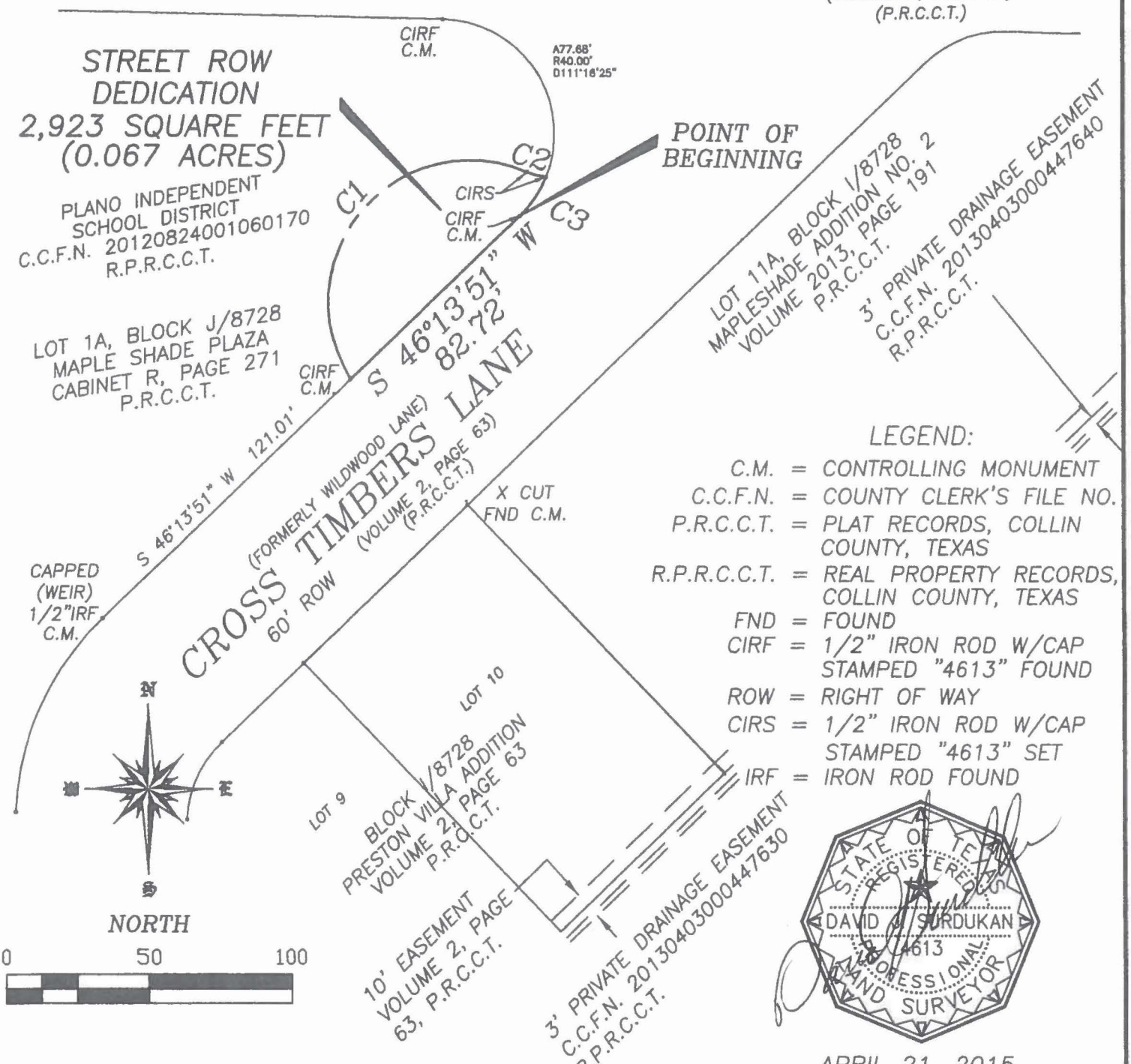

STREET RIGHT-OF-WAY DEDICATION
CROSS TIMBERS LANE
BLOCK J/8728
CITY OF DALLAS
COLLIN COUNTY, TEXAS

DATE: SEPTEMBER 15, 2014

SHEET 1 OF 2 JOB NO. 2014-62

EXHIBIT C

BASIS OF BEARINGS:
The bearings shown on this survey are based on the east line of Final Plat of Maple Shade Plaza Addition as recorded in Cabinet R, Page 271, P.R.C.C.T., S 46°13'51" W:




LEGEND:

| | | |
|---|---|---|
| C.M. | = | CONTROLLING MONUMENT |
| C.C.F.N. | = | COUNTY CLERK'S FILE NO. |
| P.R.C.C.T. | = | PLAT RECORDS, COLLIN COUNTY, TEXAS |
| R.P.R.C.C.T. | = | REAL PROPERTY RECORDS, COLLIN COUNTY, TEXAS |
| FND | = | FOUND |
| CIRF | = | 1/2" IRON ROD W/CAP STAMPED "4613" FOUND |
| ROW | = | RIGHT OF WAY |
| CIRS | = | 1/2" IRON ROD W/CAP STAMPED "4613" SET |
| IRF | = | IRON ROD FOUND |




APRIL 21, 2015

| CURVE | DELTA ANGLE | RADIUS | ARC LENGTH | CHORD BEARING | CHORD LENGTH |
|---|---|---|---|---|---|
| C1 | 145°38'50" | 50.00' | 127.10' | N 40°35'29" E | 95.54' |
| C2 | 17°18'30" | 23.50' | 7.10' | S 75°34'48" E | 7.07' |
| C3 | 23°42'55" | 40.00' | 16.56' | S 34°22'11" W | 16.44' |


SURDUKAN SURVEYING, INC.
P.O. BOX 126
ANNA, TEXAS 75409
(972) 924-8200
TEXAS FIRM NO. 10069500


REVIEWED BY
05.14.2015
SPRG-3023

# STREET RIGHT-OF-WAY DEDICATION
# CROSS TIMBERS LANE
# BLOCK J/8728
# CITY OF DALLAS
# COLLIN COUNTY, TEXAS

DATE: SEPTEMBER 15, 2014

SHEET 2 OF 2 JOB NO. 2014-62

**AGENDA ITEM # 65**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 6

**DEPARTMENT:** Sustainable Development and Construction

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 44R

## SUBJECT

An ordinance abandoning an alley and an alley site easement to West Commerce Investments, LLC, the abutting owner, containing a total of approximately 5,898 square feet of land, located near the intersection of Commerce and Beatrice Streets, and authorizing the quitclaim - Revenue: $132,705, plus the $20 ordinance publication fee

## BACKGROUND

This item authorizes the abandonment of an alley and an alley site easement to West Commerce Investments, LLC, the abutting owner. The area will be included with the property of the abutting owner for the construction of a multi-family development. The abandonment fee is based on an independent appraisal.

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

The Economic Development Committee will be briefed by memorandum regarding this item.

## FISCAL INFORMATION

Revenue - $132,705, plus the $20 ordinance publication fee

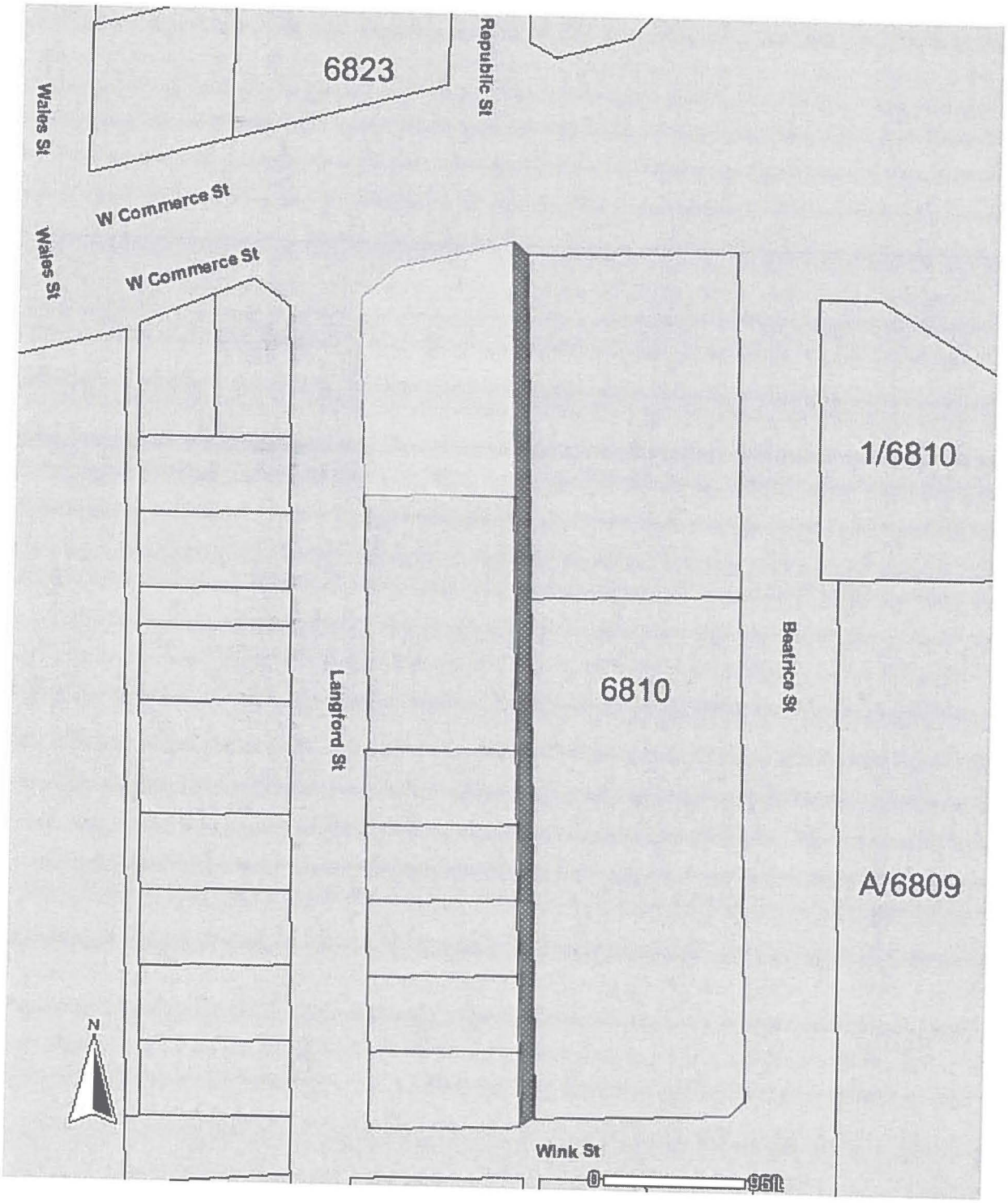
## OWNER

**West Commerce Investments, LLC**

Reid Beucler, Manager

## MAP

Attached




Abandonment Areas:

**ORDINANCE NO. _____**

An ordinance providing for the abandonment of an alley and an alley site easement located adjacent to City Block 2/6810 in the City of Dallas and County of Dallas, Texas; providing for the quitclaim thereof to West Commerce Investments, LLC; providing for the terms and conditions of the abandonment and quitclaim made herein; providing for barricading; providing for the indemnification of the City of Dallas against damages arising out of the abandonment herein; providing for the consideration to be paid to the City of Dallas; providing for the payment of the publication fee; and providing an effective date for this ordinance.

**ooo0ooo**

**WHEREAS,** the City Council of the City of Dallas, acting pursuant to law and upon the request and petition of West Commerce Investments, LLC, a Texas limited liability company, hereinafter referred to as **GRANTEE**, deems it advisable to abandon and quitclaim the hereinafter described tracts of land to **GRANTEE**, and is of the opinion that, subject to the terms and conditions herein provided, said alley and alley sight easement are not needed for public use, and same should be abandoned and quitclaimed to **GRANTEE**, as hereinafter stated; and

**WHEREAS,** the City Council of the City of Dallas is of the opinion that the best interest and welfare of the public will be served by abandoning and quitclaiming the same to **GRANTEE** for the consideration and subject to the terms and conditions hereinafter more fully set forth; **Now, Therefore,**

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

**SECTION 1.** That the tracts of land described in Exhibit A, which is attached hereto and made a part hereof for all purposes, be and the same is abandoned, vacated and closed insofar as the right, title and interest of the public are concerned; subject, however, to the conditions hereinafter more fully set out.

**SECTION 2.** That for and in monetary consideration of the sum of **ONE HUNDRED THIRTY-TWO THOUSAND SEVEN HUNDRED FIVE AND NO/100 DOLLARS ($132,705.00)** paid by **GRANTEE**, and the further consideration described in Sections 8, 9, 10, and 11, the City of Dallas does by these presents **FOREVER QUITCLAIM** unto the said **GRANTEE**, subject to the conditions, reservations, and exceptions hereinafter made and with the restrictions and upon the covenants below stated, all of its right, title and interest in and to the certain tracts of land hereinabove described in Exhibit A. **TO HAVE AND TO HOLD** all of such right, title and interest in and to the property and premises, subject aforesaid, together with all and singular the rights, privileges, hereditaments and appurtenances thereto in any manner belonging unto the said **GRANTEE** forever.

**SECTION 3.** That upon payment of the monetary consideration set forth in Section 2, **GRANTEE** accepts the terms, provisions, and conditions of this ordinance.

**SECTION 4.** That the Chief Financial Officer is authorized to deposit the sum paid by **GRANTEE** pursuant to Section 2 above in the General Fund 0001, Department DEV, Balance Sheet 0519 and Department of Sustainable Development and Construction- Real Estate Division shall be reimbursed for the cost of obtaining the legal description, appraisal and other administrative costs incurred. The reimbursement proceeds shall be deposited in General Fund 0001, Department DEV, Unit 1183, Object 5011 and any remaining proceeds shall be transferred to the General Capital Reserve Fund 0625, Department BMS, Unit 8888, Revenue Source 8416.

**SECTION 5.** That the abandonment and quitclaim provided for herein are made subject to all present zoning and deed restrictions, if the latter exist, and are subject to all existing easement rights of others, if any, whether apparent or non-apparent, aerial, surface, underground or otherwise, and are further subject to the conditions contained in Exhibit B, which is attached hereto and made a part hereof for all purposes.

**SECTION 6.** That the terms and conditions contained in this ordinance shall be binding upon **GRANTEE**, its successors and assigns.

**SECTION 7.** That the abandonment and quitclaim provided for herein shall extend only to the public right, title, easement and interest, and shall be construed to extend only to that interest the Governing Body of the City of Dallas may legally and lawfully abandon and vacate.

**SECTION 8.** That as a condition of this abandonment and as a part of the consideration for the quitclaim to **GRANTEE** herein, **GRANTEE**, its successors and assigns, agree to indemnify, defend, release and hold harmless the City of Dallas as to any and all claims for damages, fines, penalties, costs or expenses to persons or property that may arise out of, or be occasioned by or from: (i) the use and occupancy of the areas described in Exhibit A by **GRANTEE**, its successors and assigns; (ii) the presence, generation, spillage, discharge, release, treatment or disposition of any Hazardous Substance on or affecting the areas set out in Exhibit A; (iii) all corrective actions concerning any discovered Hazardous Substances on or affecting the areas described in Exhibit A, which **GRANTEE**, its successors and assigns, agree to undertake and complete in accordance with applicable federal, state and local laws and regulations; and (iv) the abandonment, closing, vacation and quitclaim by the City of Dallas of the areas set out in Exhibit A. **GRANTEE**, its successors and assigns, hereby agree to defend any and all suits, claims, or causes of action brought against the City of Dallas on account of same, and discharge any judgment or judgments that may be rendered against the City of Dallas in connection therewith. For purposes hereof, "Hazardous Substance" means the following: (a) any "hazardous substances" under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 et seq., as amended; (b) any "hazardous substance" under the Texas Hazardous Substances Spill Prevention and Control Act, TEX. WATER CODE, Section 26.261 et seq., as amended; (c) petroleum or petroleum-based products (or any derivative or hazardous constituents thereof or additives thereto), including without limitation, fuel and lubricating oils; (d) any "hazardous chemicals" or "toxic chemicals" under the Occupational Safety and Health Act, 29 U.S.C. Section 651 et seq., as amended; (e) any "hazardous waste" under the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., as amended; and (f) any "chemical substance" under the Toxic Substance Control Act, 15 U.S.C. Section 2601 et seq., as amended.

References to particular acts or codifications in this definition include all past and future amendments thereto, as well as applicable rules and regulations as now or hereafter promulgated thereunder.

**SECTION 9.** That as a condition of this abandonment and as a part of the consideration for the quitclaim made herein, **GRANTEE** shall contact the Texas Excavation System (Texas 811) to have facilities marked and located within affected easements before any excavations are started.

**SECTION 10.** That as a condition of this abandonment and as a part of the consideration for the quitclaim made herein, **GRANTEE** shall file a final replat of the adjoining properties prior to the issuance of any building permits affecting the tracts of land abandoned and quitclaimed herein. This final replat shall be recorded by **GRANTEE** in the official real property records of the county in which the abandoned area is located after its approval by the City Plan Commission of the City of Dallas.

**SECTION 11.** That as a condition of this abandonment and as a part of the consideration for the quitclaim made herein, **GRANTEE** shall, immediately upon the passage of this ordinance, close, barricade and/or place signs in the areas described in Exhibit A in accordance with detailed plans approved by the Director of Department of Sustainable Development and Construction. **GRANTEE's** responsibility for keeping the area described in Exhibit A closed, barricaded and/or the signs in place shall continue until the street improvements and intersection returns are removed by **GRANTEE**, its successors and assigns, to the satisfaction of the Director of Department of Sustainable Development and Construction.

**SECTION 12.** That the City Secretary is hereby authorized and directed to certify a copy of this ordinance for recordation in the official real property records of the county in which the abandonment area is located, which certified copy shall be delivered to the Director of Department of Sustainable Development and Construction, or designee.

Upon receipt of the monetary consideration set forth in Section 2, plus the fee for the publishing of this ordinance, which **GRANTEE** shall likewise pay, the Director of Department of Sustainable Development and Construction, or designee: (i) shall deliver to **GRANTEE** a certified copy of this ordinance, and (ii) is authorized to and shall prepare and deliver a **QUITCLAIM DEED** with regard to the areas abandoned herein, to **GRANTEE** hereunder, same to be executed by the City Manager on behalf of the City of Dallas, attested by the City Secretary and approved as to form by the City Attorney. The Director of Department of Sustainable Development and Construction, or designee, shall be the sole source for receiving certified copies of this ordinance for one year after its passage.

**SECTION 13.** That this ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

**APPROVED AS TO FORM:**
**LARRY E. CASTO**
**City Attorney**

**BY** _____
**Assistant City Attorney**

**DAVID COSSUM**
**Director of Department of Sustainable Development and Construction**

**BY** _____
**Assistant Director**

**Passed** _____.

# EXHIBIT A-TRACT 1

**BEING** a 5,789 square foot tract of land situated in the William P. Overton Survey, Abstract No. 1106, City of Dallas, Dallas County, Texas, being in Block 2/6810, being a 10-foot wide public alley created by the revised map of the partial subdivision of A.P. Langston's Homestead, a subdivision of record as recorded in Volume 119, Page 496 of the Map Records of Dallas County, Texas, and being more particularly described as follows:

**COMMENCING** at a 1/2-inch iron rod found for the northwest corner of Lot 2A of the Commerce-Langford Addition, an addition to the City of Dallas according to the plat recorded in Volume 94223, Page 4821 of the Deed Records of Dallas County, Texas, and the northwest corner of a called 0.342 acre tract of land described in Special Warranty Deed to West Commerce Investments, LLC recorded in Instrument No. 201600049839 of the Official Public Records of Dallas County, Texas, being in the southeast line of Tract No. I, a called 173 square feet tract of land described in the matter of the State of Texas and County of Dallas VS Southwestern Land and Loan Company, John M. Stemmons, L.S. Stemmons, and Eliabeth Storey Stemmons, Harry Hargett and H.E. Raines, and Oak Cliff Bank & Trust Company, referenced in Cause No. 83785-A, as recorded in Volume 43, Page 14 of the Dallas County Court at Law No. 1 Records, and being in the south end of a right-of-way corner clip at the intersection of the current east right-of-way line of Langford Street (a variable width right-of-way, Vol. 119, Pg. 496 and Vol. 94223, Pg. 4821), and the current south right-of-way line of W. Commerce Street (a variable width right-of-way, Vol. 2613, Pg. 102 and Vol. 43, Pg. 14), formerly State Highway 1;

**THENCE** with said right-of-way corner clip, said southeast line of Tract No. I, the north line of said 0.342 acre tract, and the north line of said Lot 2A, North 48°09'39" East, a distance of 28.11 feet to a 5/8-inch iron rod with "KHA" cap found for the northeast corner of said Tract No. I, the northeast end of said right-of-way corner clip, and being in the south line of a tract of land described in Right-of-Way Deed to the State of Texas recorded in Volume 1787, Page 375 of said Deed Records;

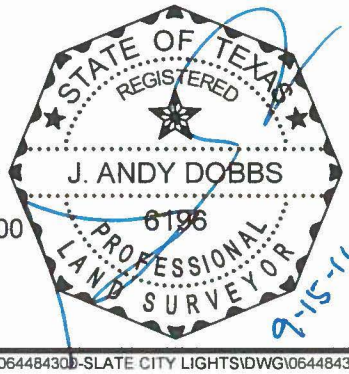
**THENCE** with said current south right-of-way line of W. Commerce Street, said south line of the State of Texas tract recorded in Volume 1787, Page 375, and the south line of a tract of land described in Right-of-Way Deed to the State of Texas recorded in Volume 1790, Page 43 of said Deed Records, and continuing with said north line of a 0.342 acre tract and Lot 2A, North 75°11'09" East, a distance of 77.95 feet to a 1/2-inch iron rod found at the intersection of said current south right-of-way line of W. Commerce Street and the west line of said 10-foot wide alley, being the southeast corner of said State of Texas tract recorded in Volume 1790, Page 43, the northeast corner of said 0.342 acre tract, the northeast corner of said Lot 2A, and being the **POINT OF BEGINNING**;

**THENCE** continuing with said current south right-of-way line of W. Commerce Street, North 75°11'09" East, a distance of 5.15 feet to a 5/8-inch iron rod with "KHA" cap set for corner in the centerline of said 10-foot wide public alley;

**THENCE** continuing with said current south right-of-way line of W. Commerce Street and said centerline of the 10-foot wide public alley, South 1°03'51" East, a distance of 8.56 feet to a 5/8-inch iron rod with "KHA" cap set for corner;

(For SPRG use only)
Reviewed By: David Scott
Date: 10.9.16
SPRG NO: 3699

J. ANDY DOBBS
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 6196
12750 MERIT DRIVE, SUITE 1000
DALLAS, TEXAS 75251
PH. 972-770-1300
andy.dobbs@kimley-horn.com




ALLEY ABANDONMENT
BLOCK 2/6810
A. P. LANGSTON'S HOMESTEAD
WILLIAM P. OVERTON SURVEY
ABSTRACT NO. 1106
CITY OF DALLAS, DALLAS COUNTY, TEXAS

Kimley»Horn
12750 Merit Drive, Suite 1000
Dallas, Texas 75251
FIRM # 10115500
Tel. No. (972) 770-1300
Fax No. (972) 239-3820

| Scale | Drawn by | Checked by | Date | Project No. | Sheet No. |
|---|---|---|---|---|---|
| N/A | JAD | DAB | FEB. 2016 | 064484300 | 1 OF 5 |

EXHIBIT A-TRACT 1

**THENCE** departing said centerline of the 10-foot wide public alley, and continuing with said current south right-of-way line of W. Commerce Street, North 88°26'07" East, a distance of 5.00 feet to a 5/8-inch iron rod with "KHA" cap set for corner at the intersection of said current south right-of-way line of W. Commerce Street and the east line of said 10-foot wide alley, being the northwest corner of Lot 1A, Block 2/6810, Commerce/Beatrice Addition, an addition to the City of Dallas according to the plat recorded in Volume 89204, Page 16 of said Map Records, the northwest corner of a called 1.830 acre tract of land described in Special Warranty Deed to West Commerce Investments, LLC recorded in Instrument No. 201600049838 of said Official Public Records, and being the southwest corner of Tract No. II, a called 3,776 square feet tract of land described in the matter of the State of Texas and County of Dallas VS Southwestern Land and Loan Company, John M. Stemmons, L.S. Stemmons, and Eliabeth Storey Stemmons Harry Hargett and H.E. Raines and Oak Cliff Bank & Trust Company, referenced in Cause No. 83785-A, as recorded in Volume 43, Page 14 of said Court Records;

**THENCE** departing said current south right-of-way line of W. Commerce Street, and with said east line of the 10-foot wide public alley, the west line of said Commerce/Beatrice Addition, and the west line of said 1.830 acre tract, South 1°03'51" East, a distance of 571.75 feet to a 5/8-inch iron rod with "KHA" cap set for corner at the intersection of said east line of the 10-foot wide public alley and the current north right-of-way line of Wink Street (a variable width right-of-way, Vol. 119, Pg. 496 and Vol. 89204, Pg. 16), being the southwest corner of said Commerce/Beatrice Addition and said 1.830 acre tract;

**THENCE** with said current north right-of-way line of Wink Street, South 88°26'07" West, a distance of 5.00 feet to an "X" cut in concrete set for corner in the centerline of said 10-foot wide public alley;

**THENCE** continuing with said current north right-of-way line of Wink Street and said centerline of the 10-foot wide public alley, South 1°03'51" East, a distance of 6.38 feet to an "X" cut in concrete set for corner;

**THENCE** departing said centerline of the 10-foot wide public alley, and continuing with said current north right-of-way line of Wink Street, South 88°56'09" West, a distance of 5.00 feet to a 5/8-inch iron rod with "KHA" cap set for corner at the intersection of said current north right-of-way line of Wink Street and said west line of the 10-foot wide public alley, being the southeast corner of Lot 22 of said A.P. Langston's Homestead and the southeast corner of a called 0.949 acre tract of land described in Special Warranty Deed to West Commerce Investments, LLC recorded in Instrument No. 201600049840 of said Official Public Records;

**THENCE** departing said current north right-of-way line of Wink Street, and with said west line of the 10-foot wide public alley, the east line of said A.P. Langston's Homestead, the east lines of said 0.342 acre tract and 0.949 acre tract, and the east line of said Commerce-Langford Addition, North 1°03'51" West, a distance of 585.47 feet to the **POINT OF BEGINNING** and containing 5,789 square feet or 0.133 acres of land.

Bearing system based on the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983 (2011).

(For SPRG use only)
Reviewed By: David Scott
Date: 10.9.16
SPRG NO: 3699

J. ANDY DOBBS
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 6196
12750 MERIT DRIVE, SUITE 1000
DALLAS, TEXAS 75251
PH. 972-770-1300
andy.dobbs@kimley-horn.com

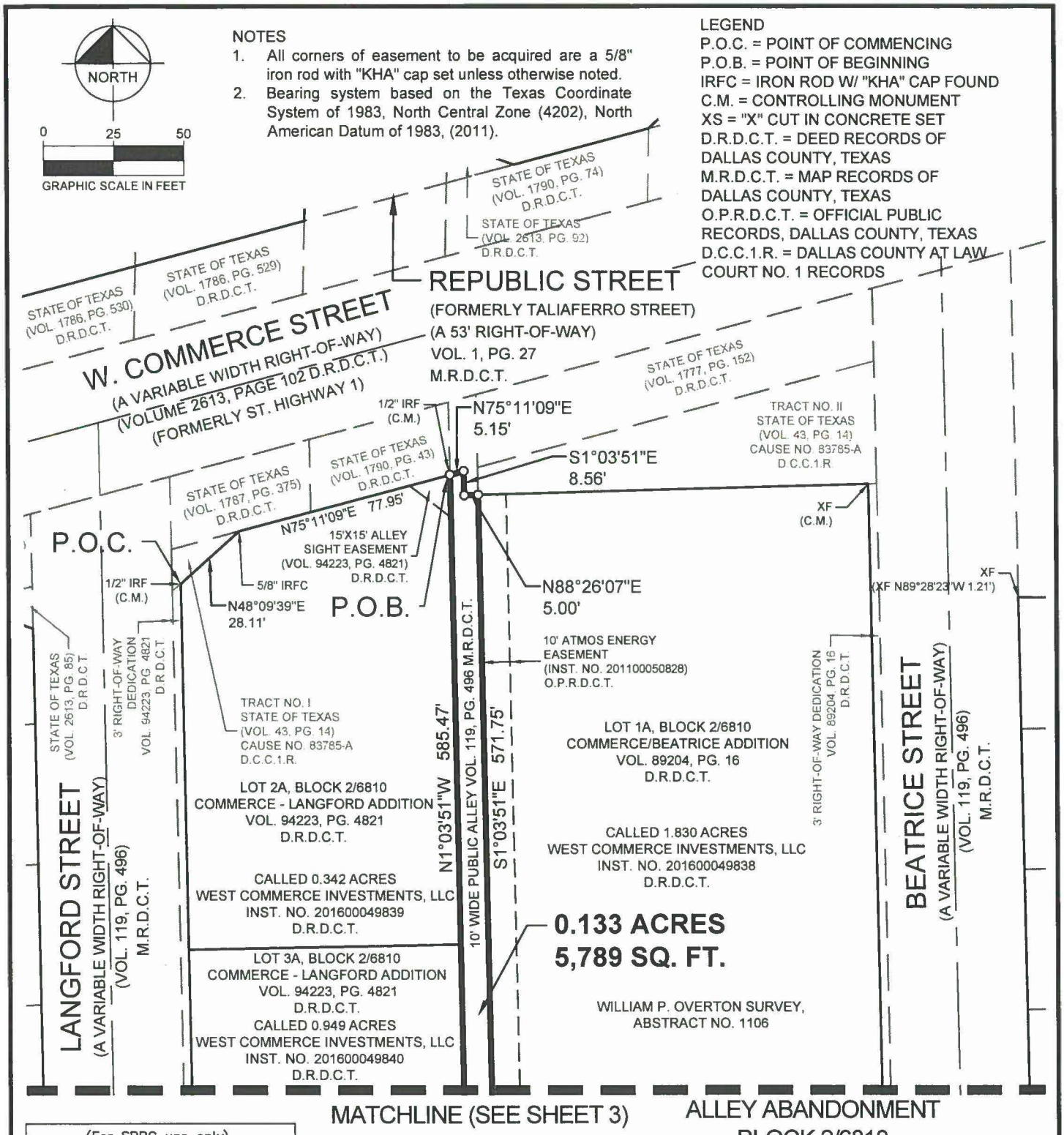
STATE OF TEXAS
REGISTERED
J. ANDY DOBBS
6196
PROFESSIONAL
LAND SURVEYOR
9-15-16

ALLEY ABANDONMENT
BLOCK 2/6810
A. P. LANGSTON'S HOMESTEAD
WILLIAM P. OVERTON SURVEY
ABSTRACT NO. 1106
CITY OF DALLAS, DALLAS COUNTY, TEXAS

Kimley»Horn
12750 Merit Drive, Suite 1000
Dallas, Texas 75251
FIRM # 10115500
Tel. No. (972) 770-1300
Fax No. (972) 239-3820

| Scale | Drawn by | Checked by | Date | Project No. | Sheet No. |
|---|---|---|---|---|---|
| N/A | JAD | DAB | FEB. 2016 | 064484300 | 2 OF 5 |

# EXHIBIT A-TRACT 1




ALLEY ABANDONMENT
BLOCK 2/6810
A. P. LANGSTON'S HOMESTEAD
WILLIAM P. OVERTON SURVEY
ABSTRACT NO. 1106
CITY OF DALLAS, DALLAS COUNTY, TEXAS

(For SPRG use only)
Reviewed By: David Scott
Date: 10.9.16
SPRG NO: 3699

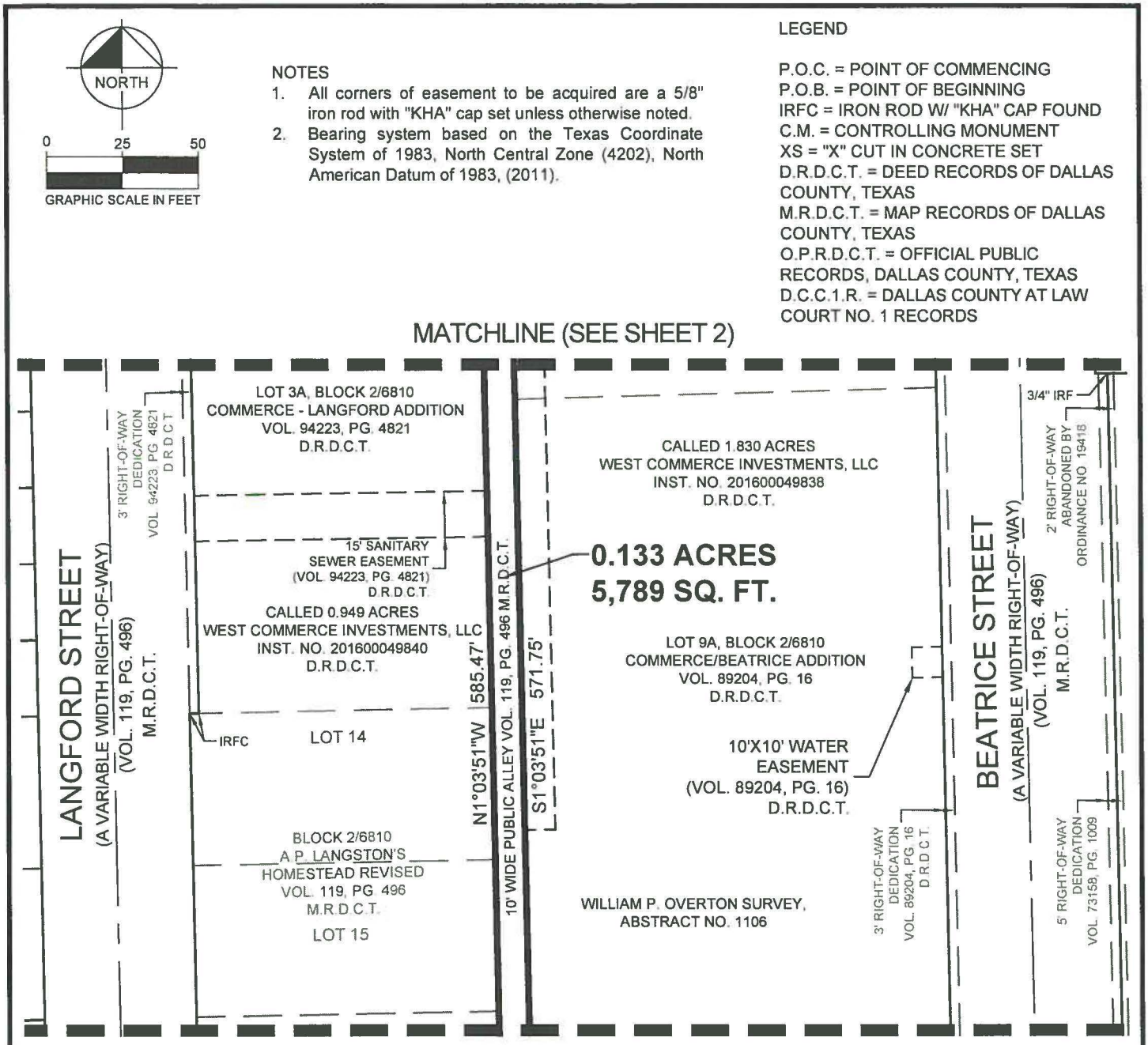

J. ANDY DOBBS
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 6196
12750 MERIT DRIVE, SUITE 1000
DALLAS, TEXAS 75251
PH. 972-770-1300
andy.dobbs@kimley-horn.com


STATE OF TEXAS
REGISTERED
J. ANDY DOBBS
6196
PROFESSIONAL
LAND SURVEYOR
9-15-16


Kimley»Horn
12750 Merit Drive, Suite 1000
Dallas, Texas 75251
FIRM # 10115500
Tel. No. (972) 770-1300
Fax No. (972) 239-3820


| Scale | Drawn by | Checked by | Date | Project No. | Sheet No. |
|---|---|---|---|---|---|
| 1" = 50' | JAD | DAB | FEB. 2016 | 064484300 | 3 OF 5 |

EXHIBIT A-TRACT 1




NOTES

Bearing system based on the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983, (2011).

(For SPRG use only)
Reviewed By: David Scott
Date: 10.9.16
SPRG NO: 3699


J. ANDY DOBBS
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 6196
12750 MERIT DRIVE, SUITE 1000
DALLAS, TEXAS 75251
PH. 972-770-1300
andy.dobbs@kimley-horn.com

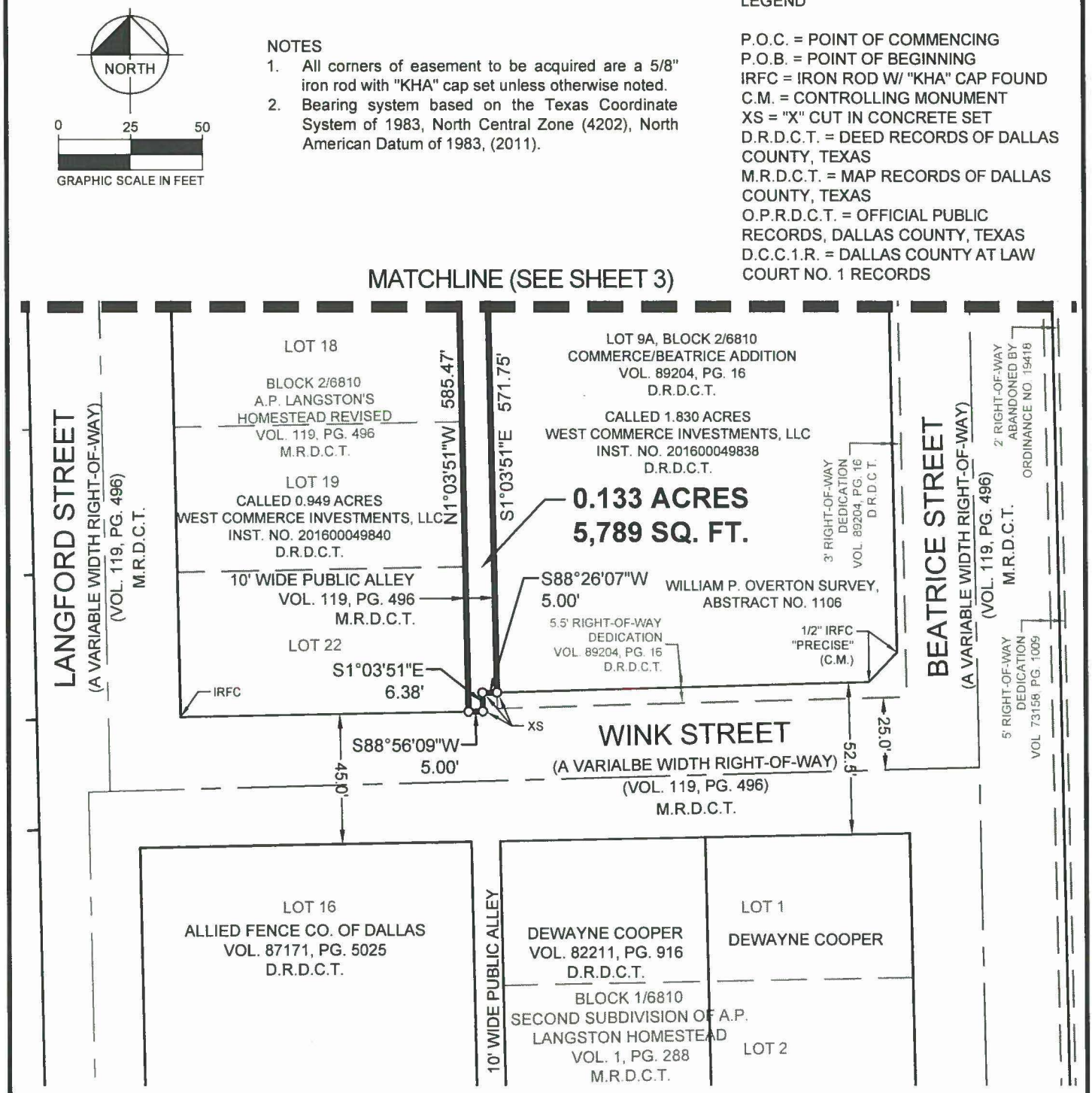

STATE OF TEXAS
REGISTERED
J. ANDY DOBBS
6196
PROFESSIONAL
LAND SURVEYOR
9-15-16

# ALLEY ABANDONMENT
## BLOCK 2/6810
## A. P. LANGSTON'S HOMESTEAD
## WILLIAM P. OVERTON SURVEY
## ABSTRACT NO. 1106
## CITY OF DALLAS, DALLAS COUNTY, TEXAS


Kimley»Horn
12750 Merit Drive, Suite 1000
Dallas, Texas 75251
FIRM # 10115500
Tel. No. (972) 770-1300
Fax No. (972) 239-3820


| Scale | Drawn by | Checked by | Date | Project No. | Sheet No. |
|---|---|---|---|---|---|
| 1" = 50' | JAD | DAB | FEB. 2016 | 064484300 | 4 OF 5 |

EXHIBIT A-TRACT 1




NOTES
1. All corners of easement to be acquired are a 5/8" iron rod with "KHA" cap set unless otherwise noted.
2. Bearing system based on the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983, (2011).

LEGEND

P.O.C. = POINT OF COMMENCING
P.O.B. = POINT OF BEGINNING
IRFC = IRON ROD W/ "KHA" CAP FOUND
C.M. = CONTROLLING MONUMENT
XS = "X" CUT IN CONCRETE SET
D.R.D.C.T. = DEED RECORDS OF DALLAS COUNTY, TEXAS
M.R.D.C.T. = MAP RECORDS OF DALLAS COUNTY, TEXAS
O.P.R.D.C.T. = OFFICIAL PUBLIC RECORDS, DALLAS COUNTY, TEXAS
D.C.C.1.R. = DALLAS COUNTY AT LAW COURT NO. 1 RECORDS

(For SPRG use only)
Reviewed By: David Scott
Date: 10.9.16
SPRG NO: 3699

# ALLEY ABANDONMENT
## BLOCK 2/6810
## A. P. LANGSTON'S HOMESTEAD
## WILLIAM P. OVERTON SURVEY
## ABSTRACT NO. 1106
## CITY OF DALLAS, DALLAS COUNTY, TEXAS


J. ANDY DOBBS
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 6196
12750 MERIT DRIVE, SUITE 1000
DALLAS, TEXAS 75251
PH. 972-770-1300
andy.dobbs@kimley-horn.com


STATE OF TEXAS
REGISTERED
J. ANDY DOBBS
6196
PROFESSIONAL
LAND SURVEYOR
9-15-16


Kimley»Horn
12750 Merit Drive, Suite 1000
Dallas, Texas 75251
FIRM # 10115500
Tel. No. (972) 770-1300
Fax No. (972) 239-3820


| Scale | Drawn by | Checked by | Date | Project No. | Sheet No. |
|---|---|---|---|---|---|
| 1" = 50' | JAD | DAB | FEB. 2016 | 064484300 | 5 OF 5 |

# EXHIBIT A-TRACT 2

**BEING** a 109 square foot tract of land situated in the William P. Overton Survey, Abstract No. 1106, City of Dallas, Dallas County, Texas; and being part of Lot 2A, Block 2/6810, Commerce-Langford Addition, an addition to the City of Dallas according to the plat recorded in Volume 94223, Page 4821 of the Deed Records of Dallas County, Texas; and being part of a called 0.342 acre tract of land described in Special Warranty Deed to West Commerce Investments, LLC recorded in Instrument Number 201600049839 of the Official Public Records of Dallas County, Texas; and being all of the 15' x 15' Alley Sight Easement dedicated by said Commerce-Langford Addition; and being more particularly described as follows:

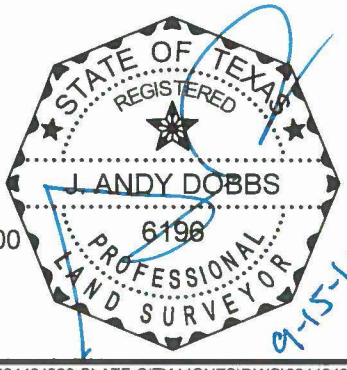
**COMMENCING** at a 1/2-inch iron rod found for the northwest corner of said Lot 2A, and the northwest corner of said 0.342 acre tract, being in the southeast line of Tract No. I, a called 173 square feet tract of land described in the matter of the State of Texas and County of Dallas VS Southwestern Land and Loan Company, John M. Stemmons, L.S. Stemmons, and Eliabeth Storey Stemmons, Harry Hargett and H.E. Raines, and Oak Cliff Bank & Trust Company, referenced in Cause No. 83785-A, as recorded in Volume 43, Page 14 of the Dallas County Court at Law No. 1 Records, and being in the south end of a right-of-way corner clip at the intersection of the current east right-of-way line of Langford Street (a variable width right-of-way, Vol. 119, Pg. 496 and Vol. 94223, Pg. 4821), and the current south right-of-way line of W. Commerce Street (a variable width right-of-way, Vol. 2613, Pg. 102 and Vol. 43, Pg. 14), formerly State Highway 1;

**THENCE** with said right-of-way corner clip, said southeast line of Tract No. I, the north line of said 0.342 acre tract, and the north line of said Lot 2A, North 48°09'39" East, a distance of 28.11 feet to a 5/8-inch iron rod with "KHA" cap found for the northeast corner of said Tract No. I, and the northeast end of said right-of-way corner clip, and being in the south line of a tract of land described in Right-of-Way Deed to the State of Texas recorded in Volume 1787, Page 375 of said Deed Records;

**THENCE** with said current south right-of-way line of W. Commerce Street, said south line of the State of Texas tract recorded in Volume 1787, Page 375, and the south line of a tract of land described in Right-of-Way Deed to the State of Texas recorded in Volume 1790, Page 43 of said Deed Records, and continuing with said north line of a 0.342 acre tract and Lot 2A, North 75°11'09" East, a distance of 62.95 feet to the northwest corner of said 15' x 15' Alley Sight Easement and being the **POINT OF BEGINNING**;

(For SPRG use only)
Reviewed By: David Scott
Date: 10.9.16
SPRG NO: 3701

J. ANDY DOBBS
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 6196
12750 MERIT DRIVE, SUITE 1000
DALLAS, TEXAS 75251
PH. 972-770-1300
andy.dobbs@kimley-horn.com




ALLEY SIGHT EASEMENT
ABANDONMENT
PART OF LOT 2A, BLOCK 2/6810
COMMERCE - LANGFORD ADDITION
WILLIAM P. OVERTON SURVEY
ABSTRACT NO. 1106
CITY OF DALLAS, DALLAS COUNTY, TEXAS

Kimley»Horn
12750 Merit Drive, Suite 1000
Dallas, Texas 75251
FIRM # 10115500
Tel. No. (972) 770-1300
Fax No. (972) 239-3820

| Scale | Drawn by | Checked by | Date | Project No. | Sheet No. |
|---|---|---|---|---|---|
| N/A | JAD | DAB | FEB. 2016 | 064484300 | 1 OF 3 |

EXHIBIT A-TRACT C

**THENCE** continuing with said current south right-of-way line of W. Commerce Street, said south line of the State of Texas tract recorded in Volume 1790, Page 43, and said north line of a 0.342 acre tract and Lot 2A, North 75°11'09" East, a distance of 15.00 feet to a 1/2-inch iron rod found at the intersection of said current south right-of-way line of W. Commerce Street and the west line of a 10-foot wide public alley created by the revised map of the partial subdivision of A.P. Langston's Homestead, a subdivision of record as recorded in Volume 119, Page 496 of the Map Records of Dallas County, Texas, being the southeast corner of said State of Texas tract recorded in Volume 1790, Page 43, the northeast corner of said 0.342 acre tract, and being the northeast corner of said Lot 2A;

**THENCE** departing said current south right-of-way line of W. Commerce Street, and with said west line of the 10-foot wide public alley, the east line of said 0.342 acre tract, and the east line of said Lot 2A, South 1°03'51" East, a distance of 15.00 feet to southeast corner of said 15' x 15' Alley Sight Easement;

**THENCE** departing said west line of the 10-foot wide public alley, the east line of said 0.342 acre tract and Lot 2A, and with the southwest line of said 15' x 15' Alley Sight Easement, North 52°56'21" West, a distance of 18.52 feet to the **POINT OF BEGINNING** and containing 109 square feet or 0.003 acres of land.

Bearing system based on the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983 (2011).

(For SPRG use only)
Reviewed By: David Scott
Date: 10.9.16
SPRG NO: 3701

J. ANDY DOBBS
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 6196
12750 MERIT DRIVE, SUITE 1000
DALLAS, TEXAS 75251
PH. 972-770-1300
andy.dobbs@kimley-horn.com

STATE OF TEXAS
REGISTERED
J. ANDY DOBBS
6196
PROFESSIONAL
LAND SURVEYOR
9-15-16

ALLEY SIGHT EASEMENT
ABANDONMENT
PART OF LOT 2A, BLOCK 2/6810
COMMERCE - LANGFORD ADDITION
WILLIAM P. OVERTON SURVEY
ABSTRACT NO. 1106
CITY OF DALLAS, DALLAS COUNTY, TEXAS

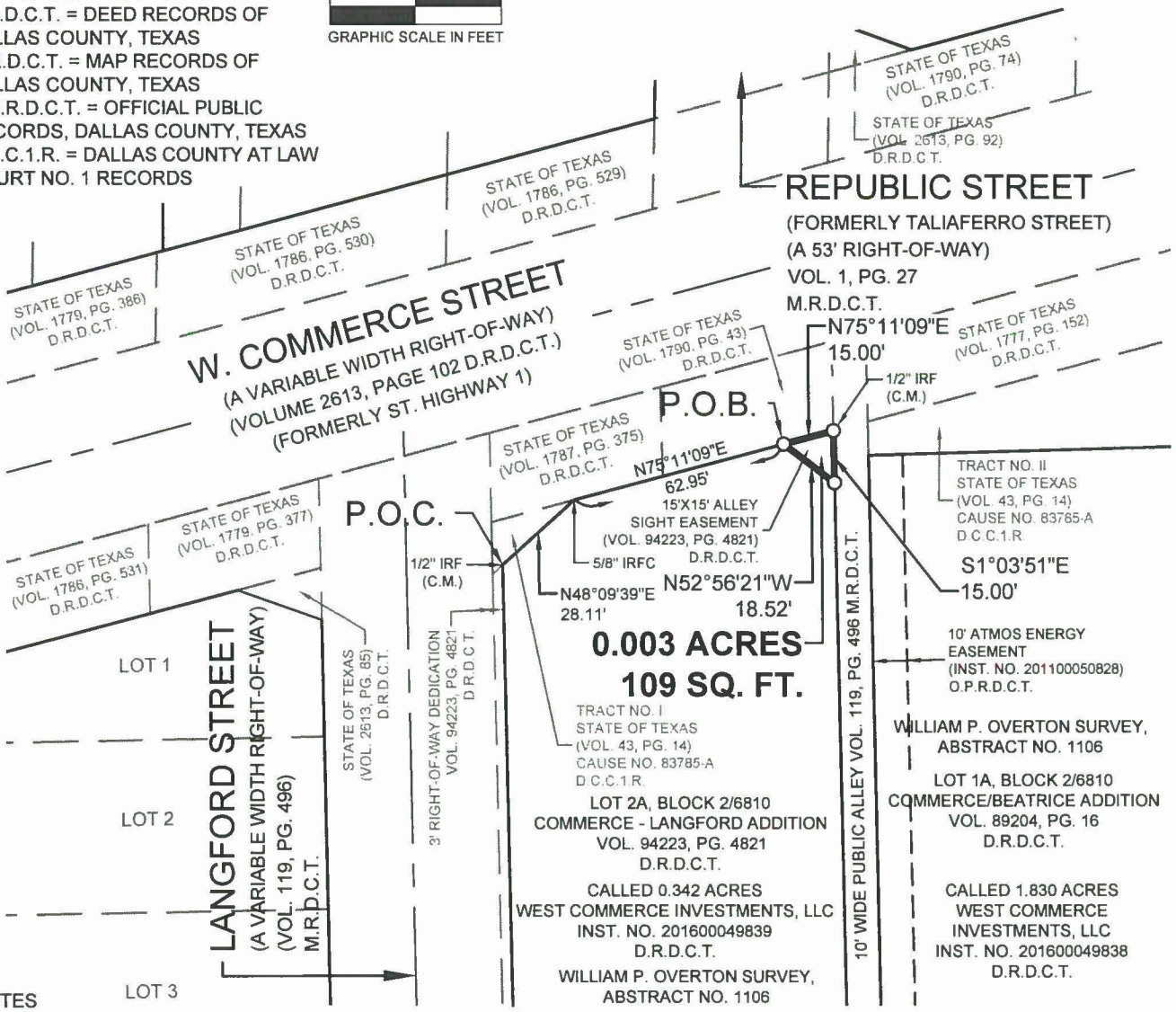
Kimley»Horn
12750 Merit Drive, Suite 1000
Dallas, Texas 75251
FIRM # 10115500
Tel. No. (972) 770-1300
Fax No. (972) 239-3820

| Scale | Drawn by | Checked by | Date | Project No. | Sheet No. |
|---|---|---|---|---|---|
| N/A | JAD | DAB | FEB 2016 | 064484300 | 2 OF 3 |

EXHIBIT A-TRACT 2

LEGEND

P.O.C. = POINT OF COMMENCING
P.O.B. = POINT OF BEGINNING
IRFC = IRON ROD W/ "KHA" CAP FOUND
C.M. = CONTROLLING MONUMENT
XS = "X" CUT IN CONCRETE SET
D.R.D.C.T. = DEED RECORDS OF DALLAS COUNTY, TEXAS
M.R.D.C.T. = MAP RECORDS OF DALLAS COUNTY, TEXAS
O.P.R.D.C.T. = OFFICIAL PUBLIC RECORDS, DALLAS COUNTY, TEXAS
D.C.C.1.R. = DALLAS COUNTY AT LAW COURT NO. 1 RECORDS




NOTES

Bearing system based on the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983, (2011).

(For SPRG use only)
Reviewed By: David Scott
Date: 10.9.16
SPRG NO: 3701

# ALLEY SIGHT EASEMENT ABANDONMENT
## PART OF LOT 2A, BLOCK 2/6810 COMMERCE - LANGFORD ADDITION
## WILLIAM P. OVERTON SURVEY ABSTRACT NO. 1106
## CITY OF DALLAS, DALLAS COUNTY, TEXAS


J. ANDY DOBBS
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 6196
12750 MERIT DRIVE, SUITE 1000
DALLAS, TEXAS 75251
PH. 972-770-1300
andy.dobbs@kimley-horn.com


STATE OF TEXAS
REGISTERED
J. ANDY DOBBS
6196
PROFESSIONAL
LAND SURVEYOR
9-15-16


Kimley»Horn
12750 Merit Drive, Suite 1000
Dallas, Texas 75251
FIRM # 10115500
Tel. No. (972) 770-1300
Fax No. (972) 239-3820


| Scale | Drawn by | Checked by | Date | Project No. | Sheet No. |
|---|---|---|---|---|---|
| 1" = 50' | JAD | DAB | FEB. 2016 | 064484300 | 3 OF 3 |

# EXHIBIT B

## ADDITIONAL ABANDONMENT PROVISIONS

That as a condition hereof, this abandonment is subject to any utilities or communication facilities, including without limitation water and wastewater lines, gas lines, and storm sewers, ("Facilities") presently located within the abandoned area described in Exhibit "A", owned and/or operated by the City of Dallas or any utility or communications company, public or private, ("Utility") and to the rights of any Utility for the use of the abandoned area for its Facilities. It is the intent of the foregoing to confirm and maintain and there is hereby reserved and excepted unto the City of Dallas, and not abandoned or conveyed hereunder, an easement (to which this abandonment is made expressly subject) over, upon, under, through, in, and across the abandoned area for each Utility for its respective Facilities located therein at the time of this abandonment, together with the right to make any subsequent alterations, additions, expansions, upgrades or modifications to such Facilities as may, from time to time be deemed necessary or convenient by the Utility owning and/or operating same. No buildings, structures (above or below ground) or trees shall be constructed or placed within the abandoned area without written consent of each affected Utility. Each Utility shall have the full right to remove and keep removed all or part of any buildings, fences, trees, or other improvements or growths which in any way may endanger or interfere with the construction, maintenance or efficiency of its respective Facilities lying within the abandoned area and shall at all times have the full right of ingress and egress to or from and upon the abandoned area for the purposes of reconstructing, removing, relocating, inspecting, patrolling, maintaining, expanding, upgrading, and/or adding to all or part of its Facilities without the necessity at any time of procuring the permission of anyone. The easement reserved hereunder and the conditions and restrictions to which this abandonment is subject shall remain for the benefit of the applicable Utility and/or operators of the Facilities until said Facilities are removed and relocated from the abandoned area. The relocation, removal or adjustment of any or all such Facilities, if made necessary by GRANTEE'S (whether one or more natural persons or legal entities) use of the abandonment area, shall be at the expense of GRANTEE herein, or GRANTEE'S successors and assigns. Should GRANTEE'S relocation or removal of the Facilities require the obtaining of new easements, the acquisition of same shall be at the expense of GRANTEE, GRANTEE'S successors and assigns. If any of the Facilities (or relocations thereof) are allowed to remain on any part of the abandoned area, the easements and buildings restrictions provided herein shall remain thereon. Upon removal or relocation of all of the Facilities, any easements reserved or created herein relating to such removed or relocated Facilities shall terminate, and any building restrictions herein created shall cease.

**AGENDA ITEM # 66**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 11

**DEPARTMENT:** Sustainable Development and Construction

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 15K

## SUBJECT

An ordinance abandoning portions of two utility easements and a portion of a water, sewer, and drainage easement to Quiktrip Corporation, the abutting owner, containing a total of approximately 11,070 square feet of land, located near the intersection of Preston and Alpha Roads - Revenue: $23,086, plus the $20 ordinance publication fee

## BACKGROUND

This item authorizes the abandonment of portions of two utility easements and a portion of a water, sewer, and drainage easement to Quiktrip Corporation, the abutting owner. The area will be included with the property of the abutting owner for the construction of a new convenience store with a multi-pump gas station. The cost for this abandonment is based on Dallas Central Appraisal District values and the minimum processing fee pursuant to the Dallas City Code.

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

The Economic Development Committee will be briefed by memorandum regarding this item.

## FISCAL INFORMATION

Revenue - $23,086, plus the $20 ordinance publication fee

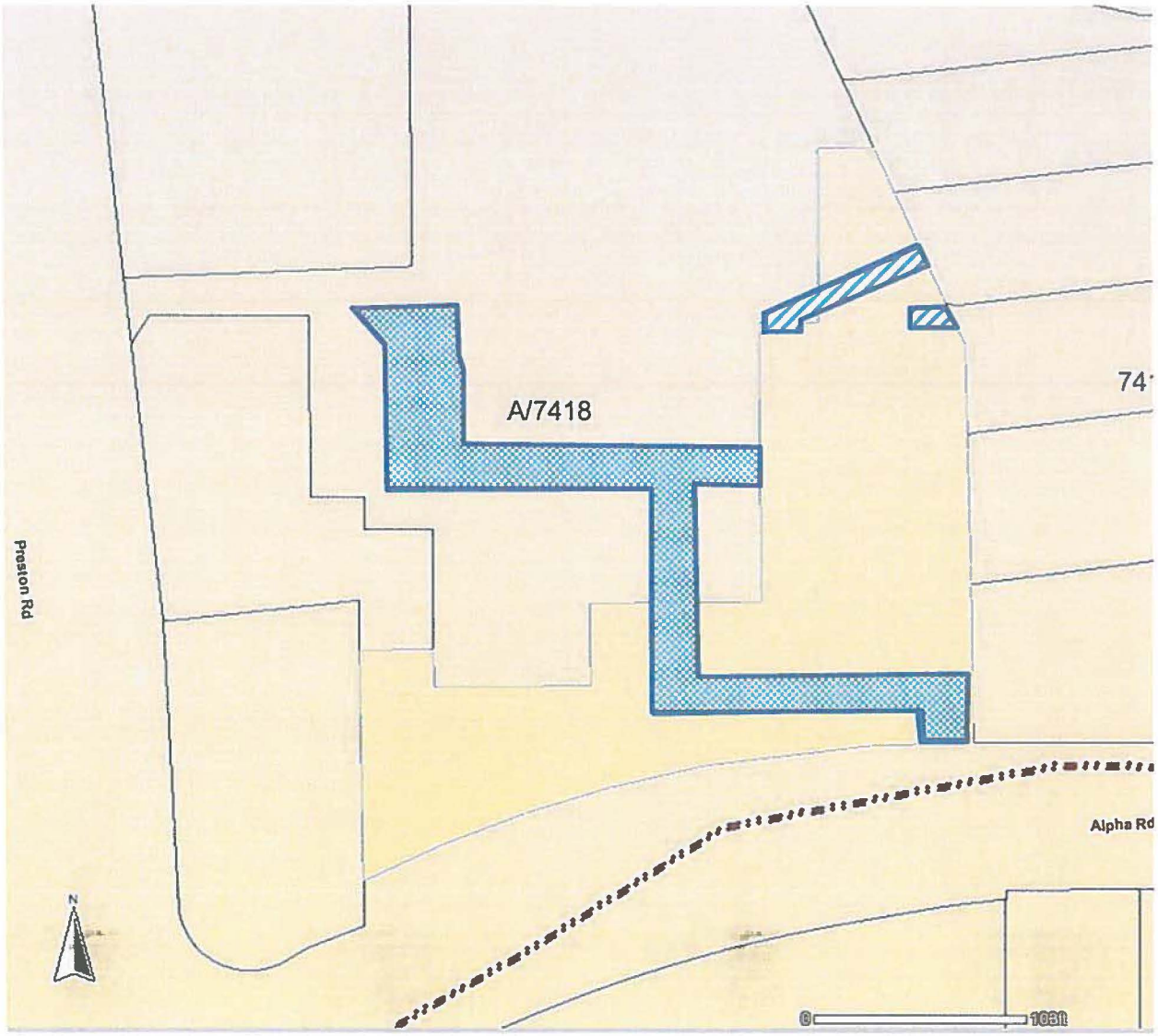
## OWNER

**Quiktrip Corporation**

Christopher E. Cadieux, President

**MAP**

Attached




Log: 43685

Applicant: Quiktrip Corporation

Mapsco: 15K

Abandonments: Water, sewer, drainage:

Utility:

**ORDINANCE NO. _____**

An ordinance providing for the abandonment and relinquishment of portions of two utility easements and portions of a water, sewer, and drainage easement, located in City Block A/7418 in the City of Dallas and County of Dallas, Texas; providing for the quitclaim thereof to Quiktrip Corporation; providing for the terms and conditions of the abandonment, relinquishment and quitclaim made herein; providing for the conveyance of a new easement, if needed to the City of Dallas and the relocation of existing facilities; providing for the indemnification of the City of Dallas against damages arising out of the abandonments herein; providing for the consideration to be paid to the City of Dallas; providing a future effective date for the abandonment, relinquishment and quitclaim made herein; providing for the payment of the publication fee; and providing an effective date for this ordinance.

**ooo0ooo**

**WHEREAS,** the City Council of the City of Dallas, acting pursuant to law and upon the request and petition of Quiktrip Corporation, an Oklahoma corporation; hereinafter referred to as **GRANTEE**, deems it advisable to abandon, relinquish and quitclaim the City of Dallas' right, title and interest in and to the hereinafter described tracts of land to **GRANTEE**, and is of the opinion that, subject to the terms and conditions herein provided, said easements are no longer needed for municipal use, and same should be abandoned, relinquished and quitclaimed to **GRANTEE** as hereinafter provided, for the consideration hereinafter stated; and

**WHEREAS,** the City Council of the City of Dallas is of the opinion that the best interest and welfare of the City will be served by abandoning, relinquishing and quitclaiming the same to **GRANTEE** for the consideration and subject to the terms and conditions hereinafter more fully set forth; **Now, Therefore,**

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

**SECTION 1.** That the City of Dallas hereby abandons and relinquishes all of its right, title and interest in and to the tracts of land described in Exhibit A, attached hereto and made a part hereof; subject, however, to the conditions and future effective date hereinafter more fully set out.

**SECTION 2.** That for and in monetary consideration of the sum of **TWENTY THREE THOUSAND AND EIGHTY SIX AND NO/100 ($23,086.00) DOLLARS** paid by **GRANTEE**, and the further consideration described in Section 8, the City of Dallas does by these presents **FOREVER QUITCLAIM** unto the said **GRANTEE**, subject to the conditions, reservations, and exceptions hereinafter made and with the restrictions and upon the covenants below stated, all its right, title and interest in and to the certain tracts or parcels of land hereinabove described in Exhibit A. **TO HAVE AND TO HOLD** all of such right, title and interest in and to the property and premises, subject aforesaid, together with all and singular the rights, privileges, hereditaments and appurtenances thereto in any manner belonging unto the said **GRANTEE** forever.

**SECTION 3.** That upon payment of the monetary consideration set forth in Section 2, **GRANTEE** accepts the terms, provisions, and conditions of this ordinance.

**SECTION 4.** That the Chief Financial Officer is authorized to deposit the sum paid by **GRANTEE** pursuant to Section 2 above in the General Fund 0001, Department DEV, Balance Sheet 0519 and Department of Sustainable Development and Construction - Real Estate Division shall be reimbursed for the cost of obtaining the legal description, appraisal and other administrative costs incurred. The reimbursement proceeds shall be deposited in General Fund 0001, Department DEV, Unit 1183, Object 5011 and any remaining proceeds shall be transferred to the General Capital Reserve Fund 0625, Department BMS, Unit 8888, Revenue Source 8416.

**SECTION 5.** That the abandonment, relinquishment and quitclaim provided for herein are made subject to all present zoning and deed restrictions, if the latter exist, and are subject to all existing easement rights of others, if any, whether apparent or non-apparent, aerial, surface, underground or otherwise.

**SECTION 6.** That the terms and conditions contained in this ordinance shall be binding upon **GRANTEE**, its successors and assigns.

**SECTION 7.** That the abandonment, relinquishment and quitclaim provided for herein shall extend only to that interest the Governing Body of the City of Dallas may legally and lawfully abandon, relinquish and quitclaim.

**SECTION 8.** That as a condition of this abandonment and as a part of the consideration for the quitclaim to **GRANTEE** herein, **GRANTEE**, its successors and assigns, agree to indemnify, defend, release and hold harmless the City of Dallas as to any and all claims for damages, fines, penalties, costs or expenses to persons or property that may arise out of, or be occasioned by or from: (i) the use and occupancy of the areas described in Exhibit A by **GRANTEE**, its successors and assigns; (ii) the presence, generation, spillage, discharge, release, treatment or disposition of any Hazardous Substance on or affecting the areas set out in Exhibit A, (iii) all corrective actions concerning any discovered Hazardous Substances on or affecting the areas described in Exhibit A, which **GRANTEE**, its successors and assigns agree to undertake and complete in accordance with applicable federal, state and local laws and regulations; and (iv) the abandonment, closing, vacation and quitclaim by the City of Dallas of the areas set out in Exhibit A. **GRANTEE**, its successors and assigns hereby agree to defend any and all suits, claims, or causes of action brought against the City of Dallas on account of same, and discharge any judgment or judgments that may be rendered against the City of Dallas in connection therewith. For purposes hereof, "Hazardous Substance" means the following: (a) any "hazardous substances" under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 et seq , as amended; (b) any "hazardous substance" under the Texas Hazardous Substances Spill Prevention and Control Act, TEX. WATER CODE, Section 26.261 et seq., as amended; (c) petroleum or petroleum-based products (or any derivative or hazardous constituents thereof or additives thereto), including without limitation, fuel and lubricating oils; (d) any "hazardous chemicals" or "toxic chemicals" under the Occupational Safety and Health Act, 29 U.S.C. Section 651 et seq., as amended;

(e) any “hazardous waste” under the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., as amended; and (f) any “chemical substance” under the Toxic Substance Control Act, 15 U.S.C. Section 2601 et seq., as amended. References to particular acts or codifications in this definition include all past and future amendments thereto, as well as applicable rules and regulations as now or hereafter promulgated thereunder.

**SECTION 9.** That this abandonment, relinquishment and quitclaim of the City's right, title and interest in and to said portions of two utility easements and a portion of a water, sewer, and drainage easement, shall not become effective until and unless: (i) the existing installations and facilities are relocated, at **GRANTEE's** expense, to the new easement, if needed to be provided by **GRANTEE** and acceptable to the Director of Department of Sustainable Development and Construction, as is hereinafter provided; and (ii) plans for the construction and relocation of installations within the new easement are approved by the Director of Department of Sustainable Development and Construction; and (iii) said construction and relocation of installations are completed, approved and accepted in writing by the Director of Department of Sustainable Development and Construction. **GRANTEE** will grant the new easement at no cost consideration to the City and all work shall be done at the sole cost of **GRANTEE** and to the satisfaction of the Director of Department of Sustainable Development and Construction. Failure to relocate to the new easement in accordance with the terms of this section shall render this ordinance null and void and of no further effect.

**SECTION 10.** That the City Secretary is hereby authorized and directed to certify a copy of this ordinance for recordation in the Deed Records of Dallas County, Texas, which certified copy shall be delivered to the Director of Department of Sustainable Development and Construction, or designee. Upon receipt of the monetary consideration set forth in Section 2, plus the fee for the publishing of this ordinance, which **GRANTEE** shall likewise pay, the Director of Department of Sustainable Development and Construction, or designee shall deliver to **GRANTEE** a certified copy of this ordinance. The Director of Department of Sustainable Development and Construction, or designee, shall be the sole source for receiving certified copies of this ordinance for one year after its passage.

**SECTION 11.** That this ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

**APPROVED AS TO FORM:**
**LARRY E. CASTO**
**City Attorney**

**BY** _____
**Assistant City Attorney**

**DAVID COSSUM**
**Director of Department of Sustainable Development and Construction**

**BY** _____
**Assistant Director**

**Passed** _____.

**WATER, SEWER & DRAINAGE EASEMENT ABANDONMENT**
**ALPHA PRESTON CENTER**
**LOTS 1 & 4, BLOCK A/7418**
**E. WILBURN SURVEY, ABSTRACT NO. 1583**
**CITY OF DALLAS, DALLAS COUNTY, TEXAS**

EXHIBIT A
EXHIBIT A-TRACT 1

**BEING** a 10,114 square foot (0.2322 acre) tract of land located in the City of Dallas, Dallas County, Texas, part of the Edward Wilburn Survey, Abstract No. 1583, being part of Lots 1 & 4, Block A/7418, Alpha Preston Center, an addition to the City of Dallas, Dallas County, Texas according to the plat thereof as recorded in Volume 93059, Page 1759, Deed Records, Dallas County, Texas, being part of that 3.2178 acre tract of land described in Special Warranty Deed to QuikTrip Corporation as recorded as Instrument No. 201600102677, Official Public Records, Dallas County, Texas, said 10,114 square foot tract being part of a Water, Sewer & Drainage Easement created by said Alpha Preston Center addition plat, and being more particularly described as follows:

**COMMENCING** at a 1/2" iron rod found in the north right-of-way line of Alpha Road (variable width R.O.W. as dedicated by Volume 94066, Page 7191 & Volume 83157, Page 2061, Deed Records, Dallas County, Texas), being the southeast corner of said 3.2178 acre tract, being the southeast corner of the remainder of said Lot 1, the southwest corner of Lot 5, Block A/7418, Preston Creekview Estates, an addition to the City of Dallas, Dallas County, Texas according to the plat thereof as recorded in Volume 94086, Page 7191, Deed Records, Dallas, Texas, from which a 1/2" iron rod found bears North 00 degrees 59 minutes 28 seconds West, a distance of 191.01 feet;

**THENCE**, along the south line of said 3.2178 acre tract and the north line of Alpha Road, South 88 degrees 50 minutes 17 seconds West, a distance of 18.00 feet to the **POINT OF BEGINNING;**

**THENCE**, continuing along the south line of said 3.2178 acre tract and the north line of Alpha Road, South 88 degrees 50 minutes 17 seconds West, a distance of 15.00 feet;

THENCE, departing the north line of Alpha Road, over and across said Lots 1 & 4 as follows:

North, a distance of 11.01 feet;
West, a distance of 105.38 feet;
North, a distance of 111.00 feet;
West, a distance of 143.00 feet;
North, a distance of 55.00 feet;
North, 22 degrees 30 minutes 09 seconds West, a distance of 36.80 feet;
East, a distance of 39.08 feet;
South, a distance of 32.50 feet;
South, 45 degrees 00 minutes 00 seconds East, a distance of 7.07 feet;
East, a distance of 10.01 feet
South a distance of 26.50 feet;
East a distance of 140.50 feet;
South a distance of 22.50 feet;
West a distance of 22.50 feet;
South a distance of 98.50 feet;
East a distance of 105.38 feet;
South a distance of 25.71 feet to the **POINT OF BEGINNING** and containing 10,114 square feet or 0.2322 acres of land more or less.

**NOTE:** The bearings shown hereon are based on the recorded deed for the 3.2178 acre tract described in Special Warranty Deed recorded as Instrument No. 201600102677, Official Public Records, Dallas County, Texas. East line of said 3.2178 held as South 00 degrees 59 minutes 28 seconds East.

STATE OF TEXAS
REGISTERED
WILLIAM J. JOHNSON
5426
PROFESSIONAL
LAND SURVEYOR

(For SPRG use only)
Reviewed by: JD
Date: 8/5/2016
SPRG No. 3811

8/4/2016
William J. Johnson
Registered Professional Land Surveyor No. 5426

Survey Consultants, Inc.
903 N. Bowser Road, Suite 240
Richardson, Texas 75081
(972) 424-7002 Voice
(972) 633-1702 Fax
WWW.SurveyConsultantsInc.Com
TBPLS Firm No. 10139600

# WATER, SEWER & DRAINAGE EASEMENT ABANDONMENT
## ALPHA PRESTON CENTER
## LOTS 1 & 4, BLOCK A/7418
## E. WILBURN SURVEY, ABSTRACT NO. 1583
## CITY OF DALLAS, DALLAS COUNTY, TEXAS

EXHIBIT A
EXHIBIT A-TRACT 1

0 25' 50'

SCALE: 1"=50'

| NUMBER | DIRECTION | DISTANCE |
|---|---|---|
| L1 | S 88°50'17" W | 18.00' |
| L2 | S 88°50'17" W | 15.00' |
| L3 | NORTH | 11.01' |
| L4 | S 45°00'00" E | 7.07' |
| L5 | EAST | 10.01' |

## LEGEND

| | |
|---|---|
| (C.M.) | CONTROLLING MONUMENT |
| D.R.D.C.T. | DEED RECORDS, DALLAS COUNTY, TEXAS |
| I.R.F. | IRON ROD FOUND |
| O.P.R.D.C.T. | OFFICIAL PUBLIC RECORDS, DALLAS COUNTY, TEXAS |
| PG. | PAGE |
| P.O.B. | POINT OF BEGINNING |
| P.O.C. | POINT OF COMMENCING |
| R.O.W. | RIGHT-OF-WAY |
| VOL. | VOLUME |

BASIS OF BEARINGS
EAST LINE OF LOT 1/ BLOCK 7418
"S 00°59'28"
(VOL. 93059, PG. 1759, D.R.D.C.T.)

25' WATER, SEWER & DRAINAGE EASEMENT VOLUME 93059, PG. 1759 D.R.D.C.T.

LOT 4, BLOCK A/7418
ALPHA PRESTON CENTER
VOL. 93059, PG. 1759,
D.R.D.C.T.

3.2178 ACRES
QUIKTRIP CORPORATION
INST. NO. 201600102677
O.P.R.D.C.T.

E. WILBURN SURVEY, A-1583

EAST 39.08'
N 22°30'09" W 36.80'
SOUTH 32.50'
L5
SOUTH 26.50'
NORTH 55.00'
EAST 140.50'
SOUTH 22.50'
WEST 143.00'
WEST 22.50'
NORTH 111.00'
SOUTH 98.50'
EAST 105.38'
SOUTH 25.71'
WEST 105.38'
L3
L2
L1

PORTION OF WATER, SEWER & DRAINAGE EASEMENT
10,114 SQUARE FEET/0.2322 ACRE
VOL. 93059, PG. 1759, D.R.D.C.T.
(ABANDONED BY THIS DOCUMENT)

LOT 2,
BLOCK A/7418

REMAINDER OF
LOT 1, BLOCK A/7418
ALPHA PRESTON CENTER
VOL. 93059, PG. 1759
D.R.D.C.T.

1/2" I.R.F. (C.M.)

LOT 7

15' UTILITY EASEMENT
VOL. 93059, PG. 1759
D.R.D.C.T.

LOT 6

10' T.U. ELECTRIC EASEMENT
VOL. 94086, PG. 7191
D.R.D.C.T.

13' LANDSCAPE & ELECTRIC EASEMENT
VOL. 93063, PG. 3652
D.R.D.C.T.

S 00°59'28" E 191.01'
(LINE OF DIRECTIONAL CONTROL)

BLOCK A/7418
PRESTON CREEKVIEW ESTATES
VOL. 94086, PG. 7191, D.R.D.C.T.

LOT 5

P.O.C.
1/2" I.R.F. (C.M.)

P.O.B.

R.O.W. DEDICATION
VOL. 94086, PG. 7191
D.R.D.C.T.

TRACT NO. 2 STREET, DRAINAGE & UTILITY EASEMENT
VOL. 83157, PG. 2061, D.R.D.C.T.

STREET DEDICATION
VOL. 93059, PG. 1759
D.R.D.C.T.

ALPHA ROAD
(VARIABLE WIDTH R.O.W.)

STATE OF TEXAS
REGISTERED
WILLIAM J. JOHNSON
5426
PROFESSIONAL
LAND SURVEYOR

8/4/2016

William J. Johnson
Registered Professional Land Surveyor No. 5426

(For SPRG use only)
Reviewed by: JD
Date: 8/5/2016
SPRG No. 3811


SCI Survey Consultants, Inc.
903 N. Bowser Road, Suite 240
Richardson, Texas 75081
(972) 424-7002 Voice
(972) 633-1702 Fax
WWW.SurveyConsultantsInc.Com
TBPLS Firm No. 10139600

**UTILITY EASEMENT ABANDONMENT**
**ALPHA PRESTON CENTER**
**LOTS 1 & 4, BLOCK A/7418**
**E. WILBURN SURVEY, ABSTRACT NO. 567**
**CITY OF DALLAS, DALLAS COUNTY, TEXAS**

EXHIBIT A
EXHIBIT A-TRACT 2

**TRACT 1**

**BEING** a 205 square foot (0.0047 acre) tract of land located in the City of Dallas, Dallas County, Texas, part of the Edward Wilburn Survey, Abstract No. 1583, being part of Lot 1 Block A/7418, Alpha Preston Center, an addition to the City of Dallas, Dallas County, Texas according to the plat thereof as recorded in Volume 93059, Page 1759, Deed Records, Dallas County, Texas, being part of that 3.2178 acre tract of land described in Special Warranty Deed to QuikTrip Corporation as recorded as Instrument No. 201600102677, Official Public Records, Dallas County, Texas, said 205 square foot tract being also part of a Utility Easement created by said Alpha Preston Center addition plat, and being more particularly described as follows:

**COMMENCING** at a 1/2" iron rod found in the north right-of-way line of Alpha Road (variable width R.O.W. as dedicated by Volume 94066, Page 7191 & Volume 83157, Page 2061, Deed Records, Dallas County, Texas), being the southeast corner of said 3.2178 acre tract, being the southeast corner of the remainder of said Lot 1, the southwest corner of Lot 5, Block A/7418, Preston Creekview Estates, an addition to the City of Dallas, Dallas County, Texas according to the plat thereof as recorded in Volume 94086, Page 7191, Deed Records, Dallas, Texas, from which a 1/2" iron rod found bears North 00 degrees 59 minutes 28 seconds West, a distance of 191.01 feet;

**THENCE**, along the south line of said 3.2178 acre tract and the north right-of-way line of Alpha Road, South 88 degrees 50 minutes 09 seconds West, a distance of 15.00 feet to the west line of an existing Utility Easement as shown on said Alpha Preston Center addition plat;

**THENCE**, departing the north right-of-way line of Alpha Road, along the west line of said Utility Easement as follows:
North 00 degrees 59 minutes 28 seconds West, a distance of 187.93 feet;
North 24 degrees 33 minutes 32 seconds West, a distance of 6.23 feet to the **POINT OF BEGINNING**;

**THENCE**, along a south line of said Utility Easement, West, a distance of 22.83 feet;

**THENCE**, along a west line of said Utility Easement, North 10.00 feet;

**THENCE**, along a north line of said Utility Easement, East, a distance of 18.26 feet;

**THENCE**, South 24 degrees 33 minutes 32 seconds East, a distance of 10.99 feet to the **POINT OF BEGINNING** and containing 205 square feet or 0.0047 acre of land.

**NOTE:** The bearings shown hereon are based on the recorded deed for the 3.2178 acre tract described in Special Warranty Deed recorded as Instrument No. 201600102677, Official Public Records, Dallas County, Texas. East line of said 3.2178 held as South 00 degrees 59 minutes 28 seconds East.

STATE OF TEXAS
REGISTERED
WILLIAM J. JOHNSON
5426
PROFESSIONAL
LAND SURVEYOR

(For SPRG use only)
Reviewed by: JD
Date: 8/5/2016
SPRG No. 3812

8/4/2016
William J. Johnson
Registered Professional Land Surveyor No. 5426

Survey Consultants, Inc.
903 N. Bowser Road, Suite 240
Richardson, Texas 75081
(972) 424-7002 Voice
(972) 633-1702 Fax
WWW.SurveyConsultantsInc.Com
TBPLS Firm No. 10139600

**UTILITY EASEMENT ABANDONMENT**
**ALPHA PRESTON CENTER**
**LOTS 1 & 4, BLOCK A/7418**
**E. WILBURN SURVEY, ABSTRACT NO. 567**
**CITY OF DALLAS, DALLAS COUNTY, TEXAS**

EXHIBIT A
EXHIBIT A-TRACT 2

**TRACT 2**

**BEING** a 751 square foot (0.0172 acre) tract of land located in the City of Dallas, Dallas County, Texas, part of the Edward Wilburn Survey, Abstract No. 1583, being part of Lots 1 and 4, Block A/7418, Alpha Preston Center, an addition to the City of Dallas, Dallas County, Texas according to the plat thereof as recorded in Volume 93059, Page 1759, Deed Records, Dallas County, Texas, being part of that 3.2178 acre tract of land described in Special Warranty Deed to QuikTrip Corporation as recorded as Instrument No. 201600102677, Official Public Records, Dallas County, Texas, said 751 square foot tract being also part of a Utility Easement created by said Alpha Preston Center addition plat, and being more particularly described as follows: and being more particularly described as follows:

**COMMENCING** at a 1/2" iron rod found in the north right-of-way line of Alpha Road (variable width R.O.W. as dedicated by Volume 94066, Page 7191 & Volume 83157, Page 2061, Deed Records, Dallas County, Texas), being the southeast corner of said 3.2178 acre tract, being the southeast corner of the remainder of said Lot 1, the southwest corner of Lot 5, Block A/7418, Preston Creekview Estates, an addition to the City of Dallas, Dallas County, Texas according to the plat thereof as recorded in Volume 94086, Page 7191, Deed Records, Dallas, Texas, from which a 1/2" iron rod found bears North 00 degrees 59 minutes 28 seconds West, a distance of 191.01 feet;

**THENCE**, along the south line of said 3.2178 acre tract and the north right-of-way line of Alpha Road, South 88 degrees 50 minutes 09 seconds West, a distance of 15.00 feet to the west line of an existing Utility Easement as shown on said Alpha Preston Center addition plat;

**THENCE**, departing the north right-of-way line of Alpha Road, along the west line of said Utility Easement as follows:
North 00 degrees 59 minutes 28 seconds West, a distance of 187.93 feet;
North 24 degrees 33 minutes 32 seconds West, a distance of 30.59 feet to the **POINT OF BEGINNING**;

**THENCE**, along a southerly line of said Utility Easement as follows:
South 65 degrees 26 minutes 28 seconds West, a distance of 52.77 feet;
South a distance of 5.89 feet;
West a distance of 20.00 feet;

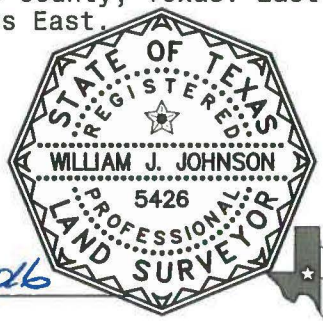
**THENCE**, along a west line of said Utility Easement, North a distance of 7.75 feet;

**THENCE**, along a northerly line of said Utility Easement, North 65 degrees 26 minutes 28 seconds East, a distance of 70.19 feet;

**THENCE**, South 24 degrees 33 minutes 32 seconds East, a distance of 10.00 feet to the **POINT OF BEGINNING** and containing 751 square feet or 0.0172 acres of land more or less.

**NOTE**: The bearings shown hereon are based on the recorded deed for the 3.2178 acre tract described in Special Warranty Deed recorded as Instrument No. 201600102677, Official Public Records, Dallas County, Texas. East line of said 3.2178 held as South 00 degrees 59 minutes 28 seconds East.

(For SPRG use only)
Reviewed by: JD
Date: 8/5/2016
SPRG No. 3812




8/4/2016

William J. Johnson
Registered Professional Land Surveyor No. 5426

Survey Consultants, Inc.
903 N. Bowser Road, Suite 240
Richardson, Texas 75081
(972) 424-7002 Voice
(972) 633-1702 Fax
WWW.SurveyConsultantsInc.Com
TBPLS Firm No. 10139600

# UTILITY EASEMENT ABANDONMENT
## ALPHA PRESTON CENTER
## LOTS 1 & 4, BLOCK A/7418
## E. WILBURN SURVEY, ABSTRACT NO. 567
## CITY OF DALLAS, DALLAS COUNTY, TEXAS

EXHIBIT A

EXHIBIT A-TRACT 2

| NUMBER | DIRECTION | DISTANCE |
|---|---|---|
| L1 | S 88°50'09" W | 15.00' |
| L2 | N 24°33'32" W | 6.23' |
| L3 | WEST | 22.83' |
| L4 | NORTH | 10.00' |
| L5 | EAST | 18.26' |
| L6 | S 24°33'32" E | 10.99' |
| L7 | N 24°33'32" W | 30.59' |
| L8 | S 65°26'28" W | 52.77' |
| L9 | SOUTH | 5.89' |
| L10 | WEST | 20.00' |
| L11 | NORTH | 7.75' |
| L12 | N 65°26'28" E | 70.19' |
| L13 | S 24°33'32" E | 10.00' |

## LEGEND

| | |
|---|---|
| (C.M.) | CONTROLLING MONUMENT |
| D.R.D.C.T. | DEED RECORDS, DALLAS COUNTY, TEXAS |
| I.R.F. | IRON ROD FOUND |
| O.P.R.D.C.T. | OFFICIAL PUBLIC RECORDS, DALLAS COUNTY, TEXAS |
| PG. | PAGE |
| P.O.B. | POINT OF BEGINNING |
| P.O.C. | POINT OF COMMENCING |
| R.O.W. | RIGHT-OF-WAY |
| VOL. | VOLUME |

0 25' 50'

SCALE: 1"=50'

BASIS OF BEARINGS
EAST LINE OF LOT 1/ BLOCK 7418
"S 00°59'28"
(VOL. 93059, PG. 1759, D.R.D.C.T.)

TRACT 2
PORTION OF UTILITY EASEMENT
751 SQUARE FEET (0.0172 ACRE)
VOLUME 93059, PG. 1759
(ABANDONED BY THIS DOCUMENT)

P.O.B.
TRACT 2

5'x5' SUBSURFACE BOX EASEMENT

LOT 4, BLOCK A/7418
ALPHA PRESTON CENTER
VOL. 93059, PG. 1759,
D.R.D.C.T.

TRACT 1
PORTION OF UTILITY EASEMENT
205 SQUARE FEET (0.0047 ACRE)
VOLUME 93059, PG. 1759
(ABANDONED BY THIS DOCUMENT)

P.O.B.
TRACT 1

1/2" I.R.F. (C.M.)

LOT 7

BLOCK A/7418
PRESTON CREEKVIEW ESTATES
VOL. 94086, PG. 7191, D.R.D.C.T.

10' T.U. ELECTRIC EASEMENT
VOL. 94086, PG. 7191
D.R.D.C.T.

WATER, SEWER & DRAINAGE EASEMENT
VOL. 93059, PG. 1759, D.R.D.C.T.

LOT 6

N 00°59'28" W 187.93'
(LINE OF DIRECTIONAL CONTROL)
S 00°59'28" E 191.01'

3.2178 ACRES
QUIKTRIP CORPORATION
INST. NO. 201600102677
O.P.R.D.C.T.

LOT 2

5'x5' SUBSURFACE BOX EASEMENT

E. WILBURN SURVEY, A-1583

15' UTILITY EASEMENT
VOL. 93059, PG. 1759
D.R.D.C.T.

13' LANDSCAPE & ELECTRIC EASEMENT
VOL. 93063, PG. 3652
D.R.D.C.T.

LOT 5

REMAINDER OF
LOT 1, BLOCK A/7418
ALPHA PRESTON CENTER
VOL. 93059, PG. 1759
D.R.D.C.T.

R.O.W. DEDICATION
VOL. 94086, PG. 7191
D.R.D.C.T.

P.O.C.
1/2" I.R.F.
(C.M.)

TRACT NO. 2 STREET, DRAINAGE & UTILITY EASEMENT
VOL. 83157, PG. 2061, D.R.D.C.T.

STREET DEDICATION
VOL. 93059, PG. 1759
D.R.D.C.T.

ALPHA ROAD
(VARIABLE WIDTH R.O.W.)

STATE OF TEXAS
REGISTERED
WILLIAM J. JOHNSON
5426
PROFESSIONAL
LAND SURVEYOR

8/4/2016

William J. Johnson
Registered Professional Land Surveyor No. 5426

(For SPRG use only)
Reviewed by: JD
Date: 8/5/2016
SPRG No. 3812


SCI
Survey Consultants, Inc.
903 N. Bowser Road, Suite 240
Richardson, Texas 75081
(972) 424-7002 Voice
(972) 633-1702 Fax
WWW.SurveyConsultantsInc.Com
TBPLS Firm No. 10139600

**AGENDA ITEM # 67**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Trinity Watershed Management

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** N/A

## SUBJECT

Authorize Supplemental Agreement No. 6 to the professional services contract with Raftelis Financial Consultants, Inc. for a two-year contract to perform long term maintenance and technical support for Stormwater Information Management Systems (SIMS), including adding SIMS functionality for managing stormwater credits data; a one-year renewal option for SIMS technical support; and SIMS support for a Best Management Practices (BMP) based credits program - Not to exceed $560,000, from $1,384,907 to $1,944,907 - Financing: Stormwater Drainage Management Current Funds (subject to annual appropriations)

## BACKGROUND

The Trinity Watershed Management Department is responsible for the oversight and implementation of the City's Stormwater drainage utility. The revenues from the City's Stormwater drainage utility fee support the City's Stormwater drainage pollution prevention, reduction and elimination activities. The City's Financial Management Performance Criteria (FMPC) requires the periodic review of fees and charges to determine the extent of the full cost of associated services recovered by revenues and to identify new revenue or fee sources and/or fee adjustments.

The original contract with Raftelis Financial Consultants, Inc., included services for reviewing identified capital needs, ongoing operations and maintenance requirements, potential future regulatory trends that may require additional municipal resources, and developing recommendations concerning appropriate financing mechanisms to address these needs. This contract also provided for recommendations for account updates, updating the current billing methods and structure, an optional fee incentive program for properties that use innovative methods to significantly improve Stormwater quality, webpage development, draft City Code revisions, and related public outreach and education concerning proposed changes.

Supplemental Agreement No. 1 to the professional services contract with Raftelis Financial Consultants, Inc. authorized services for Storm Drainage Management Fund financial planning services and fee study.

**BACKGROUND** (Continued)

Supplemental Agreement No. 2 to the professional services contract with Raftelis Financial Consultants, Inc. authorized services to conduct financial planning and a fee study to develop associated data, systems improvements and interface, training and support for the rate structure change for the Storm Drainage Management Fund.

Supplemental Agreement No. 3 to the professional services contract with Raftelis Financial Consultants, Inc. authorized services to update the aerial imaging data used to develop the Storm Drainage Management (SDM) fund. The existing 2013 data used to develop the basis for proposed SDM fees was compared with newest 2015 data set. Parcels showing changes from the 2013 data set due to construction, demolition or other land use changes were identified, and the data used to support billing for the SDM fees were appropriately adjusted, as necessary.

Supplemental Agreement No. 4 to the professional services contract with Raftelis Financial Consultants, Inc. authorized an extension to the contract from October 1, 2016 to December 1, 2016.

Supplemental Agreement No. 5 to the professional services contract with Raftelis Financial Consultants, Inc. authorized an extension to the contract from December 1, 2016 to January 31, 2016.

This action authorizes Supplemental Agreement No. 6 to the professional services contract with Raftelis Financial Consultants, Inc. for a two-year contract to perform long term maintenance and technical support for SIMS, including adding SIMS functionality for managing stormwater credits data; with a one-year renewal option for SIMS technical support, and SIMS support for a BMP-based credits program, not to exceed $560,000 from $1,384,907 to $1,944,907.

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

On March 24, 2008, the Transportation and Environment Committee was briefed on the City's Storm Drainage Management Utility Fees and upcoming study of the rate structure.

On April 9, 2008, Council authorized a professional services contract for a Stormwater Drainage Utility Fee Study, by Resolution No. 08-1084.

On September 23, 2009, Council approved an ordinance amending Chapters 2, 10, 10A, 10B, 13, 15D, 17, 18, 27, 45, 48A and 51A of the Dallas City Code to revise and establish various fees for City services, by Ordinance No. 27695.

On March 7, 2012, the City Council was briefed on an overview of the Stormwater Drainage Utility.

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

On June 12, 2013, the City Council authorized a professional services contract for Storm Drainage Management (SDM) Fund financial planning services and fee study, by Resolution No. 13-0937.

On February 17, 2015, the Budget, Audit and Finance Committee was briefed on the Stormwater Utility Fee Study Update.

On September 16, 2016, the City Council approved an ordinance amending Article XXVIII, "Storm Water Drainage Utility," of Chapter 2, "Administration"; amending Sections 15D-5, 15D-9, 15D-9.2, 15D-9.10, 15D-9.i6, 15D-9.31,15D-21, 15D-23, 15D-30, 15D-36, and 15D-58 of Chapter 15D, by Ordinance No. 30215.

Information about this item was provided to the Transportation and Trinity River Project Committee on January 23, 2017.

**FISCAL INFORMATION**

$560,000.00 - Stormwater Drainage Management Current Funds

**ETHNIC COMPOSITION**

Raftelis Financial Consultants, Inc.

| | | | |
|---|---|---|---|
| White Male | 42 | White Female | 19 |
| Black Male | 0 | Black Female | 1 |
| Hispanic Male | 0 | Hispanic Female | 1 |
| Other Male | 5 | Other Female | 5 |

**OWNER**

**Raftelis Financial Consultants, Inc.**

William Stannard, President
George Raftelis, Vice President
Diane Adams, Secretary

# BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize Supplemental Agreement No. 6 to the professional services contract with Raftelis Financial Consultants, Inc. for a two-year contract to perform long term maintenance and technical support for Stormwater Information Management Systems (SIMS), including adding SIMS functionality for managing stormwater credits data; a one-year renewal option for SIMS technical support; and SIMS support for a Best Management Practices (BMP) based credits program - Not to exceed $560,000, from $1,384,907 to $1,944,907 - Financing: Stormwater Drainage Management Current Funds (subject to annual appropriations)

Raftelis Financial Consultants, Inc. is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

PROJECT CATEGORY: Professional Services

---

**LOCAL/NON-LOCAL CONTRACT SUMMARY - THIS ACTION ONLY**

| | Amount | Percent |
|---|---|---|
| Local contracts | $100,000.00 | 17.86% |
| Non-local contracts | $460,000.00 | 82.14% |
| **TOTAL THIS ACTION** | $560,000.00 | 100.00% |

**LOCAL/NON-LOCAL M/WBE PARTICIPATION THIS ACTION**

**Local Contractors / Sub-Contractors**

| Local | Certification | Amount | Percent |
|---|---|---|---|
| Pacheco Koch | HMMB25567Y0917 | $100,000.00 | 100.00% |
| **Total Minority - Local** | | $100,000.00 | 100.00% |

**Non-Local Contractors / Sub-Contractors**

| Non-local | Certification | Amount | Percent |
|---|---|---|---|
| Miitek | WFWBC200510817 | $230,000.00 | 50.00% |
| **Total Minority - Non-local** | | $230,000.00 | 50.00% |

**TOTAL M/WBE PARTICIPATION**

| | This Action | | Participation to Date | |
|---|---|---|---|---|
| | Amount | Percent | Amount | Percent |
| African American | $0.00 | 0.00% | $10,902.54 | 0.56% |
| Hispanic American | $100,000.00 | 17.86% | $244,881.30 | 12.59% |
| Asian American | $0.00 | 0.00% | $0.00 | 0.00% |
| Native American | $0.00 | 0.00% | $0.00 | 0.00% |
| WBE | $230,000.00 | 41.07% | $319,967.02 | 16.45% |
| Total | $330,000.00 | 58.93% | $575,750.86 | 29.60% |

**WHEREAS,** on April 9, 2008, Resolution No. 08-1084 authorized a professional services contract with Black & Veatch Corporation for a Stormwater Drainage Utility Fee Study; and,

**WHEREAS,** on September 23, 2009, Council approved an ordinance amending Chapters 2, 10, 10A, 10B, 13, 15D, 17, 18, 27, 45, 48A and 51A of the Dallas City Code to revise and establish various fees for City services by Ordinance No. 27695; and,

**WHEREAS,** on June 12, 2013, Resolution No. 13-0937 authorized a professional services contract with Raftelis Financial Consultants, Inc. for Storm Drainage Management Fund financial planning services and fee study; and,

**WHEREAS,** on March 24, 2014, Administrative Action No.14-5760 authorized Supplemental Agreement No. 1 to the professional services contract with Raftelis Financial Consultants, Inc. for Storm Drainage Management Fund financial planning services and fee study; and,

**WHEREAS,** on March 25, 2015, Administrative Action No.15-0508 authorized Supplemental Agreement No. 2 to the professional services contract with Raftelis Financial Consultants, Inc. to conduct financial planning services and a fee study to develop associated data, systems improvements and interface, and training and support for the rate structure change for the Storm Drainage Management Fund; and

**WHEREAS,** on October 6, 2016, Administrative Action No.16-6541 authorized Supplemental Agreement No. 3 to the professional services contract with Raftelis Financial Consultants, Inc. to update the aerial imaging data used to develop the Storm Drainage Management (SDM) fund; and

**WHEREAS,** on December 12, 2016, Administrative Action No. 16-6972 authorized Supplemental Agreement No. 4 to the professional services contract with Raftelis Financial Consultants, Inc. to extend the contract from October 1, 2016 to December 1, 2016; and,

**WHEREAS,** on January 5, 2017, Administrative Action No. 17-5119 authorized Supplemental Agreement No. 5 to the professional services contract with Raftelis Financial Consultants, Inc. to extend the contract from December 1, 2016 to January 31, 2017; and,

**WHEREAS,** it is now necessary to authorize Supplemental Agreement No. 6 to the professional services contract with Raftelis Financial Consultants, Inc. for a two-year contract to perform long term maintenance and technical support for SIMS, including adding SIMS functionality for managing stormwater credits data; a one-year renewal option for SIMS technical support; and SIMS support for a BMP-based credits program.

**NOW, THEREFORE,**

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

**Section 1.** That the City Manager is authorized to execute Supplemental Agreement No. 6 to the professional services contract with Raftelis Financial Consultants, Inc. for a two-year contract to perform long term maintenance and technical support for SIMS, including adding SIMS functionality for managing stormwater credits data; a one-year renewal option for SIMS technical support; and SIMS support for a BMP-based credits program, not to exceed $560,000 from $1,384,907 to $1,944,907, after it has been approved as to form by the City Attorney.

**Section 2**. That the Chief Financial Officer is hereby authorized to disburse funds in accordance with the terms and conditions of the contract from the Stormwater Drainage Management Current Fund in an amount not to exceed $560,000.00, subject to annual appropriations, as follows:

Stormwater Drainage Management Fund
Fund 0061, Department SDM, Unit 4908 Act. SD01
Object 3070, CT MASC SDM4908BM19-2,
Vendor #VS0000075029, in an amount not to exceed $560,000.00

**Section 3.** 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.

**AGENDA ITEM # 68**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** Outside City Limits

**DEPARTMENT:** Water Utilities

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 11B A B C

## SUBJECT

Authorize an Interlocal Agreement with the City of Coppell to allow the City of Dallas to construct, own, and operate a 24-inch wastewater force main pipeline, referred to as the Force Main Project, within the corporate limits of Coppell to serve the Cypress Waters Development in Dallas - Financing: No cost consideration to the City

## BACKGROUND

In 2010, the City of Dallas entered into a Memorandum of Understanding with Cypress Waters Land Development, LLC, an affiliate of Billingsley Development Company and Billingsley LD, Ltd., and created the Cypress Waters Tax Increment Financing (TIF) District for the economic development of an undeveloped 1,661-acre area surrounding North Lake, referred to as the Cypress Waters Project.

The Force Main Project is necessary for the City of Dallas to transfer untreated wastewater from the Cypress Waters Development in Dallas to the Trinity River Authority's wastewater system in Coppell, at Belt Line Road west of the Trinity River.

The City of Coppell is located within Dallas Water Utilities' service area and purchases wholesale treated water from the City of Dallas, and shall continue to contract with the City of Dallas for wholesale treated water services provided under the terms of a separate contract.

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

On November 18, 1987, the City Council authorized a Wholesale Treated Water Contract with the City of Coppell, by Resolution No. 87-3715.

On May 26, 2010, the City Council authorized a master agreement outlining strategies, future steps, and conditions for funding infrastructure improvements related to the Cypress Waters area, by Resolution No. 10-1348.

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

On May 11, 2015, the Cypress Waters TIF District Board of Directors recommended approval of the proposed TIF District and Project Plan amendments, a modification in the geographical boundary, and changes to the budget of the District.

On November 8, 2016, the Coppell City Council authorized an Interlocal/License Agreement for the Cypress Waters 24-inch wastewater Force Main Project.

Information about this item will be provided to the Transportation & Trinity River Project Committee on February 13, 2017.

**FISCAL INFORMATION**

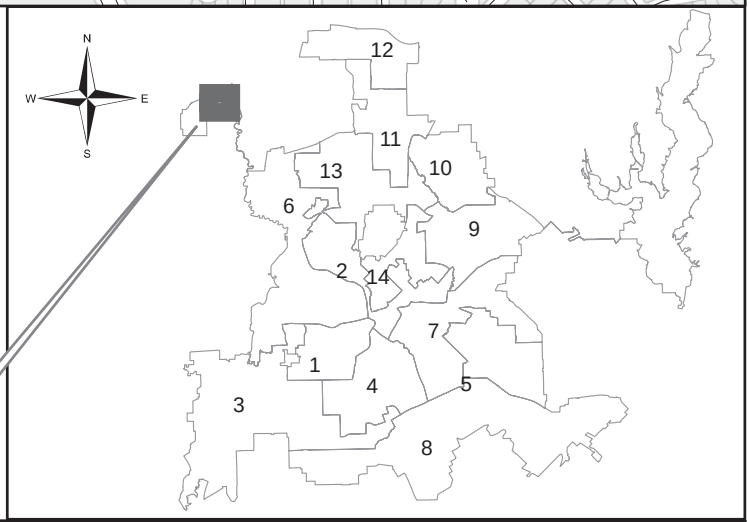
No cost consideration to the City

**MAP**

Attached




Mapsco: 11B A, B, C




Council District: Outside City Limits

**Dallas Water Utilities**
**Interlocal Agreement with City of Coppell**
**Installation of 24-inch Wastewater Force Main in Belt Line Road**

February 22, 2017

**WHEREAS,** the City of Dallas plans to design and construct a 24-inch wastewater force main pipeline within the corporate limits of Coppell, referred to as the Force Main Project; and,

**WHEREAS,** the Force Main Project is necessary for the City of Dallas to transfer untreated wastewater from the Cypress Waters Development in Dallas to the Trinity River Authority's wastewater system in Coppell, at Belt Line Road west of the Trinity River; and,

**WHEREAS,** the City of Dallas desires to enter into an agreement with the City of Coppell for the use of existing public right-of-way, and to allow the City of Dallas to construct, own, and operate a 24-inch wastewater force main within the corporate limits of Coppell; and,

**WHEREAS,** the City of Dallas will procure the necessary property rights for those portions of the Force Main Project crossing private properties within the corporate limits of Coppell; and,

**WHEREAS,** both parties agree that the approval of this agreement is in the public interest; and,

**WHEREAS,** there is no cost consideration to the City of Dallas associated with this agreement.

**Now, Therefore,**

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

**Section 1.** That the City Manager is hereby authorized to enter into an Interlocal Agreement with the City of Coppell to allow the City of Dallas to construct, own, and operate a 24-inch wastewater force main pipeline within the corporate limits of Coppell, after approval of the contract documents 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.

**AGENDA ITEM # 69**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 8

**DEPARTMENT:** Water Utilities

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 79 C D

## SUBJECT

Authorize a contract for the construction of grit removal improvements at the Southside Wastewater Treatment Plant - Archer Western Construction, LLC, lowest responsible bidder of three - Not to exceed $14,893,000 - Financing: Water Utilities Capital Improvement Funds

## BACKGROUND

Removal of inorganic material in the wastewater stream called “grit” is a critical step in the treatment process. Because of its abrasive nature, grit must be screened out to protect mechanical equipment at the plant. If improperly screened, grit accumulates throughout the treatment system and causes buildup and clogging. Ultimately it leads to a reduction in treatment capacity and more frequent downtime associated with grit cleaning activities, which is a very intensive manual process. The Southside Wastewater Treatment Plant has two grit removal facilities, constructed in 1979 and 1988. Improvements to these facilities will extend their service life and utilize newer technologies that provide for more efficient operation of the grit systems.

This action consists of grit removal improvements at both grit facilities at the Southside Wastewater Treatment Plant. These improvements include the replacement of deteriorated mechanical equipment that has exceeded its service life, with newer, more efficient technology. The work also includes structural modifications to the grit classification and dumpster rooms to accommodate the new equipment and provide adequate space for maintenance activities. Also included are improvements to the electrical, heating, ventilation, air conditioning and odor control subsystems to extend the service life of the two grit facilities.

**BACKGROUND** (Continued)

Archer Western Construction, LLC completed contractual activities in the past three years:

| | STS | DWU | PKR |
|---|---|---|---|
| Projects Completed | 1 | 4 | 0 |
| Change Orders | 1 | 8 | 1 |
| Projects Requiring Liquidated Damages | 0 | 0 | 0 |
| Projects Completed by Bonding Company | 0 | 0 | 0 |

**ESTIMATED SCHEDULE OF PROJECT**

| | |
|---|---|
| Began Study | June 2014 |
| Completed Study | December 2014 |
| Began Design | October 2015 |
| Completed Design | October 2016 |
| Begin Construction | April 2017 |
| Complete Construction | April 2019 |

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

Authorized a professional services contract with CP&Y, Inc. for preliminary engineering services associated with improvements to the grit removal and screenings handling processes at the Southside Wastewater Treatment Plant on May 14, 2014, by Resolution No. 14-0765.

Authorized Supplemental Agreement No. 1 to the engineering services contract with CP&Y, Inc. to provide engineering services associated with grit removal improvements at the Southside Wastewater Treatment Plant on August 26, 2015, by Resolution No. 15-1581.

Information about this item will be provided to the Transportation & Trinity River Project Committee on February 13, 2017.

**FISCAL INFORMATION**

$14,893,000.00 - Water Utilities Capital Improvement Funds

| | |
|---|---|
| Study | $ 850,000.00 |
| Design - Supplemental Agreement No. 1 | $ 1,779,270.00 |
| Construction (this action) | $14,893,000.00 |
| Total Project Cost | $17,522,270.00 |

**M/WBE INFORMATION**

See attached.

**ETHNIC COMPOSITION**

Archer Western Construction, LLC

| | | | |
|---|---|---|---|
| Hispanic Female | 38 | Hispanic Male | 1,258 |
| Black Female | 26 | Black Male | 219 |
| White Female | 38 | White Male | 575 |
| Other Female | 9 | Other Male | 87 |

**BID INFORMATION**

The following bids with quotes were opened on November 18, 2016:

*Denotes successful bidder

| Bidders | Bid Amount |
|---|---|
| *Archer Western Construction, LLC<br>1411 Greenway Drive<br>Irving, Texas 75038 | $14,893,000.00 |
| Pepper Lawson Waterworks, LLC | $15,996,000.00 |
| MWH Constructors, Inc. | $17,055,000.00 |

**OWNER**

**Archer Western Construction, LLC**

Daniel P. Walsh, President

**MAP**

Attached

# BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a contract for the construction of grit removal improvements at the Southside Wastewater Treatment Plant - Archer Western Construction, LLC, lowest responsible bidder of three - Not to exceed $14,893,000 - Financing: Water Utilities Capital Improvement Funds

Archer Western Construction, LLC is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.
PROJECT CATEGORY: Construction

---

## LOCAL/NON-LOCAL CONTRACT SUMMARY

| | Amount | Percent |
|---|---|---|
| Total local contracts | $10,600,970.00 | 71.18% |
| Total non-local contracts | $4,292,030.00 | 28.82% |
| **TOTAL CONTRACT** | $14,893,000.00 | 100.00% |

## LOCAL/NON-LOCAL M/WBE PARTICIPATION

### Local Contractors / Sub-Contractors

| Local | Certification | Amount | Percent |
|---|---|---|---|
| James C. Paris | NMDB10973Y0717 | $522,821.45 | 4.93% |
| **Total Minority - Local** | | $522,821.45 | 4.93% |

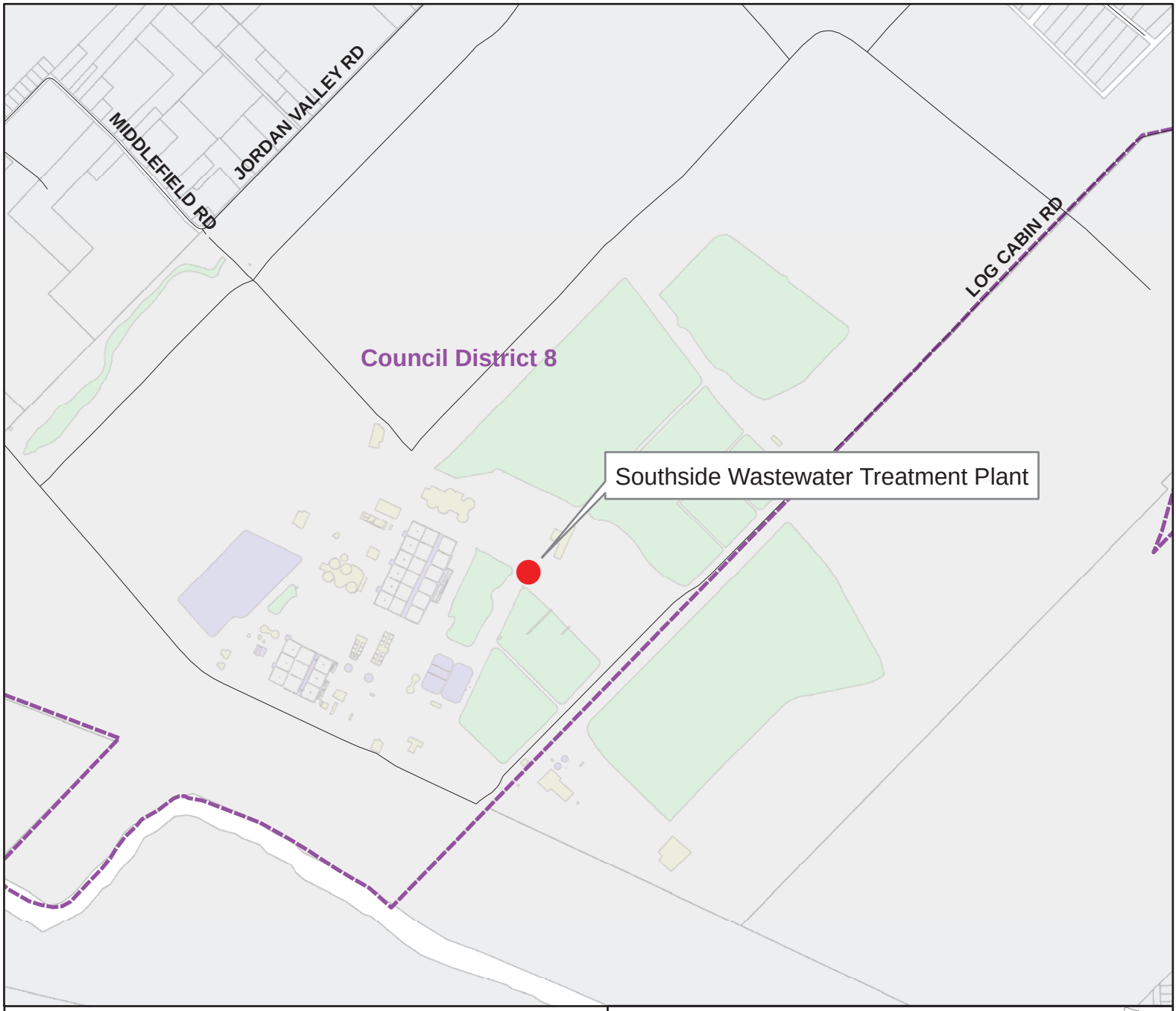
### Non-Local Contractors / Sub-Contractors

| Non-local | Certification | Amount | Percent |
|---|---|---|---|
| C. Greenscaping, LP | HFDB63808Y0817 | $3,032.00 | 0.07% |
| Bazan Roofing Inc | HMDB63183N1217 | $33,750.00 | 0.79% |
| JML Distributing Inc | WFDB72845Y0417 | $2,726,263.00 | 63.52% |
| H & H Restoration | WFWB48395N0818 | $375,000.00 | 8.74% |
| Lowe Precast Inc | WFWBC160011017 | $142,080.00 | 3.31% |
| **Total Minority - Non-local** | | $3,280,125.00 | 76.42% |

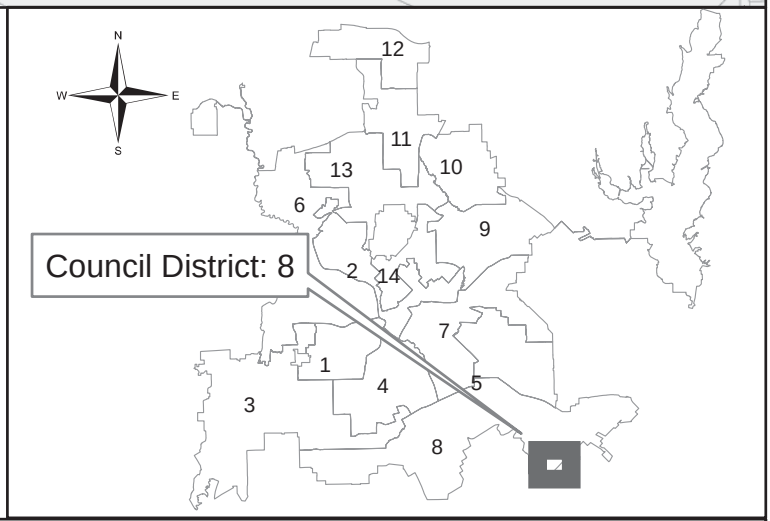
# BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY
## Page 2

**TOTAL M/WBE CONTRACT PARTICIPATION**

| | Local | Percent | Local & Non-Local | Percent |
|---|---|---|---|---|
| African American | $0.00 | 0.00% | $0.00 | 0.00% |
| Hispanic American | $0.00 | 0.00% | $36,782.00 | 0.25% |
| Asian American | $0.00 | 0.00% | $0.00 | 0.00% |
| Native American | $522,821.45 | 4.93% | $522,821.45 | 3.51% |
| WBE | $0.00 | 0.00% | $3,243,343.00 | 21.78% |
| Total | $522,821.45 | 4.93% | $3,802,946.45 | 25.54% |




Mapsco: 79 C D




**Dallas Water Utilities**
**Contract No. 16-174**
**Southside Wastewater Treament Plant**
**Grit Removal Improvements**

February 22, 2017

**WHEREAS,** bids were received on November 18, 2016 for the construction of grit removal improvements at the Southside Wastewater Treatment Plant, Contract No. 16-174, listed as follows:

| **BIDDERS** | **BID AMOUNT** |
|---|---|
| Archer Western Construction, LLC | $14,893,000.00 |
| Pepper Lawson Waterworks, LLC | $15,996,000.00 |
| MWH Constructors, Inc. | $17,055,000.00 |

**WHEREAS,** the bid submitted by Archer Western Construction, LLC, 1411 Greenway Drive, Irving, Texas 75038, in the amount of $14,893,000.00, is the lowest and best of all bids received.

**Now, Therefore,**

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

**Section 1.** That the bid submitted by Archer Western Construction, LLC, in the amount of $14,893,000.00, for doing the work covered by the plans, specifications, and contract documents, Contract No. 16-174, be accepted.

**Section 2.** That the City Manager is hereby authorized to execute a contract with Archer Western Construction, LLC in the amount of $14,893,000.00, for the construction of grit removal improvements at the Southside Wastewater Treatment Plant, after approval as to form by the City Attorney.

**Section 3.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed $14,893,000.00 from the Wastewater Capital Improvement Fund:

| FUND | DEPT | UNIT | OBJ | PRO | ENCUMBRANCE | VENDOR |
|---|---|---|---|---|---|---|
| 3116 | DWU | PS31 | 4330 | 716174 | CT-DWU716174CP | VS0000064407 |

Archer Western Construction, LLC - (Contract No. 16-174) - $14,893,000.00

**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.

**AGENDA ITEM # 71**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 8

**DEPARTMENT:** Trinity Watershed Management
City Attorney's Office
Mobility and Street Services

**CMO:** Mark McDaniel, 670-3256
Larry Casto, 670-3491
Jill A. Jordan, P.E., 670-5299

**MAPSCO:** 75C

## SUBJECT

Authorize the second step of acquisition for condemnation by eminent domain, if such becomes necessary, from R.K.C.J., L.L.C. to acquire an improved tract of land containing approximately 25,727 square feet, four slope easements containing a total of approximately 23,330 square feet, and a drainage easement containing approximately 5,257 square feet, located on East Wheatland Road near its intersection with Lancaster Road for the Wheatland Road Improvement Project - Not to exceed $136,944 ($130,944, plus closing costs and title expenses not to exceed $6,000) - Financing: General Obligation Commercial Paper Funds

## BACKGROUND

This item authorizes the second step of acquisition for condemnation by eminent domain, if such becomes necessary, to acquire an improved tract of land containing approximately 25,727 square feet, four slope easements containing a total of approximately 23,330 square feet, and a drainage easement containing approximately 5,257 square feet from R.K.C.J., L.L.C., the property owner. This property is improved with fencing, paving, other miscellaneous improvements and is located on East Wheatland Road near its intersection with Lancaster Road for the Wheatland Road Improvement Project. An offer was presented to the property owner on December 8, 2016 reflecting the appraised value of $130,944 and the City's offer was declined. Negotiations between the City and the property owner are ongoing and to date, no amicable agreement has been reached.

The first resolution approved on January 25, 2017, by Resolution No. 17-0213, authorized the purchase in the amount of $130,944, based upon an independent appraisal.

**BACKGROUND** (Continued)

No relocation benefits are associated with this acquisition.

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

Authorized acquisition on January 25, 2017, by Resolution No. 17-0213.

Information about this item will be provided to the Transportation and Trinity River Project Committee on February 13, 2017.

**FISCAL INFORMATION**

2006 Bond Program (General Obligation Commercial Paper Funds) - $136,944 ($130,944, plus closing costs and title expenses not to exceed $6,000)

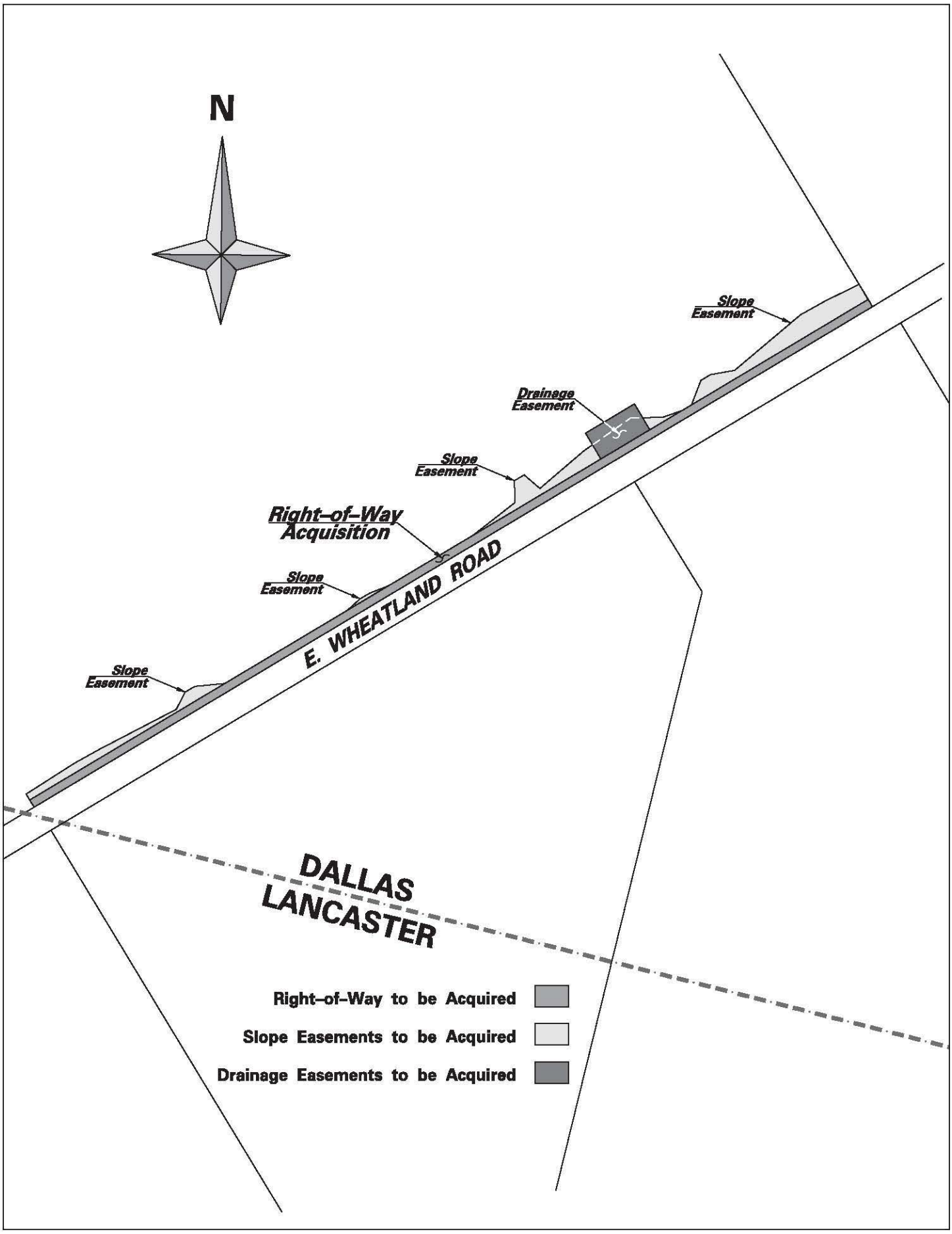
**OWNER**

**R.K.C.J., L.L.C.**

Robert J. Pitre, Manager
Katrina Pitre, Manager

**MAP**

Attached


N
Slope Easement
Drainage Easement
Slope Easement
Right–of–Way Acquisition
Slope Easement
Slope Easement
E. WHEATLAND ROAD
DALLAS
LANCASTER
Right–of–Way to be Acquired
Slope Easements to be Acquired
Drainage Easements to be Acquired

February 22, 2017

**A RESOLUTION AUTHORIZING CONDEMNATION FOR THE ACQUISITION OF REAL PROPERTY.**

*All capitalized items are defined in Section 1 below.*

**WHEREAS,** the Dallas City Council by the FIRST RESOLUTION found that the USE of the PROPERTY INTERESTS in and to the PROPERTY for the PROJECT is a public use; and

**WHEREAS,** Dallas City Council by the FIRST RESOLUTION found that a public necessity requires that CITY acquire the PROPERTY INTERESTS in and to the PROPERTY from OWNER for the PROJECT; and

**WHEREAS,** the Dallas City Council by the FIRST RESOLUTION authorized acquisition, by purchase, of the PROPERTY INTERESTS in and to the PROPERTY held by OWNER for the PROJECT; and

**WHEREAS,** OWNER refused to sell the PROPERTY INTERESTS in and to the PROPERTY to CITY for the OFFICIAL OFFER AMOUNT contained in the FIRST RESOLUTION; and

**WHEREAS,** the Dallas City Council desires to authorize the City Attorney to acquire the PROPERTY INTERESTS in and to the PROPERTY by condemnation for the OFFICIAL OFFER AMOUNT stated herein:

**NOW, THEREFORE,**

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

**SECTION 1.** For the purposes of this resolution, the following definitions shall apply:

"CITY": The City of Dallas

"FIRST RESOLUTION": Resolution No. 17-0213 approved by the Dallas City Council on January 25, 2017, which is incorporated herein by reference.

"PROPERTY": Six tracts containing a total of approximately 54,314 square feet of property located in Dallas County, and being the same property more particularly described in "Exhibit A", attached hereto and made a part hereof for all purposes.

"PROPERTY INTERESTS":

Parcel No. 11 – Fee Simple
Parcel Nos. 11 - A, 11 -B, 11 - C & 11 - D – Slope Easement
Parcel No. 11 - i – Drainage Easement

“PROJECT”: Wheatland Road Improvement Project

“USE”: The construction, installation, use, and maintenance of a realigned section of roadway, together with such appurtenant facilities as may be necessary, however, to the extent fee title to the PROPERTY is acquired through instrument, such title in and to the PROPERTY shall not be limited to or otherwise deemed restricted to the USE herein provided.

“OWNER”: R.K.C.J., L.L.C., provided, however, that the term “OWNER” as used in this resolution means all persons or entities having an ownership interest, regardless of whether those persons or entities are actually named herein.

“OFFICIAL OFFER AMOUNT”:

| | |
|---|---|
| Fee Simple | $ 32,159.00 |
| Slope Easements - | $ 22,703.00 |
| Drainage Easement - | $ 5,914.00 |
| Improvements and Cost to Cure - | $ 70,168.00 |
| Total Amount - | $130,944.00 |

“CLOSING COSTS AND TITLE EXPENSES”: Not to exceed $6,000.00

“AUTHORIZED AMOUNT”: $136,944.00 (OFFICIAL OFFER AMOUNT plus CLOSING COSTS AND TITLE EXPENSES)

“DESIGNATED FUNDS”: Payable out of 2006 Bond Funds: Fund No. 4T22, Department STS, Unit U803, Activity THRF, Program No. PB06U803, Object 4210, Encumbrance No. CT-STS06U803D1, CLOSING COSTS AND TITLE EXPENSES payable out of 2006 Bond Funds: Fund No. 4T22, Department STS, Unit U803, Activity THRF, Program No. PB06U803, Object 4230, Encumbrance No. CT-STS06U803D2. The OFFICIAL OFFER AMOUNT, CLOSING COSTS AND TITLE EXPENSES together shall not exceed the AUTHORIZED AMOUNT.

**SECTION 2.** That the CITY will pay court costs as may be assessed by the Special Commissioners or the Court. Further, that litigation expenses determined by the City Attorney to be necessary are authorized for payment. All costs and expenses described in this section shall be paid out of and charged to the DESIGNATED FUNDS.

**SECTION 3.** That the City Attorney is authorized and requested to file the necessary proceeding and take the necessary action for the acquisition of the PROPERTY INTERESTS in and to the PROPERTY by condemnation or in any manner provided by law.

**SECTION 4.** That in the event it is subsequently determined that additional persons or entities other than those named herein have an interest in the PROPERTY, the City Attorney is authorized and directed to join said parties as defendants in said condemnation proceeding and/or suit.

**SECTION 5.** That in the event the Special Commissioners appointed by the Court return an award that is the same amount, or less, than the OFFICIAL OFFER AMOUNT, the City Attorney is hereby authorized to acquire the PROPERTY INTERESTS in and to the PROPERTY by instrument, or judgment, for the Special Commissioners' Award Amount. If the PROPERTY INTERESTS in and to the PROPERTY is being acquired by instrument, the Chief Financial Officer is hereby authorized and directed to issue a check, paid out of and charged to the DESIGNATED FUNDS, in an amount not to exceed the Special Commissioners' Award Amount, made payable to OWNER, or the then current owner(s) of record, or to the title company insuring the transaction described herein. If the PROPERTY INTERESTS in and to the PROPERTY is not being acquired through instrument, the Chief Financial Officer is hereby authorized and directed to issue a check paid out of and charged to the DESIGNATED FUNDS, in an amount not to exceed the Special Commissioners' Award Amount, made payable to the County Clerk of Dallas County, Texas, to be deposited into the registry of the Court, to enable CITY to take possession of the PROPERTY INTERESTS in and to the PROPERTY without further action of the Dallas City Council. The Chief Financial Officer is further authorized and directed to issue another check, to be paid out of and charged to the DESIGNATED FUNDS, in the amount of the CLOSING COSTS AND TITLE EXPENSES payable to the title company insuring the transaction described herein. The Special Commissioners' Award Amount and the CLOSING COSTS AND TITLE EXPENSES together shall not exceed the AUTHORIZED AMOUNT.

**SECTION 6.** 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.

**APPROVED AS TO FORM:**
**LARRY E. CASTO, City Attorney**

**BY** _____
**Assistant City Attorney**

# Field Notes Describing a 25,727 Square Foot Tract of Land To Be Acquired in Block 7605 From RKCJ, LLC

Being a 25,727 Square Foot (0.5906 Acre) tract of land situated in the S.C. Atterbury Survey, Abstract No. 14, Dallas County, Texas, lying in Block 7605 (official City of Dallas Block Numbers), being a portion of the property conveyed to RKCJ, LLC by Warranty Deed dated April 1, 1996 and recorded in Volume 96066, Page 7234 of the Deed Records of Dallas County, Texas and being more particularly described as follows:

**BEGINNING** at a 1" dia. iron rod found in the Northwest line of Wheatland Road, a Variable-Width Right-of-Way roadway, at the most Easterly corner of said RKCJ, LLC tract, being also the most Southerly corner of a tract of land conveyed to 261 CW Springs, Ltd., by Instrument No. 200600294768 of the Official Public Records of Dallas County, Texas:

**THENCE** South 59°11'08" West with the said Northwest line of Wheatland Road a distance of 1,714.89 feet to a 5/8 inch dia. iron rod with cap marked "CITY OF DALLAS" (hereinafter referred to as "5/8"I.R. w/COD cap") set at the South corner of said RKCJ, LLC tract, being also the East corner of a the Oak Cliff Plantations Addition, and addition to the City of Dallas recorded in Volume 8, Page 263 of the Map Records of Dallas County, Texas, and the South corner of the herein described tract of land:

**THENCE** North 31°04'30" West, departing the said Northwest line of Wheatland Road and with the common line between said RKCJ, LLC tract and the Oak Cliff Plantations Addition, a distance of 15.00 feet to a 5/8"I.R. w/COD cap set at the West corner of the herein described tract of land:

**THENCE** North 59°11'08" East, departing the last said common line with the Oak Cliff Plantations Addition and 15.00 feet perpendicularly from and parallel with the said Northwest line of Wheatland Road, a distance of 1,714.69 feet to a 5/8"I.R. w/COD cap set at an inside corner of the herein described tract of land:

**THENCE** North 58°47'35" East a distance of 0.52 feet to a 5/8"I.R. w/COD cap set in the above referenced common line with the 261 CW Springs, Ltd. tract, at the North corner of the herein described tract of land:

**THENCE** South 30°15'47" East with the said common line between the 261 CW Springs, Ltd. and RKCJ, LLC properties, a distance of 15.00 feet to the **POINT OF BEGINNING**, containing 25,727 Square Feet, or 0.5906 Acres of land.

**BASIS OF BEARINGS**: Bearings are based on the Northwest line of Wheatland Road, at North 59°11'08" East, monumented as noted and derived from Global Positioning System observations using the North Texas Cooperative Real Time Kinematic Survey, Virtual Reference Station System, North American Datum of 1983.

STATE OF TEXAS REGISTERED SCOTT RAY HOLT 4895 PROFESSIONAL

Scott Holt 6.9.2010




**LOCATOR MAP**
NOT TO SCALE

0 100 200 300

261 CW Springs Ltd.
Inst. No: 200600294768

*ROBERT SIMONTON SURVEY*
*Abstract #1277*

5/8" I.R. w/ COD Cap Set

15.00'
S30°15'47"E

0.52'
N58°47'35"E

1" I.R. Found CONTROLLING MONUMENT

1" I.R. Found CONTROLLING MONUMENT & POINT OF BEGINNING

UNPLATTED

N

RKCJ LLC
Vol. 96066, Pg. 7234

UNPLATTED

25,727 Square Foot (0.5906 Acre) Tract To Be Acquired

BLOCK 7605

WHEATLAND ROAD (50' R.O.W.)

1,714.69', N59°11'08"E
1,714.69', S59°11'08"W

George P. Shropulos Family Limited Partnership
Vol. 94043, Pg. 2846

UNPLATTED

*S. C. ATTERBURY SURVEY*
*Abstract #14*

*OAK CLIFF PLANTATIONS ADDITION*
*Vol. 8, Pg. 263*

Susan Wright Key
Vol. 88021, Pg. 1852

UNPLATTED

UNPLATTED

BLOCK 7608

*M. L. SWING SURVEY*
*Abstract #1422*

5/8" I.R. w/ COD Cap Set

15.00'
N31°04'30"W

DALLAS
LANCASTER

Dallas–Lancaster Corporate Limit Line. Dallas City Ordinance No. 6605 (8–27–55)

Susan Wright Key
Vol. 88021, Pg. 1852

**Property to be Acquired**

Sheet 2 of 2

***LOCATOR MAP: Parcel No. 11***

**Wheatland Road**
From Lancaster City Limits
to
Lancaster Road

DEPT. OF PUBLIC WORKS & TRANSPORTATION
SURVEY DIVISION CITY OF DALLAS, TEXAS

| OPER. NAME | DESIGN FILE NAME | | SCALE | DATE |
|---|---|---|---|---|
| S. Holt | N:\ENGR\SURVEY\HOLT\Wheatland\Wheatland Field Notes.dgn | | As Noted | 4–15–10 |
| PARTY CHIEF | CALCULATIONS | FOLDER | FILE NO. | |
| J. Chambers | S. Holt | Block 7605 | 311D–4147–11 | |

# Field Notes Describing Slope Easements To Be Acquired in Block 7605 From RKCJ, LLC

**PARCEL 11-A:**

Being a 9,761 Square Foot (0.224 Acre) tract of unplatted land situated in the S.C. Atterbury Survey, Abstract No. 14, Dallas County, Texas, lying in Block 7605 (official City of Dallas Block Numbers), being a portion of the property conveyed to RKCJ, LLC by Warranty Deed dated April 1, 1996 and recorded in Volume 96066, Page 7234 of the Deed Records of Dallas County, Texas and being more particularly described as follows:

**COMMENCING** at a 1" dia. iron rod found in the current Northwest line of Wheatland Road (a 50-Foot Right-of-Way), at the most Easterly corner of said RKCJ, LLC tract, being also the most Southerly corner of a tract of land conveyed to 261 CW Springs, Ltd., by Instrument No. 200600294768 of the Official Public Records of Dallas County, Texas:

**THENCE** North 30°15'47" West, departing the last said Northwest line of Wheatland Road and with the common line between said RKCJ, LLC and 261 CW Springs, Ltd. properties, a distance of 15.00 feet to a 5/8 inch diameter Iron Rod with Cap marked "CITY OF DALLAS" set at the intersection with the Northwest line of the approved realignment location of Wheatland Road, being also the most Easterly corner and **POINT OF BEGINNING** of the herein described tract of land:

**THENCE** South 58°47'35" West, departing the said common line between 261 CW Springs, Ltd. and RKCJ, LLC properties and with the said approved Northwest line of Wheatland Road, over and across a portion of said RKCJ, LLC property, a distance of 0.52 feet to at 5/8 inch diameter Iron Rod with Cap marked "CITY OF DALLAS" set at an outside corner of the herein described tract of land:

**THENCE** South 59°11'08" West, continuing with the said approved Northwest line of Wheatland Road, over and across a portion of said RKCJ, LLC property, a distance of 360.69 feet to the most Westerly corner of the herein described tract of land (not monumented):

**THENCE** North 21°02'09" East departing the last said approved Northwest line of Wheatland Road, continuing over and across a portion of said RKCJ, LLC property a distance of 46.01 feet to an outside corner of the herein described tract of land (not monumented):

Field Notes Describing Slope Easements
To Be Acquired in Block 7605
From RKCJ, LLC

**PARCEL 11-A**:

**THENCE** continuing over and across a portion of said RKCJ, LLC property the following courses and distances:

North 59°11'08" East a distance of 20.00 feet to an outside corner of the herein described tract of land (not monumented):

North 79°55'13" East a distance of 42.77 feet to an inside corner of the herein described tract of land (not monumented):

North 49°55'36" East a distance of 151.98 feet to an outside corner of the herein described tract of land (not monumented):

North 61°03'52" East a distance of 50.03 feet to an outside corner of the herein described tract of land (not monumented):

North 63°59'52" East a distance of 65.56 feet to the intersection with the above said common line between the RKCJ, LLC and 261 CW Springs, Ltd. properties:

**THENCE** South 30°15'47" East with the common line between said RKCJ, LLC and 261 CW Springs, Ltd. properties a distance of 30.59 feet to the **POINT OF BEGINNING**, containing 9,761 Square Feet, or 0.224 Acres of land.

**BASIS OF BEARINGS**: Bearings are based on the Texas State Plane Coordinate System, North Central Zone (4202), North American Datum of 1983.

Scott Holt
9/9/2014



Field Notes Describing Slope Easements
To Be Acquired in Block 7605
From RKCJ, LLC

**PARCEL 11-B**:

Being an 8,437 Square Foot (0.194 Acre) tract of unplatted land situated in the S.C. Atterbury Survey, Abstract No. 14, Dallas County, Texas, lying in Block 7605 (official City of Dallas Block Numbers), being a portion of the property conveyed to RKCJ, LLC by Warranty Deed dated April 1, 1996 and recorded in Volume 96066, Page 7234 of the Deed Records of Dallas County, Texas and being more particularly described as follows:

**COMMENCING** at a 1" dia. iron rod found in the current Northwest line of Wheatland Road (a 50-Foot Right-of-Way), at the most Easterly corner of said RKCJ, LLC tract, being also the most Southerly corner of a tract of land conveyed to 261 CW Springs, Ltd., by Instrument No. 200600294768 of the Official Public Records of Dallas County, Texas:

**THENCE** North 30°15'47" West, departing the last said Northwest line of Wheatland Road and with the common line between said RKCJ, LLC and 261 CW Springs, Ltd. properties, a distance of 15.00 feet to a 5/8 inch diameter Iron Rod with Cap marked "CITY OF DALLAS" set at the intersection with the Northwest line of the approved realignment location of Wheatland Road, at an angle point:

**THENCE** South 58°47'35" West, with the said approved Northwest line of Wheatland Road, a distance of 0.52 feet to at 5/8 inch diameter Iron Rod with Cap marked "CITY OF DALLAS" set at an angle point:

**THENCE** South 59°11'08" West, continuing with the said approved Northwest line of Wheatland Road a distance of 379.64 feet to the most Easterly corner and **POINT OF BEGINNING** of the herein described tract of land (not monumented):

**THENCE** South 59°11'08" West, continuing with the said approved Northwest line of Wheatland Road, a distance of 427.06 feet to the most Westerly corner of the herein described tract of land (not monumented):

**THENCE** North 52°03'31" East, departing the said approved Northwest line of Wheatland Road, over and across a portion of said RKCJ, LLC property a distance of 92.91 feet to an inside corner of the herein described tract of land (not monumented):

Field Notes Describing Slope Easements
To Be Acquired in Block 7605
From RKCJ, LLC

**PARCEL 11-B:**

**THENCE** continuing over and across a portion of said RKCJ, LLC property the following courses and distances:

North 01°48'13" West a distance of 38.23 feet to an outside corner of the herein described tract of land (not monumented):

North 59°11'08" East a distance of 20.00 feet to an outside corner of the herein described tract of land (not monumented):

South 49°08'19" East a distance of 36.45 feet to an inside corner of the herein described tract of land (not monumented):

North 49°31'27" East a distance of 101.44 feet to an outside corner of the herein described tract of land (not monumented):

North 54°53'37" East a distance of 100.28 feet to an outside corner of the herein described tract of land (not monumented):

North 88°24'47" East a distance of 57.29 feet to an inside corner of the herein described tract of land (not monumented):

**THENCE** North 70°23'56" East, continuing over and across a portion of said RKCJ, LLC property a distance of 35.55 feet to the **POINT OF BEGINNING**, containing 8,437 Square Feet, or 0.194 Acres of land.

**BASIS OF BEARINGS**: Bearings are based on the State Plane Coordinate System, Texas North Central Zone 4202, North American Datum of 1983 (2011).

Scott Holt
9/9/2014



# Field Notes Describing Slope Easements
# To Be Acquired in Block 7605
# From RKCJ, LLC

**PARCEL 11-C**:

Being a 293 Square Foot (0.007 Acre) tract of unplatted land situated in the S.C. Atterbury Survey, Abstract No. 14, Dallas County, Texas, lying in Block 7605 (official City of Dallas Block Numbers), being a portion of the property conveyed to RKCJ, LLC by Warranty Deed dated April 1, 1996 and recorded in Volume 96066, Page 7234 of the Deed Records of Dallas County, Texas and being more particularly described as follows:

**COMMENCING** at a 1" dia. iron rod found in the current Northwest line of Wheatland Road (a Variable-Width Right-of-Way), at the most Easterly corner of said RKCJ, LLC tract, being also the most Southerly corner of a tract of land conveyed to 261 CW Springs, Ltd., by Instrument No. 200600294768 of the Official Public Records of Dallas County, Texas:

**THENCE** North 30°15'47" West, departing the last said Northwest line of Wheatland Road and with the common line between said RKCJ, LLC and 261 CW Springs, Ltd. properties, a distance of 15.00 feet to a 5/8 inch diameter Iron Rod with Cap marked "CITY OF DALLAS" set at the intersection with the Northwest line of the approved realignment location of Wheatland Road, at an angle point:

**THENCE** South 58°47'35" West, over and across a portion of said RKCJ, LLC property and with the said approved Northwest line of Wheatland Road, a distance of 0.52 feet to at 5/8 inch diameter Iron Rod with Cap marked "CITY OF DALLAS" set at an angle point:

**THENCE** South 59°11'08" West, continuing over and across a portion of said RKCJ, LLC property and with the said approved Northwest line of Wheatland Road, a distance of 981.77 feet to the most Easterly corner and **POINT OF BEGINNING** of the herein described tract of land (not monumented):

**THENCE** South 59°11'08" West, continuing over and across a portion of said RKCJ, LLC property and with the said approved Northwest line of Wheatland Road, a distance of 81.76 feet to the most Westerly corner of the herein described tract of land (not monumented):

Field Notes Describing Slope Easements
To Be Acquired in Block 7605
From RKCJ, LLC

**PARCEL 11-C**:

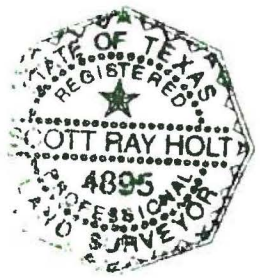
**THENCE** North 47°48'34" East, departing the said approved Northwest line of Wheatland Road and continuing over and across a portion of said RKCJ, LLC property a distance of 29.20 feet to an outside corner of the herein described tract of land (not monumented):

**THENCE** North 59°11'08" East, continuing over and across a portion of said RKCJ, LLC property a distance of 20.00 feet to an outside corner of the herein described tract of land (not monumented):

**THENCE** North 69°02'56" East a distance of 33.63 feet to the **POINT OF BEGINNING**, containing 293 Square Feet, or 0.007 Acres of land.

**BASIS OF BEARINGS**: Bearings are based on the State Plane Coordinate System, Texas North Central Zone 4202, North American Datum of 1983 (2011).

Scott Holt
9/9/2014



Field Notes Describing Slope Easements
To Be Acquired in Block 7605
From RKCJ, LLC

**PARCEL 11-D:**

Being a 4,839 Square Foot (0.111 Acre) tract of unplatted land situated in the S.C. Atterbury Survey, Abstract No. 14, Dallas County, Texas, lying in Block 7605 (official City of Dallas Block Numbers), being a portion of the property conveyed to RKCJ, LLC by Warranty Deed dated April 1, 1996 and recorded in Volume 96066, Page 7234 of the Deed Records of Dallas County, Texas and being more particularly described as follows:

**BEGINNING** at a 5/8 inch diameter Iron Rod with cap marked "CITY OF DALLAS" (hereinafter referred to as a "5/8" I.R. w/COD Cap") set on the Southwest line of said RKCJ, LLC property, being also a common line with the Oak Cliff Plantations Addition, an addition to the City of Dallas recorded in Volume 8, Page 263 of the Map Records of Dallas County, Texas, being the most Southerly corner of the herein described tract of land and on the Northwest line of the approved realignment location of Wheatland Road, from which a "5/8" I.R. w/COD Cap set at the most Southerly corner of said RKCJ, LLC property, on the current Northwest Right-of-Way line of Wheatland Road (a 50-Foot Right-of-Way), bears South 31°04'30" East a distance of 15.00 feet:

**THENCE** North 31°04'30" West, departing the said approved Northwest line of Wheatland Road and with the said common line between the Oak Cliff Plantations Addition and RKCJ, LLC property a distance of 11.99 feet to the most Westerly corner of the herein described tract of land (not monumented):

**THENCE** North 57°34'29" East, departing the last said common line with the Oak Cliff Plantations Addition, over and across a portion of said RKCJ, LLC property, a distance of 100.28 feet to an outside corner of the herein described tract of land (not monumented):

**THENCE** continuing over and across a portion of said RKCJ, LLC property the following courses and distances:

North 60°28'25" East a distance of 50.01 feet to an outside corner of the herein described tract of land (not monumented):

North 62°31'38" East a distance of 152.66 feet to an inside corner of the herein described tract of land (not monumented):

North 27°37'54" East a distance of 33.80 feet to an outside corner of the herein described tract of land (not monumented):

Field Notes Describing Slope Easements
To Be Acquired in Block 7605
From RKCJ, LLC

**PARCEL 11-D:**

North 59°11'08" East a distance of 20.00 feet to an outside corner of the herein described tract of land (not monumented):

North 84°27'01" East a distance of 52.65 feet to an outside corner of the herein described tract of land to the intersection with the above referenced approved Northwest line of Wheatland Road (not monumented):

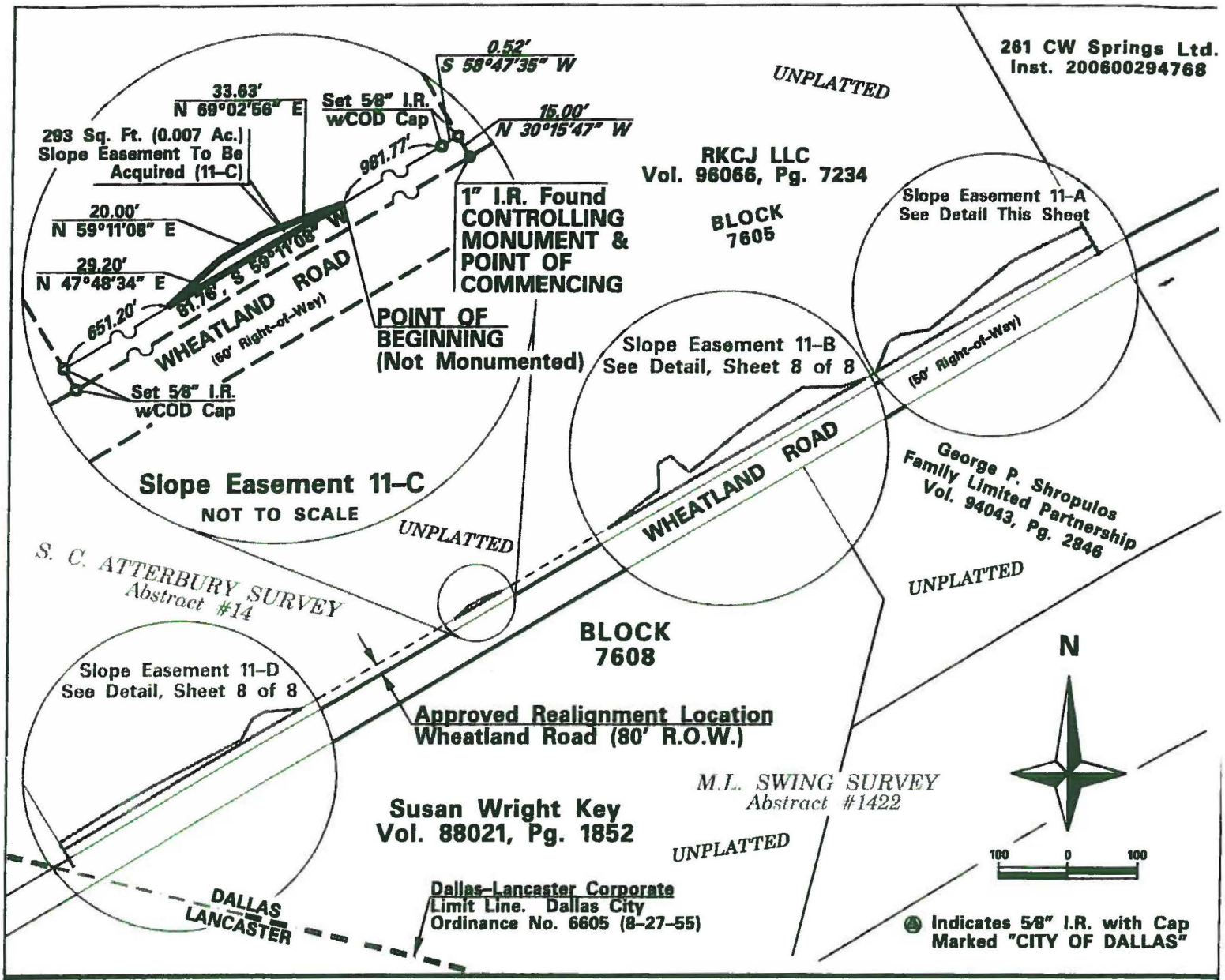
**THENCE** South 59°11'08" West, continuing over and across a portion of said RKCJ, LLC property, and with the approved Northwest line of Wheatland Road a distance of 399.00 feet to the **POINT OF BEGINNING**, containing 4,839 Square Feet, or 0.111 Acre of land.

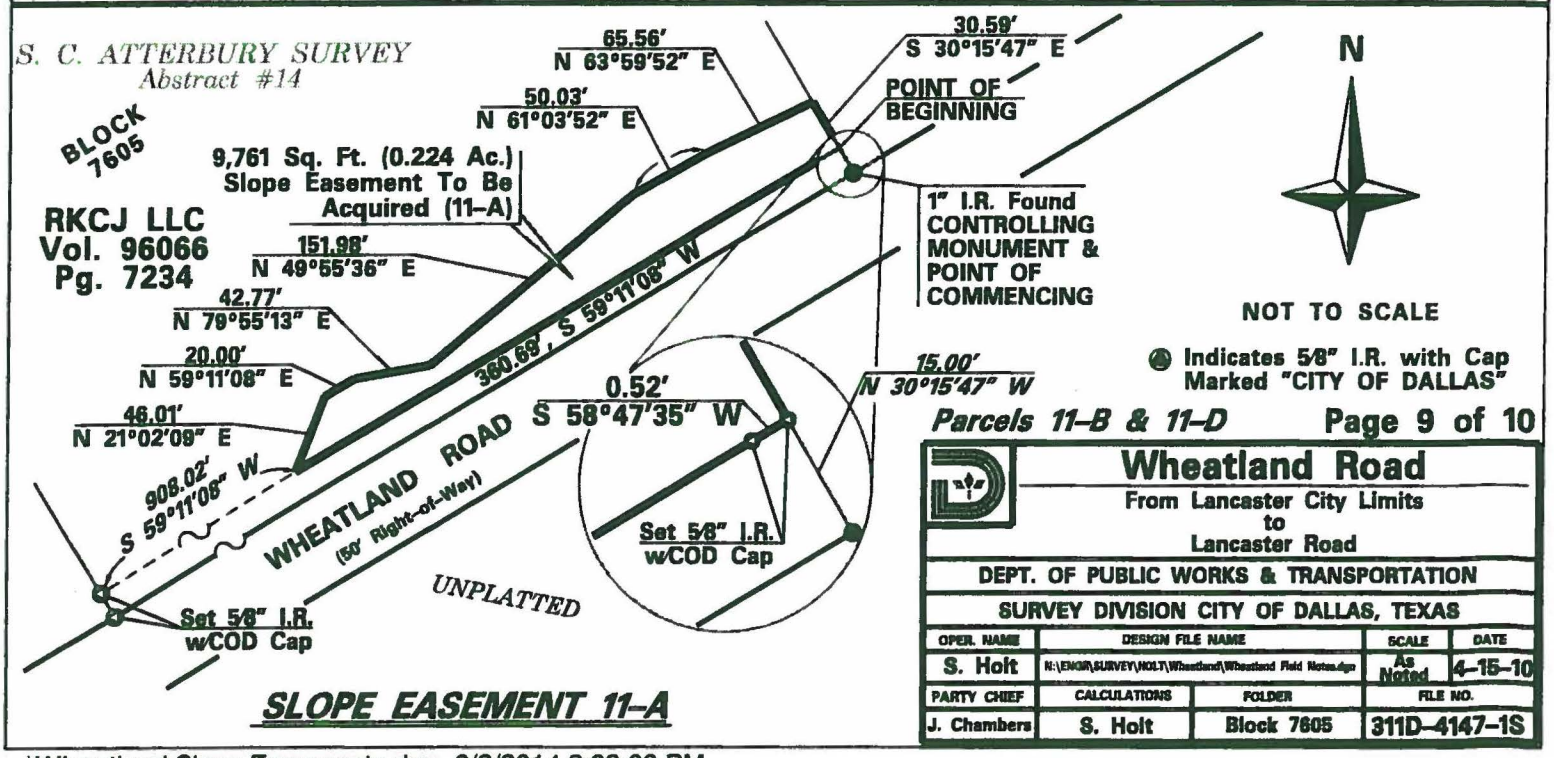
**BASIS OF BEARINGS**: Bearings are based on the State Plane Coordinate System, Texas North Central Zone 4202, North American Datum of 1983 (2011).

Scott Holt

9/9/2014






**SLOPE EASEMENT 11-A**

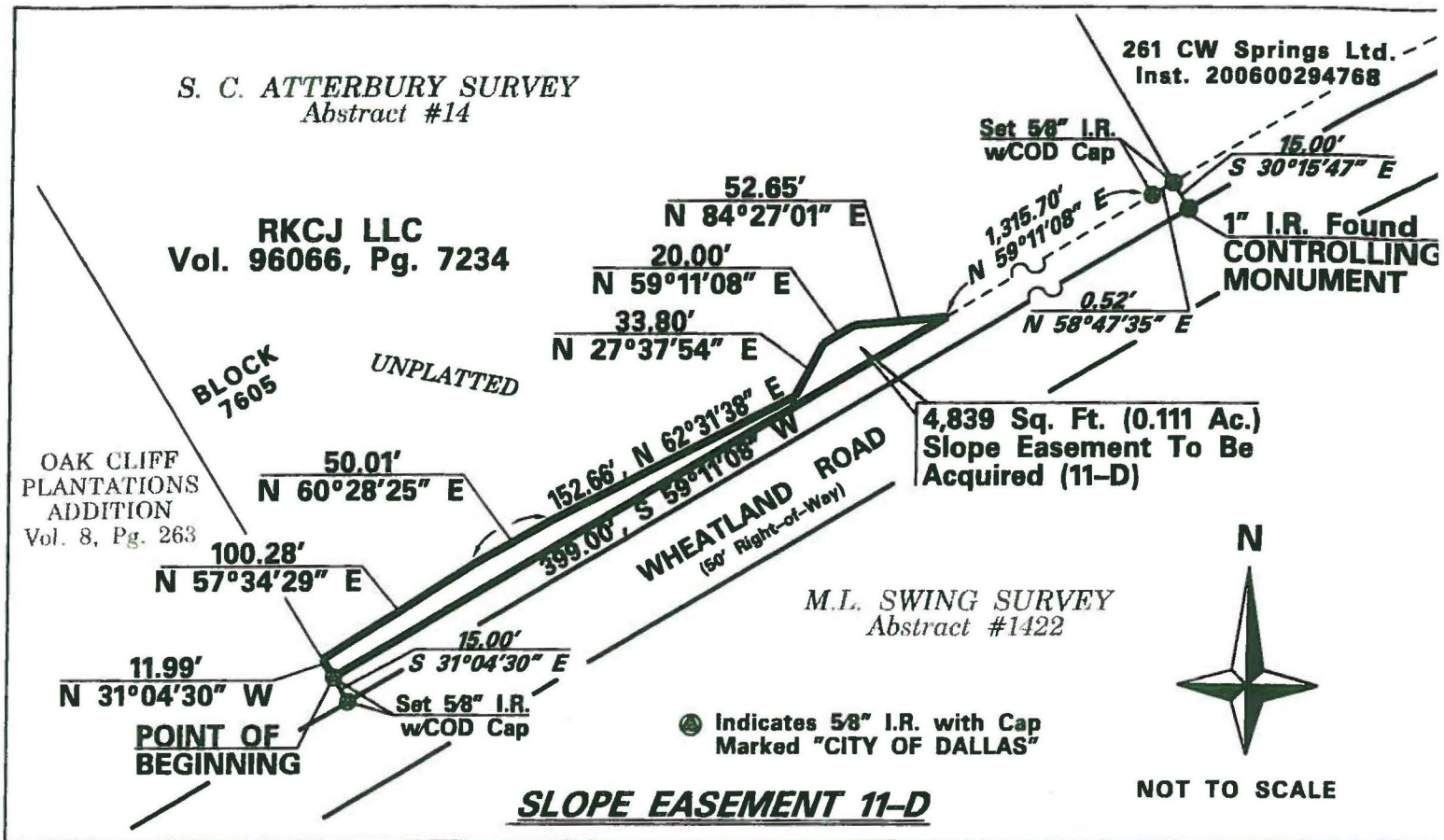
*Parcels 11-B & 11-D* Page 9 of 10

**Wheatland Road**
From Lancaster City Limits
to
Lancaster Road

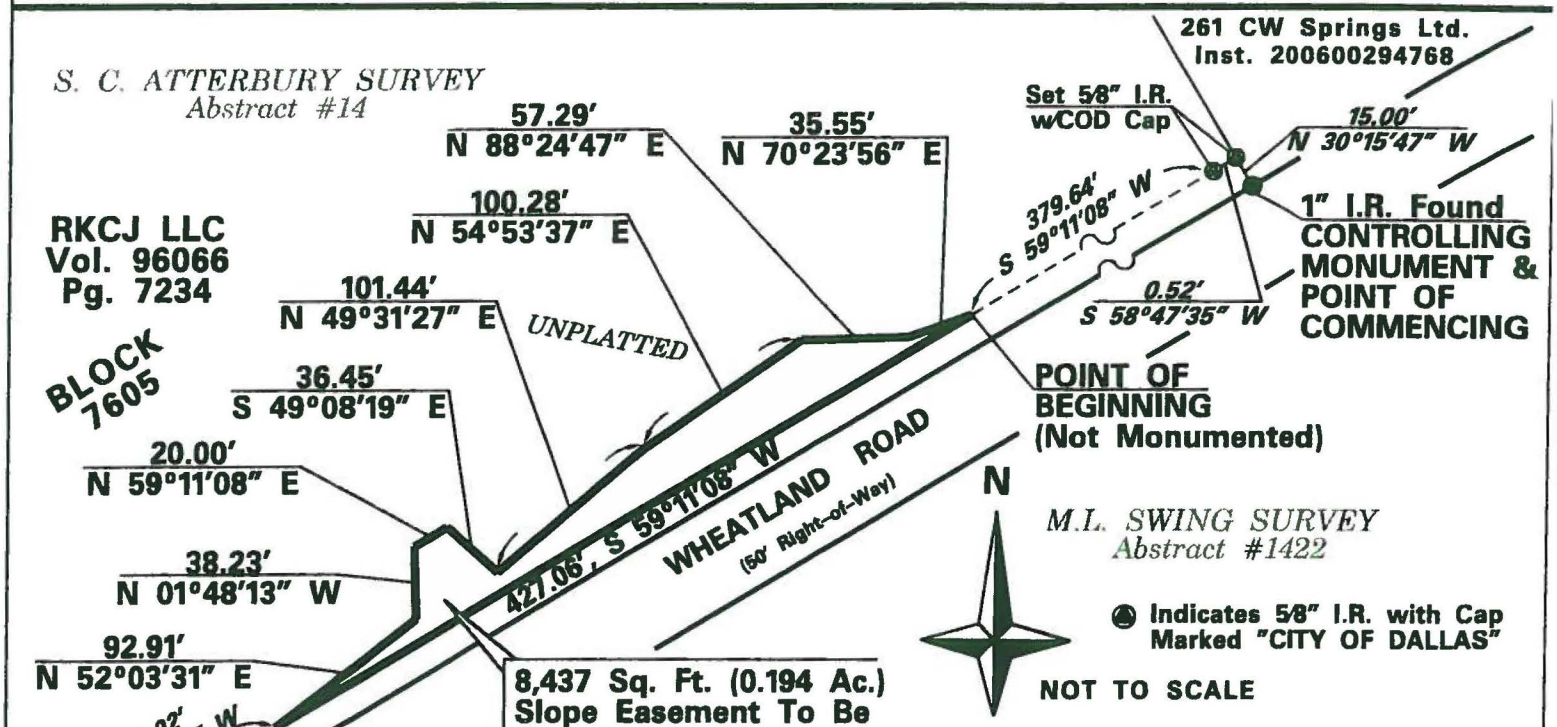
DEPT. OF PUBLIC WORKS & TRANSPORTATION
SURVEY DIVISION CITY OF DALLAS, TEXAS

| OPER. NAME | DESIGN FILE NAME | | SCALE | DATE |
|---|---|---|---|---|
| S. Holt | N:\ENGR\SURVEY\HOLT\Wheatland\Wheatland Field Notes.dgn | | As Noted | 4-15-10 |
| PARTY CHIEF | CALCULATIONS | FOLDER | FILE NO. | |
| J. Chambers | S. Holt | Block 7605 | 311D-4147-1S | |

...\Wheatland Slope Easements.dgn 9/9/2014 2:08:08 PM




## SLOPE EASEMENT 11-D




## SLOPE EASEMENT 11-B

*Parcels 11-A & 11-C* **Page 10 of 10**

| Wheatland Road | | | |
|---|---|---|---|
| From Lancaster City Limits to Lancaster Road | | | |
| DEPT. OF PUBLIC WORKS & TRANSPORTATION | | | |
| SURVEY DIVISION CITY OF DALLAS, TEXAS | | | |
| OPER. NAME | DESIGN FILE NAME | | SCALE / DATE |
| S. Holt | N:\ENGR\SURVEY\HOLT\Wheatland\Wheatland Field Notes.dgn | | As Noted / 11-22-11 |
| PARTY CHIEF | CALCULATIONS | FOLDER | FILE NO. |
| J. Chambers | S. Holt | Block 7605 | 311D-4147-11 |

# Field Notes Describing a Drainage Easement To Be Acquired in Block 7605 From RKCJ, LLC

**PARCEL 11-i:**

Being a 5,257 Square Foot (0.121 Acre) tract of unplatted land situated in the S.C. Atterbury Survey, Abstract No. 14, Dallas County, Texas, lying in Block 7605 (official City of Dallas Block Numbers), being a portion of the property conveyed to RKCJ, LLC by Warranty Deed dated April 1, 1996 and recorded in Volume 96066, Page 7234 of the Deed Records of Dallas County, Texas and being more particularly described as follows:

**COMMENCING** at a ½ inch diameter Iron Rod (Controlling Monument) (without cap) found on the Northwest Right-of-Way line of Wheatland Road (a 50-foot wide Right-of-Way), at the intersection with the Northeast line of said RKCJ, LLC property, being also the Southwest line of a parcel of land conveyed to 261 CW Springs, Ltd. by deed recorded in Instrument No. 200600294768 of the Official Public Records of Dallas County, Texas:

**Thence** North 30°15'47" West, departing the said Northwest line of Wheatland Road and with the common line between said RKCJ, LLC and 261 CW Springs, Ltd. properties a distance of 15.00 feet to a 5/8 inch diameter Iron Rod with cap marked "CITY OF DALLAS" set at the intersection with the Northwest line of the approved realignment location of Wheatland Road (an 80-foot Right-of-Way):

**THENC**E South 58°47'35" West, departing the common line between said RKCJ, LLC and 261 CW Springs, Ltd. properties and with the said approved Northwest line of Wheatland road, over and across a portion of said RKCJ , LLC property a distance of 0.52 feet to a 5/8 inch diameter Iron Rod with cap marked "CITY OF DALLAS" set at an inside corner of said approved alignment line:

**THENC**E South 59°11'08" West, continuing with the said approved Northwest line of Wheatland Road, over and across a portion of said RKCJ, LLC property a distance of 452.45 feet to the most Easterly corner and **POINT OF BEGINNING** of the herein described tract of land (not monumented):

**THENCE** South 59°11'08" West, continuing with the said approved Northwest line of Wheatland Road, over and across a portion of said RKCJ, LLC property a distance of 100.00 feet to the most Southerly corner of the herein described tract of land (not monumented):

Field Notes Describing a Drainage Easement
To Be Acquired in Block 7605
From RKCJ, LLC

**PARCEL 11-i**:

**THENCE** North 30°48'52" West, departing the said approved Northwest line of Wheatland Road and continuing over and across a portion of said RKCJ, LLC property a distance of 52.57 feet to the most Westerly corner of the herein described tract of land (not monumented):

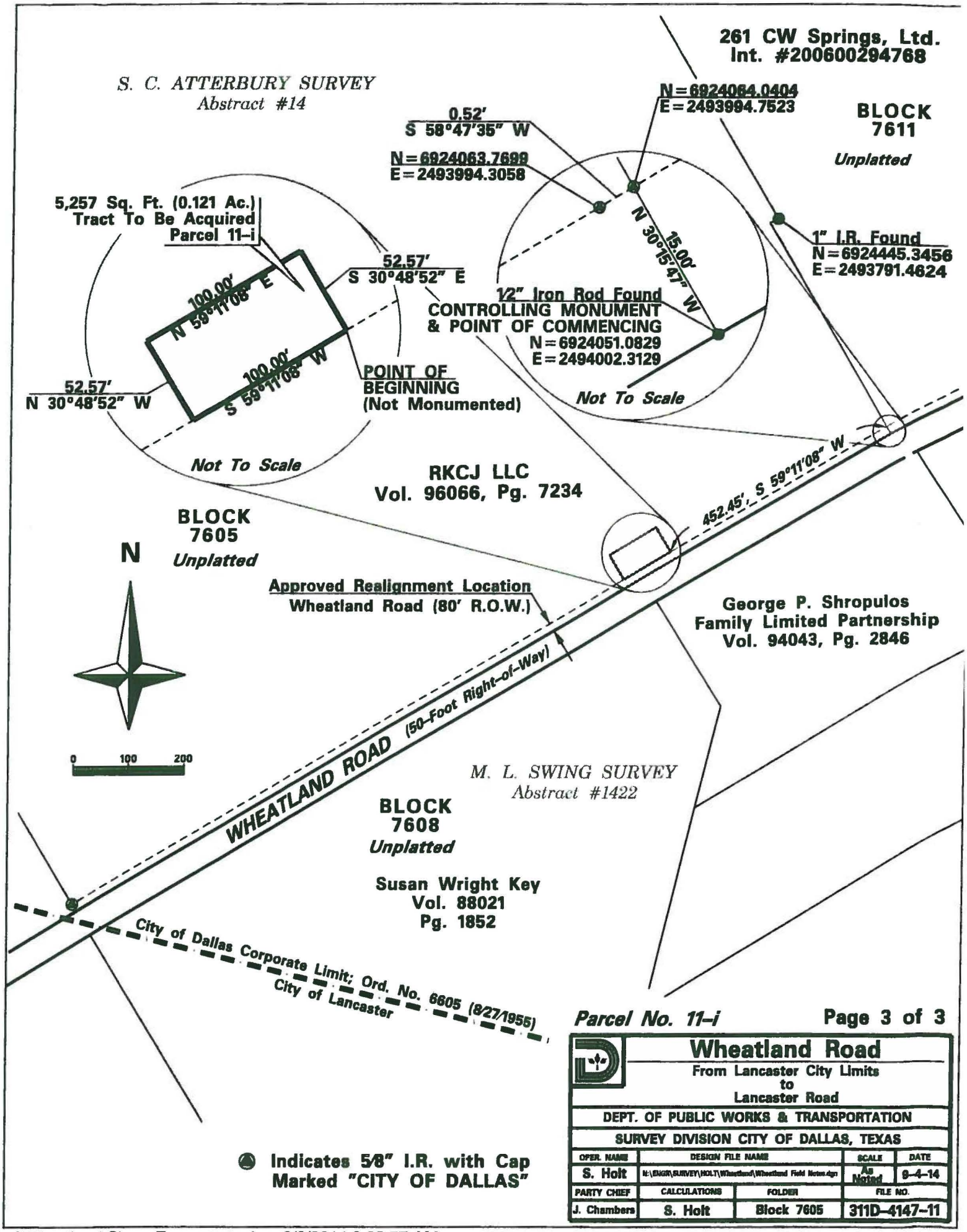
**THENCE** North 59°11'08" East, continuing over and across a portion of said RKCJ, LLC property a distance of 100.00 feet to the most Northerly corner of the herein described tract of land (not monumented):

**THENCE** South 30°48'52" East, continuing over and across a portion of said RKCJ, LLC property a distance of 52.57 feet to the **POINT OF BEGINNING**, containing 5,257 Square Feet, or 0.121 Acres of land.

**BASIS OF BEARINGS**: Bearings are based on the State Plane Coordinate System, Texas North Central Zone 4202, North American Datum of 1983 (2011).

Scott Holt
9/8/2014






Parcel No. 11-i



# Wheatland Road

From Lancaster City Limits
to
Lancaster Road

DEPT. OF PUBLIC WORKS & TRANSPORTATION

SURVEY DIVISION CITY OF DALLAS, TEXAS

| OPER. NAME | DESIGN FILE NAME | | SCALE | DATE |
|---|---|---|---|---|
| S. Holt | N:\ENGR\SURVEY\HOLT\Wheatland\Wheatland Field Notes.dgn | | As Noted | 9-4-14 |
| PARTY CHIEF | CALCULATIONS | FOLDER | FILE NO. | |
| J. Chambers | S. Holt | Block 7605 | 311D-4147-11 | |

Indicates 5/8" I.R. with Cap
Marked "CITY OF DALLAS"

**AGENDA ITEM # 72**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 9

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 38M

## SUBJECT

Authorize a Chapter 380 economic development grant agreement with Casa View II Ltd and/or its affiliates ("Owner") in an amount not to exceed $1,000,000 in consideration of the Owner's investment in eligible expenditures for improvements to Casa View Shopping Center located at 2331 and 2203 Gus Thomasson Road, pursuant to the Public/Private Partnership Program - Not to exceed $1,000,000 - Financing: Public/Private Partnership Funds

## BACKGROUND

Casa View Shopping Center (the "Property") is an existing commercial shopping center (approximately 199,000 square feet on approximately 15 acres) located at the northwest corner of Gus Thomasson Road and Ferguson Road. The shopping center was originally developed between 1953 and 1956. In the early years, tenants included Sears, J.C. Penney, A&P Grocery, Lone Star Life Insurance, Rexall Drug Store, M.E. Moses Co., Skillerns Drug Store, and Ethel Shipps Ladies Wear.

The Greater Casa View Alliance (GCVA), formed of neighborhood leaders and business owners, was established in 2010 as a super-neighborhood group with a goal to unify the Greater Casa View Area at large. Between 2011 and 2015, through a volunteer-led process that included town hall style meetings, visioning workshops, and public opinion surveys, the GCVA created the Greater Casa View Area Plan ("Area Plan"), which was adopted by City Council in December 2016. The Area Plan focuses significantly on the revitalization of Casa View Shopping Center, identifying it as the #1 Top Area of Concern.

This project is anticipated to be a catalyst for revitalization of the greater Casa View area and aims to implement many of the recommendations in the Area Plan, including:

- Retaining the original character of the Property
- Establishing the Property as a destination and the "heart" of the greater Casa View area

**BACKGROUND** (Continued)

- Improving the aesthetic appeal of the Property
- Repositioning the Property to more deliberately attract a tenant mix that matches the needs and demographics of the community (e.g. restaurant tenants with quality dining and outdoor dining opportunities)
- Increasing opportunities for public events on the Property (e.g. farmers market; food truck fair)

Casa View Shopping Center is also located within the Casa View Target Area, as identified in the City's Neighborhood Plus initiative.

The Owner is planning to invest approximately $2.0 million for improvements to the Property. The project scope is anticipated to include, but is not limited to, some or all of the improvements listed below:

- Renovation of the open-air courtyard (including new hardscaping and new landscaping)
- Replacement of the exterior soffit and installation of new lighting
- Replacement of the "Casa View" building sign
- Retention and repair of original exterior architectural features (e.g. brick; metal posts and ornamentation)
- Repair and/or replacement of the storefront sidewalk
- Installation of a new "village plaza" pedestrian area in the parking lot
- Installation of new landscaping/irrigation in the parking lot
- Installation of new lighting in the parking lot
- Re-paving of the parking lot (milling off 4" and applying a new asphalt overlay)
- Re-paving of the rear access drive (applying a new asphalt overlay)
- Re-striping/re-configuration of the parking lot
- Installation of two (2) new multi-tenant shopping center signs (one at entrance from Gus Thomasson and one at entrance from Ferguson)

The City is also planning to initiate a public improvement project immediately adjacent to the Casa View Shopping Center. The project is planned to include paving, drainage, landscape, streetscape, and utility improvements on Gus Thomasson from San Medina to Ferguson with the goals of calming traffic and creating a safer, more walkable, and more aesthetically appealing environment. Construction of the project is planned to begin in Q2 2017 and be completed by end of 2018.

Pursuant to the City's adopted Public/Private Partnership Program Guidelines and Criteria (effective for the period January 1, 2017 through December 31, 2018), this project is located within a target area and meets the minimum eligibility requirement of at least $1.0 million in private investment.

**BACKGROUND** (Continued)

With the proposed economic development grant, this project would be the first to be facilitated by the "Neighborhood Commercial/Retail Redevelopment Grant Program" which was added to the Public/Private Partnership Program for the current effective period.

The proposed economic development grant agreement is subject to the following key terms:

- A grant ("Grant") equal to 50 percent (50%) of the Owner's private investment in eligible expenditures for improvements to the Property up to an amount not-to-exceed $1,000,000.

- In consideration of the Grant, the Owner agrees to invest or cause to be invested a minimum of $1,500,000 in eligible expenditures for improvements to the Property.

- The Grant shall be payable in up to four (4) installments. Each installment shall be paid upon substantial completion of some portion of improvements to the Property and verification of associated eligible expenditures. Exhibit B of the Resolution includes a list of eligible and non-eligible expenditures.

- All improvements shall be substantially completed within thirty-six (36) months from the latter of: (i) the date of execution of the Grant Agreement or (ii) the date of commencement of construction of the City's public improvement project on Gus Thomasson from San Medina to Ferguson (commencement of construction does not include adjustment/relocation of existing non-City utilities).

**ESTIMATED SCHEDULE OF PROJECT**

| | |
|---|---|
| Begin Construction | July 2017 |
| Complete Construction | June 2019 |

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

Information about this item was provided to the Economic Development Committee on February 6, 2017.

**FISCAL INFORMATION**

$1,000,000 – Public/Private Partnership Funds

**OWNER**

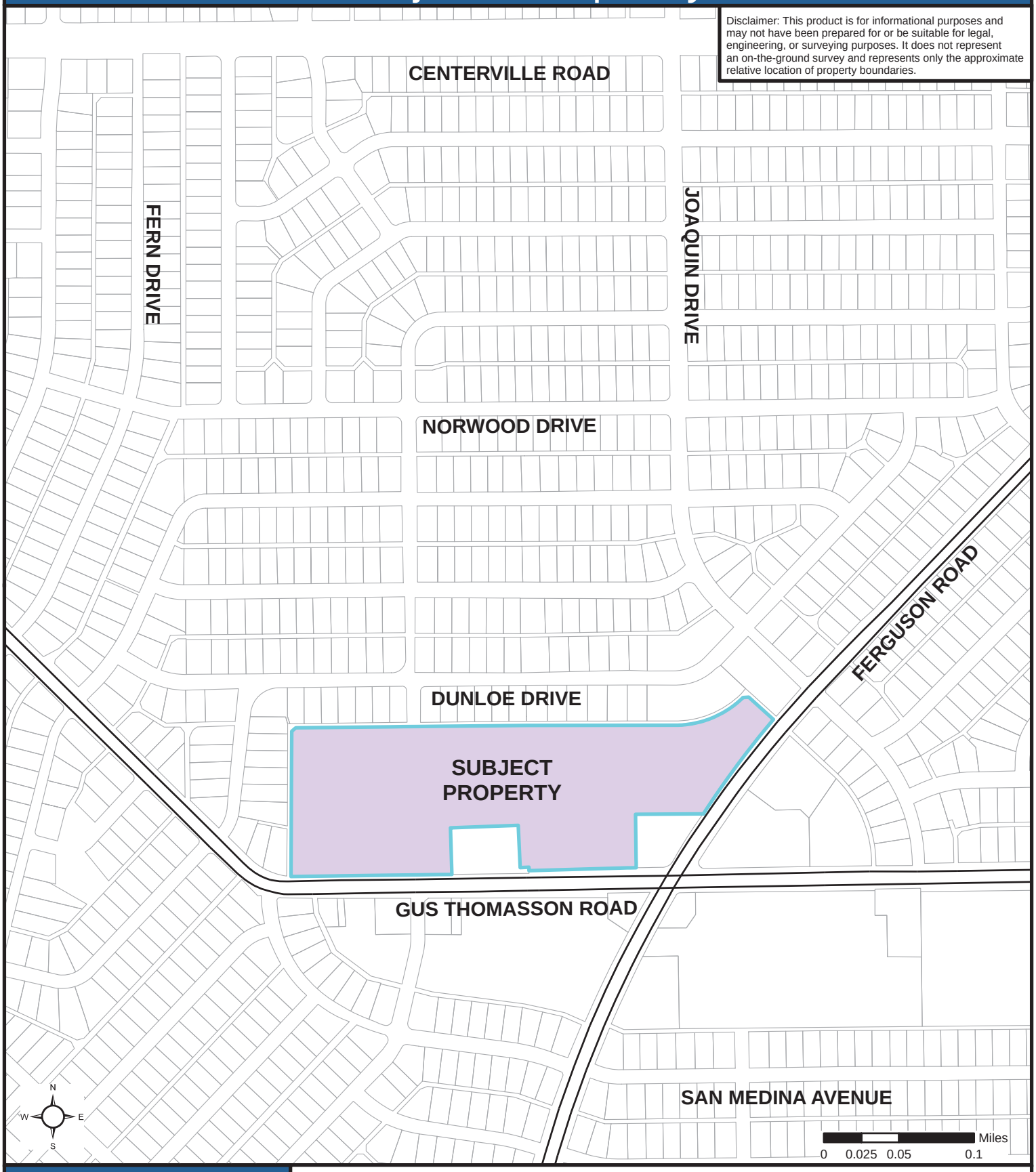
**Casa View II Ltd (a Texas Limited Partnership)**

Dallas Casa View, Inc. (General Partner)
J.W. Levell, President

**MAP**

Attached.

# Subject Property




Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.


DALLAS
**ECONOMIC DEVELOPMENT**

**Research & Information Division**
**214.670.1685**
**dallas-ecodev.org**



Created 01.10.16, Last Updated 01.10.16 - Ferguson Rd and...


Legend

Subject Property

**WHEREAS,** the City of Dallas recognizes the importance of its role in local economic development; and

**WHEREAS,** investment decisions made by commercial property owners are often influenced by a municipality's ability to provide economic development incentives; and

**WHEREAS,** Casa View Shopping Center ("Property") is an existing commercial shopping center (approximately 199,000 square feet on approximately 15 acres) located at the northwest corner of Gus Thomasson Road and Ferguson Road (as shown in **Exhibit A**); and

**WHEREAS,** the Greater Casa View Alliance ("GCVA"), formed of neighborhood leaders and business owners, was established in 2010 as a super-neighborhood group with a goal to unify and revitalize the Greater Casa View Area at large; and

**WHEREAS,** between 2011 and 2015, through a volunteer-led process that included town hall style meetings, visioning workshops, and public opinion surveys, the GCVA created the Greater Casa View Area Plan ("Area Plan"), which was adopted by City Council in December 2016; and

**WHEREAS,** the Area Plan focuses significantly on the revitalization of Casa View Shopping Center, identifying it as the #1 Top Area of Concern; and

**WHEREAS,** Casa View Shopping Center is also located within the Casa View Target Area, as identified in the City of Dallas Neighborhood Plus initiative; and

**WHEREAS,** the owner of the Property, Casa View II Ltd ("Owner"), is planning to make an investment of approximately $2 million for improvements to the Property; and

**WHEREAS,** this project is anticipated to be a catalyst for revitalization of the greater Casa View area and aims to implement many of the recommendations in the Area Plan; and

**WHEREAS,** on December 14, 2016, City Council (1) authorized the continuation of its Public/Private Partnership Program - Guidelines and Criteria, which established certain guidelines and criteria for the use of City incentive programs for private development projects; and (2) established programs for making loans and grants of public money to promote local economic development and to stimulate business and commercial activity in the City of Dallas pursuant to the Economic Development Programs provisions under Chapter 380 of the Texas Local Government Code, (the "Act"); and

February 22, 2017

**WHEREAS,** pursuant to the Public/Private Partnership Program - Guidelines and Criteria (effective for the period January 1, 2017 through December 31, 2018), this project is located within a target area and meets the minimum eligibility requirement of at least $1.0 million in private investment; and

**WHEREAS,** pursuant to the Public/Private Partnership Program - Guidelines and Criteria (effective for the period January 1, 2017 through December 31, 2018), this project also meets the minimum eligibility requirements of the Neighborhood Commercial/Retail Redevelopment Grant Program; and

**WHEREAS,** the decision of Owner to make an investment of approximately $2 million for improvements to the Property will not occur without an offer of an economic development grant incentive from the City of Dallas; and

**WHEREAS,** the City of Dallas desires to enter into an economic development grant agreement with Casa View II Ltd and/or its affiliates to promote economic development, stimulate private sector investment, and grow the tax base in the city of Dallas.

**NOW, THEREFORE,**

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

**Section 1.** That the City Manager, upon approval as to form by the City Attorney, is hereby authorized to execute an economic development grant agreement with Casa View II Ltd and/or its affiliates (“Owner") in consideration of Owner’s investment in eligible expenditures for improvements to Casa View Shopping Center (“Property”) located at 2331 and 2203 Gus Thomasson Road.

**Section 2.** That the Property is depicted on the attached location map (**Exhibit A)**.

**Section 3.** That Owner is planning to invest approximately $2.0 million for improvements to the Property. The project scope is anticipated to include, but is not limited to, some or all of the improvements listed below:

- Renovation of the open-air courtyard (including new hardscaping and new landscaping)
- Replacement of the exterior soffit and installation of new lighting
- Replacement of the “Casa View” building sign
- Retention and repair of original exterior architectural features (e.g. brick; metal posts and ornamentation)
- Repair and/or replacement of the storefront sidewalk
- Installation of a new “village plaza” pedestrian area in the parking lot
- Installation of new landscaping/irrigation in the parking lot
- Installation of new lighting in the parking lot

**Section 3.** (Continued)

- Re-paving of the parking lot (milling off 4" and applying a new asphalt overlay)
- Re-paving of the rear access drive (applying a new asphalt overlay)
- Re-striping/re-configuration of the parking lot
- Installation of two (2) new multi-tenant shopping center signs (one at entrance from Gus Thomasson and one at entrance from Ferguson)

**Section 4.** That the economic development grant shall be in an amount not to exceed $1,000,000 provided Owner meets its obligations under the grant agreement with the City.

**Section 5.** That the key terms of the economic development grant agreement shall be as follows:

1. A grant ("Grant") equal to 50 percent (50%) of Owner's private investment in eligible expenditures for improvements to the Property up to an amount not-to-exceed $1,000,000.

2. In consideration of the Grant, Owner agrees to invest or cause to be invested a minimum of $1,500,000 in eligible expenditures for improvements to the Property.

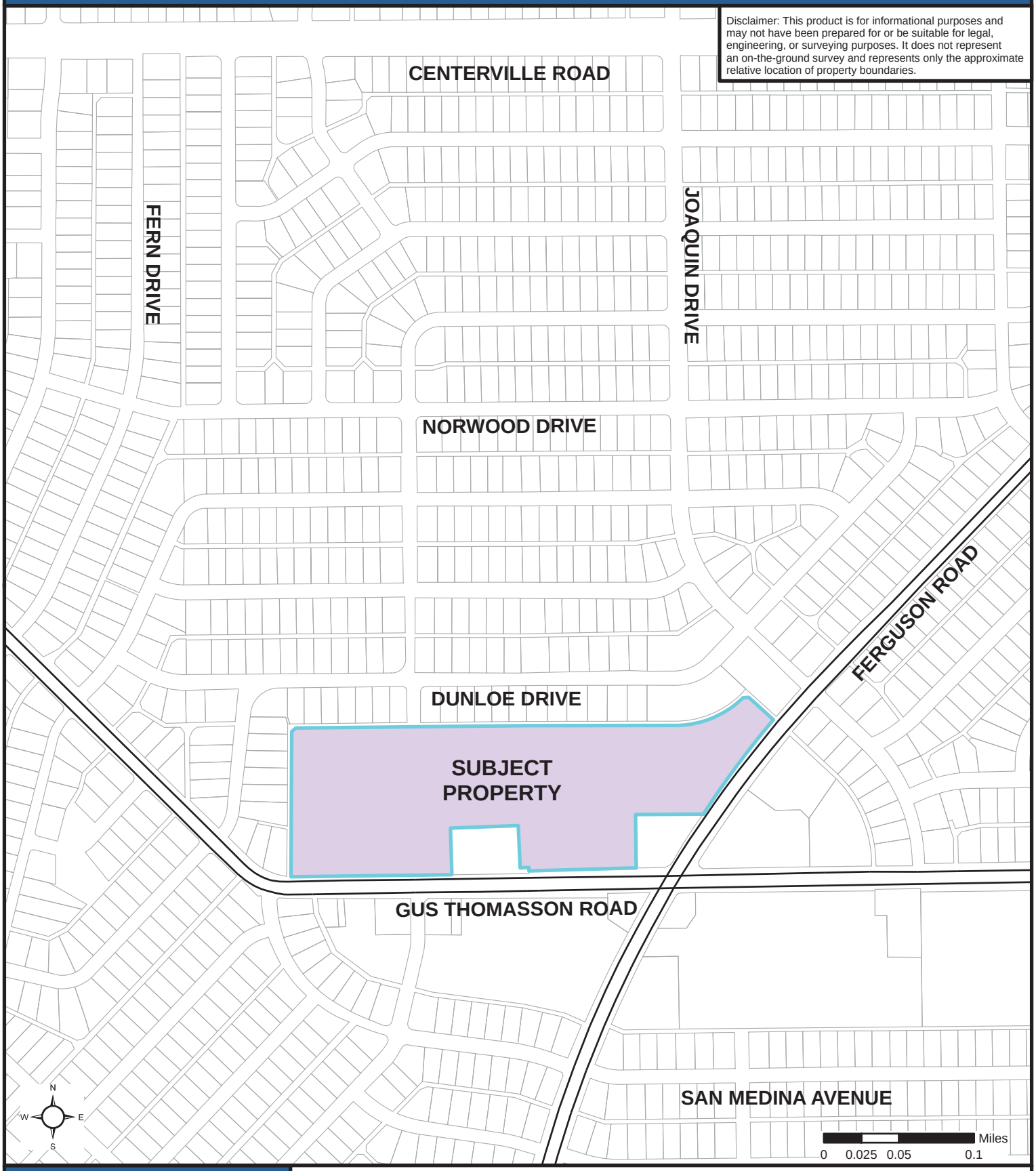
3. The Grant shall be payable in up to four (4) installments. Each installment shall be paid upon substantial completion of some portion of improvements to the Property and verification of associated eligible expenditures. **Exhibit B** (attached) includes a list of eligible and non-eligible expenditures.

4. All improvements shall be substantially completed within thirty-six (36) months from the latter of: (i) the date of execution of the economic development grant agreement or (ii) the date of commencement of construction of the City's public improvement project on Gus Thomasson from San Medina to Ferguson (commencement of construction does not include adjustment/relocation of existing non-City utilities).

**Section 6.** That the Chief Financial Officer is hereby authorized to encumber and disburse future funds from: Fund 0352, Department ECO, Unit W166, Object 3016, Activity PPPF, Encumbrance No. ECOW166E305, Vendor No. VS93843, in an amount not to exceed $1,000,000.

**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.

# EXHIBIT A





DALLAS
ECONOMIC
DEVELOPMENT

Research & Information Division
214.670.1685
dallas-ecodev.org


Created 01.10.16, Last Updated 01.10.16 - Ferguson Rd and...

Legend

Subject Property

# EXHIBIT B

Proposed Public/Private Partnership at Casa View Shopping Center

Eligible Expenditures for Real Property Improvements

- Environmental remediation costs (if any)
- Demolition costs (including dumpsters, hauling, disposal)
- Permitting/inspection costs
- Hard construction costs (materials and labor) involving improvements to the building exterior, the open-air courtyard, and the parking lot, including any of the following elements:
    - Grading
    - Paving/asphalt/curbing/flatwork (including striping)
    - Landscaping
    - Hardscaping
    - Irrigation
    - Lighting
    - Water/Sewer/Storm Drainage (on-site or any off-site improvements directly associated with the project)
    - Façade improvements (e.g. repair of original brick and metal posts/ornamentation; awning/soffit; windows/doors; painting)
    - Signage (building signage; multi-tenant pylon signs in parking lot)
    - Fencing/screening walls
- Construction-related soft costs, including:
    - Architect fees
    - Engineer fees
    - Landscape architect fees
    - Material testing fees
    - Construction management fees
    - Builder's risk insurance

Non-Eligible Expenditures

- Legal costs
- Marketing costs
- Leasing commissions
- Construction financing costs (fees; loan interest; closing costs)
- Furniture, fixtures, equipment in the interior of the building
- Typical carrying costs for the property (insurance; taxes; maintenance costs)

**AGENDA ITEMS # 73,74**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 8

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 76 H M 77 E J

## SUBJECT

**I-20 Distribution Park Phase I**

* Authorize a real property tax abatement agreement with I-20 Distribution Park Phase I, LLC for the purpose of granting a ten-year abatement of 90 percent of the taxes on added value to the real property for a proposed new speculative industrial/warehouse facility located at 8900 Blanco Road in southern Dallas within the International Inland Port of Dallas in accordance with the City's Public/Private Partnership Program - Revenue: First year revenue estimated at $33,256; ten-year revenue estimated at $332,563 (Estimated revenue forgone for the ten-year real property abatement estimated at $2,993,063)
* Authorize a Chapter 380 economic development grant agreement with I-20 Distribution Park Phase I, LLC for reimbursement of costs associated with public street and utility improvements to facilitate a proposed speculative industrial/warehouse facility located at 8900 Blanco Road in southern Dallas within the International Inland Port of Dallas in accordance with the City's Public/Private Partnership Program -Total not to exceed $2,500,000 - Financing: 2006 Bond Funds ($1,850,000) and 2012 Bond Funds ($650,000)

## BACKGROUND

For the past several months, city staff has been in discussions with Hines Interests, L.P. ("Hines") regarding development of a minimum 1,000,000 square foot speculative industrial/warehouse facility ("Facility") to be located on approximately 125 acres of land ("Site") at 8900 Blanco Road in southern Dallas within the International Inland Port of Dallas. The proposed development site is bounded by Blanco Road to the west and south, Cleveland Road to the north and the Union Pacific railroad tracks to the east.

**BACKGROUND** (Continued)

Hines has formed I-20 Distribution Park Phase I, LLC ("I-20 Distribution Park"), an entity created for the purpose of developing the site. 2ML Real Estate Interest Inc ("2ML, Inc"), the current property owner, has a contract to sell the property to I-20 Distribution Park pending favorable City Council consideration of the requested development incentives.

I-20 Distribution Park anticipates spending approximately $38,000,000 on hard and soft costs to construct the proposed minimum 1,000,000 square foot facility. While the facility is currently envisioned to be one building, I-20 Distribution Park will be considering multiple building footprint options to fulfill the proposed minimum 1,000,000 square feet of commercial/industrial/warehouse distribution space, with the goal of providing flexible commercial/industrial/warehouse building space to help meet current market and client needs. Of note, I-20 Distribution Park has currently envisioned a potential second phase development involving an additional speculative industrial/warehouse building of up to 400,000 square feet in size, which may occur if Hines is able to accommodate the needed acreage at the site upon completion of the initial minimum 1,000,000 square foot facility.

Additionally, city staff has negotiated a new public four lane road as part of this project. Budgeted at approximately $3,000,000, the proposed new public road with utilities will serve as the second phase of an envisioned three phase thoroughfare project which will replace and improve most of Blanco Road and help provide access to the site. The first phase of the public road, named Logistics Drive, is currently under construction at the southern end of Dermody Properties' new Logistic Center Development. Logistics Drive begins at Bonnie View Road and proceeds approximately 1,000 feet east to a temporary turnaround. With the I-20 Distribution Park project, the proposed second phase segment of the thoroughfare is planned to begin on Cleveland Road, starting approximately 600 feet east of the existing Blanco Road, and proceeding approximately 2,700 feet south near the southern property line of the site. The second phase design proposes a turnaround that will accommodate large vehicular traffic at its southern end. A future third phase of the public road is anticipated to connect phases one and two, with its alignment and timing driven by subsequent area development projects.

2ML, Inc and I-20 Distribution Park request council consideration of (1) a 10-year 90 percent tax abatement on added real property value resulting from the proposed new facility and (2) an economic development grant not to exceed $2,500,000 for assistance with costs associated with the construction of a new public thoroughfare with utilities. The requested tax abatement is intended to assist securing a tenant at the facility. Therefore, the owner will only be eligible for tax abatement if it secures a tenant for at least 51 percent of the building. Additionally, if I-20 Distribution Park initiates the tax abatement agreement and completes any additional facilities at the site, I-20 Distribution Park will be able to apply the enacted tax abatement on the added real property value resulting from any such additional facilities for the remaining period of the tax abatement agreement.

**BACKGROUND** (Continued)

In order to receive both the property tax abatement and economic development grant, I-20 Distribution Park must purchase the development site by April 15, 2017, becoming owner prior to execution of the agreement. Additional material terms of the proposed agreement include the requirement that a minimum of $32,000,000 is expended on hard and soft costs associated with land, infrastructure and building improvements with a substantial completion date of June 30, 2018. Also, completion of the public thoroughfare will be required to occur concurrently to the substantial completion date of the facility.

Net fiscal impact from the project after incentives is estimated at $291,208 over 10 years and $7,820,537 over 20 years. This proposed project conforms with the City's Public/Private Partnership Program guidelines and criteria within a non-targeted area as it has a private investment exceeding $5 million. Staff recommends the proposed incentives be approved.

## ESTIMATED SCHEDULE OF THE PROJECT

| | |
|---|---|
| Begin Construction | June 30, 2017 |
| Complete Construction | June 30, 2018 |

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

Information about this item was provided to the Economic Development Committee on February 6, 2017.

## FISCAL INFORMATION

$1,850,000 - 2006 Bond Program Funds
$ 650,000 - 2012 Bond Program Funds

## DEVELOPER

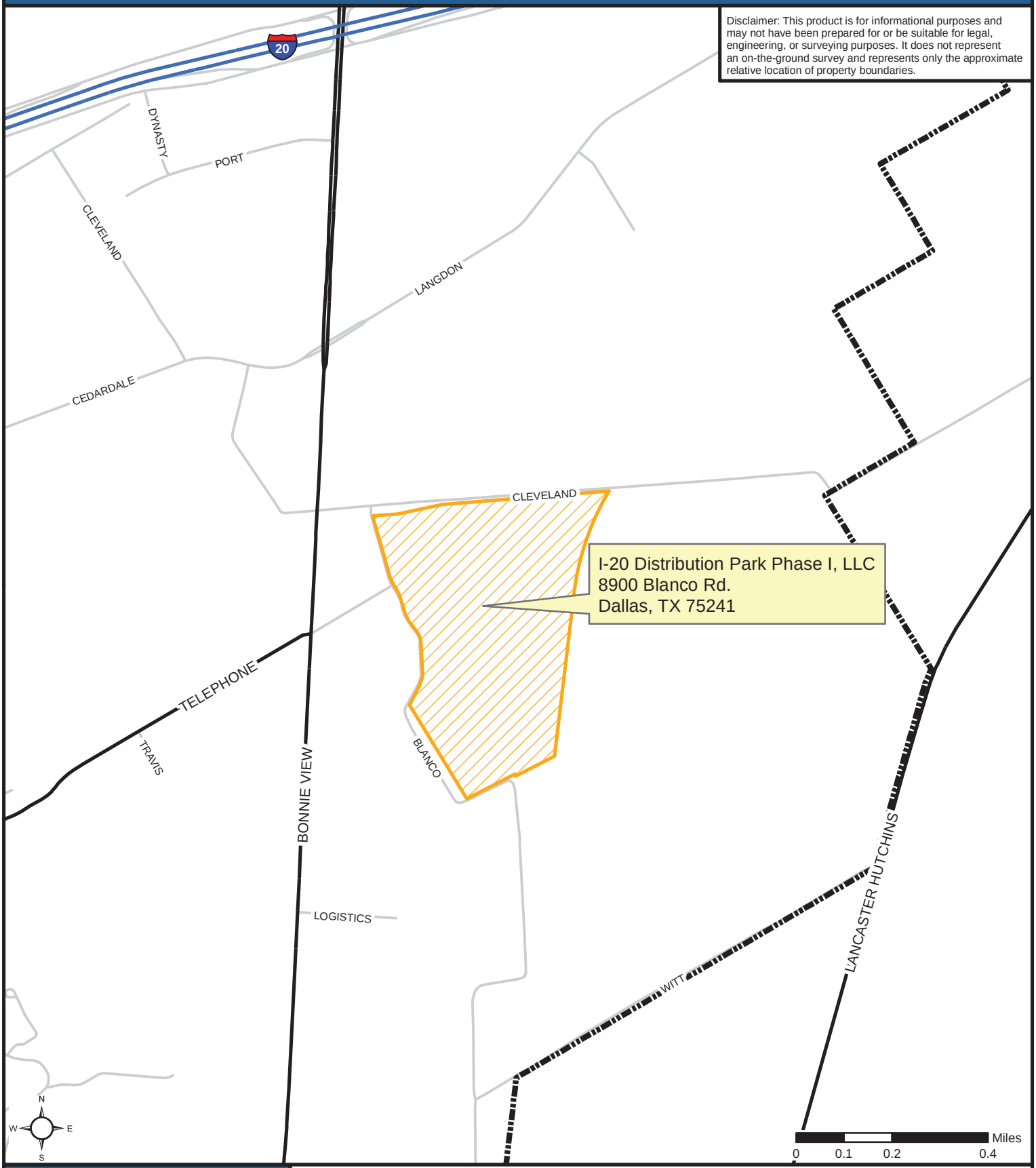
**I-20 Distribution Park Phase I, LLC**

Palmer Letzerich, Senior Managing Director

## MAP

Attached.

# I-20 Distribution Park Phase I, LLC





DALLAS
**ECONOMIC DEVELOPMENT**

**Research & Information Division**
**214.670.1685**
**dallas-ecodev.org**


Created 1.24.17, Updated 1.25.17 - 17-01-24 David Schleg_Parcel.TCG

## Legend

- Site
- City of Dallas
- Freeway
- Arterial
- Local Road

Source: City of Dallas, 2017

**WHEREAS,** the City recognizes the importance of its role in local economic development; and

**WHEREAS,** many municipalities within the Dallas-Fort Worth region have economic development programs to compete with the City of Dallas for development of new industrial/warehouse facilities; and

**WHEREAS,** site selection decisions made by developers and businesses are often significantly influenced by a municipality's ability to provide competitive economic development incentives; and

**WHEREAS,** the City desires to support and secure new employment opportunities and taxable revenue that new industrial/warehouse development will bring for Dallas residents; and

**WHEREAS,** the proposed development will not occur within the City of Dallas without an offer of economic development incentives from the City of Dallas; and

**WHEREAS,** on December 14, 2016, the City Council (1) authorized the continuation of its Public/Private Partnership Program - Guidelines and Criteria, which established certain guidelines and criteria for the use of City incentive programs for private development projects; and (2) established programs for making loans and grants of public money to promote local economic development and to stimulate business and commercial activity in the City of Dallas pursuant to the Economic Development Programs provisions under Chapter 380 of the Texas Local Government Code, (the "Act"); and

**WHEREAS,** pursuant to Section 312.2011, the Property Redevelopment and Tax Abatement act provides that the designation of an area as an enterprise zone under the Texas Enterprise Zone Act constitutes designation of an area as a reinvestment zone without further hearing or other procedural requirements; and

**WHEREAS,** the City desires to enter into a real property tax abatement agreement with I-20 Distribution Park Phase I, LLC for the added value on real property improvements located within a Texas Enterprise Zone to promote economic development.

**NOW, THEREFORE,**

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

**Section 1.** That the City Manager is hereby authorized, upon approval as to form by the City Attorney, to execute a real property tax abatement agreement with I-20 Distribution Park Phase I, LLC in accordance with the Act and the City's Public/Private Partnership Guidelines and Criteria subject to I-20 Distribution Park Phase I, LLC purchasing the development site by April 15, 2017.

**Section 2.** That at least seven (7) days prior to the execution of the tax abatement agreement, notice of the City's intention to enter into the tax abatement agreement shall be delivered to the governing bodies of each other taxing unit that includes in its boundaries the real property that is the subject of this agreement.

**Section 3.** That the approval and execution of the tax abatement agreement by the City is not conditional upon approval and execution of any other tax abatement agreement by any other taxing entity.

**Section 4.** That the real property which will be described in the tax abatement agreement, attached hereto as **Exhibit A (Legal Description)** and depicted on the attached site map as **Exhibit B (Map - the "Property")**, is located within a Texas Enterprise Zone.

**Section 5.** That the tax abatement agreement shall provide, among other provisions, the following:

(a) The property subject to tax abatement shall be located entirely within the City of Dallas, Texas.

(b) None of the property subject to tax abatement is owned or leased by a member of the City Council of the City of Dallas or by a member of the City Plan Commission.

(c) That the development of the property must conform to all requirements of the City's zoning ordinance, and that the use of the property is consistent with the general purpose of encouraging development or redevelopment in the Enterprise Zone during the period the tax abatement is in effect.

(d) A ten-year abatement of 90 percent of the added value to the real property located on property at 8900 Blanco Road in southern Dallas as provided in **Exhibit A (Legal Description)**.

(e) That a minimum of 1,000,000 square feet of real property building improvements and related hard and soft project costs of $32,000,000 are substantially completed by June 30, 2018. The Director of the Office of Economic Development may, at his sole discretion, extend the substantial completion date for a period up to six months for just cause.

**Section 5.** (Continued)

(f) A description of the kind, number, location and costs of all proposed improvements to the property.

(h) That access to the subject property is provided to allow for inspection by City inspectors and officials to ensure that the improvements or repairs are made according to the specifications and terms of the tax abatement agreement.

(i) That the property tax revenue lost as a result of the tax abatement agreement will be recaptured by the City if improvements to real property are not made as provided by the tax abatement agreement.

(j) A requirement that the owner of the property certify annually that the owner is in compliance with each applicable term of the agreement.

(k) That the Dallas City Council may terminate or modify the agreement if the property owner fails to comply with the agreement.

(l) That the tax abatement agreement shall be personal to I-20 Distribution Park Phase I, LLC and shall only be assignable upon written approval of the assignment by the City's Director of the Office of Economic Development.

**Section 6.** 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.

## EXHIBIT A: LEGAL DESCRIPTION

LEGAL DESCRIPTION OF PROPERTY SURVEYED:

**BEING** a tract of land situated in the William F. Newton Survey, Abstract No. 1084 and the Caswell C. Overton Survey, Abstract No. 1102, City of Dallas, Dallas County, Texas; being part of City of Dallas Block No. 8279; and being all of a tract of land described in Special Warranty Deed to The Grocers Supply Co. Inc., recorded in Instrument No. 201300382390 of the Official Public Records of Dallas County, Texas; and being more particularly described as follows:

**BEGINNING** at a “X” cut in concrete set the intersection of the south right-of-way line of Cleveland Road (a variable width right-of-way) and the approximate centerline of Blanco Road (a generally recognized public road, no record found); said point also being the southwest corner of that tract of land described in Special Warranty Deed to the City of Dallas recorded in Instrument No. 201300277027 of said Official Public Records; from said point a PK nail found bears North 85°37'21"East, a distance of 0.74 feet;

**THENCE** with said south right-of-way line of Cleveland Road and the said south line the City of Dallas tract, the following courses and distances:

> North 85°37'21" East, a distance of 295.68 feet to a 5/8" iron rod with plastic cap stamped "KHA" set for corner;
> North 78°09'19" East, a distance of 500.16 feet to a 5/8" iron rod with plastic cap stamped "KHA" set for corner;
> North 85°37'21" East, a distance of 1821.53 feet to a 5/8" iron rod with plastic cap stamped "KHA" set at the intersection of said south right-of-way line of Cleveland Road and the west right-of-way line of the M.K. & T. Railroad (a 100-foot wide right-of-way); said point also being the southeast corner of said City of Dallas tract and being the beginning of a non-tangent curve to the left having a central angle of 23°20'03", a radius of 2873.89 feet, a chord bearing and distance of South 18°28'15" West, 1162.35 feet; from said point a 5/8-inch iron rod with "GORRONDONA & ASSOCIATES" cap found bears North 85°37'21" East, a distance of 0.32 feet;

**THENCE** in a southwesterly direction, with said west right-of-way line of M.K. & T. Railroad and said curve to the left, an arc distance of 1170.42 feet to a 5/8-inch iron rod with "BOHANNAN HUSTON INC" cap found at the end of said curve;

**THENCE** continuing with said west right-of-way line of M.K. & T. Railroad, South 6°48'13" West, a distance of 1,800.68 feet to a 5/8-inch iron rod found for the northeast corner of a tract of land being described in Warranty Deed to Charles Dennie Ozymy and wife, Terese Ozymy recorded in Volume 88121, Page 3678 of the Deed Records of Dallas County, Texas;

**THENCE** with the north line of said Ozymy tract, South 62°51'56" West, passing at a distance of 488.19 feet the northwest corner of said Ozymy tract and the east right-of-way line of said Blanco Road, continuing along said approximate centerline of Blanco Road, in all a total distance of 1,073.75 feet to a nail found for corner in the east line of a tract of land described in Deed to Dallas Power & Light Company recorded in Volume 70131, Page 423 of said Deed Records;

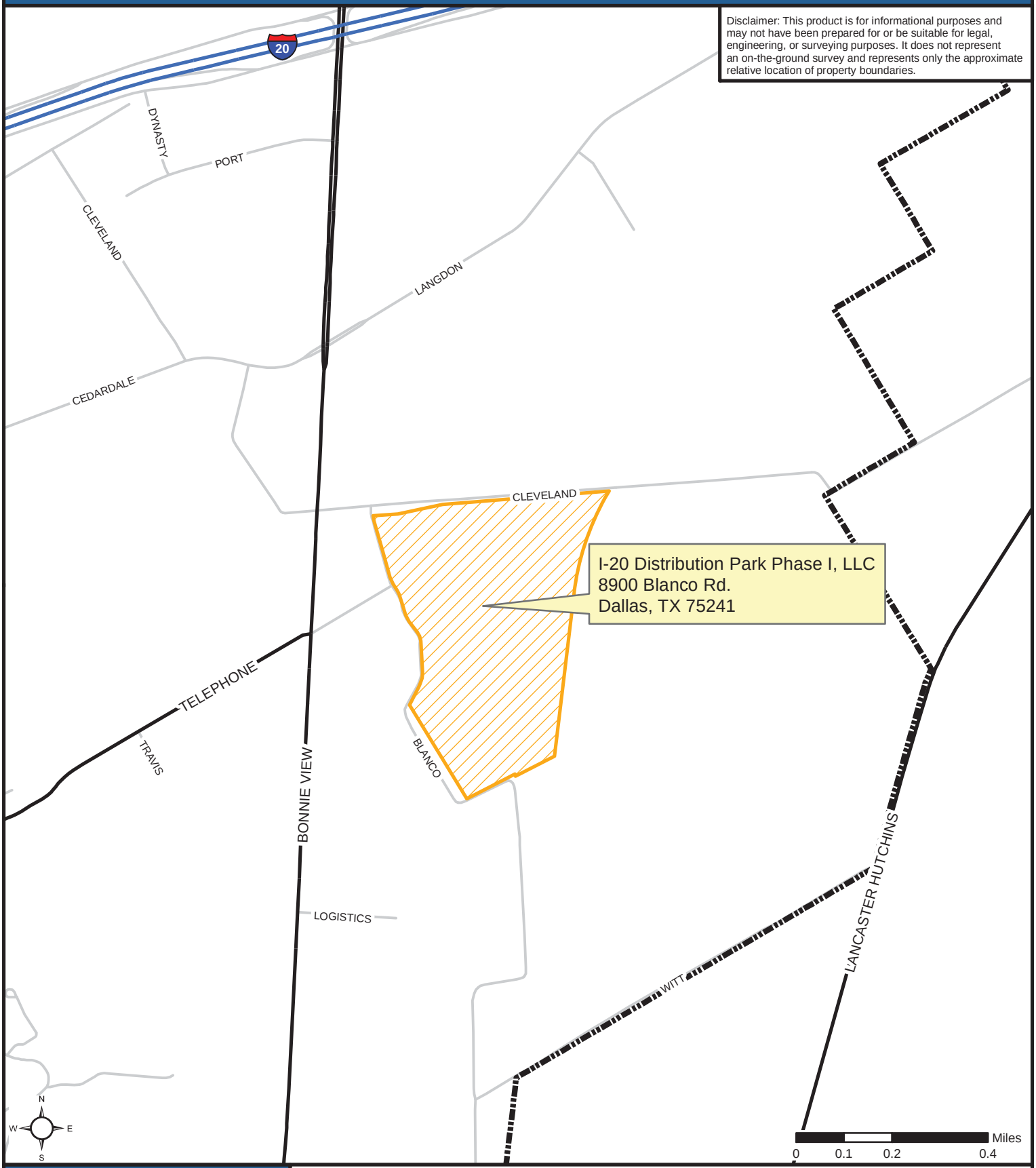
**THENCE** with said east line of the Dallas Power & Light Company tract, North 31°22'30" West, a distance of 1,261.56 feet to a railroad spike found for corner in said approximate centerline of Blanco Road;

**THENCE** with said approximate centerline of Blanco Road, the following courses and distances:

North 28°59'45" East, a distance of 204.11 feet to a railroad spike found for corner;
North 23°29'36" East, a distance of 32.31 feet to a railroad spike found for corner;
North 19°11'49" East, a distance of 65.19 feet to a railroad spike found for corner;
North 3°35'15" East, a distance of 56.17 feet to a railroad spike found for corner;
North 3°14'35" West, a distance of 342.63 feet to a nail found for corner;
North 16°02'07" West, a distance of 49.07 feet to a nail found for corner;
North 29°46'07" West, a distance of 53.54 feet to a nail found for corner;
North 37°34'00" West, a distance of 135.06 feet to a nail found for corner;
North 28°19'45" West, a distance of 83.20 feet to a nail found for corner;
North 18°53'15" West, a distance of 104.08 feet to a nail found for corner;
North 17°15'36" West, a distance of 140.30 feet to a nail found for corner;
North 24°55'16" West, a distance of 37.96 feet to a nail found for corner;
North 33°28'20" West, a distance of 89.49 feet to a nail found for corner;
North 23°01'09" West, a distance of 80.73 feet to a nail found for corner;
North 16°08'45" West, a distance of 338.80 feet to a point for corner; from said point a nail found bears South 79°15' East, a distance of 0.5 feet;
North 15°39'36" West, a distance of 304.67 feet to a nail found for corner;
North 12°02'18" West, a distance of 63.81 feet to the **POINT OF BEGINNING** and containing 124.918 acres or 5,441,431 square feet of land.

All bearings shown are based on grid north of the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983. All dimensions shown are ground distances.

# Exhibit B: I-20 Distribution Park Phase I, LLC





DALLAS
**ECONOMIC DEVELOPMENT**

**Research & Information Division**
**214.670.1685**
**dallas-ecodev.org**


Created 1.24.17, Updated 1.25.17 - 17-01-24 David Schleg_Parcel.TCG

## Legend

- Site
- City of Dallas
- Freeway
- Arterial
- Local Road

Source: City of Dallas, 2017

**WHEREAS,** the City recognizes the importance of its role in local economic development; and

**WHEREAS,** many municipalities within the Dallas-Fort Worth region have economic development programs to compete with the City of Dallas for development of new industrial/warehouse facilities; and

**WHEREAS,** site selection decisions made by developers and businesses are often significantly influenced by a municipality's ability to provide competitive economic development incentives; and

**WHEREAS,** the City desires to support and secure new employment opportunities and taxable revenue that new industrial/warehouse development will bring for Dallas residents; and

**WHEREAS,** the proposed development will not occur within the City of Dallas without an offer of economic development incentives from the City of Dallas; and

**WHEREAS,** on December 14, 2016, the City Council (1) authorized the continuation of its Public/Private Partnership Program - Guidelines and Criteria, which established certain guidelines and criteria for the use of City incentive programs for private development projects; and (2) established programs for making loans and grants of public money to promote local economic development and to stimulate business and commercial activity in the City of Dallas pursuant to the Economic Development Programs provisions under Chapter 380 of the Texas Local Government Code, (the "Act"); and

**WHEREAS,** the City desires to enter into an economic development grant agreement with I-20 Distribution Park Phase I, LLC to promote economic development through the construction of public street improvements associated with a new industrial/warehouse development located at 8900 Blanco Road in southern Dallas within the International Inland Port of Dallas, Texas 75241.

**NOW, THEREFORE,**

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

**Section 1.** That the City Manager is hereby authorized, upon approval as to form by the City Attorney, to execute a Chapter 380 economic development grant agreement with I-20 Distribution Park Phase I, LLC related to public street and utility construction costs associated with a new industrial/warehouse development to be located at 8900 Blanco Road in southern Dallas within the International Inland Port of Dallas in an amount not to exceed $2,500,000 subject to I-20 Distribution Park Phase I, LLC purchasing the development site by April 15, 2017.

**Section 2.** That the economic development grant agreement shall provide that a minimum 1,000,000 square foot industrial/warehouse facility and related public thoroughfare infrastructure will be substantially completed on or before June 30, 2018 and that a minimum of $32,000,000 will be expended on hard and soft costs associated with land, public infrastructure and building improvements. The Director of the Office of Economic Development may, at his sole discretion, extend the substantial completion date for a period up to six months for just cause.

**Section 3.** That the Chief Financial Officer is hereby authorized to encumber and disburse funds from:

Fund 2T52, Department ECO, Unit T808, Object 3016, Activity INFS, Encumbrance No. ECOT808E306, Vendor No. VS93745 in an amount not to exceed $1,850,000;

Fund 3U52, Department ECO, Unit S801, Object 3016, Activity ECNR, Encumbrance No. ECOT808E306, Vendor No. VS93745 in an amount not to exceed $650,000.

Total amount not to exceed: $2,500,000.

**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.

**AGENDA ITEM # 75**

**KEY FOCUS AREA:** Clean, Healthy Environment

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 4, 7

**DEPARTMENT:** Housing/Community Services

**CMO:** Alan Sims, Chief of Neighborhood Plus, 670-1611

**MAPSCO:** 46Q 65C

## SUBJECT

Authorize on-site reconstruction of two homes in accordance with the requirements of the Reconstruction Program Statement for the properties located at: 4227 Opal Avenue in the amount of $103,000; and 3811 Hamilton Avenue in the amount of $103,000 - Total not to exceed $206,000 - Financing: 2015-16 Community Development Block Grant Funds

## BACKGROUND

As of September 30, 2016, the Reconstruction Program no longer exist. The following two homes are the last of the funds available through the Reconstruction Program.

The homeowners and the properties herein described are eligible for Reconstruction Program loans. The homeowners are below 80% AMFI and their names, ages and property addresses are as follows: Patricia Smith, a female, 54 years old, residing at 4227 Opal Avenue; and Gladys Laury, a female, 82 years old, residing at 3811 Hamilton Avenue.

Authorization by City Council is required before proceeding with on-site reconstruction of a home when all of the following conditions exist: (a) repairs necessary to meet the Quality Standards and all applicable codes cannot be accomplished within the program funding limits; (b) the condition of the home creates an imminent danger to the life, health and/or safety of the residents, and/or the neighborhood; and (c) repairs are not feasible to extend the life of the repaired structure beyond 15 years.

This action provides the authority to proceed with on-site reconstruction of two (2) single-family homes. Homeowners are allowed to select their builder from a certified list of contractors. The City provides the financing for the complete demolition and reconstruction for eligible homeowners. A lien and deed restrictions are placed on the home for twenty (20) years to ensure occupancy.

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

On May 25, 2011, City Council authorized modifications to the Reconstruction/SHARE Program Statement to increase the maximum Reconstruction Program Assistance Type One loan amount from up to $93,400 to up to $103,000, by Resolution No. 11-1349.

On January 22, 2014, City Council authorized modifications to the Reconstruction Program Statement to provide assistance as a twenty-year forgivable loan, by Resolution No. 14-0180.

Information about this item will be provided to the Housing Committee on February 21, 2017.

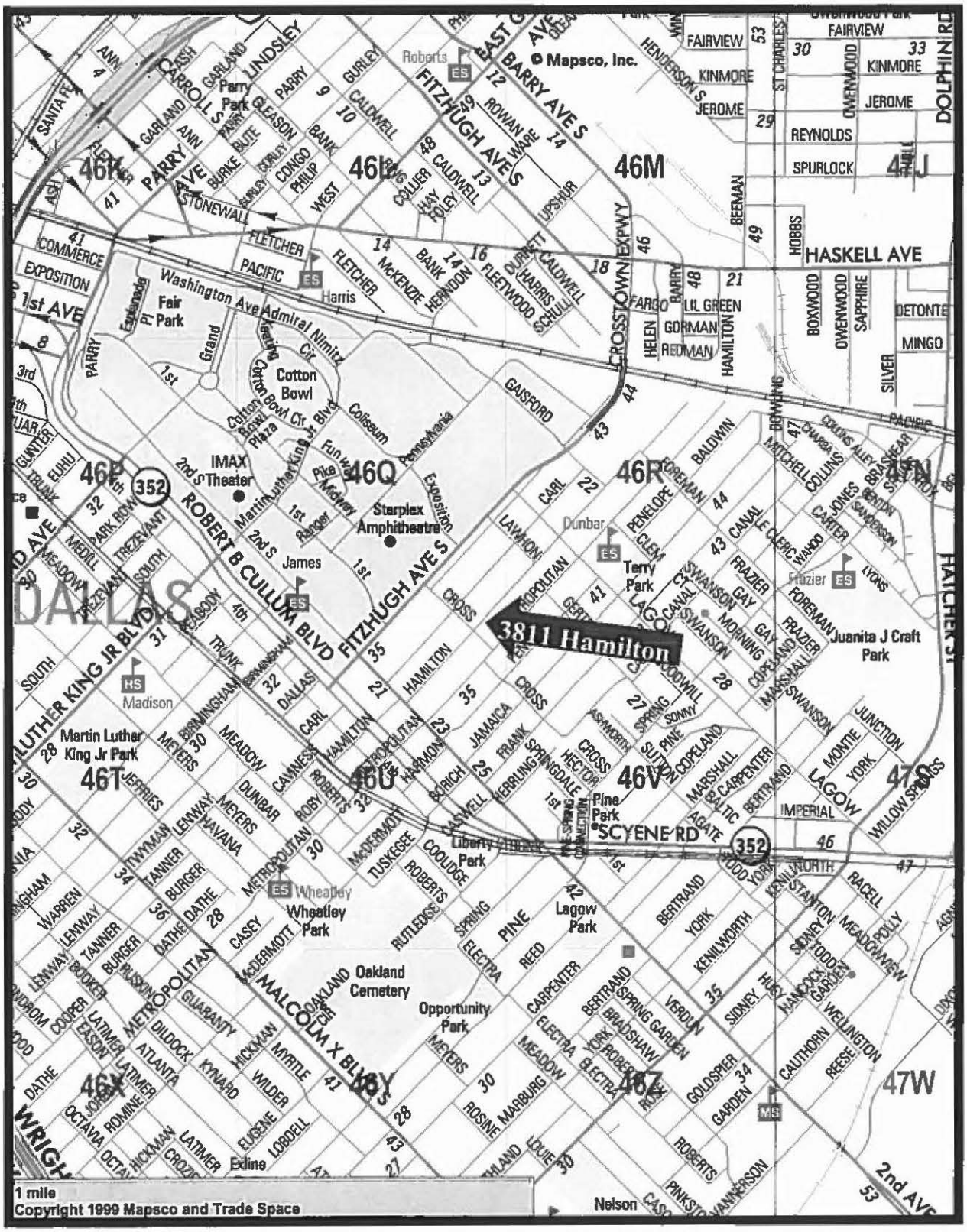
## FISCAL INFORMATION

2015-16 Community Development Block Grant Funds - $206,000

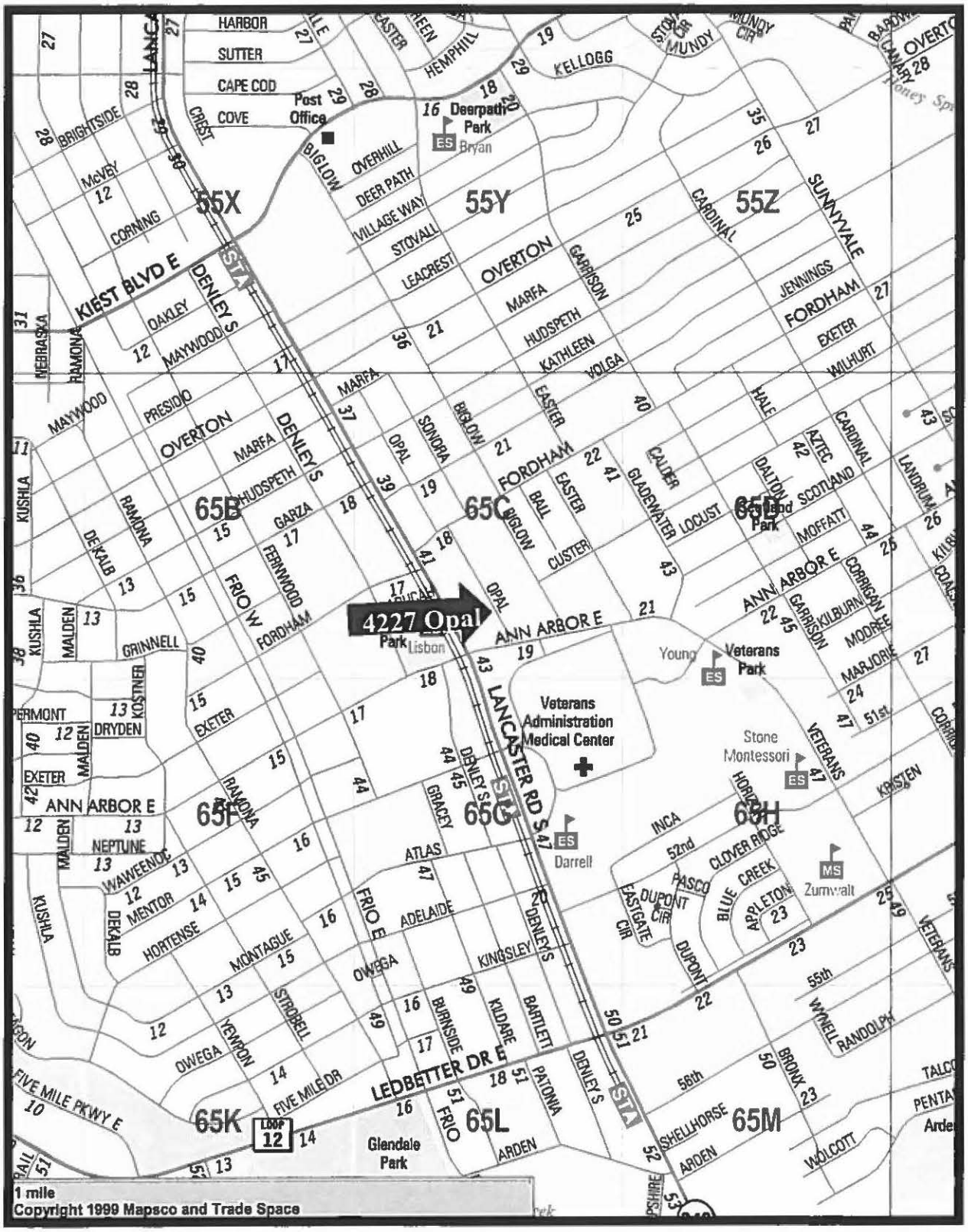
| Council District | Amount |
|---|---|
| 4 | $103,000 |
| 7 | $103,000 |
| Total | $206,000 |

## MAPS

Attached


3811 Hamilton
DALLAS
Mapsco, Inc.
Roberts ES
Harris ES
Dunbar ES
Terry Park
Frazier ES
James ES
Wheatley ES
Wheatley Park
Madison HS
Martin Luther King Jr Park
Fair Park
Cotton Bowl
IMAX 2nd's Theater
Starplex Amphitheatre
Juanita J Craft Park
Pine Park
Lagow Park
Liberty Park
Oakland Cemetery
Opportunity Park
Nelson
Edline
ROBERT B CULLUM BLVD
FITZHUGH AVE S
MALCOLM X BLVD
LUTHER KING JR BLVD
METROPOLITAN
SCYENE RD
HASKELL AVE
CROSSTOWN EXPWY
BARRY AVE S
EAST GRAND AVE
DOLPHIN RD
HATCHER ST
2nd AVE
1 mile
Copyright 1999 Mapsco and Trade Space

**MAPSCO 46Q**


4227 Opal
Park Lisbon
ANN ARBOR E
LANCASTER RD S
Veterans Administration Medical Center
Young Veterans Park
Stone Montessori
Darrell
Zumwalt
Glendale Park
Deerpath Park
Bryan
Post Office
65B
65C
65D
65F
65G
65H
65K
65L
65M
55X
55Y
55Z
OVERTON
FORDHAM
DENLEY S
FRIO W
FRIO E
LEDBETTER DR E
FIVE MILE PKWY E
KIEST BLVD E
1 mile
Copyright 1999 Mapsco and Trade Space

**MAPSCO 65C**

February 22, 2017

**WHEREAS,** on January 22, 2014, City Council authorized modifications to the Reconstruction Program Statement to provide assistance as a twenty-year forgivable loan by Resolution No. 14-0180; and

**WHEREAS,** the homeowners at the addresses herein described have made applications to the Home Repair Program: Patricia Smith at 4227 Opal Avenue; and Gladys Laury at 3811 Hamilton Avenue; and

**WHEREAS,** all three conditions outlined in the Reconstruction Program Statement for on-site reconstruction of the homes were met for the property owners: Patricia Smith; and Gladys Laury; **NOW, THEREFORE,**

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

**Section 1.** That the City Manager, can approve the on-site reconstruction of two homes in accordance with the requirements of the Reconstruction Program Statement for properties for: Patricia Smith at 4227 Opal Avenue; and Gladys Laury at 3811 Hamilton Avenue.

**Section 2.** That the City Manager, upon approval as to form by the City Attorney, is authorized to execute the loan documents with each of the reconstruction eligible homeowners.

**Section 3.** That the Chief Financial Officer is authorized to make payments for reconstruction of the homes in accordance with the following funding information:

Fund CD15, Dept. HOU, Unit 628H, Object Code 3100, CT HOU628HD1237 ($103,000)
Vendor # 337798 - Torres Construction - 4227 Opal Avenue

Fund CD15, Dept. HOU, Unit 628H, Object Code 3100, CT HOU628HD1238 ($103,000)
Vendor # VS0000010476 - Miko Trucking Inc. - 3811 Hamilton Avenue

**Section 4.** That the City Manager, upon approval as to form by the City Attorney, is authorized to execute releases of liens, forgive the debt, and terminate deed restrictions on the property upon compliance with the loan terms and deed restrictions.

**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.

**AGENDA ITEM # 76**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 8

**DEPARTMENT:** Housing/Community Services

**CMO:** Alan Sims, Chief of Neighborhood Plus, 670-1611

**MAPSCO:** 65U

## SUBJECT

Authorize an amendment to Resolution No. 15-0778, previously approved on April 22, 2015, for a housing development loan with City Wide Community Development Corporation, a certified Community Housing Development Organization, to **(1)** provide General Obligation Bond funds as a conditional grant for two of the units in the amount of $80,000; and **(2)** extend the contract from December 31, 2016 to February 22, 2018 for construction of single family homes located on scattered sites - Not to exceed $80,000 - Financing: 2012 Bond Funds

## BACKGROUND

In December 2015, Sherman Roberts, President of City Wide Community Development Corporation (CWCDC), requested funds for an existing housing development loan to assist homebuyers at income levels above 80% of Area Median Family Income. The increased demand for housing in the area as a result of the many efforts in Grow South has caused a back log of potential homebuyers. CWCDC currently has lots in inventory to construct the two units of single family housing and have approved homebuyers above 80% of Area Median Family Income.

CWCDC has completed construction and sales on four of the homes in Runyon Springs with two additional units under construction. They own additional lots located on scattered sites and have obtained gap financing with a private lender for a portion of the construction costs of the units.

City Council approval of this item will authorize the City Manager to execute an amendment to the loan documents with CWCDC for these funds.

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

On April 22, 2015, the City Council approved the Single Family NOFA CHDO project with City Wide CDC, by Resolution No. 15-0778.

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

Information about this item will be provided to the Housing Committee on February 21, 2017.

## FISCAL INFORMATION

$80,000 - 2012 Bond Funds

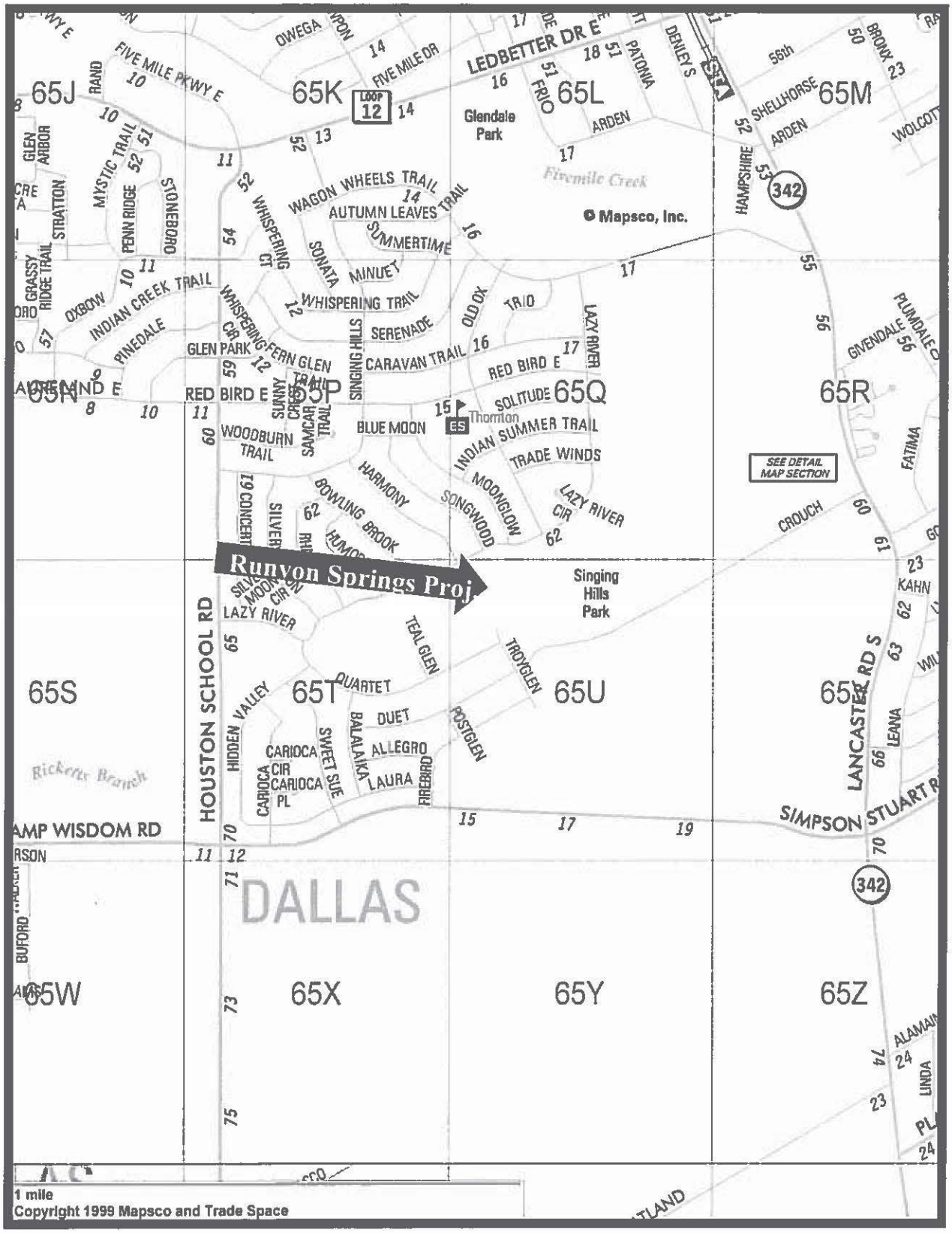
## OWNER/DEVELOPER

**City Wide Community Development Corporation**

Sherman Roberts, President

## MAP

Attached


65J
65K
65L
65M
65S
65T
65U
65R
65W
65X
65Y
65Z
65N
65P
65Q
LEDBETTER DR E
FIVE MILE PKWY E
FIVE MILE DR
Glendale Park
Fivemile Creek
© Mapsco, Inc.
WAGON WHEELS TRAIL
AUTUMN LEAVES TRAIL
SUMMERTIME
SONATA
MINUET
WHISPERING TRAIL
SERENADE
CARAVAN TRAIL
INDIAN CREEK TRAIL
PINEDALE
GLEN PARK
FERN GLEN
RED BIRD E
SOLITUDE
BLUE MOON
INDIAN SUMMER TRAIL
TRADE WINDS
WOODBURN TRAIL
HARMONY
BOWLING BROOK
SONGWOOD
MOONGLOW
LAZY RIVER
CIR
SEE DETAIL MAP SECTION
Runyon Springs Proj
Singing Hills Park
HOUSTON SCHOOL RD
LANCASTER RD S
SIMPSON STUART R
TEAL GLEN
TROYGLEN
POSTGLEN
QUARTET
DUET
ALLEGRO
LAURA
FIREBIRD
BALALAIKA
SWEET SUE
CARIOCA
CARIOCA CIR
CARIOCA PL
HIDDEN VALLEY
Ricketts Branch
AMP WISDOM RD
DALLAS
342
1 mile
Copyright 1999 Mapsco and Trade Space

**MAPSCO 65U**

**WHEREAS,** the development of owner occupied units for households with varied income levels is a high priority of the City of Dallas to create more housing choices; and

**WHEREAS,** on April 22, 2015, the City Council approved a housing development loan with City Wide CDC, by Resolution No. 15-0778; and

**WHEREAS,** CWCDC proposes to work with the City of Dallas to undertake the development of single family units for the Scattered Sites Project in the Lancaster Corridor area; and

**WHEREAS,** the City desires for CWCDC to develop single family homes for households with varied incomes; **NOW, THEREFORE,**

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

**Section 1.** That following approval as to form by the City Attorney, the City Manager is authorized to execute an amendment to a housing development loan with City Wide Community Development Corporation, a certified Community Housing Development Organization, to **(1)** provide General Obligation Bond funds for two of the units in the amount of $80,000; and **(2)** extend the contract from December 31, 2016 to February 22, 2018 for construction of single family homes located on scattered sites.

**Section 2.** That the terms of the loan agreement include:

(a) City Wide must execute a note payable for $300,000 to the City of Dallas for the loan.
(b) City Wide will execute a lien through a Deed of Trust and deed restriction for a 10-year term for the affordable units.
(c) City Wide will use the funds to gap the construction costs for the units and will keep the proceeds from the sale of the units.
(d) City Wide will have until the maturity date of February 22, 2018 to fully complete the project.
(e) The City will subordinate first lien position to the interim construction lender.

**Section 3.** That the City Manager, upon approval as to form by the City Attorney, is authorized to execute the loan amendment, releases of liens and terminations of deed restrictions on the property upon compliance with the loan terms and deed restrictions.

**Section 4.** That the Chief Financial Officer is hereby authorized to disburse funds in accordance with this resolution as follows:

City Wide Community Development Corporation Vendor # VS0000026872

| Fund | Dept | Unit | Object Code | Program # | Program Name | Encumbrance | Amount |
|---|---|---|---|---|---|---|---|
| 4U53 | HOU | W163 | 3016 | HM13RUNSP | Runyon Springs | HOU233FF163 | $80,000 |

**Section 5.** 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 loans, until such time as the loan documents are duly approved by all parties and executed.

**Section 6.** 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.

**AGENDA ITEM # 77**

**KEY FOCUS AREA:** Clean, Healthy Environment

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 7

**DEPARTMENT:** Housing/Community Services

**CMO:** Alan Sims, Chief of Neighborhood Plus, 670-1611

**MAPSCO:** 56C

## SUBJECT

Authorize an amendment to Resolution No. 16-1361, previously approved on August 24, 2016, to change the awarded reconstruction contractor of one home located at 2612 Stephenson Street from Bethel Enterprise, Inc. to Miko Trucking Inc. - Not to exceed $103,000 - Financing: 2015-16 Community Development Block Grant Funds

## BACKGROUND

The homeowner and property herein described is eligible and qualified for the Reconstruction Program loan. The homeowner is at 80% or below Area Median Family Income: Ethel Alexander, a 74 year old female, residing at 2612 Stephenson Street.

Ethel Alexander originally selected Bethel Enterprise, Inc. to rebuild her home but requested that another contractor be assigned, because the contractor terminated the contract due to his availability.

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

On August 24, 2016, City Council authorized an on-site reconstruction for the property located at 2612 Stephenson Street in the amount of $103,000, by Resolution No. 16-1361.

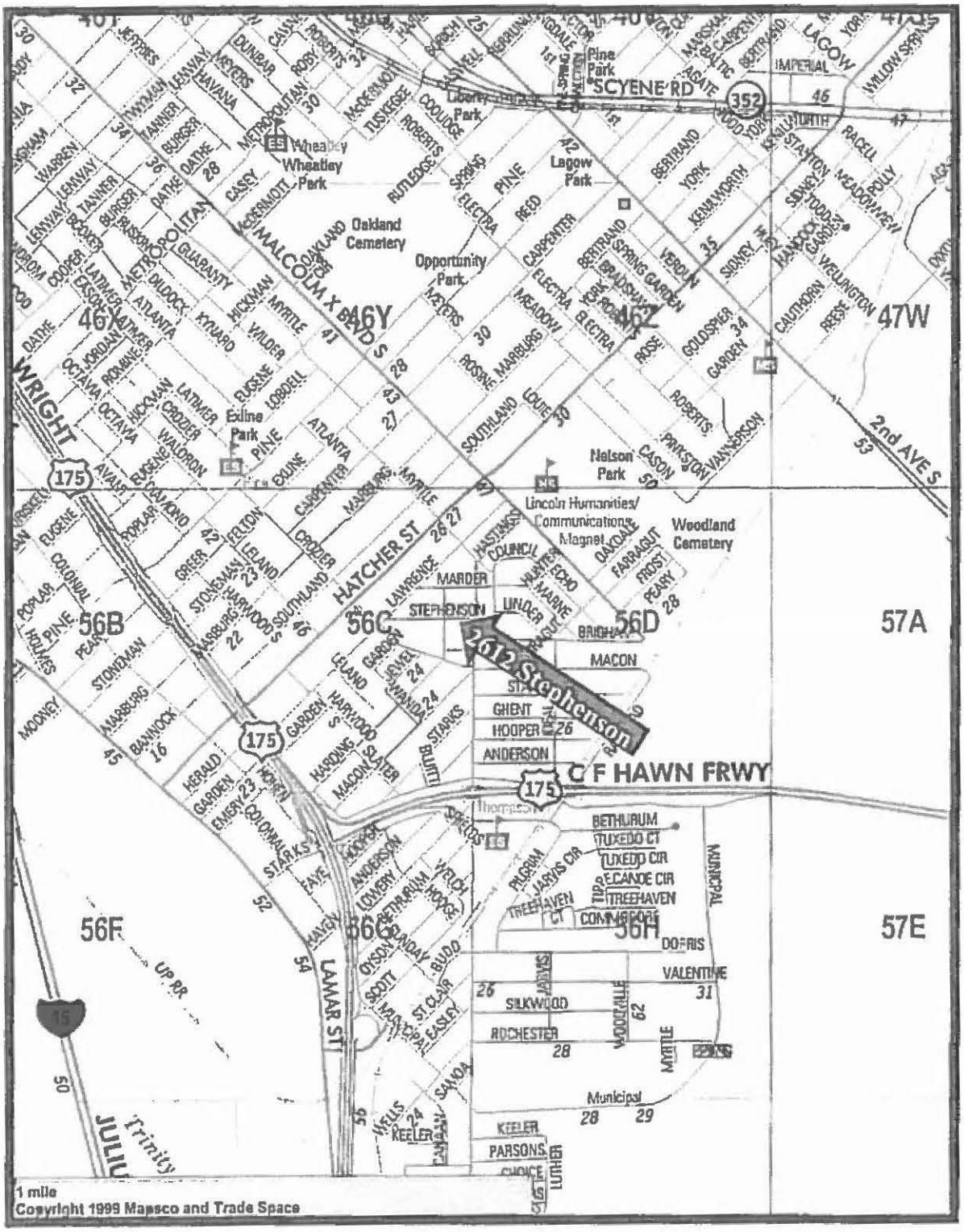
Information about this item will be provided to the Housing Committee on February 21, 2017.

## FISCAL INFORMATION

2015-16 Community Development Block Grant Funds - $103,000

## MAP

Attached


SCYENE RD
MALCOLM X BLVD S
WRIGHT
HATCHER ST
2612 Stephenson
C F HAWN FRWY
LAMAR ST
2nd AVE S
Lincoln Humanities/ Communications Magnet
Woodland Cemetery
Oakland Cemetery
Opportunity Park
Liberty Park
Lagow Park
Wheatley Park
Pine Park
Exline Park
Nelson Park
56B
56C
56D
56F
56G
56H
57A
57E
46Y
46Z
47W
1 mile
Copyright 1999 Mapsco and Trade Space

**MAPSCO 56C**

February 22, 2017

**WHEREAS,** on August 24, 2016, City Council authorized an on-site reconstruction for the property located at 2612 Stephenson Street in the amount of $103,000, by Resolution No. 16-1361; and

**WHEREAS,** on December 5, 2016, Ethel Alexander requested a contractor change to rebuild her home located at 2612 Stephenson Street;

**NOW, THEREFORE,**

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

**Section 1.** That the City Manager, upon approval as to form by the City Attorney, is authorized to change the awarded reconstruction contractor of one home located at 2612 Stephenson Street from Bethel Enterprise, Inc. to Miko Trucking Inc.

**Section 2.** That the City Manager, upon approval as to form by the City Attorney, is authorized to execute the loan documents with Ethel Alexander for the on-site reconstruction at 2612 Stephenson Street.

**Section 3.** That the Chief Financial Officer is authorized to make payments for reconstruction of the home in accordance with the following funding information:

Fund CD15; Dept. HOU; Unit 628H; Object Code 3100; CT HOU628HD1239 ($103,000)
~~Vendor # VC15884 - Bethel Enterprise Inc. - 2612 Stephenson Street~~
Vendor # VS0000010476 - Miko Trucking Inc. - 2612 Stephenson Street

**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.

**AGENDA ITEM # 78**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 5

**DEPARTMENT:** Sustainable Development and Construction

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 58 M

## SUBJECT

A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 2129 for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less on property zoned CR-D-1 Community Retail District with D-1 Liquor Control Overlay on the north side of Lake June Road at the terminus of McElree Street, east of Oak Hill Circle

Recommendation of Staff and CPC: Approval for a five-year period with eligibility for automatic renewals for additional five-year periods, subject to conditions

Z156-364(AR)

**HONORABLE MAYOR & CITY COUNCIL** **WEDNESDAY, FEBRUARY 22, 2017**

**ACM: Mark McDaniel**

**FILE NUMBER:** Z156-364(AR) **DATE FILED:** September 14, 2016

**LOCATION:** On the north side of Lake June Road at the terminus of McElree Street, east of Oak Hill Circle

**COUNCIL DISTRICT:** 5 **MAPSCO:** 58-M

**SIZE OF REQUEST:** Approx. 0.19 acres **CENSUS TRACT:** 92.01

**APPLICANT/ OWNER:** Gilberto Bedolla Jr.

**REQUEST:** An application for the renewal of Specific Use Permit No. 2129 for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less on property zoned a CR-D-1 Community Retail District with D-1 Liquor Control Overlay.

**SUMMARY:** The purpose of this request is to allow the applicant to continue the use of the property for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less [Carnitas La Primera Meat Market].

**CPC RECOMMENDATION:** **Approval** for a five-year period with eligibility for automatic renewals for additional five-year periods, subject to conditions.

**STAFF RECOMMENDATION:** **Approval** for a five-year period with eligibility for automatic renewals for additional five-year periods, subject to conditions.

**Background Information:**

- The request site is currently operating as a general merchandise or food store 3,500 square feet or less.
- The building at the request site was constructed in 2011 and was issued a Certificate of Occupancy in March 2013.
- SUP No. 2129 for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less was approved on January 14, 2015 for a time period of two years.
- The request site was registered as a Convenience Store under Chapter 12B on December 30, 2016.

**Zoning History:**

**1. Z134-242** On February 11, 2015, the City Council approved a CR Community Retail District, a D-1 Liquor Control Overlay, a Specific Use Permit for the sale of alcoholic beverages in conjunction with a general merchandise or food store greater than 3,500 square feet, and termination of deed restrictions on the subject property.

**2. Z134-346** On January 14, 2015, the City Council approved Specific Use Permit No. 2129 for the sale of alcoholic beverages in conjunction with a general merchandise or food store use 3,500 or less.

**Thoroughfares/Streets:**

| Thoroughfare/Street | Type | Existing ROW |
|---|---|---|
| Lake June Road | Principal Arterial | 85 feet |

**Surrounding Land Use:**

| | Zoning | Land Use |
|---|---|---|
| **Site** | CR-D-1, SUP No. 2129 | General Merchandise store |
| **North** | R-7.5 (A) | Single Family |
| **South** | CR-D | Variety of Retail Uses |
| **East** | CR-D | Single Family Dwelling, Variety of Automotive Uses |
| **West** | CR-D | Personal Service and Automotive Uses |

**Comprehensive Plan:**

The *forwardDallas! Comprehensive Plan* was adopted by the City Council in June 2006. The *forwardDallas! Comprehensive Plan* outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request.

**Goal 1.1** Align land use strategies with economic development priorities.

> **Policy 1.1.15** Strengthen existing neighborhoods and promote neighborhoods' unique characteristics. Acknowledge the importance of neighborhoods to the city's long-term health and vitality.
>
> > **Implementation measure 1.1.5.3** Encourage neighborhood-serving office, retail, or other non-residential uses to be located in residential community areas, primarily on significant roadways or at key intersections.

**Land Use Compatibility:**

The surrounding land uses consist of a variety of retail uses to the east and west of the property. The request site is located along Lake June Road which is a major corridor that connects I-635 and CF Hawn Freeways. Analysis performed by a surveyor concluded there was no church, public or private school, or public hospital located within 300 feet of the property.

The "D-1" Overlay District is a Liquor Control Overlay District which requires an individual to obtain a Specific Use Permit in order to sell or serve alcoholic beverages for consumption on or off the premises.

The general provisions for a Specific Use Permit in Section 51A-4.219 of the Dallas Development Code specifically state: (1) The SUP provides a means for developing certain uses in a manner in which the specific use will be consistent with the character of the neighborhood; (2) Each SUP application must be evaluated as to its probable effect on the adjacent property and the community welfare and may be approved or denied as the findings indicate appropriate; (3) The city council shall not grant an SUP for a use except upon a finding that the use will: (A) complement or be compatible with the surrounding uses and community facilities; (B) contribute to, enhance, or promote the welfare of the area of request and adjacent properties; (C) not be detrimental to the public health, safety, or general welfare; and (D) conform in all other respects to all applicable zoning regulations and standards. The regulations in this chapter have been established in accordance with a comprehensive plan for the purpose of promoting the health, safety, morals, and general welfare of the city.

The general merchandise use is also regulated by Chapter 12B of the Dallas City Code, Convenience Stores. This chapter applies to all convenience stores, which is defined as any business that is primarily engaged in the retail sale of convenience goods, or both convenience goods and gasoline, and has less than 10,000 square feet of retail

floor space; the term does not include any business that has no retail floor space accessible to the public. The purpose of Chapter 12B is to protect the health, safety, and welfare of the citizens of the city of Dallas by reducing the occurrence of crime, preventing the escalation of crime, and increasing the successful prosecution of crime that occurs in convenience stores in the city. This chapter establishes a registration program for convenience stores and provides requirements relating to:

- surveillance camera systems
- video recording and storage systems
- alarm systems
- drop safes
- security signs
- height markers

The use is compatible with the surrounding non-residential uses and provides an alternative shopping venue for the neighborhood. There have been no offense or arrest incidents at the subject site since the initial SUP was approved in January 2015. Therefore, staff recommends the approval of the SUP renewal for a five year time period with eligibility for automatic renewals for additional five year periods. The relatively short time period will allow staff to re-evaluate the use for conformance to the site plan and conditions as well as receive input from the community on any negative impacts prior to auto renewal. On December 30, 2016 the applicant registered as a Convenience Store under Chapter 12B and is on track for certification.

**Development Standards:**

| District | Setbacks | | Density/ FAR | Height | Lot Coverage | Special Standards | Primary Uses |
|---|---|---|---|---|---|---|---|
| | Front | Side/Rear | | | | | |
| CR Community retail | 15’ | 20’ adjacent to residential OTHER: No Min. | 0.75 FAR overall 0.5 office | 54’ 4 stories | 60% | Proximity Slope Visual Intrusion | Retail & personal service, office |

**Parking:** Pursuant to the Dallas Development Code, the off-street parking requirement for General merchandise or food store 3,500 square feet or less is one space per 200 square feet of floor area. Therefore, the ± 2,400-square-foot building requires 12 spaces, as depicted on the site plan.

**Landscaping:** Landscaping must be provided in accordance with Article X of the Dallas Development Code.

**Site Plan:** The applicant is requesting no changes to the site plan. The plan is in conformance with the Council approved plan.

**CPC ACTION**
**January 19, 2017**

**Motion:** It was moved to recommend **approval** of the renewal of Specific Use Permit No. 2129 for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less for a five-year period with eligibility for automatic renewals for additional five-year periods, subject to conditions on property zoned CR-D-1 Community Retail District with D-1 Liquor Control Overlay, on the north side of Lake June Road at the terminus of McElree Street, east of Oak Hill Circle.

Maker: Shidid
Second: Schultz
Result: Carried: 15 to 0

For: 15 - Anglin, Rieves, Houston, Davis, Shidid, Anantasomboon, Mack, Haney, Jung, Housewright, Schultz, Peadon, Murphy, Ridley, Tarpley

Against: 0
Absent: 0
Vacancy: 0

**Notices:** Area: 200 Mailed: 29
**Replies:** For: 2 Against: 0

**Speakers**: None

## PROPOSED SUP CONDITIONS

1. USE: The only use authorized by this specific use permit is the sale of alcoholic beverages in conjunction with general merchandise or food store use 3,500 square feet or less.

2. SITE PLAN: Use and development of the Property must comply with the attached site plan.

*3.* TIME LIMIT: This specific use permit expires on ~~January 14, 2017~~ (five years from the passage of this ordinance), but is eligible for automatic renewal for additional five-year periods pursuant to Section 51A-4.219 of Chapter 51A of the Dallas City Code, as amended. For automatic renewal to occur, the Property owner must file a complete application for automatic renewal with the director before the expiration of the current period. Failure to timely file a complete application will render this specific use permit ineligible for automatic renewal. (Note: The Code currently provides that applications for automatic renewal must be filed after the 180th but before the 120th day before the expiration of the current specific use permit period. The Property owner is responsible for checking the Code for possible revisions to this provision. The deadline for applications for automatic renewal is strictly enforced.)

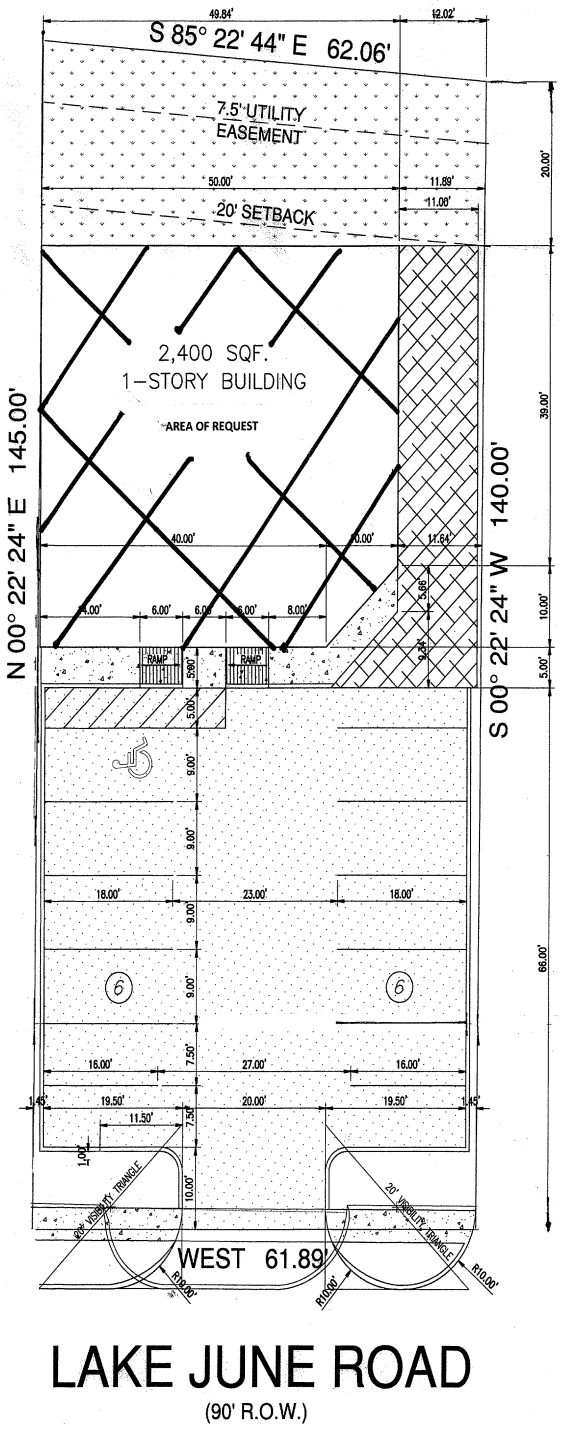
4. FLOOR AREA: The maximum floor area is 2,400 square feet.

5. MAINTENANCE: The Property must be properly maintained in a state of good repair and neat appearance.

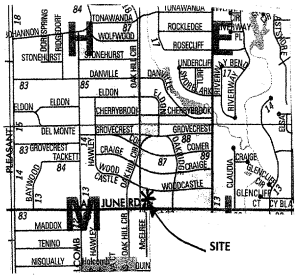
6. GENERAL REQUIREMENTS: Use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the City of Dallas.

Z156-364(AR)

# Existing Site Plan




Vicinity Map




**SITE SUMMARY**

Existing Zoning: CR-D

Proposed Zoning: CR- D-1

Proposed Use: SUP for alcohol sales for off-premise consumption

Lot Area: .19 acre

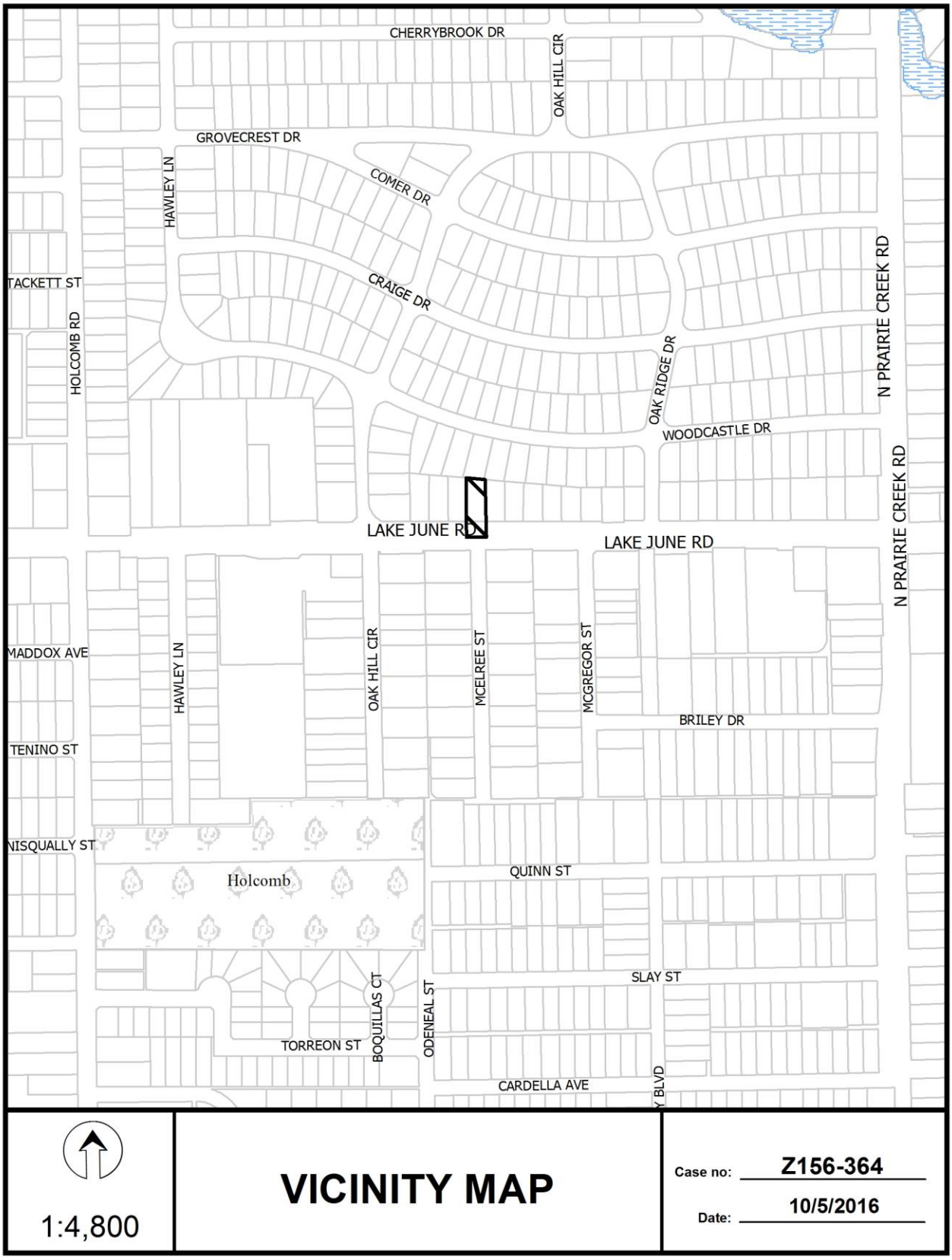
Existing Structure: 2400 s.f.

Existing Height: 18'

Existing Lot Coverage: 28%

Required Parking: 12

Provided Parking: 12


CHERRYBROOK DR
OAK HILL CIR
GROVECREST DR
HAWLEY LN
COMER DR
CRAIGE DR
TACKETT ST
HOLCOMB RD
OAK RIDGE DR
N PRAIRIE CREEK RD
WOODCASTLE DR
LAKE JUNE RD
LAKE JUNE RD
MADDOX AVE
HAWLEY LN
OAK HILL CIR
MCELREE ST
MCGREGOR ST
BRILEY DR
TENINO ST
NISQUALLY ST
Holcomb
QUINN ST
SLAY ST
BOQUILLAS CT
ODENEAL ST
TORREON ST
CARDELLA AVE
1:4,800
VICINITY MAP
Case no: Z156-364
Date: 10/5/2016

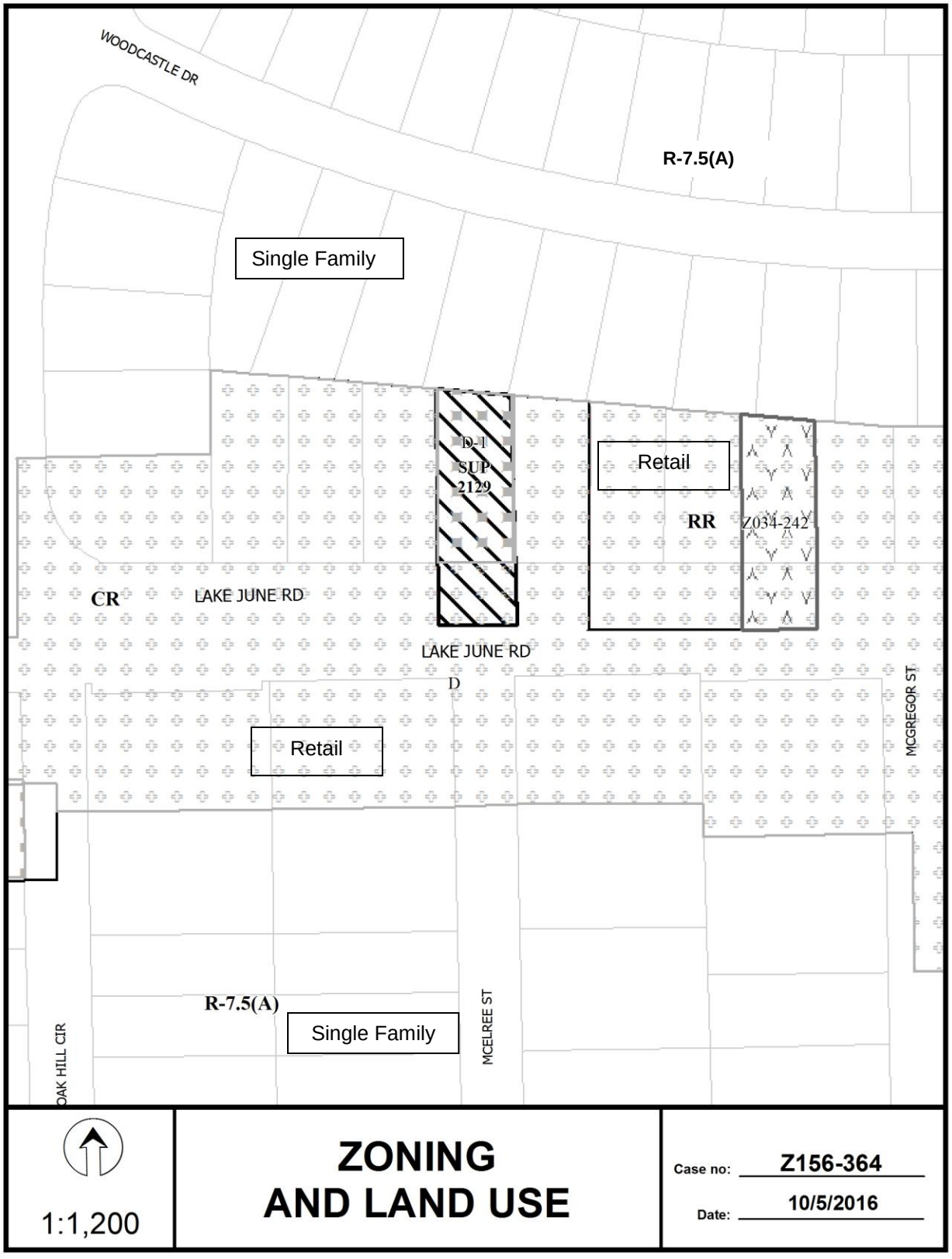


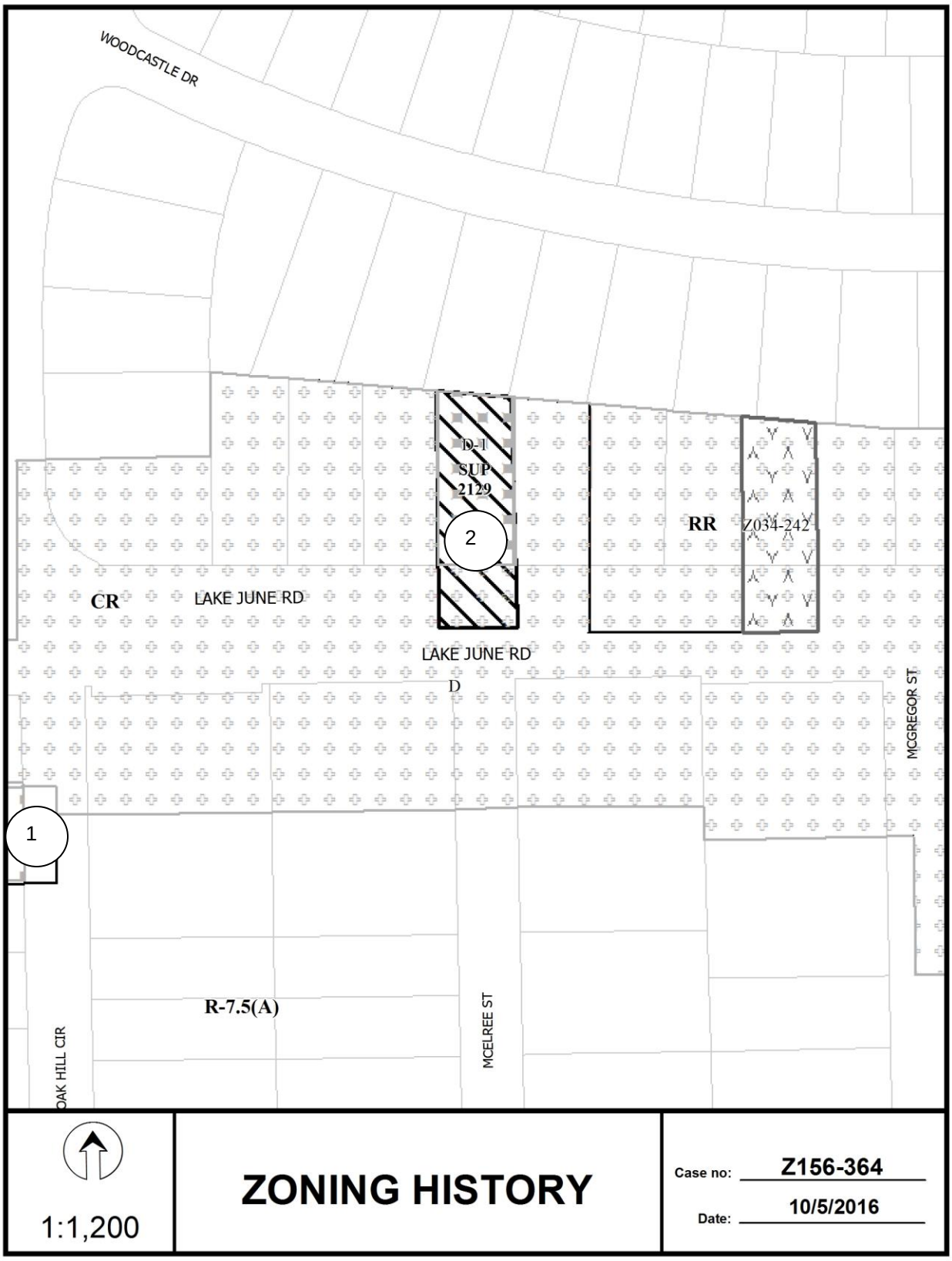

1:1,200

# AERIAL MAP

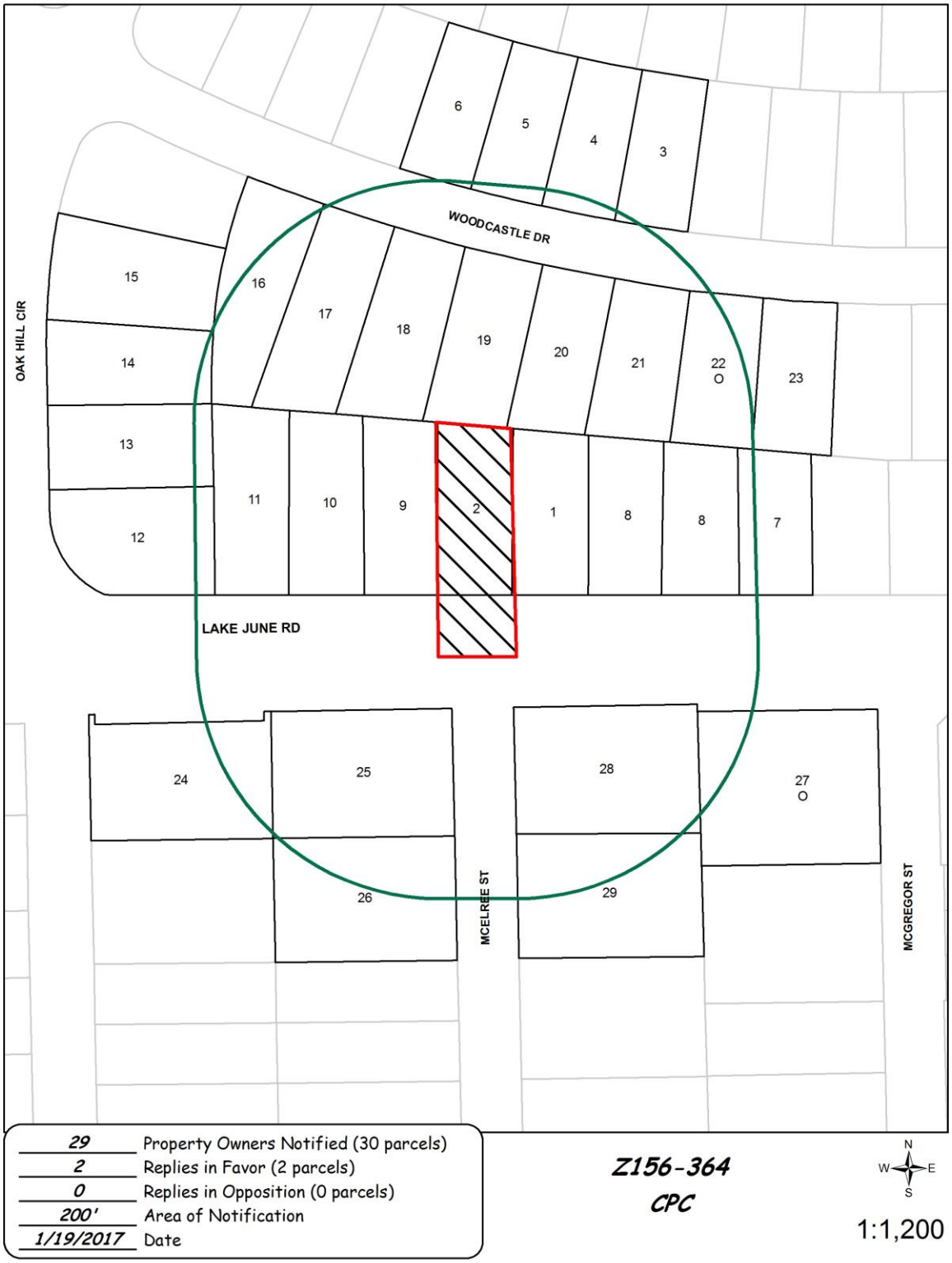
Case no: Z156-364

Date: 10/5/2016


WOODCASTLE DR
R-7.5(A)
Single Family
D-1
SUP
2129
Retail
RR
Z034-242
CR
LAKE JUNE RD
LAKE JUNE RD
D
Retail
MCGREGOR ST
R-7.5(A)
Single Family
MCELREE ST
OAK HILL CIR
1:1,200
ZONING
AND LAND USE
Case no: Z156-364
Date: 10/5/2016


WOODCASTLE DR
D-1
SUP
2129
RR
Z034-242
2
CR
LAKE JUNE RD
LAKE JUNE RD
D
MCGREGOR ST
1
R-7.5(A)
MCELREE ST
OAK HILL CIR
1:1,200
ZONING HISTORY
Case no: Z156-364
Date: 10/5/2016

# CPC Responses



***01/18/2017***

# *Reply List of Property Owners*

## *Z156-364*

***29 Property Owners Notified  2 Property Owners in Favor  0 Property Owners Opposed***

| *Reply* | *Label #* | *Address* | | *Owner* |
|---|---|---|---|---|
| | 1 | 8725 | LAKE JUNE RD | ESPINOZA AGUSTINA |
| | 2 | 8721 | LAKE JUNE RD | BEDOLLA GILBERTO JR |
| | 3 | 8729 | WOODCASTLE DR | RICARTE MARIA DEL ROSARIO |
| | 4 | 8725 | WOODCASTLE DR | CORTEZ VALENTIN & MARIA |
| | 5 | 8721 | WOODCASTLE DR | ARROYO ERASMO DE JESUS JR |
| | 6 | 8717 | WOODCASTLE DR | BOYD ANTONIO A SANCHEZ |
| | 7 | 8737 | LAKE JUNE RD | MEDINA AUGUSTIN & |
| | 8 | 8733 | LAKE JUNE RD | CRUZ ROMAN |
| | 9 | 8717 | LAKE JUNE RD | TAYLOR ROCKY & STEPHANIE |
| | 10 | 8713 | LAKE JUNE RD | GARCIA ROSALBA S |
| | 11 | 8709 | LAKE JUNE RD | LIVAY LLC |
| | 12 | 8701 | LAKE JUNE RD | MONSIVAIS AMALIA A & |
| | 13 | 1306 | OAK HILL CIR | FISHER MICHAEL W & BETTY R |
| | 14 | 1310 | OAK HILL CIR | HERNANDEZ CYNTHIA |
| | 15 | 1316 | OAK HILL CIR | SALGADO DOLORES & MIREYA SERRATO |
| | 16 | 8708 | WOODCASTLE DR | AVELLANEDA RUFINO & FERNANDA GOMEZ |
| | 17 | 8712 | WOODCASTLE DR | GUZMAN PEDRO |
| | 18 | 8716 | WOODCASTLE DR | CORTEZ APOLINAR & ORALIA |
| | 19 | 8720 | WOODCASTLE DR | BEDOLLA GILBERTO |
| | 20 | 8724 | WOODCASTLE DR | MARTINEZ HUMBERTO |
| | 21 | 8728 | WOODCASTLE DR | TOVAR JOSE RIVERA & |
| O | 22 | 8732 | WOODCASTLE DR | GONZALEZ SANTIAGO |
| | 23 | 8736 | WOODCASTLE DR | RAMIREZ TOMAS & ERNESTINA |
| | 24 | 8700 | LAKE JUNE RD | MENDOZA JUAN R & |
| | 25 | 8718 | LAKE JUNE RD | LACY INVESTMENTS ENTERPRISE LLC |
| | 26 | 1231 | MCELREE ST | GUZMAN BULMARO F |

***01/18/2017***

| *Reply* | *Label #* | *Address* | | *Owner* |
|---|---|---|---|---|
| O | 27 | 8736 | LAKE JUNE RD | CHANDLER BILLY E JR |
| | 28 | 8726 | LAKE JUNE RD | CHANDLER BILLY JR |
| | 29 | 1226 | MCELREE ST | SALINAS ASUNCION J |

**AGENDA ITEM # 79**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 5

**DEPARTMENT:** Sustainable Development and Construction

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 48 Y

## SUBJECT

A public hearing to receive comments regarding an application for and an ordinance granting an amendment to Specific Use Permit No. 2034 for the sale of alcoholic beverages in conjunction with a general merchandise or food store greater than 3,500 square feet on property zoned Subarea 6 within Planned Development District No. 366 with a D-1 Liquor Control Overlay, east of South Buckner Boulevard, south of Scyene Road

Recommendation of Staff and CPC: Approval for a five-year period with eligibility for automatic renewals for additional five-year periods, subject to a revised site plan and conditions

Z167-125(KK)

**HONORABLE MAYOR & CITY COUNCIL** **WEDNESDAY, FEBRUARY 22, 2017**

**ACM: Mark McDaniel**

**FILE NUMBER:** Z167-125(KK) **DATE FILED:** October 31, 2016

**LOCATION:** East of South Buckner Boulevard, south of Scyene Road

**COUNCIL DISTRICT:** 5 **MAPSCO:** 48-Y

**SIZE OF REQUEST:** Approx. 2.34 acres **CENSUS TRACT:** 90.00

**APPLICANT/ OWNER:** Aldi (Texas), LLC

**REPRESENTATIVE:** Burger Engineering, Bryan Burger

**REQUEST:** An application to amend Specific Use Permit No. 2034 for the sale of alcoholic beverages in conjunction with a general merchandise or food store greater than 3,500 square feet on property zoned Subarea 6 within Planned Development District No. 366 with a D-1 Liquor Control Overlay.

**SUMMARY:** The applicant is proposing to increase the floor area of the existing structure (Aldi Food Store) by 1,040 square feet increasing the total floor area of the structure to 17,697 square feet. The increase in floor area is requiring the amendment to the specific use permit.

**CPC RECOMMENDATION:** **Approval** for a five-year period with eligibility for automatic renewals for additional five-year periods, subject to a revised site plan and conditions.

**STAFF RECOMMENDATION:** **Approval** for a five-year period with eligibility for automatic renewals for additional five-year periods, subject to a revised site plan and conditions.

**BACKGROUND INFORMATION:**

- The request site is currently developed with a general merchandise or food store greater than 3,500 square feet and is located in a D-1 Liquor Control Overlay.
- The tenant has been in operation since May of 2010.
- On June 26, 2013, the City Council approved a D-1 Liquor Control Overlay and Specific Use Permit No. 2034 for the sale of alcoholic beverages in conjunction with a general merchandise or food store greater than 3,500 square feet for a five year time period with eligibility for five year automatic renewals on the subject property.
- The applicant is proposing to construct an addition to the structure that would add new floor area to the site.
- The surrounding land uses consist of a variety of auto related uses, retail and personal service uses, medical clinic and single family uses.

**Zoning History:** There has not been any zoning changes requested in the area.

**Thoroughfares/Streets:**

| Thoroughfares/Street | Type | Existing ROW |
|---|---|---|
| S. Buckner Boulevard | Principal Arterial | 107 ft. |
| Scyene Road | Community Collector | 60 ft. |

**Traffic:**

The Engineering Division of the Department of Sustainable Development and Construction reviewed the request and determined that it will not impact the surrounding roadway system.

**STAFF ANALYSIS:**

**Comprehensive Plan:**

The *forwardDallas! Comprehensive Plan* was adopted by the City Council in June 2006. The *forwardDallas! Comprehensive Plan* outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request.

The floor area addition to the existing general merchandise land use that allows alcohol sales will provide additional economic development opportunities within the City. The following goal and policy supports the proposed request.

**ECONOMIC ELEMENT**

**GOAL 2.4** CREATE AND MAINTAIN AN ENVIRONMENT FRIENDLY TO BUSINESSES AND ENTREPRENEURS

Policy 2.4.2 Restore Dallas as the premier city for conducting business within the region.

**Surrounding Land Uses:**

| | Zoning | Land Use |
|---|---|---|
| Site | Subarea 6 PDD No.366 with D-1, SUP No. 2034 | General Merchandise |
| North | Subarea 6 PDD No.366 with D & D-1 | Restaurant, Auto Service Center |
| South | Subarea 6 PDD No.366 with D-1, SUP No. 2219 | Medical Clinic, Retail & Personal Service |
| East | R-7.5(A) | Undeveloped, Single Family |
| West | Subarea 1 PDD No.366 with D-1 | General Merchandise |

**Land Use Compatibility:**

The 2.34 acre site is currently developed with a 16,657 square foot general merchandise or food store. This use finalized construction and obtained their Certificate of Occupancy in May of 2010. The surrounding land uses consist of a variety of auto related uses, retail and personal service uses, medical clinic and single family uses.

The "D-1" Overlay District is a Liquor Control Overlay District which requires an individual to obtain a Specific Use Permit in order to sell or serve alcoholic beverages, or setups for alcoholic beverages, for consumption on or off the premises.

The applicant is proposing an addition to the existing structure in the amount of 1,040 square feet for a total floor area of 17,697 square feet. The proposed addition is occupying what was originally constructed as a large loading dock area. This area will be converted into floor area to allow the store more storage area. Because the floor area on this use is increasing, the SUP must be amended to account for this floor area increase in relation to the alcohol sales. The increase was over the amount allowed for a minor amendment.

The request to amend the SUP is only required due to the increase of floor area. The existing alcohol sales are not proposed to be changed with this floor area addition. The police reports detailed below show a history of theft reported at this location. When compared to the grocery store across South Buckner Boulevard and speaking with Dallas Police Department, this is a common occurrence for this land use. This proposed zoning amendment is compatible with the surround uses and will continue to add to the welfare of the surrounding residential zoning district.

The definitive time period will also require that the request be reevaluated to ensure the use is compatible in this location. The applicant is providing solid screening between the adjacent residential uses and their property which should act as a buffer to the residential development from the commercial use. This fence will allow additional security, screen parking and act as a traffic noise buffer. In order to protect the customers of this use and the surrounding developments, specific use conditions concerning egress and ingress and parking requirements are detailed.

The general provisions for a Specific Use Permit in Section 51A-4.219 of the Dallas Development Code specifically state: (1) The SUP provides a means for developing certain uses in a manner in which the specific use will be consistent with the character of the neighborhood; (2) Each SUP application must be evaluated as to its probable effect on the adjacent property and the community welfare and may be approved or denied as the findings indicate appropriate; (3) The city council shall not grant an SUP for a use except upon a finding that the use will: (A) complement or be compatible with the surrounding uses and community facilities; (B) contribute to, enhance, or promote the welfare of the area of request and adjacent properties; (C) not be detrimental to the public health, safety, or general welfare; and (D) conform in all other respects to all applicable zoning regulations and standards. The regulations in this chapter have been established in accordance with a comprehensive plan for the purpose of promoting the health, safety, morals, and general welfare of the city.

**Development Standards:**

| DISTRICT | SETBACKS | | Density | Height | Lot Coverage | Special Standards | PRIMARY Uses |
|---|---|---|---|---|---|---|---|
| | Front | Side/Rear | | | | | |
| PDD No. 366 (Subarea 6) | 15' OTHER: No Min. | 20' adjacent to residential OTHER: No Min. | 0.5 lodging, office, retail, personal service 0.75 FAR overall | 45' 3 stories | 80% | Residential Proximity Slope Visual Intrusion | Retail, Restaurant, Personal Service, Office |
| | | | | | | | |

**Parking:**

Pursuant to the Dallas Development Code, off-street parking and loading must be provided in accordance with Division 51A-4.200. The Dallas Development Code requires off-street parking to be provided for a general merchandise or food store greater than

3,500 square feet provide one space per 220 square feet of floor area for uses with a floor area of 10,000 square feet or greater, but less than 40,000 square feet of floor area. The required off-street parking for this use is 80 parking spaces, the site plan shows the applicant providing 93 off-street parking spaces.

The required off-street loading space detailed per the Dallas Development Code is one space for the land use described above that is zero to 60,000 square feet in total floor area. The code allows the first loading space located on the property to be either of medium or large size loading space. The tenant is proposing to provide one medium loading space to meet the off-street loading requirement. Parking and loading must be provided as shown on the site plan.

**Landscaping:**

Landscaping is required in accordance with PD No. 366 which creates additional landscape requirements along with Article X requirements of the Dallas Development Code. However, the applicant's request does not trigger any landscape requirements, as the addition in not greater than 35% of the existing floor area on site or 10,000 square feet, and the nonpermeable area is not increasing by more than 2,000 square feet.

**Dallas Police Department:** A copy of a police report of the past 5 years of offenses is provided below.

**01/01/2014 - 12/31/2014 Crime Part 2**

| Incident Num | Date1 | Time1 | Address | UCR_Offense | ZipCode |
|---|---|---|---|---|---|
| 266380-2014 | 11/5/2014 | 12:00 | 2926 S BUCKNER BLVD | CRIMINAL TRESPASS | 75227 |
| 20140068040 | 3/22/2014 | 17:30 | 02926 S BUCKNER BLVD | ASSAULT | 75227 |

**01/01/2015 - 12/31/2015 Crime Part 1**

| IncidentNum | Date1 | Time1 | Address | UCR_Offense | ZipCode |
|---|---|---|---|---|---|
| 293101-2015 | 12/16/2015 | 17:50 | 2926 S BUCKNER BLVD | THEFT/BMV | 75227 |
| 285402-2015 | 12/8/2015 | 19:41 | 2926 S BUCKNER BLVD | OTHER THEFTS | 75227 |
| 193383-2015 | 6/30/2015 | 12:44 | 2926 S BUCKNER BLVD | THEFT/SHOPLIFT | 75227 |
| 089112-2015 | 4/21/2015 | 17:10 | 2926 S BUCKNER BLVD | THEFT/SHOPLIFT | 75227 |
| 007428-2015 | 1/10/2015 | 11:20 | 2926 S BUCKNER BLVD | THEFT/SHOPLIFT | 75227 |

**01/01/2016 - 12/18/2016 Crime Part 1**

| IncidentNum | Date1 | Time1 | Address | UCR_Offense | ZipCode |
|---|---|---|---|---|---|
| 270357-2016 | 11/11/2016 | 12:50 | 2926 S BUCKNER BLVD | THEFT/BMV | 75227 |
| 229523-2016 | 9/23/2016 | 16:34 | 2926 S BUCKNER BLVD | THEFT/BMV | 75227 |
| 199876-2016 | 8/19/2016 | 17:00 | 2926 S BUCKNER BLVD | THEFT/SHOPLIFT | 75227 |
| 030820-2016 | 2/7/2016 | 15:30 | 2926 S BUCKNER BLVD | THEFT/SHOPLIFT | 75227 |
| 009340-2016 | 1/12/2016 | 14:45 | 2926 S BUCKNER BLVD | OTHER THEFTS | 75227 |

**CPC Action**

January 19, 2017:

**Motion:** It was moved to recommend **approval** of an amendment to Specific Use Permit No. 2034 for the sale of alcoholic beverages in conjunction with a general merchandise or food store greater than 3,500 square feet for a five-year period with eligibility for automatic renewals for additional five-year periods, subject to a revised site plan and conditions on property zoned Subarea 6 within Planned Development District No. 366 with a D-1 Liquor Control Overlay, east of South Buckner Boulevard, south of Scyene Road.

Maker: Shidid
Second: Murphy
Result: Carried: 15 to 0

For: 15 - Anglin, Rieves, Houston, Davis, Shidid, Anantasomboon, Mack, Haney, Jung, Housewright, Schultz, Peadon, Murphy, Ridley, Tarpley

Against: 0
Absent: 0
Vacancy: 0

**Notices:** Area: 300 Mailed: 30
**Replies:** For: 1 Against: 0

**Speakers**: None

## List of Partners/Principals/Officers

Charles Youngston – President

Scott Huska – Vice President

Jason Hart – President

Terry Pfortmiller – Vice President & Administration

Kim Shanner – Corporate Director Finance & Administration

Lynn Moser – Group Director Finance & Administration

**PROPOSED CONDITIONS**
**SUP No. 2034**

1. USE: The only use authorized by this specific use permit is the sale of alcoholic beverages in conjunction with a general merchandise or food store greater than 3,500 square feet.

2. SITE PLAN: Use and development of the Property must comply with the attached site plan.

3. TIME LIMIT: This specific use permit expires on_____, (five year period) ~~(two-year period~~ from the passage of this ordinance), but is eligible for automatic renewal for additional five-year periods, pursuant to Section 51A-4.219 of Chapter 51A of the Dallas City Code, as amended. For automatic renewal to occur, the Property owner must file a complete application for automatic renewal with the director before the expiration of the current period. Failure to timely file a complete application will render this specific use permit ineligible for automatic renewal. (Note: The Code currently provides that applications for automatic renewal must be filed after the 180th but before the 120th day before the expiration of the current specific use permit period. The Property owner is responsible for checking the Code for possible revisions to this provision. The deadline for applications for automatic renewal is strictly enforced).

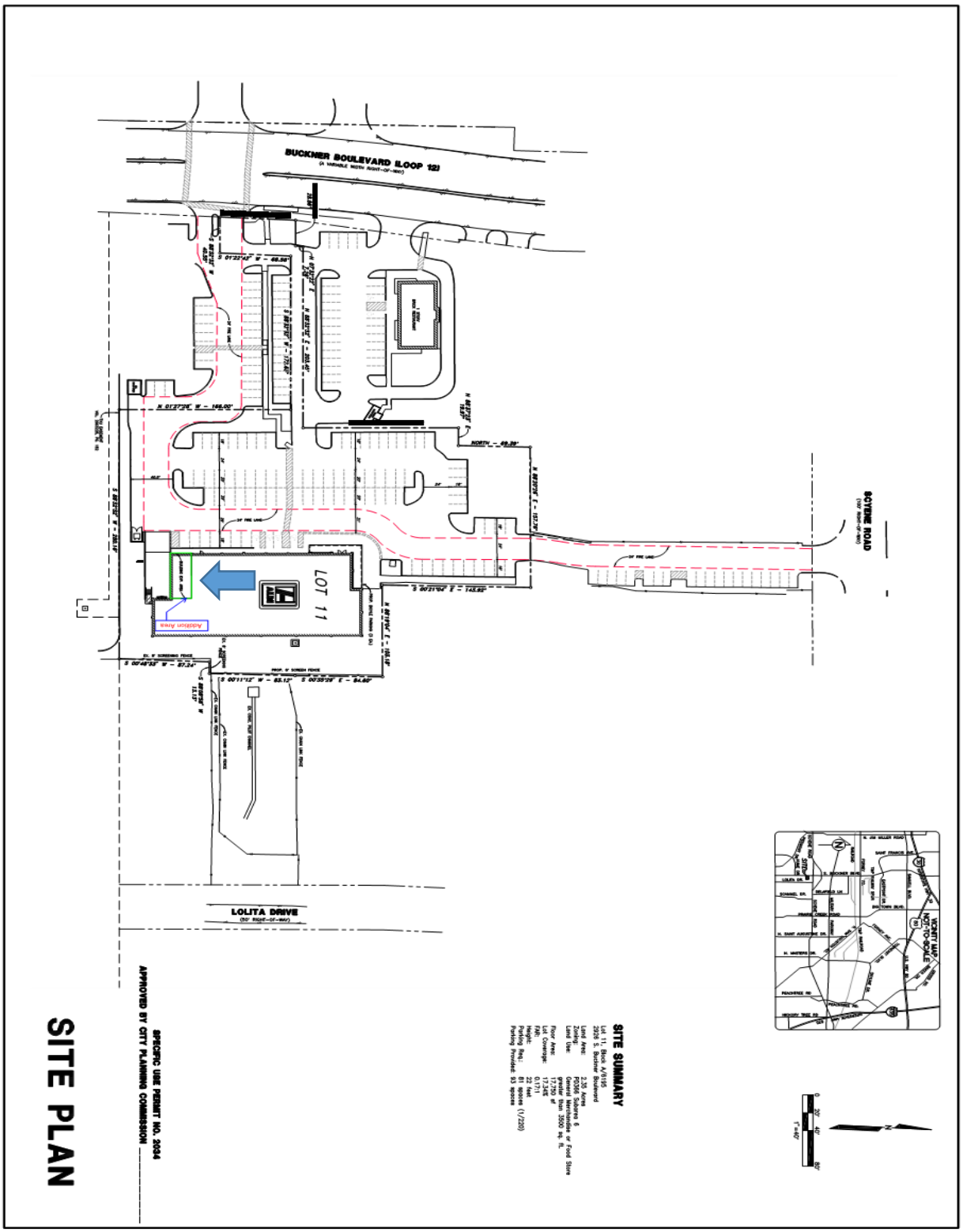
4. INGRESS/EGRESS: Ingress and egress must be provided in the location shown on the attached site plan. No other ingress or egress is permitted.

5. PARKING: Off-street parking must be located as shown on the attached site plan.

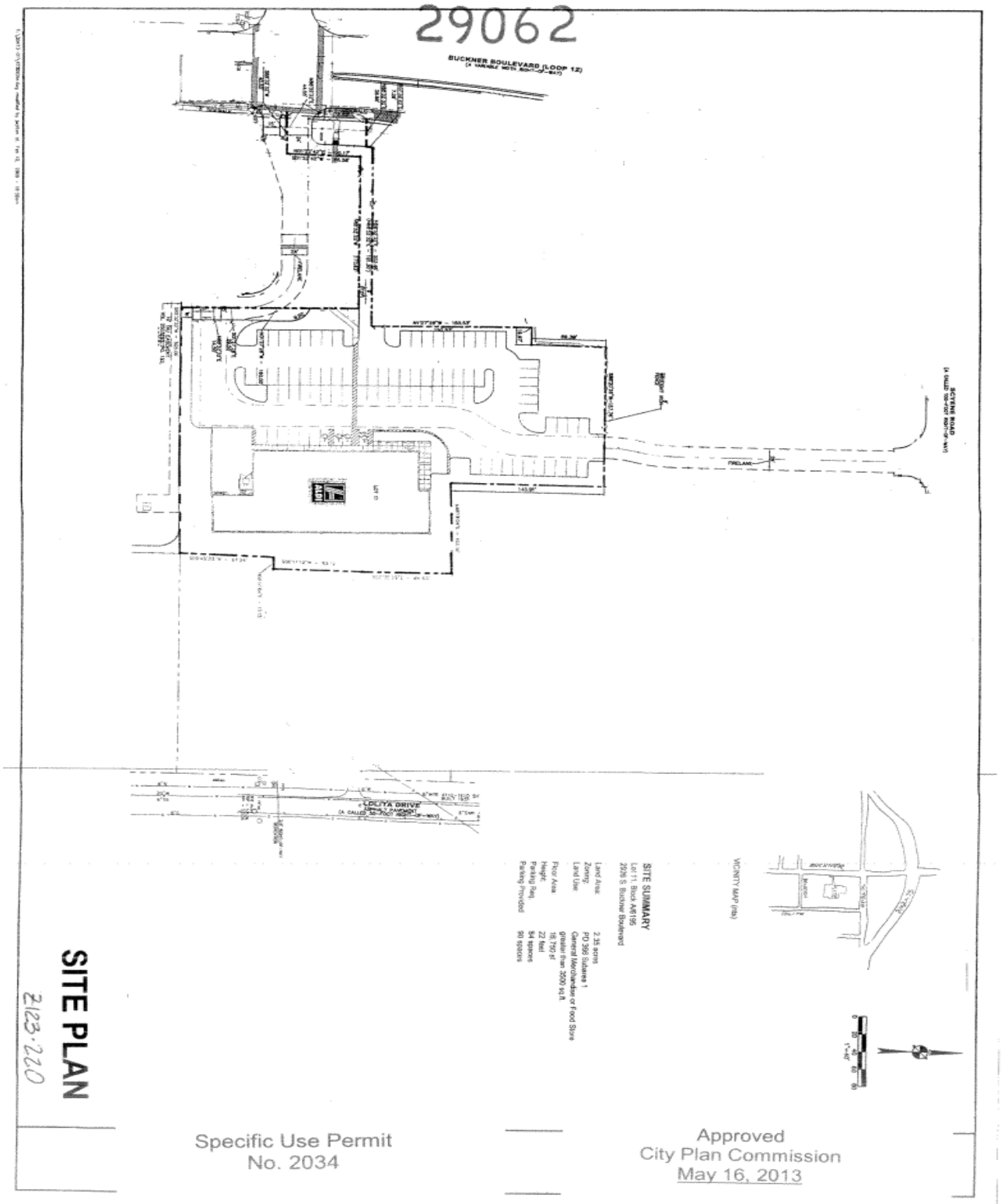
6. MAINTENANCE: The Property must be properly maintained in a state of good repair and neat appearance.

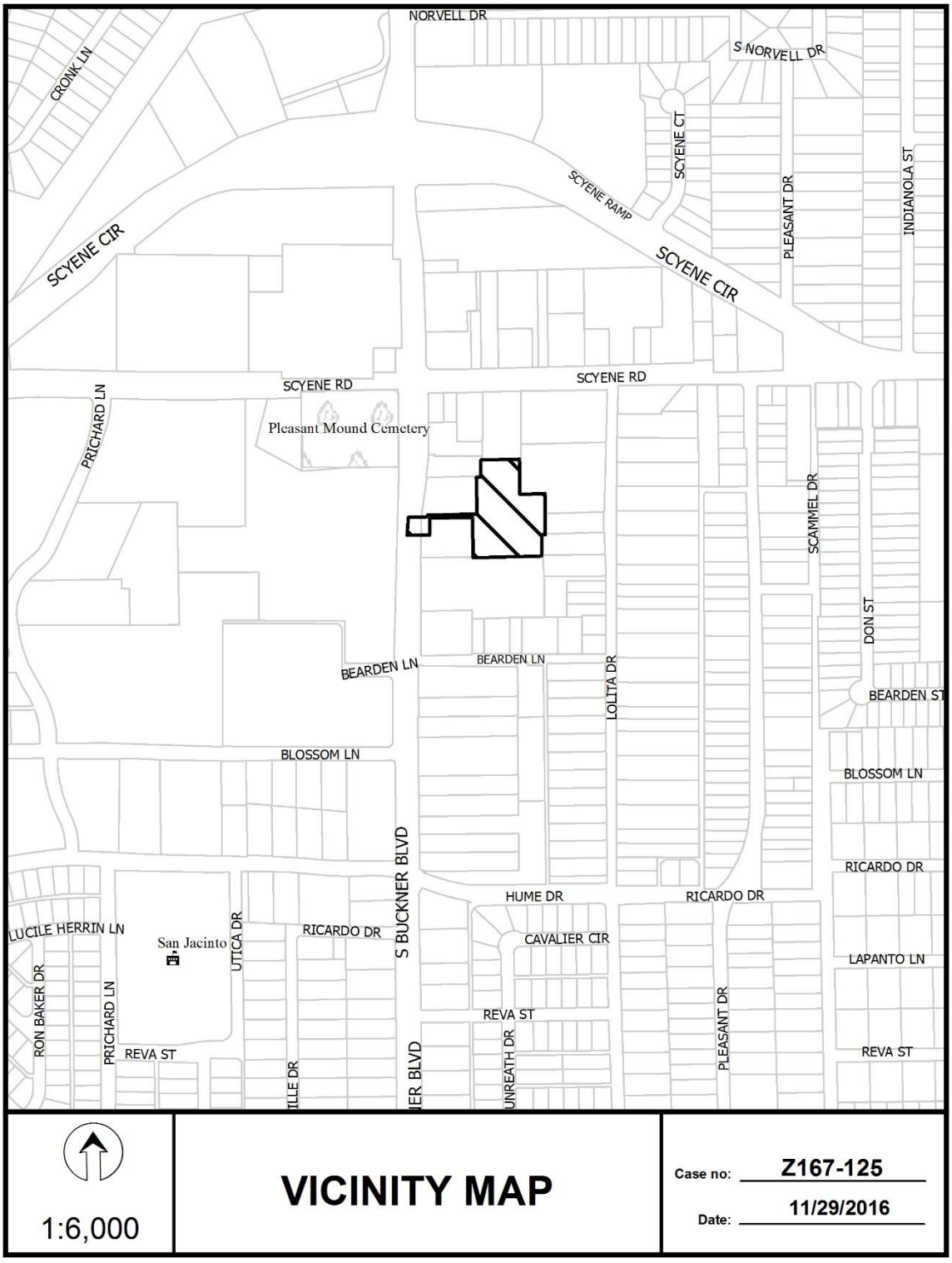
7. GENERAL REQUIREMENTS: Use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the City of Dallas.

PROPOSED SITE PLAN

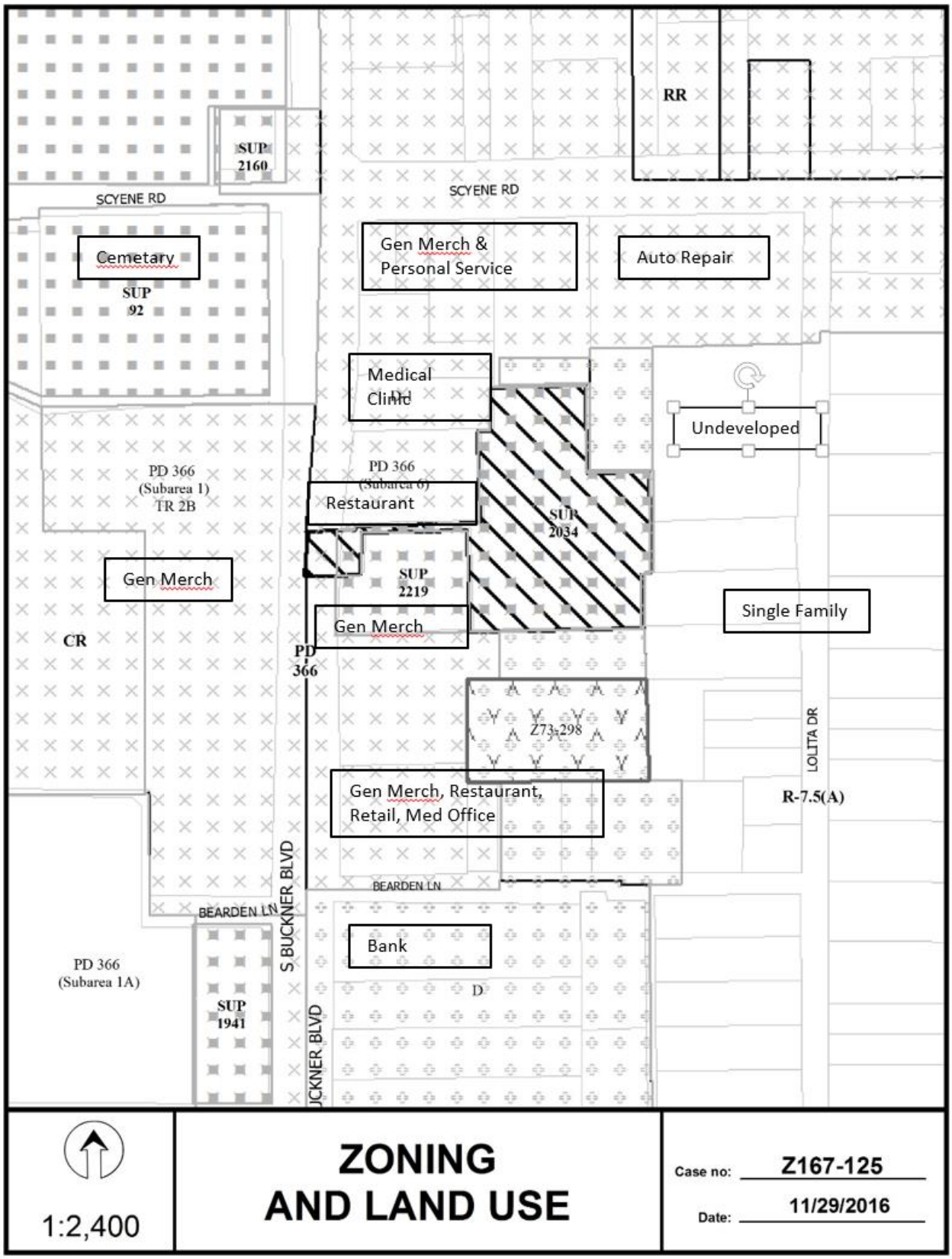


EXISTING SITE PLAN

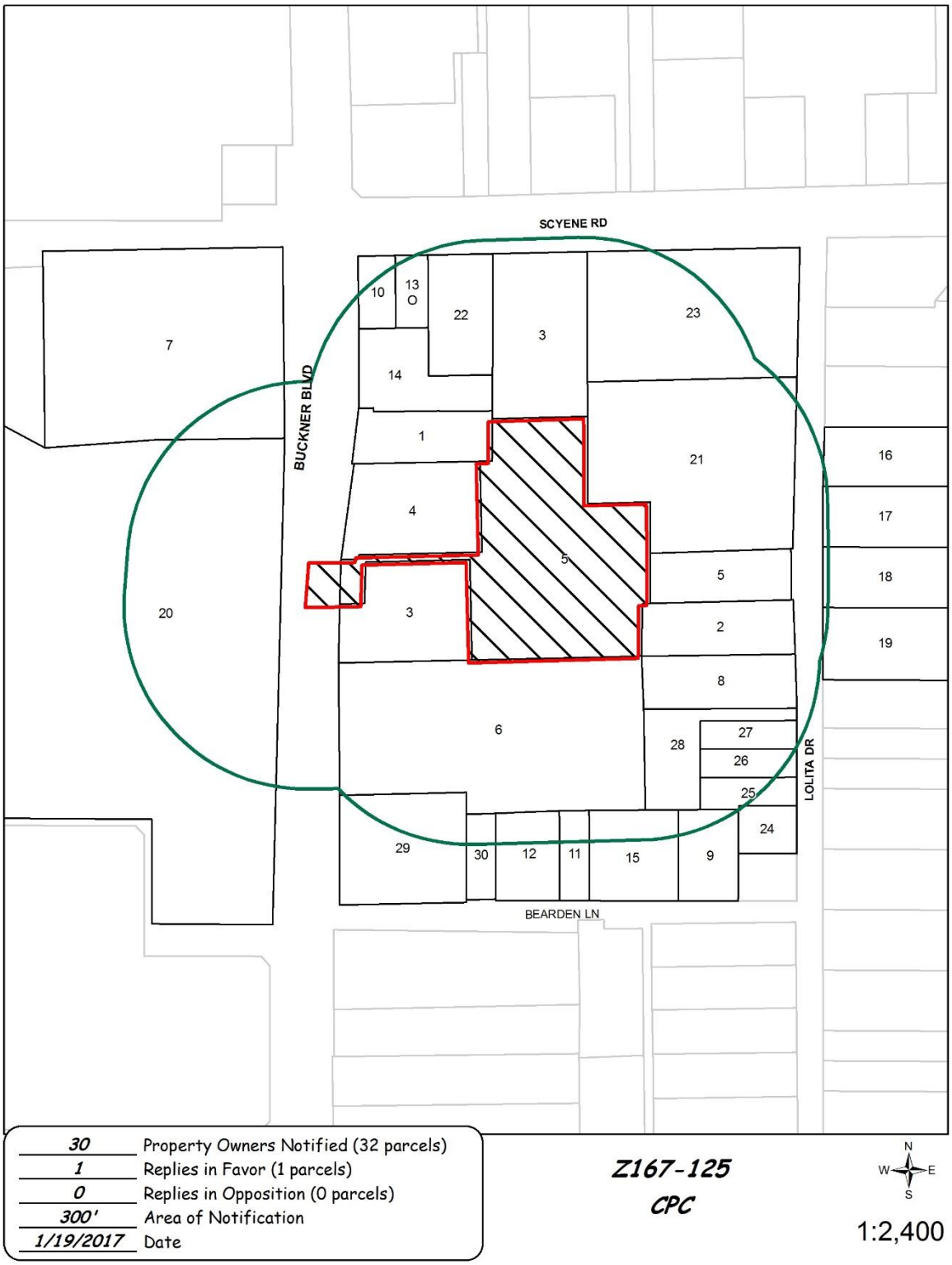



NORVELL DR
S NORVELL DR
CRONK LN
SCYENE CT
SCYENE RAMP
PLEASANT DR
INDIANOLA ST
SCYENE CIR
SCYENE CIR
SCYENE RD
SCYENE RD
PRICHARD LN
Pleasant Mound Cemetery
SCAMMEL DR
DON ST
BEARDEN LN
BEARDEN LN
LOLITA DR
BEARDEN ST
BLOSSOM LN
BLOSSOM LN
S BUCKNER BLVD
RICARDO DR
HUME DR
RICARDO DR
LUCILE HERRIN LN
San Jacinto
UTICA DR
RICARDO DR
CAVALIER CIR
LAPANTO LN
RON BAKER DR
PRICHARD LN
REVA ST
REVA ST
PLEASANT DR
REVA ST
UNREATH DR
1:6,000
VICINITY MAP
Case no: Z167-125
Date: 11/29/2016


SCYENE RD
SCYENE RD
S BUCKNER BLVD
BUCKNER BLVD
BEARDEN LN
BEARDEN LN
LOLITA DR
1:2,400
AERIAL MAP
Case no: Z167-125
Date: 11/29/2016


RR
SUP 2160
SCYENE RD
SCYENE RD
Cemetary
SUP 92
Gen Merch & Personal Service
Auto Repair
Medical Clinic
Undeveloped
PD 366 (Subarea 1) TR 2B
PD 366 (Subarea 6)
Restaurant
SUP 2034
SUP 2219
Gen Merch
Gen Merch
CR
PD 366
Single Family
Z73-298
LOLITA DR
Gen Merch, Restaurant, Retail, Med Office
R-7.5(A)
BEARDEN LN
BEARDEN LN
S BUCKNER BLVD
Bank
PD 366 (Subarea 1A)
SUP 1941
D
UCKNER BLVD
1:2,400
ZONING AND LAND USE
Case no: Z167-125
Date: 11/29/2016

CPC RESPONSES



*01/18/2017*

# *Reply List of Property Owners*

## *Z167-125*

***30 Property Owners Notified 1 Property Owners in Favor 0 Property Owners Opposed***

| *Reply* | *Label #* | *Address* | | *Owner* |
|---|---|---|---|---|
| | 1 | 2942 | S BUCKNER BLVD | HEAVER PROPERTIES LIMITED |
| | 2 | 2907 | LOLITA DR | DAVIS RANDOLPH & EVELYN |
| | 3 | 2904 | S BUCKNER BLVD | FREEMAN WILLIAM R |
| | 4 | 2930 | S BUCKNER BLVD | FWP BUCKNER BLVD TX LLC |
| | 5 | 2926 | S BUCKNER BLVD | ALDI LLC |
| | 6 | 2902 | S BUCKNER BLVD | PAN LIANYA & |
| | 7 | 8050 | SCYENE RD | CEMETERY |
| | 8 | 2863 | LOLITA DR | ZUNIGA GUADALUPE |
| | 9 | 8151 | BEARDEN LN | AZA ALFREDO C ETAL |
| | 10 | 2952 | S BUCKNER BLVD | MONA & NADA CORPORATION |
| | 11 | 8131 | BEARDEN LN | GUERRERO ALFREDO |
| | 12 | 8127 | BEARDEN LN | MATA EDGAR |
| O | 13 | 8106 | SCYENE RD | ZUNIGA CLAUDIA Y |
| | 14 | 2940 | S BUCKNER BLVD | MITCHELL WILLIAM J & |
| | 15 | 8139 | BEARDEN LN | PENA ABEL TOVAR & |
| | 16 | 2930 | LOLITA DR | HURTADO ALFONSO NAVAREZ & |
| | 17 | 2922 | LOLITA DR | QUINTERO JORGE & |
| | 18 | 2914 | LOLITA DR | OROZCO CARLOS & FELICIA |
| | 19 | 2906 | LOLITA DR | VALLEJO JOSE A |
| | 20 | 8000 | SCYENE RD | BUCKNER PARTNERSHIP LP |
| | 21 | 8152 | SCYENE RD | ESPINOZA JOSE ET AL |
| | 22 | 8116 | SCYENE RD | LEWIS PAUL C |
| | 23 | 8190 | SCYENE RD | FORD ROBERT L |
| | 24 | 2843 | LOLITA DR | JIMINEZ WENDY |
| | 25 | 2847 | LOLITA DR | SORIA DESIDERIO & ANGELA LOPEZ |
| | 26 | 2851 | LOLITA DR | RODRIGUEZ ARMANDO JR |

***01/18/2017***

| *Reply* | *Label #* | *Address* | *Owner* |
|---|---|---|---|
| | 27 | 2855 LOLITA DR | URQUIZA JORGE A |
| | 28 | 2859 LOLITA DR | BROOKS BAINIFF D |
| | 29 | 2842 S BUCKNER BLVD | HUDSON REAL ESTATE 1 & 2 LLC |
| | 30 | 8119 BEARDEN LN | TURNER TRAVIS & |

**AGENDA ITEM # 80**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 2

**DEPARTMENT:** Sustainable Development and Construction

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 46 M

## SUBJECT

A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 2189 for a recycling buy-back center for the collection of household metals and industrial metals on property zoned an IM Industrial Manufacturing District on the northeast line of South Barry Avenue, north of South Haskell Avenue

Recommendation of Staff and CPC: Approval for a two-year period, subject to conditions

Z167-126(OTH)

**HONORABLE MAYOR & CITY COUNCIL** **WEDNESDAY, FEBRUARY 22, 2017**

**ACM: Mark McDaniel**

| | | | |
|---|---|---|---|
| **FILE NUMBER:** | Z167-126(OTH) | **DATE FILED:** | October 13, 2016 |
| **LOCATION:** | Northeast line of South Barry Avenue, north of South Haskell Avenue | | |
| **COUNCIL DISTRICT:** | 2 | **MAPSCO:** | 46 - M |
| **SIZE OF REQUEST:** | Approx. 5.992 acres | **CENSUS TRACT:** | 25.00 |

**APPLICANT:** Texas Recycling & Surplus, Inc.

**OWNER:** City Warehouse, L.P.

**REPRESENTATIVE:** Robert Miklos, PLLC

**REQUEST:** An application to renew Specific Use Permit No. 2189 for a recycling buy-back center for the collection of household metals and industrial metals on property zoned an IM Industrial Manufacturing District.

**SUMMARY:** The purpose of this request is to continue the operation of the recycling buy-back center of household metals and industrial metals within a portion of an existing facility [Texas Recycling & Surplus, Inc.].

**CPC RECOMMENDATION:** **Approval** for a two-year period, subject to conditions.

**STAFF RECOMMENDATION:** **Approval** for a two-year period, subject to conditions.

**BACKGROUND:**

- The existing SUP for a recycling buy-back center for the collection of household metals and industrial metals was approved on April 27, 2016 for a one-year period.

- The applicant relocated their operations in August of 2015 to this location. The use is limited to 2,000 square-feet area and is contained inside a structure. The use operates from 7:00 a.m. to 7:30 p.m., Monday through Friday and 7:00 a.m. to 11:30 a.m., Saturday.

- The applicant is not making any changes to the existing conditions of the SUP.

- The Dallas Police Department monitors the facility for compliance with Chapter 40B for operation of a recycling buy-back center. The Dallas Police Department also requires a license for a recycling buy-back center. The applicant's license expires on June 28, 2018.

- The Dallas Development Code states the time period for an SUP for a recycling buy back center for the collection of household metals and industrial metals may not exceed a two-year period.

**Zoning History:** There has been one zoning case in the area over the past five years.

**Z156-112** On April 27, 2016, the City Council granted Specific Use Permit No. 2189 for a recycling buy-back center for the collection of household metals and industrial metals on property zoned an IM Industrial Manufacturing District on the northeast line of South Barry Avenue, north of South Haskell Avenue.

**Thoroughfares/Streets:**

| Thoroughfare/Street | Type | Existing ROW |
|---|---|---|
| South Barry Avenue | Local | 50 feet |
| South Haskell Avenue | Local | 60 ft. |

**Traffic:** The Engineering Division of the Department of Sustainable Development and Construction has reviewed the request and determined that it will not have a detrimental impact on the surrounding street system.

**COMPREHENSIVE PLAN:**

The *forwardDallas! Comprehensive Plan* was adopted by the City Council in June 2006. The *forwardDallas! Comprehensive Plan* outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request.

The use is consistent with the following land use policy:

**Environment Element**

**GOAL 6.6** Increase Recycling and Conservation of Renewable Resources

Policy 6.6.1 Increase recycling and composting

| | **Zoning** | **Land Use** |
|---|---|---|
| Site | IM, SUP No. 2189 | Industrial, warehouse, & recycling buy-back center |
| Northeast | IM | Industrial and warehouse |
| Southeast | CS, IM | Industrial and warehouse |
| Southwest | MF-2(A) | Multifamily, Single family |
| Northwest | IM, MF-2(A) | Industrial, warehouse, multifamily, and single family |

**Land Use Compatibility:**

The Development Code requires a Specific Use Permit for a recycling buy-back center for the collection of household and industrial metals; but does not require a Specific Use Permit for recyclable materials such as clothing, aluminum cans, steel cans, glass, paper, and plastic products in the IM District. In addition, the code limits a recycle buy-back center to a maximum of 10,000 square feet of floor area and does not allow other recycling facilities within 1,000 feet. The Code also limits the time period to no more than two years.

The request site is located within an industrial area and is adjacent to several warehouse and industrial uses. Properties that are generally located northeast of South Barry Avenue, east of East Grand Avenue are located within heavily intense industrial and commercial zoning districts. This area has been zoned for industrial and light commercial uses since the 1970s. The properties to the southwest of South Barry Avenue are developed with a mix of multifamily and single family uses. The proposed use is located in an industrial area and is located on a property that has had industrial uses for over 15 years. The existing industrial and warehouse uses are not heavy uses

for the area and do not present a hazard to the welfare of the existing residential uses in the area.

The general provisions for a Specific Use Permit in Section 51A-4.219 of the Dallas Development Code specifically state: (1) The SUP provides a means for developing certain uses in a manner in which the specific use will be consistent with the character of the neighborhood; (2) Each SUP application must be evaluated as to its probable effect on the adjacent property and the community welfare and may be approved or denied as the findings indicate appropriate; (3) The city council shall not grant an SUP for a use except upon a finding that the use will: (A) complement or be compatible with the surrounding uses and community facilities; (B) contribute to, enhance, or promote the welfare of the area of request and adjacent properties; (C) not be detrimental to the public health, safety, or general welfare; and (D) conform in all other respects to all applicable zoning regulations and standards.

The use is compatible with the surrounding industrial uses and is separated from nearby residential by a major roadway. The use provides a service throughout the area as a place to bring materials that may otherwise not be recycled. The short initial time allowed staff to review the use and determined it was in compliance with the conditions and site plan. The continue short time period allows staff to monitor the effect that this use has in the surrounding area. Furthermore, the requirement of compliance the license issued by the Dallas Police Department will assist in helping to ensure the use is not detrimental to the area.

**Development Standards:**

| DISTRICT | SETBACKS | | Density | Height | Lot Coverage | Special Standards | PRIMARY Uses |
|---|---|---|---|---|---|---|---|
| | Front | Side/Rear | | | | | |
| IM<br>Industrial manufacturing | 15'<br>0' on minor | 30' adjacent to residential OTHER: No Min. | 2.0 FAR overall<br>0.75 office/ retail<br>0.5 retail | 110'<br>8 stories | 80% | Proximity Slope Visual Intrusion | Industrial, wholesale distribution & storage, supporting office & retail |

**Landscaping:** The request does not trigger landscape requirements.

**Parking:** The parking regulations require one space per 500 square feet of floor area for a recycling buy-back center. The use is 2,000 square feet. The applicant is providing the required 20 off-street parking spaces for the use.

**Police Department:** The Dallas Police Department will monitor the proposed site and determine if the applicant is in compliance with Chapter 40B in operating the proposed recycling buy-back center. The Dallas Police Department requires a license for a recycling buy-back center. The applicant has a license that will expire on June 28, 2018.

**Site Plan:**
The applicant is not making any changes to the existing site plan.

**CPC ACTION:**
**January 19, 2017**

**Motion:** It was moved to recommend **approval** of the renewal of Specific Use Permit No. 2189 for a recycling buy-back center for the collection of household metals and industrial metals for a two-year period, subject to conditions on property zoned an IM Industrial Manufacturing District on the northeast line of South Barry Avenue, north of South Haskell Avenue.

Maker: Shidid
Second: Murphy
Result: Carried: 15 to 0

For: 15 - Anglin, Rieves, Houston, Davis, Shidid, Anantasomboon, Mack, Haney, Jung, Housewright, Schultz, Peadon, Murphy, Ridley, Tarpley

Against: 0
Absent: 0
Vacancy: 0

**Notices:** Area: 400 Mailed: 53
**Replies:** For: 0 Against: 0

**Speakers**: None

Officers and Partners

**Texas Recycling/Surplus, Inc.**

| | |
|---|---|
| Joel Litman | CEO |
| Craig Litman | CFO |

**City Warehouse, LP**

| | |
|---|---|
| Holt Lunford | President |
| Doug Lueders | Vice President |

**Proposed Conditions**
**Z167-126(OTH)**

1. USE: The only use authorized by this specific use permit is a recycling buy-back center for the collection of household metals and industrial metals.

2. SITE PLAN: Use and development of the Property must comply with the attached site plan.

3. TIME LIMIT: This specific use permit expires on (two years from the passage of this ordinance) ~~April 27, 2017~~.

4. FLOOR AREA: A maximum of 2,000 square feet on the location shown in the site plan.

5. HOURS OF OPERATION: The recycling buy-back center may only operate between 7:00 a.m. to 7:30 p.m., Monday through Friday and 7:00 a.m. to 11:30 a.m., Saturday.

6. INGRESS/ EGRESS: Ingress and egress must be provided as shown on the attached site plan. No other ingress or egress is permitted.

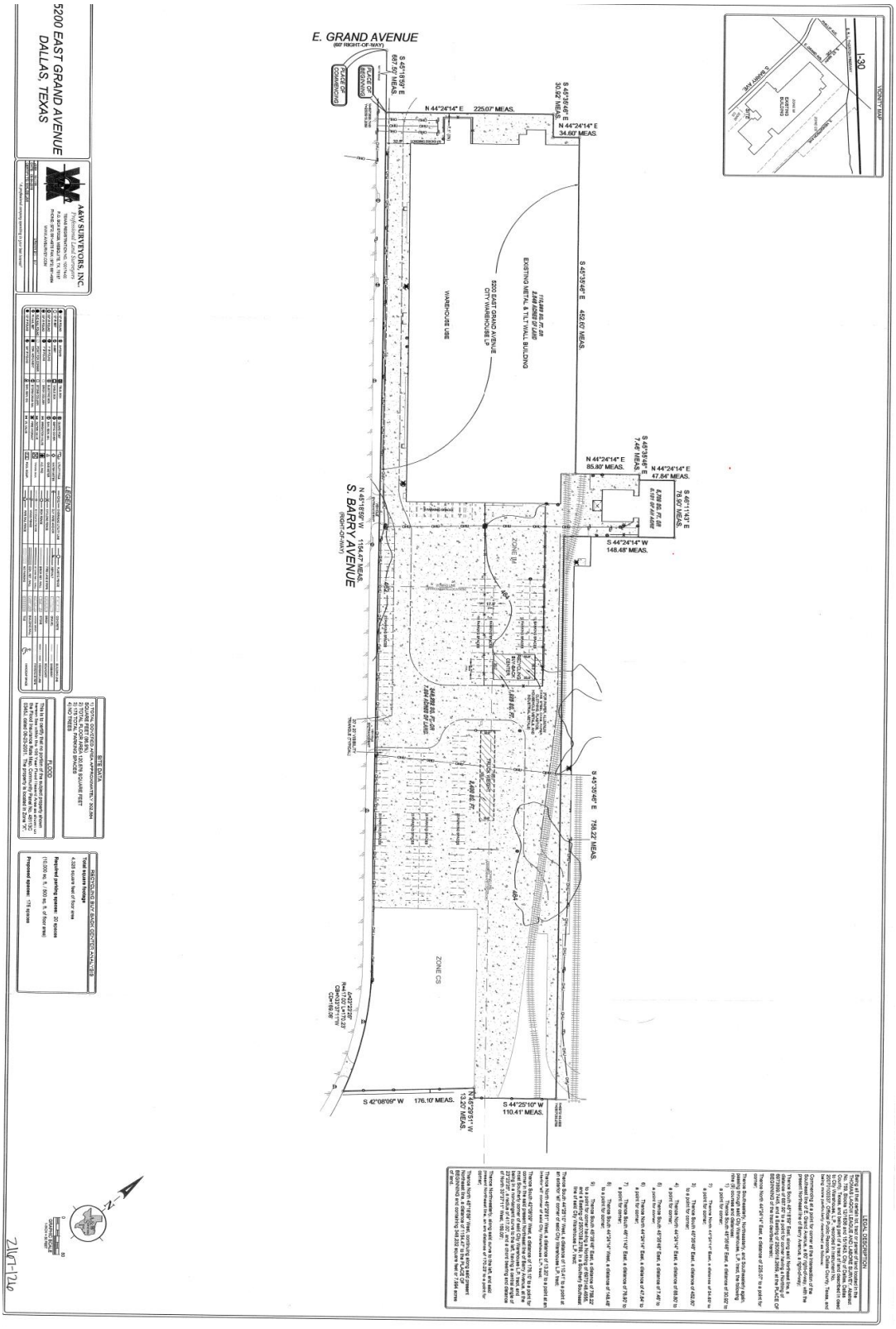
7. LICENSE: The Operator must have ~~obtain~~ a secondary metals recyclers license in accordance with Chapter 40B of the Dallas City Code. ~~within 45 days from the passage of this ordinance.~~

7~~8~~. OUTSIDE STORAGE: Outside storage is prohibited.

8~~9~~. MAINTENANCE: The Property must be properly maintained in a state of good repair and neat appearance.

9~~10~~. GENERAL REQUIREMENTS: Use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the City of Dallas.

## EXISTING SITE PLAN






1:7,200

# VICINITY MAP

Case no: Z167-126

Date: 11/17/2016

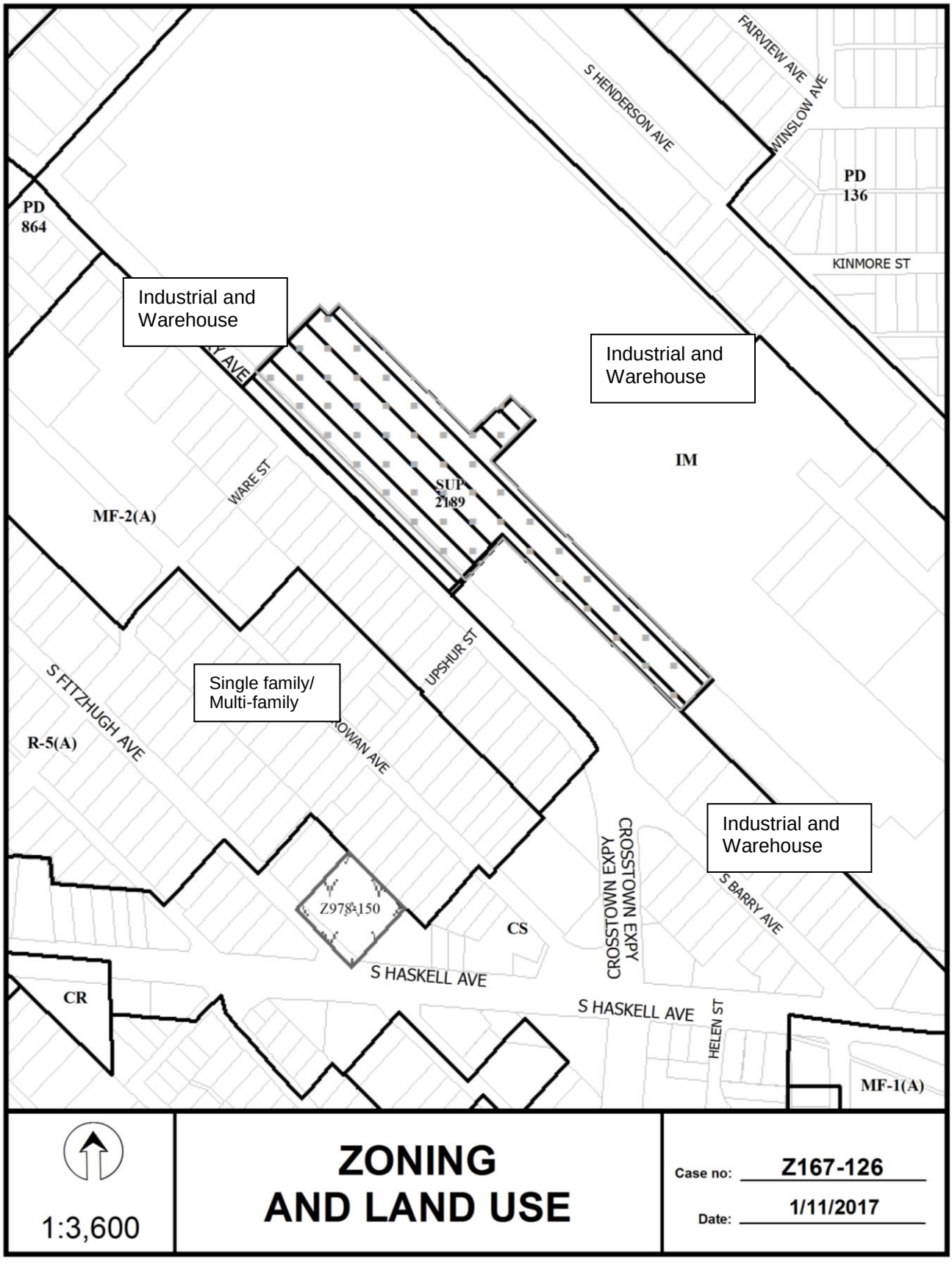


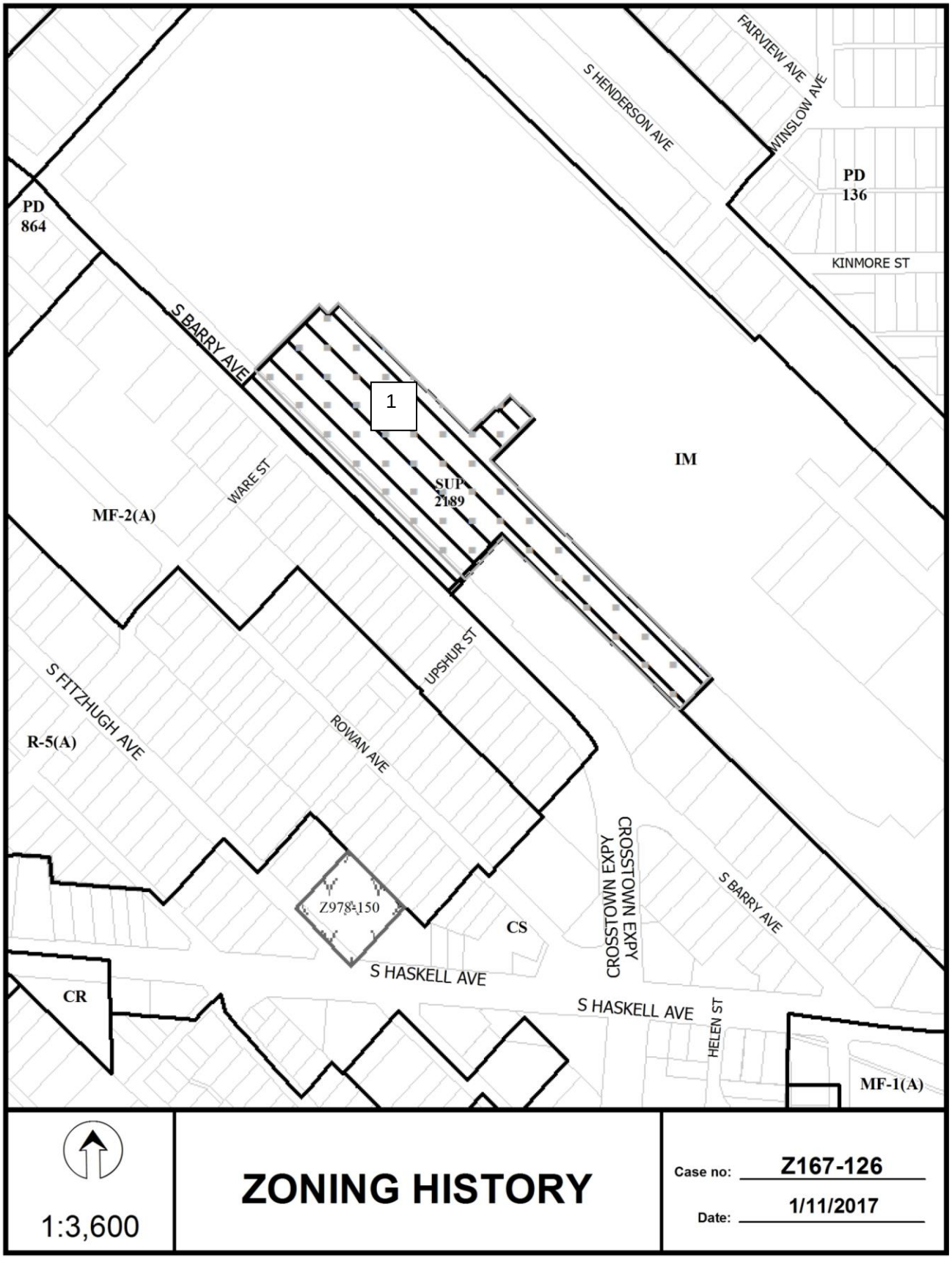

1:3,600

# AERIAL MAP

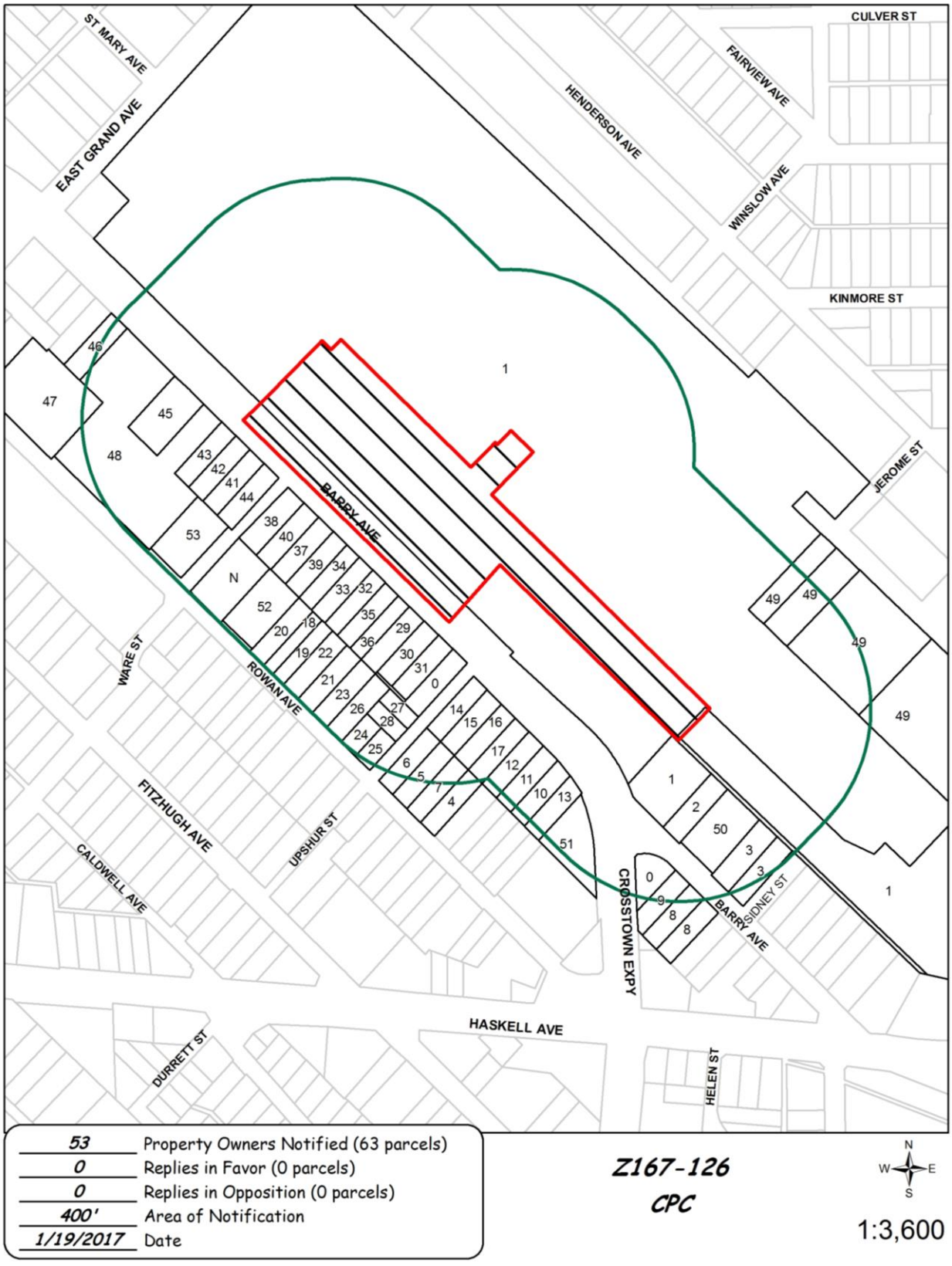
Case no: Z167-126

Date: 11/17/2016


FAIRVIEW AVE
S HENDERSON AVE
WINSLOW AVE
PD 136
KINMORE ST
PD 864
Industrial and Warehouse
Industrial and Warehouse
IM
WARE ST
SUP 2189
MF-2(A)
UPSHUR ST
S FITZHUGH AVE
Single family/ Multi-family
ROWAN AVE
R-5(A)
Industrial and Warehouse
CROSSTOWN EXPY
S BARRY AVE
Z978-150
CS
S HASKELL AVE
CR
S HASKELL AVE
HELEN ST
MF-1(A)
1:3,600
ZONING AND LAND USE
Case no: Z167-126
Date: 1/11/2017


FAIRVIEW AVE
S HENDERSON AVE
WINSLOW AVE
PD 136
KINMORE ST
PD 864
S BARRY AVE
1
IM
WARE ST
SUP 2189
MF-2(A)
UPSHUR ST
S FITZHUGH AVE
ROWAN AVE
R-5(A)
Z978-150
CS
CROSSTOWN EXPY
S BARRY AVE
S HASKELL AVE
CR
S HASKELL AVE
HELEN ST
MF-1(A)
1:3,600
ZONING HISTORY
Case no: Z167-126
Date: 1/11/2017

## CPC RESPONSES



***01/18/2017***

# *Reply List of Property Owners*

## *Z167-126*

***53 Property Owners Notified*** ***0 Property Owners in Favor*** ***0 Property Owners Opposed***

| *Reply* | *Label #* | *Address* | | *Owner* |
|---|---|---|---|---|
| | 1 | 5001 | BEEMAN AVE | CITY WAREHOUSE LP |
| | 2 | 1616 | S BARRY AVE | RAMOS JAIME & JUDITH |
| | 3 | 1628 | BARRY AVE | BURTON MATT & MARSHA |
| | 4 | 1512 | ROWAN AVE | TAYLOR WILLIAM JR |
| | 5 | 1510 | ROWAN AVE | REYES VICTORIANO GONZALEZ |
| | 6 | 4910 | UPSHUR ST | REIGER ASSOC 90 I LTD |
| | 7 | 1504 | ROWAN AVE | GONZALES VICTORIANO R & |
| | 8 | 1703 | BARRY AVE | EJAZ INVESTMENT GROUP INC |
| | 9 | 1623 | BARRY AVE | NELSON KENNETH |
| | 10 | 1527 | BARRY AVE | VARELA JOSE |
| | 11 | 1521 | BARRY AVE | FAUSTINO UBALDO DELEON & |
| | 12 | 1519 | BARRY AVE | COLLAZO ROBERTO M & |
| | 13 | 1531 | BARRY AVE | JOHNSON VEOLA & |
| | 14 | 1501 | BARRY AVE | PACKER DETROIT MICHIGAN SR |
| | 15 | 1507 | BARRY AVE | GIPSON CHARLES & BARBARA |
| | 16 | 1511 | BARRY AVE | CHAMBLEE ETHEL E |
| | 17 | 1515 | BARRY AVE | JUAREZ OLEGARIO |
| | 18 | 1422 | ROWAN AVE | LINCHON SIE |
| | 19 | 1424 | ROWAN AVE | FLORES JUANA & |
| | 20 | 1426 | ROWAN AVE | COLON ALMA |
| | 21 | 1432 | ROWAN AVE | PERRY ARGUSTA |
| | 22 | 1416 | ROWAN AVE | PIZANA JUAN ALEJANDRO & |
| | 23 | 1434 | ROWAN AVE | VILLA JOSE & |
| | 24 | 1444 | ROWAN AVE | GARCIA ANTONIO |
| | 25 | 1448 | ROWAN AVE | AGUILARVILLARREAL SAMUEL |
| | 26 | 1440 | ROWAN AVE | VILLA JOSE LUIS & |

| *Reply* | *Label #* | *Address* | | *Owner* |
|---|---|---|---|---|
| | 27 | 4913 | UPSHUR ST | VILLA GUILLERMO |
| | 28 | 4911 | UPSHUR ST | REED FRANKIE J |
| | 29 | 1437 | BARRY AVE | MARTINEZ MARCIAL & BENITA |
| | 30 | 1443 | BARRY AVE | MARTINEZ MARCIAL & BENITA |
| | 31 | 1447 | BARRY AVE | VALLES JAVIER H |
| | 32 | 1427 | BARRY AVE | SEATON ELLA MAE ESTATE OF |
| | 33 | 1431 | BARRY AVE | SEATON ELLA M |
| | 34 | 1419 | BARRY AVE | GARCIA JUAN ANTONIO |
| | 35 | 1423 | BARRY AVE | ALAMO CARMELO & |
| | 36 | 1435 | BARRY AVE | GOMEZ ANTONIO & ELVIRA |
| | 37 | 1411 | BARRY AVE | DUNCAN NEAL |
| | 38 | 1401 | BARRY AVE | OLIVARES MARYBEL PEREZ |
| | 39 | 1415 | BARRY AVE | DE LA GARZA UVALSO |
| | 40 | 1407 | BARRY AVE | OLIVARES MARIANO & |
| | 41 | 1343 | BARRY AVE | JOBE ALINE |
| | 42 | 1341 | BARRY AVE | KAGNEW FASIL |
| | 43 | 1337 | BARRY AVE | ALMEIDA MARIA AMPARO |
| | 44 | 1353 | BARRY AVE | HOLLAND GARY |
| | 45 | 1323 | S BARRY AVE | DELAY JANICE W |
| | 46 | 1305 | N BARRY AVE | GUNTER VIRGIL |
| | 47 | 1216 | ROWAN AVE | GUNTER VIRGIL & |
| | 48 | 1315 | S BARRY AVE | CASA GRANDE VILLAGE LLC |
| | 49 | 1745 | ALPINE ST | CITY WAREHOUSE LP |
| | 50 | 1624 | S BARRY AVE | BURTON MATT & |
| | 51 | 4640 | CROSSTOWN EXPY | DOMINGUEZ VILIULFO & |
| | 52 | 1408 | ROWAN AVE | UGWUMBA INC |
| | 53 | 4901 | WARE ST | KHRAISH HANNA |

**AGENDA ITEM # 81**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 10

**DEPARTMENT:** Sustainable Development and Construction

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 18 W

## SUBJECT

A public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for a utility or government installation other than listed to allow an elevated water storage tank use on property zoned an IR Industrial Research District on the northwest corner of Forest Lane and the eastern section of Forestgate Drive

Recommendation of Staff and CPC: Approval for a permanent period, subject to a site plan, a landscape plan, and conditions

Z167-128(JM)

**HONORABLE MAYOR & CITY COUNCIL** **WEDNESDAY, FEBRUARY 22, 2017**

**ACM: Mark McDaniel**

**FILE NUMBER:** Z167-128(JM) **DATE FILED:** November 4, 2016

**LOCATION:** On the northwest corner of Forest Lane and the eastern section of Forestgate Drive.

**COUNCIL DISTRICT:** 10 **MAPSCO:** 18-W

**SIZE OF REQUEST:** ±2.06 acres **CENSUS TRACT:** 0190.19

**REPRESENTATIVE:** Rebecca Diviney, Freese and Nichols, Inc.

**APPLICANT/OWNER:** Dallas Water Utilities

**REQUEST:** An application for a Specific Use Permit for a utility or government installation other than listed to allow an elevated water storage tank use on property zoned an IR Industrial Research District.

**SUMMARY:** The purpose of this request is to allow for the replacement of an existing elevated water storage tank.

**CPC RECOMMENDATION:** **Approval** for a permanent period, subject to a site plan, a landscape plan, and conditions.

**STAFF RECOMMENDATION:** **Approval** for a permanent period, subject to a site plan, a landscape plan, and conditions.

**BACKGROUND INFORMATION:**

- The site is currently developed with a two-million gallon ellipsoidal 10-legged elevated storage tank which stands at about 130 feet tall. The tank was constructed in 1960.

- The request is made to allow for the replacement of the existing elevated water storage tank with a new two-million gallon elevated water storage tank with a solid pedestal base. Changes requested include placing the replacement tank further northeast on the parcel, reducing the height to 115 feet with a solid base, and relocating the existing drive from Forest Lane, to the east section of Forestgate Drive. The solid base is consistent with DWU Elevated Storage Tank Design Standards adopted in 2012.

**Zoning History:**

There have been no zoning cases within the vicinity of the area of request in the last five years.

**Thoroughfares/Streets:**

| Thoroughfare/Street | Type | Right-of-Way |
|---|---|---|
| Forest Lane | Principal Arterial | 120’ |
| Forestgate Drive (East) | Local | 56’ |

**Traffic:**

The Engineering Division of the Sustainable Development and Construction Department has reviewed the request and determined that it will not have a detrimental impact on the surrounding street system.

**Comprehensive Plan:**

The *forwardDallas! Comprehensive Plan* was adopted by the City Council in June 2006. The *forwardDallas! Comprehensive Plan* outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant’s request. The comprehensive plan does not make a specific land use recommendation related to the request.

The request complies with the following land use goals and policies of the Comprehensive Plan:

**NEIGHBORHOOD PLUS**

POLICY 4.3 ENHANCE NEIGHBORHOOD DESIRABILITY BY IMPROVING INFRASTRUCTURE, HOUSING STOCK, RECREATION AND SAFETY.

**Land Use Compatibility:**

The subject site is currently zoned an IR Industrial Research District. This district represents a group of uses which provide for research and development, light industrial, office, and supporting commercial uses in an industrial research park setting. This district is not intended to be located in areas of low and medium density residential development. The request is consistent with the zoning.

| | Zoning | Land Use |
|---|---|---|
| **Site** | IR Industrial Research | Elevated water storage tank |
| **North** | IR Industrial Research; SUP No. 1548 | Office showroom/warehouse; open-enrollment charter school |
| **East** | IR Industrial Research | Office showroom/warehouse; financial institution w/drive through |
| **South** | IR Industrial Research | Hotel; commercial amusement (inside); office; financial institution w/ drive through; auto service; restaurant w/ drive through |
| **West** | IR Industrial Research | Office showroom/warehouse |

Surrounding land uses include existing office showroom/warehouse uses immediately to the north, east, and west. Further north, an open-enrollment charter school operates under SUP No. 1548 and administrative offices for the school have occupied several of the surrounding office showroom/warehouse spaces zoned IR Industrial Research. The school acts as a buffer to single family residences zoned an R-7.5(A) Single Family District further northwest and multifamily developments zoned an MF-2(A) Multifamily District to the north. Across Forest Lane and at intersections of every block, there are commercial institutions including a hotel, commercial amusement (inside), and a few financial institutions with drive-throughs, restaurants with drive-throughs, and automotive service uses.

The site area and current use with an elevated water storage tank help to provide vital services to continue servicing the existing and ongoing development of the neighborhood. The replacement of the elevated water storage tank will help improve services to surrounding neighborhoods. The new location will be more complimentary to the area as it will be further from the street.

The general provisions for a Specific Use Permit in Section 51A-4.219 of the Dallas Development Code specifically state: (1) The SUP provides a means for developing

certain uses in a manner in which the specific use will be consistent with the character of the neighborhood; (2) Each SUP application must be evaluated as to its probable effect on the adjacent property and the community welfare and may be approved or denied as the findings indicate appropriate; (3) The city council shall not grant an SUP for a use except upon a finding that the use will: (A) complement or be compatible with the surrounding uses and community facilities; (B) contribute to, enhance, or promote the welfare of the area of request and adjacent properties; (C) not be detrimental to the public health, safety, or general welfare; and (D) conform in all other respects to all applicable zoning regulations and standards. The request does not appear to have an adverse impact on the surrounding zoning and land uses.

**Parking:**

Parking will be provided according to the Dallas Development Code and as depicted in the site plan. The Dallas Development Code requires per Sec. 51A 4.212. (11)(ii)(C) The ratio of the use that the building official determines is the most equivalent to the proposed use in terms of function. The applicant has provided four parking spaces, one of which is ADA compliant.

**Landscaping and Screening:**

According to the city arborist, this request does not trigger landscaping requirements. The existing/proposed use does not require landscaping per Article X since there is no residential adjacency. However, the applicant has provided a landscape plan that identifies which trees will have to be removed for the change of location of the storage tank (four trees being removed). One new street tree is proposed on Forestgate Drive, near Forest Lane. The Photinia hedge along Forest Lane and Forestgate Drive will be replaced with an eight foot ornamental fence.

**CPC Action:**
**January 19, 2017**

**Motion:** It was moved to recommend **approval** of a Specific Use Permit for a utility or government installation other than listed to allow an elevated water storage tank use for a permanent period, subject to a site plan, a landscape plan, and conditions on property zoned an IR Industrial Research District on the northwest corner of Forest Lane and the eastern section of Forestgate Drive.

Maker: Shidid
Second: Murphy
Result: Carried: 15 to 0

For: 15 - Anglin, Rieves, Houston, Davis, Shidid, Anantasomboon, Mack, Haney, Jung, Housewright, Schultz, Peadon, Murphy, Ridley, Tarpley

Against: 0
Absent: 0
Vacancy: 0

**Notices:** Area: 300 Mailed: 12
**Replies:** For: 1 Against: 0

**Speakers**: None

**CPC SUP Conditions**
**Z167-128**

1. **USE:** The only use authorized by this specific use permit is a utility or government installation other than listed to allow an elevated water storage tank use

2. **SITE PLAN:** Use and development of the Property must comply with the attached site plan.

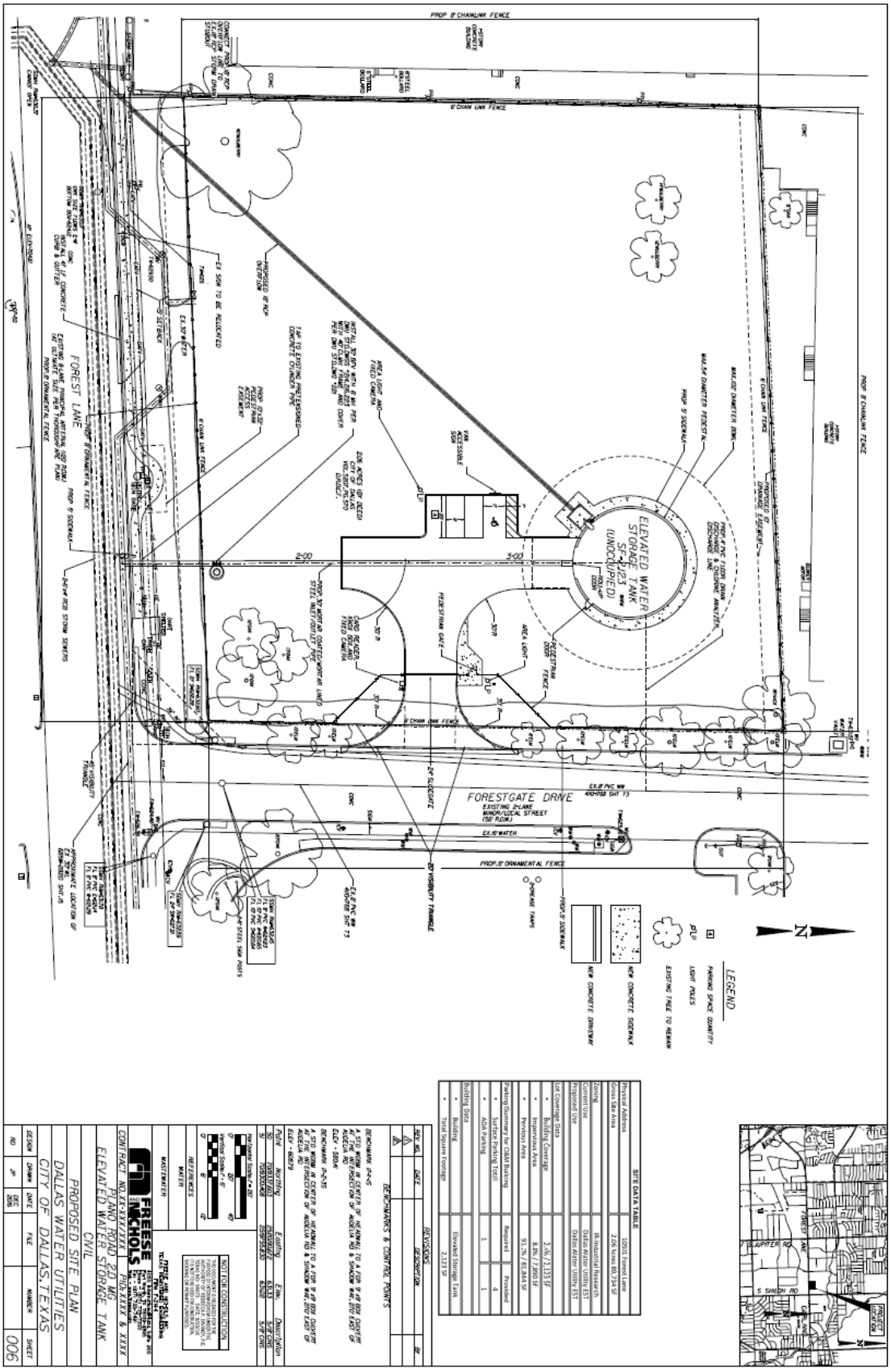
3. **LANDSCAPE PLAN:** Use and development of the Property must comply with the attached landscape plan.

4. **TIME LIMIT:** This specific use permit shall be on a permanent basis, effective from the date of passage of this ordinance.

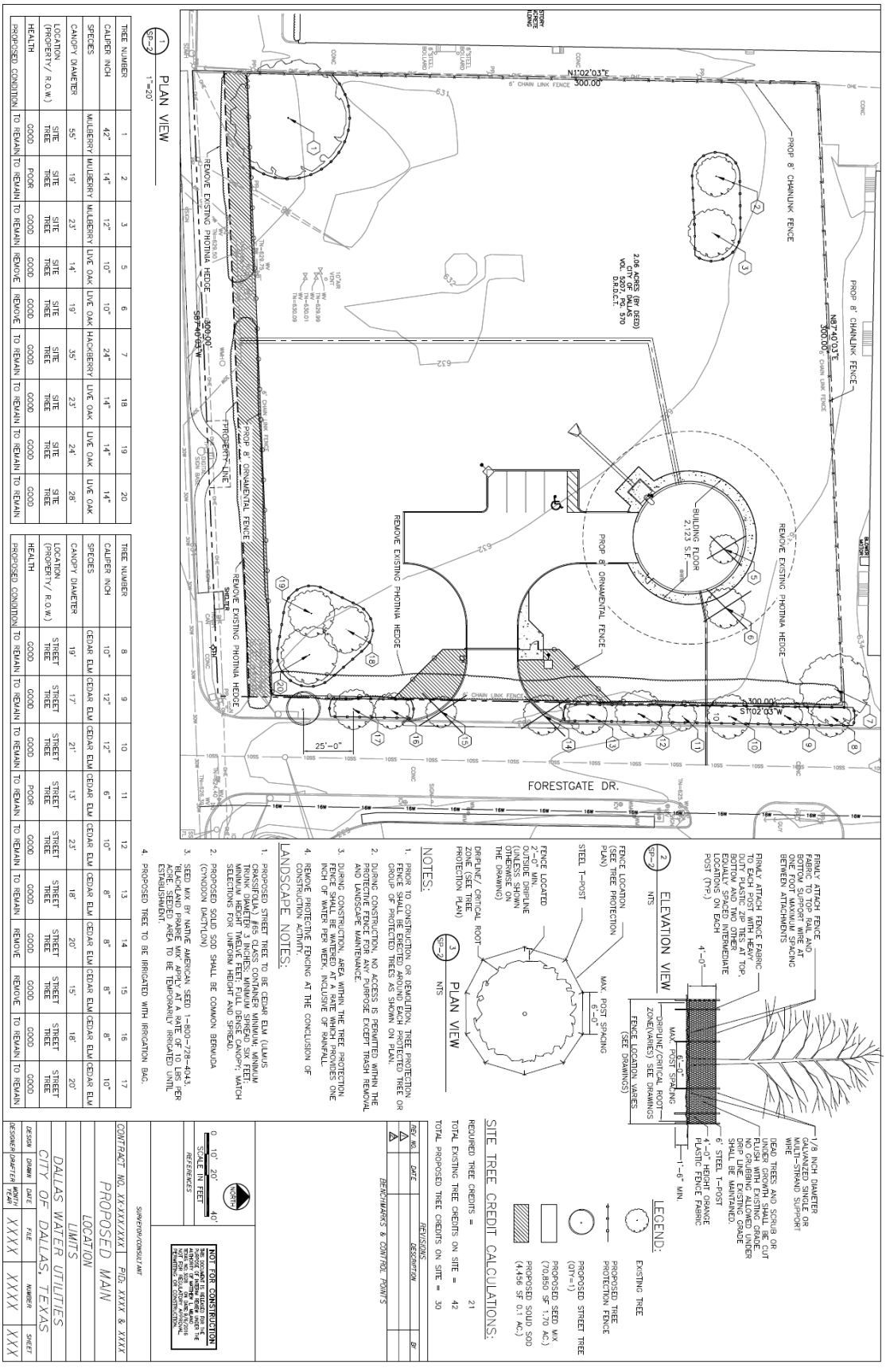
5. **MAINTENANCE:** The Property must be properly maintained in a state of good repair and neat appearance.

6. **GENERAL REQUIREMENTS:** Use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the City of Dallas.

## Proposed Site Plan

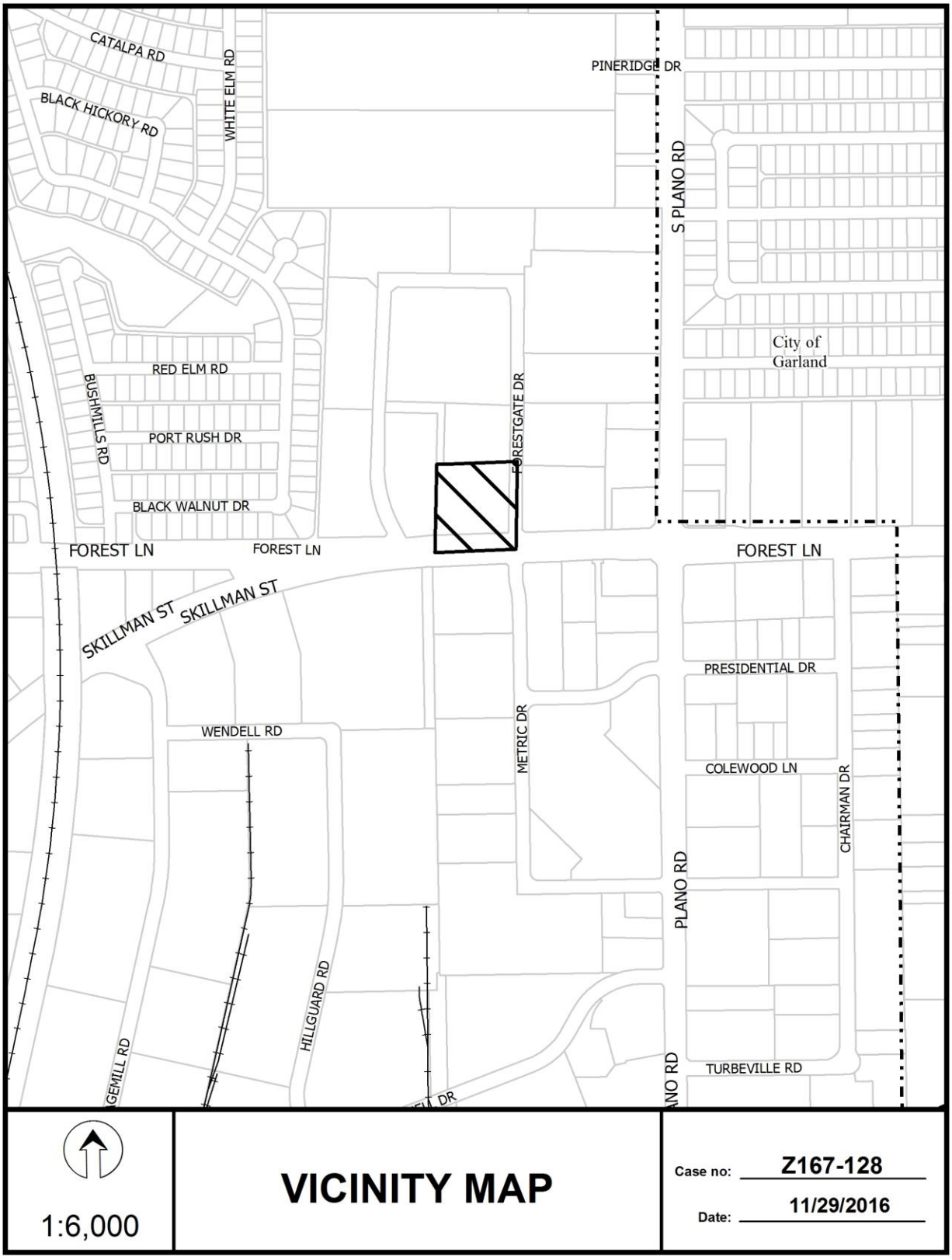

ELEVATED WATER STORAGE TANK SIZE 3 (UNOCCUPIED)
FORESTGATE DRIVE
EXISTING 2-LANE MINOR/LOCAL STREET (50' R.O.W.)
FOREST LANE
PROP. 8' CHAINLINK FENCE
PROP. 8' ORNAMENTAL FENCE
PROP. 5' SIDEWALK
6' CHAIN LINK FENCE
LEGEND
PARKING SPACE QUANTITY
LIGHT POLES
EXISTING TREE TO REMAIN
NEW CONCRETE SIDEWALK
NEW CONCRETE DRIVEWAY
SITE DATA TABLE
Physical Address
3201 Forest Lane
Gross Site Area
2.06 Acres 89,734 SF
Zoning
IR Industrial Research
Current Use
Dallas Water Utilities EST
Proposed Use
Dallas Water Utilities EST
Lot Coverage Data
Building Coverage
2,436 / 4,133 SF
Impervious Area
8,876 / 7,800 SF
Pervious Area
91.1% / 81,944 SF
Parking Summary for Data Building
Required
Provided
Surface Parking Total
4
4
ADA Parking
1
1
Building Data
Building
Elevated Storage Tank
Total Square Footage
2,133 SF
BENCHMARKS & CONTROL POINTS
BENCHMARK #4-25
ELEV. = 489.79
BENCHMARK #4-35
ELEV. = 484.89
REVISIONS
NO.
DATE
DESCRIPTION
BY
SHEET INDEX
SHEET NO.
SHEET TITLE
SHEET ISSUE DATE
SHEET REVISION DATE
SHEET REVISION NO.
SHEET REVISION DESCRIPTION
SHEET REVISION BY
SHEET REVISION NOTES
SHEET REVISION NOTES
SHEET REVISION NOTES

# Proposed Landscape Plan

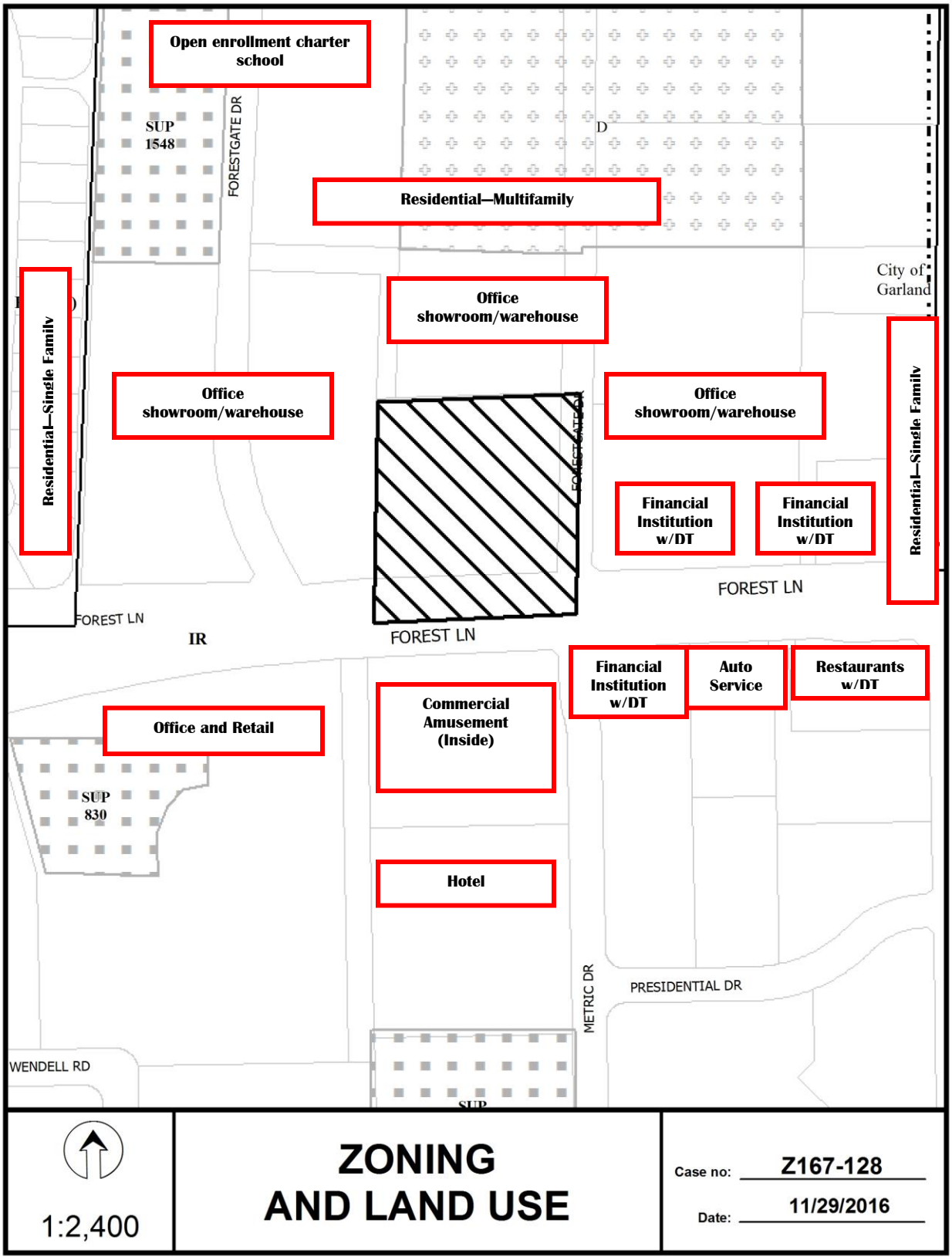



| TREE NUMBER | 1 | 2 | 3 | 5 | 6 | 7 | 18 | 19 | 20 |
|---|---|---|---|---|---|---|---|---|---|
| CALIPER INCH | 42" | 14" | 12" | 10" | 10" | 24" | 14" | 14" | 14" |
| SPECIES | MULBERRY | MULBERRY | MULBERRY | LIVE OAK | LIVE OAK | HACKBERRY | LIVE OAK | LIVE OAK | LIVE OAK |
| CANOPY DIAMETER | 55' | 19' | 23' | 14' | 19' | 35' | 23' | 24' | 28' |
| LOCATION (PROPERTY/ R.O.W.) | SITE TREE | SITE TREE | SITE TREE | SITE TREE | SITE TREE | SITE TREE | SITE TREE | SITE TREE | SITE TREE |
| HEALTH | GOOD | POOR | GOOD | GOOD | GOOD | GOOD | GOOD | GOOD | GOOD |
| PROPOSED CONDITION | TO REMAIN | TO REMAIN | TO REMAIN | REMOVE | REMOVE | TO REMAIN | TO REMAIN | TO REMAIN | TO REMAIN |

| TREE NUMBER | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 |
|---|---|---|---|---|---|---|---|---|---|---|
| CALIPER INCH | 10" | 12" | 12" | 6" | 10" | 8" | 8" | 8" | 8" | 10" |
| SPECIES | CEDAR ELM | CEDAR ELM | CEDAR ELM | CEDAR ELM | CEDAR ELM | CEDAR ELM | CEDAR ELM | CEDAR ELM | CEDAR ELM | CEDAR ELM |
| CANOPY DIAMETER | 19' | 17' | 21' | 13' | 23' | 18' | 20' | 15' | 18' | 20' |
| LOCATION (PROPERTY/ R.O.W.) | STREET TREE | STREET TREE | STREET TREE | STREET TREE | STREET TREE | STREET TREE | STREET TREE | STREET TREE | STREET TREE | STREET TREE |
| HEALTH | GOOD | GOOD | GOOD | POOR | GOOD | GOOD | GOOD | GOOD | GOOD | GOOD |
| PROPOSED CONDITION | TO REMAIN | TO REMAIN | TO REMAIN | TO REMAIN | TO REMAIN | TO REMAIN | REMOVE | REMOVE | TO REMAIN | TO REMAIN |


CATALPA RD
BLACK HICKORY RD
WHITE ELM RD
PINERIDGE DR
S PLANO RD
City of Garland
RED ELM RD
BUSHMILLS RD
PORT RUSH DR
BLACK WALNUT DR
FORESTGATE DR
FOREST LN
FOREST LN
FOREST LN
SKILLMAN ST
SKILLMAN ST
PRESIDENTIAL DR
WENDELL RD
METRIC DR
COLEWOOD LN
CHAIRMAN DR
PLANO RD
HILLGUARD RD
TURBEVILLE RD
1:6,000
VICINITY MAP
Case no: Z167-128
Date: 11/29/2016


FORESTGATE DR
FORESTGATE DR
City of Garland
FOREST LN
FOREST LN
FOREST LN
METRIC DR
PRESIDENTIAL DR
WENDELL RD
1:2,400
AERIAL MAP
Case no: Z167-128
Date: 11/29/2016


Open enrollment charter school
SUP 1548
FORESTGATE DR
Residential—Multifamily
City of Garland
Residential—Single Family
Office showroom/warehouse
Office showroom/warehouse
Office showroom/warehouse
Residential—Single Family
Financial Institution w/DT
Financial Institution w/DT
FOREST LN
FOREST LN
IR
FOREST LN
Financial Institution w/DT
Auto Service
Restaurants w/DT
Office and Retail
Commercial Amusement (Inside)
SUP 830
Hotel
METRIC DR
PRESIDENTIAL DR
WENDELL RD
1:2,400
ZONING AND LAND USE
Case no: Z167-128
Date: 11/29/2016

## CPC RESPONSES



*01/18/2017*

# *Reply List of Property Owners*

## *Z167-128*

***12 Property Owners Notified*** ***1 Property Owners in Favor*** ***0 Property Owners Opposed***

| *Reply* | *Label #* | *Address* | | *Owner* |
|---|---|---|---|---|
| | 1 | 9641 | WENDELL RD | FLT NORTHGATE ASHTON LLC & ET AL |
| | 2 | 9700 | SKILLMAN ST | CFH MERGER INC |
| | 3 | 10503 | FOREST LN | BREOF DDR DALLAS LP |
| | 4 | 12002 | FORESTGATE DR | RED HAWK APTS LTD |
| | 5 | 11805 | FORESTGATE DR | IC BP III HOLDINGS XX LLC |
| | 6 | 10538 | FOREST LN | ALFRED INV GROUP & ASSOCIATES INC |
| | 7 | 10600 | FOREST LN | FOUNDERS NATIONAL BANK |
| | 8 | 10640 | FOREST LN | HALLE PPTIES LLC |
| | 9 | 12215 | FORESTGATE DR | HONG PROPERTIES LTD |
| | 10 | 12215 | FORESTGATE DR | BREOF AIP DALLAS LP |
| O | 11 | 12200 | FORESTGATE DR | BAKHSHIAN GROUP LTD THE |
| | 12 | 10601 | FOREST LN | COMERICA BANK |

**AGENDA ITEM # 82**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 1

**DEPARTMENT:** Sustainable Development and Construction

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 53 B

## SUBJECT

A public hearing to receive comments regarding an application for a new subdistrict for Light Commercial/Office and restaurant with drive-in or drive-through service uses within the Light Commercial/Office Subdistrict of Planned Development District No. 631, the West Davis Special Purpose District and an R-7.5(A) Single Family District on property on the southwest corner of West Davis Street and North Westmoreland Road
Recommendation of Staff and CPC: Denial
Z156-223(SM)
Note: This item was considered by the City Council at public hearings on January 11, 2017, and February 8, 2017, and was deferred until February 22, 2017, with the public hearing open

**HONORABLE MAYOR & CITY COUNCIL** **WEDNESDAY, FEBRUARY 22, 2017**

**ACM: Mark McDaniel**

**FILE NUMBER:** Z156-223(SM) **DATE FILED:** March 1, 2016

**LOCATION:** Southwest corner of West Davis Street and North Westmoreland Road

**COUNCIL DISTRICT:** 1 **MAPSCO:** 53-B

**SIZE OF REQUEST:** Approx. 0.85 Acres **CENSUS TRACT:** 67.00

**APPLICANT/OWNER:** POP Holdings, LP – Guillermo Perales, Sole owner

**REPRESENTATIVE:** Marty Brown

**REQUEST:** An application for a new subdistrict for Light Commercial/Office and restaurant with drive-in or drive-through service uses within the Light Commercial/Office Subdistrict of Planned Development District No. 631, the West Davis Special Purpose District and an R-7.5(A) Single Family District.

**SUMMARY:** The applicant proposes to renovate and construct additions to the existing structure to (1) enlarge the existing restaurant with drive-in or drive-through service (Popeye's) onto the adjacent undeveloped property to the south and (2) modify landscaping requirements.

**CPC RECOMMENDATION:** **Denial**

**STAFF RECOMMENDATION:** **Denial**

**BACKGROUND INFORMATION:**

- The existing nonconforming drive through restaurant was built in 1981 when the property was located within the GR General Retail District, according to permit records, and contains a nonconforming drive through restaurant with approximately 1,592 square feet, according to Dallas Central Appraisal District records.

- The West Davis Land Use Study was adopted March 27, 2002 and established three goals which eventually created Planned Development District No. 631 that was established by Ordinance No. 25209 on March 26, 2003. The West Davis Land Use Study's identified goals were to: 1) protect residential areas from undesirable land uses; 2) increase the commercial viability along West Davis Street; and, 3) improve the image of West Davis Street.

- The southern residentially zoned portion of the request site has not contained a residential use since at least 1952, according to aerial photography and permit records.

**Zoning History:** There have been no recent zoning changes requested in the area within the last five years.

| Thoroughfare/Street: | Function | Proposed Dimension |
|---|---|---|
| West Davis Street | Minor Arterial | Minimum-6 lanes-Divided; 100' ROW |
| North Westmoreland Road | Principal Arterial | Minimum-6 lanes-Divided; 100' ROW |

**Traffic:**
The Engineering Division of the Sustainable Development and Construction Department has reviewed the request and determined that the proposed development will not have a negative impact on the surrounding street system. The analysis is based upon the traffic worksheet the applicant provided during the application submittal.

**STAFF ANALYSIS:**

**Comprehensive Plan:**

The *forwardDallas! Comprehensive Plan* was adopted by the City Council in June 2006. The *forwardDallas! Comprehensive Plan* outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request.

**LAND USE ELEMENT**

GOAL 1.1 ALIGN LAND USE STRATEGIES WITH ECONOMIC EVELOPMENT PRIORITIES

Policy 1.1.5 Strengthen existing neighborhoods and promote neighborhoods' unique characteristics.

IMPLEMENTATION MEASURE 1.1.5.1 Recognize adopted area/neighborhood plans in guiding development and zoning decisions.

GOAL 1.2 PROMOTE DESIRED DEVELOPMENT

Policy 1.2.1 Use Vision Building Blocks as a general guide for desired development patterns.

The Vision Illustration depicts the request site as within a *Residential Neighborhood* and along a *Multi-Modal Corridor*. The request is inconsistent with the Residential Neighborhood Building Block. The request would be more consistent with a Multi-Modal Corridor Building Block if it provided an enhanced landscape buffer to the south. Therefore, staff recommends denial.

**West Davis Land Use Study**

The West Davis Land Use Study was adopted on March 27, 2002 and was the guiding document for the creation of PD No 631. It identified uses that were incompatible with residential neighborhoods and found the residential adjacency review (RAR) "insufficient review to ensure that residential uses are protected and buffered from these [incompatible] uses" (p. iv). The study also found that the majority of the existing nonresidential building stock was constructed prior to landscaping requirements and has not improved the image of the street; ultimately PD No. 631 relies upon Article X landscaping requirements but makes the applicability much more stringent by requiring compliance with Article X for any increases in floor area or nonpermeable coverage.

On the third and fourth pages of the appendix, the study identifies the uses that should be allowed in the request's land use category, called *Light Retail/Commercial Office,* and are included below (emphasis added).

> First, uses that rely on large amounts of parking to be successful will not be allowed here. This is due either to site constraints or that the amount of traffic would be too great for the amount of residential next to the site. Second, any uses that generate large amounts of noise or other types of pollution will need to locate elsewhere. Again, proximity to residential means that these uses do not

belong here. Finally, **uses such as drive through restaurants,** car washes, gas stations, or banks **will not be allowed here**. While they do not require large amounts of parking, the amount of traffic generated by these uses is too great for the adjacent residential. Examples of uses encouraged here are bridal shops, cellular phone shops, tax preparation services, small grocery store, and small offices (for architects, lawyers, etc.). These are uses that operate mainly during the day and do not encourage large amounts of vehicular traffic.

Staff recommends denial of the request because the West Davis Land Use Study specifically recommends that drive through restaurants should be prohibited.

**Surrounding Land Uses and Zoning:**

| Direction | Zoning | Land Use |
|---|---|---|
| Site | PD No. 631 (LCO Tract 2), R-7.5(A) | Nonconforming drive through restaurant, undeveloped |
| North | PD No. 631 (MCO Tract 1), | Auto repair and Shopping center |
| East | PD No. 631 (LMU Tract 2), DR No. Z823-180 | Retail and gas station |
| South | R-7.5(A) | Single family |
| West | PD No. 631 (LCO Tract 2), R-7.5(A) | Vacant to-go only restaurant, Single family |

**Land Use Compatibility:**

The 0.85 acre site is comprised of four 50-foot wide lots (lots one through four, numbered from the north to the south) and is located on the corner of two arterial roadways and contains a nonconforming drive through restaurant. Lots one and two are currently located within PD No. 631 (LCO Tract 2) and lots three and four are located within the R-7.5(A) District. The applicant requests to expand the nonconforming drive through restaurant site that currently occupies lots one through three further into the undeveloped residentially zoned portion of the property in the south, lot four. Opposite the alley to the west of the request site, there is a vacant to-go only restaurant that occupies lots 11 through 13 of the same block and is also split-zoned with R-7.5(A) and PD No. 631 (LCO Tract 2). To the south of the vacant to-go only restaurant and west of the request site, on lot 14 is a single family structure. Directly to the south of the request site is lot 5, which also contains a single family structure. Because the proposed expansion pushes the drive through restaurant closer to these two existing single family structures, special care and consideration is needed.

Lot 5 is directly south of the request site and is very close to the proposed expansion. The lack of physical separation, both with the lack of landscape buffer and nearness to the drive through lane, makes the compatibility of the proposed use to the single family use very difficult to support.

In summary, the request site contains a nonconforming restaurant with drive through window and an undeveloped residential lot adjacent to single family to the south. The applicant has situated the ordering station and pick up window to the west and east, respectively, in an effort to decrease noise generated from those elements towards the single family residences to the south.

Staff recommends denial of the new subdistrict because a drive through restaurant is incompatible when immediately adjacent to single family residential areas.

**Landscaping:**

PDD No. 631 requires landscaping per Article X of the Dallas Development Code. Due to the site's adjacency to residential uses and in conjunction with the applicant's requested use, additional landscape materials should be provided along the site's southern property line. An enhanced landscape buffer, in contrast to the applicant's proposed absence of landscape buffer, would ensure additional screening/buffering of the site from this residential area and make the application more suitable but still not desirable for the location. Further, the narrow planting beds proposed on the southern property line are unsuitable to create a healthy growing environment for five large canopy trees as proposed.

Therefore, the proposed plans shrink the residential landscape buffer on the south to a point where the large canopy trees that are shown will not be in a healthy planting bed. Due to the lack of landscape buffer and the inadequate tree planting beds, staff recommends denial.

**Prior CPC Action – December 1, 2015:**

**Motion:** It was moved to recommend **denial** of a new subdistrict for Light Commercial/Office and restaurant with drive-in or drive-through service uses within the Light Commercial/Office Subdistrict of Planned Development District No. 631, the West Davis Special Purpose District and an R-7.5(A) Single Family District on property on the southwest corner of West Davis Street and North Westmoreland Road.

Maker: Anglin
Second: Houston
Result: Carried: 14 to 0

For: 14 - Anglin, Rieves*, Houston, Davis, Shidid, Anantasomboon, Haney, Jung, Housewright, Schultz, Peadon, Murphy, Ridley, Tarpley

Against: 0
Absent: 0
Vacancy: 1 - District 7

*out of the room, shown voting in favor

**Notices:** Area: 500 Mailed: 77
**Replies:** For: 3 Against: 3

**Speakers**: For: Marty Brown, 1811 Marydale Dr., Dallas, TX, 75208
Against: None

**APPLICANT'S PROPOSED AMENDING CONDITIONS**

**Note: Due to the size of the PD, only the portions of the conditions pertinent to this request are included in this report.**

**ARTICLE 631.**

**PD 631.**

**West Davis Special Purpose District**

**SEC. 51P-631.101. LEGISLATIVE HISTORY.**

PD 631 was established by Ordinance No. 25209, passed by the Dallas City Council on March 26, 2003. (Ord. 25209)

**SEC. 51P-631.102. PROPERTY LOCATION AND SIZE.**

PD 631 is established on property generally located along West Davis Street, bounded by Walton Walker (Loop 12) on the west and Hampton Road on the east. The size of PD 631 is approximately 523 acres. (Ord. Nos. 25209; 27949)

**SEC. 51P-631.103. CREATION OF SUBDISTRICTS.**

(a) This district contains one residential subdistrict: Residential R-7.5(A).

(b) This district is divided into the following nonresidential subdistricts:

(1) Light Commercial/Office.

(2) Light Commercial/Office Area 1.

(3) Light Commercial/Office Area 2.

(4) Medium Commercial/Office.

(5[~~4~~]) Medium Commercial/Office Plus.

(6[~~5~~]) Light Mixed Use. The Light Mixed Use Subdistrict includes the area labelled Light Mixed Use Area-1 on the West Davis Special Purpose District and subdistrict boundary map.

(7[~~6~~]) Medium Mixed Use.

(c) A map showing the boundaries of this district and its subdistricts is provided in this article and labelled as Exhibit 631A. A detailed description of the boundaries of this district and its subdistricts is provided in Exhibit 631D. (Ord. Nos. 25209; 27890; 28915)

**SEC. 51P-631.104. DEFINITIONS.**

Unless otherwise stated, the definitions contained in Chapter 51A apply to this article. In this district:

(1) DISTRICT means the entire planned development district (the West Dallas Special Purpose District) created by this article.

(1.1) MACHINE SHOP means a facility where material is processed and manufactured by machining, cutting, grinding, welding, or similar processes and is assembled or disassembled wholly within an enclosed building. This use does not include the repair of automobiles, commercial vehicles, engines, or other automobile parts.

(2) MASSAGE ESTABLISHMENT means any building, room, place, or establishment, other than a regularly licensed hospital, where manipulated massage or manipulated exercises are practiced upon the human body by anyone not a duly licensed physician or chiropractor whether with or without the use of mechanical, therapeutic, or bathing devices, and includes Turkish bathhouses. This term does not include, however, duly licensed beauty parlors or barbershops or a place wherein registered physical therapists treat only patients recommended by a licensed physician and operated only under such physician's direction. "MASSAGE" means any process consisting of kneading, rubbing, or otherwise manipulating the skin of the body of a human being, either with the hand or by means of electrical instruments or apparatus, or other special apparatus, but does not include massage by duly licensed physicians and chiropractors, and registered physical therapists who treat only patients recommended by a licensed physician and who operate only under such physician's direction, nor massage of the face practiced by beauty parlors or barbershops duly licensed under the penal code of the state.

(3) SUBDISTRICT means one of the subdistricts referred to in Section 51P-631.103 of this article.

(4) TATTOO STUDIO means an establishment in which tattooing is performed. TATTOOING means the practice of producing an indelible mark or figure on the human body by scarring or inserting a pigment under the skin using needles, scalpels, or other related equipment. (Ord. Nos. 25209; 27890)

**SEC. 51P-631.105. INTERPRETATIONS.**

(a) Unless otherwise stated, all references to articles, divisions, or sections in this article are references to articles, divisions, or sections in Chapter 51A.

(b) No development plan is required, and the provisions of Section 51A-4.702 regarding submission of or amendments to a development plan, site analysis plan, conceptual plan, development schedule, and landscape plan do not apply.

(c) Section 51A-2.101, "Interpretations," applies to this article.

(d) The following rules apply in interpreting the use regulations in this article:

(1) The absence of a symbol appearing after a listed use means that the use is permitted by right.

(2) The symbol *[L]* appearing after a listed use means that the use is permitted by right as a limited use only. (For more information regarding limited uses, see Section 51A-4.218, "Limited Uses.")

(3) The symbol *[SUP]* appearing after a listed use means that the use is permitted by specific use permit only. ["SUP" means "specific use permit." For more information regarding specific use permits, see Section 51A-4.219, "Specific Use Permit (SUP)."]

(4) The symbol *[DIR]* appearing after a listed use means that a site plan must be submitted and approved in accordance with the requirements of Section 51A-4.803, "Site Plan Review." ("DIR" means "development impact review." For more information regarding development impact review generally, see Division 51A-4.800, "Development Impact Review.")

(5) The symbol *[RAR]* appearing after a listed use means that, if the use has a residential adjacency as defined in Section 51A-4.803, "Site Plan Review," a site plan must be submitted and approved in accordance with the requirements of that section. ("RAR" means "residential adjacency review." For more information regarding residential adjacency review generally, see Division 51A-4.800, "Development Impact Review.")

(e) If there is a conflict, the text of this article controls over the charts or any other graphic display. (Ord. Nos. 25209; 27890; 28554)

**SEC. 51P-631.105.1. EXHIBITS.**

The following exhibits are incorporated into this article:

(1) Exhibit 631A: West Davis Special Purpose District and subdistrict boundary map.

(2) Exhibit 631B: land use chart.

(3) Exhibit 631C: development standards summary chart.

(4) Exhibit 631D: property description.

(5) Exhibit 631E: Light Commercial/Office Area 1 topography exhibit.

(6) Exhibit 631F: Light Commercial/Office Area 2 development plan.

(7) Exhibit 631G: Light Commercial/Office Area 2 landscape plan. (Ord. Nos. 27890; 28554; 28915)

**SEC. 51P- .105.2. DEVELOPMENT PLAN.**

(a) In the Light Commercial/Office Area 2, development and use of the Property must comply with the Light Commercial/Office Area 2 development plan (Exhibit 631F). If

there is a conflict between the text of this article and the Light Commercial/Office Area 2 development plan, the text of this article controls.

(b) In the rest of the district, no development plan is required, and the provisions of Section 51A-4.702 regarding submission of or amendments to a development plan, site analysis plan, conceptual plan, development schedule, and landscape plan do not apply.

**SEC. 51P-631.106. USE REGULATIONS AND DEVELOPMENT STANDARDS IN THE RESIDENTIAL R-7.5(A) SUBDISTRICT.**

(a) Main uses permitted. The uses permitted in this subdistrict are those uses permitted in the R-7.5(A) Single Family District, subject to the same conditions applicable in the R-7.5(A) Single Family District, as set out in the Dallas Development Code, as amended. For example, a use permitted in the R-7.5(A) Single Family District only by specific use permit (SUP) is permitted in this planned development district only by SUP; a use subject to development impact review (DIR) in the R-7.5(A) Single Family District is subject to DIR in this planned development district; etc.

(b) Accessory uses. As a general rule, an accessory use is permitted in any area in which the main use is permitted. Some specific types of accessory uses, however, due to their unique nature, are subject to additional regulations contained in Section 51A-4.217, "Accessory Uses." For more information regarding accessory uses, consult Section 51A-4.217.

(c) Yard, lot, and space regulations. The yard, lot, and space regulations contained in Section 51A-4.112(f), "R-7.5(A) District," apply to this subdistrict.

(d) Off-street parking and loading. Consult the use regulations (Division 51A-4.200) for the specific off-street parking and loading requirements for each use. Consult the off-street parking and loading regulations (Divisions 51A-4.300 et seq.) for information regarding off-street parking and loading generally.

(e) Environmental performance standards. See Article VI.

(f) Landscape regulations. See Article X, except as modified by Section 51P-631.112, "Landscaping." (Ord. 25209)

**SEC. 51P-631.107. USE REGULATIONS AND DEVELOPMENT STANDARDS IN THE LIGHT COMMERCIAL/ OFFICE AND LIGHT COMMERCIAL/ OFFICE AREA 2 SUBDISTRICTS.**

(a) Main uses permitted.

(1) Agricultural uses.

-- None permitted.

(2) Commercial and business service uses.

-- Catering service. *[SUP]*

(3) Industrial uses.

-- Temporary concrete or asphalt batching. *[By special authorization of the building official.]*

(4) Institutional and community service uses.

-- Adult day care facility.
-- Cemetery or mausoleum. *[SUP]*
-- Child-care facility.
-- Church.
-- College, university, or seminary. *[SUP]*
-- Community service center. *[SUP]*
-- Library, art gallery, or museum.
-- Public or private school. *[SUP]*

(5) Lodging uses.

-- None permitted.

(6) Miscellaneous uses.

-- Temporary construction or sales office.

(7) Office uses.

-- Financial institution without drive-in window.
-- Medical clinic or ambulatory surgical center.
-- Office.

(8) Recreation uses.

-- Public park, playground, or golf course.

(9) Residential uses.

-- None permitted.

(10) Retail and personal service uses.

-- Dry cleaning or laundry store.
-- Furniture store. *[SUP]*
-- General merchandise or food store 3,500 square feet or less.
-- Personal service uses. *[Massage establishment and tattoo studio not allowed.]*
-- Restaurant with drive-in or drive-through service. [*In LCO Area 2 only.]*
-- Restaurant without drive-in or drive-through service.

(11) Transportation uses.

-- Transit passenger shelter.

(12) Utility and public service uses.

-- Electrical substation. *[SUP]*
-- Local utilities. *[See Section 51A-4.212(4). Treat as if in the NS(A) Neighborhood Service District.]*
-- Police or fire station. *[SUP]*
-- Post office. *[SUP]*
-- Radio, television, or microwave tower. *[SUP]*
-- Tower/antenna for cellular communication. *[See Section 51A-4.212(10.1). Treat as if in the NS(A) Neighborhood Service District.]*
-- Utility or government installation other than listed. *[SUP]*

(13) Wholesale, distribution, and storage uses.

-- Recycling drop-off container. *[See Section 51A-4.213(11.2).]*

(b) Accessory uses.

(1) As a general rule, an accessory use is permitted in any area in which the main use is permitted. Some specific types of accessory uses, however, due to their unique nature, are subject to additional regulations contained in Section 51A-4.217, "Accessory Uses." For more information regarding accessory uses, consult Section 51A-4.217.

(2) The following accessory uses are not permitted in this subdistrict:

-- Accessory community center (private).
-- Accessory helistop.
-- Accessory medical/infectious waste incinerator.
-- Accessory pathological waste incinerator.
-- General waste incinerator.
-- Private stable.
-- Pedestrian skybridges.

(c) Yard, lot, and space regulations. (Note: The yard, lot, and space regulations in this subsection must be read together with the yard, lot, and space regulations contained in Division 51A-4.400, "Yard, Lot, and Space Regulations." In the event of a conflict between this subsection and Division 51A-4.400, this subsection controls.)

(1) Front yard. Minimum front yard is 15 feet. In LCO Area 2, light poles with a maximum height of 20 feet are allowed in the required front yard as shown on the Light Commercial/Office Area 2 development plan.

(2) Side yard. Minimum side yard is:

(A) 20 feet where adjacent to or directly across an alley from an R, R(A), D, D(A), TH, TH(A), CH, MF, or MF(A) district, or a planned development district considered to be a residential zoning district; and

(B) no minimum in all other cases.

(C) In LCO Area 2, light poles with a maximum height of 20 feet are allowed in the required side yard as shown on the Light Commercial/Office Area 2 development plan.

(3) Rear yard. Minimum rear yard is:

(A) 20 feet where adjacent to or directly across an alley from an R, R(A), D, D(A), TH, TH(A), CH, MF, or MF(A) district, or a planned development district considered to be a residential zoning district; and

(B) no minimum in all other cases.

(4) Density. Not applicable. (Residential uses are not permitted.)

(5) Floor area ratio. Maximum floor area ratio is 0.5.

(6) Height.

(A) Residential proximity slope. If any portion of a structure is over 26 feet in height, that portion may not be located above a residential proximity slope. Exception: Except for chimneys, structures listed in Section 51A-4.408(a)(2) may project through the slope to a height not to exceed the maximum structure height, or 12 feet above the slope, whichever is less. Chimneys may project through the slope to a height 12 feet above the slope and 12 feet above the maximum structure height.

(B) Maximum height. Unless further restricted under Subparagraph (A), maximum structure height is 30 feet.

(7) Lot coverage. Maximum lot coverage is 40 percent. Aboveground parking structures are included in lot coverage calculations; surface parking lots and underground parking structures are not.

(8) Lot size. No minimum lot size.

(9) Stories. Maximum number of stories above grade is two. Parking garages are exempt from this requirement, but must comply with the height regulations of Paragraph (6), "Height."

(d) Off-street parking and loading. Consult the use regulations (Division 51A-4.200) for the specific off-street parking and loading requirements for each use. Consult the off-street parking and loading regulations (Divisions 51A-4.300 et seq.) for information regarding off-street parking and loading generally.

(e) Environmental performance standards. See Article VI.

(f) Landscape regulations. Except as provided in this paragraph, s[~~S~~]ee Article X, except as modified by Section 51P-631.112, "Landscaping." In LCO Area 2, landscaping must be provided as shown on the Light Commercial/Office Area 2 landscape plan (Exhibit 631G).

**SEC. 51P-631.112. LANDSCAPING.**

(a) In general. Except as modified in this section, the regulations in Article X, "Landscape and Tree Preservation Regulations," apply to this district. In the event of a conflict between this section and Article X, this section controls.

(b) Application. Subsection (c) of Section 51A-10.121, "Application of Division," of Division 51A-10.120, "Landscaping," is modified to read as follows: This division becomes applicable to a lot or tract when an application is made for a building permit for construction work that within a 24-month period:

(1) increases the number of stories in a building on the lot;

(2) increases the combined floor areas of all buildings on the lot; or

(3) increases the nonpermeable coverage on the lot.

(c) Light Mixed Use Area-1.

(1) Machine shop.

(A) Prior to the issuance of a certificate of occupancy, landscaping must be provided as shown on the Light Mixed Use Area-1 development plan.

(B) Automatic sprinkler systems are not required for landscaping located within a public right-of-way. Landscaping within a public right-of-way must be located within 100 feet of a verifiable water source.

(2) Private license granted.

(A) The city council hereby grants a revocable, non-exclusive license to the owners or tenants (with the written consent of the owner) of all property in Light Mixed Use Area-1 for the exclusive purpose of authorizing compliance with the landscaping requirements of this subsection. An owner or tenant is not required to pay an initial or annual fee for this license, although a fee may be charged for issuance of a landscape permit. This private license will not terminate at the end of any specific period, however, the city council reserves the right to terminate this license at will, by resolution passed by the city council, any time such termination becomes necessary. The determination by the city council of the need for termination is final and binding. The city shall become entitled to possession of the licensed area without giving any notice and without the necessity of legal proceedings to obtain possession when, in its judgment, the purpose or use of the license is inconsistent with the public use of the right-of-way or when the purpose or use of the license is likely to become a nuisance or a threat to public safety. Upon termination of the license by the city council, each owner or tenant shall remove all improvements and installations in the public rights-of-way to the satisfaction of to the director of public works and transportation.

(B) An owner or tenant is not required to comply with any landscaping requirement to the extent that compliance is made impossible due to the city council's revocation of the private license granted by this paragraph.

(C) Upon the installation of landscaping and related amenities, such as irrigation systems, in the public rights-of-way, the owner or tenant shall procure, pay for, and keep in full

force and effect commercial general liability insurance coverage with an insurance company authorized to do business in the State of Texas and otherwise acceptable to the city, covering, but not limited to, the liability assumed under the private license granted under this paragraph, with combined single limits of liability for bodily injury and property damage of not less that $1,000,000 for each occurrence, and $2,000,000 annual aggregate. Coverage under this liability policy must be on an occurrence basis and the city shall be named as additional insured. Proof of such insurance must be sent to: Office of Risk Management, City of Dallas, 1500 Marilla, Dallas, Texas 75201, and the policy must provide for 30 days prior written notice to the Office of Risk Management of cancellation, expiration, non-renewal, or material change in coverage. All subrogation rights for loss or damage against the city are hereby waived to the extent that they are covered by this liability insurance policy.

(D) Each owner or tenant is responsible for maintaining the landscaping in a healthy, growing condition, for keeping related amenities in good repair and condition, and for keeping the premises safe and from deteriorating in value or condition, at no expense to the city. The city is absolutely exempt from any requirements to make repairs or to maintain the landscaping, related amenities, or the premises. The granting of a license for landscaping and related amenities under this paragraph does not release the owner or tenant from liability for the installation or maintenance of trees, landscaping, and related amenities in the public right-of-way.

(3) Landscape permit.

(A) It is the responsibility of the property owner to apply for and obtain a landscape permit before locating trees, landscaping, or related amenities in the right-of-way. An application for a landscape permit must be made to the building official. The application must be in writing on a form approved by the building official and accompanied by plans or drawings showing the area of the right-of-way affected and the planting or other amenities proposed.

(B) Upon receipt of the application and any required fees, the building official shall circulate it to all affected city departments and utilities for review and comment. If, after receiving comments from affected city departments and utilities, the building official determines that the construction, planting, or other amenities proposed will not be inconsistent with and will not unreasonably impair the public use of the right-of-way, the building official shall issue a landscape permit to the property owner; otherwise, the building official shall deny the permit.

(C) A property owner is not required to comply with any landscaping requirement of this subsection if compliance is made impossible due to the building official's denial of a landscape permit.

(D) A landscape permit issued by the building official is subject to immediate revocation upon written notice if at any time the building official determines that the use of the right-of-way authorized by the permit is inconsistent with or unreasonably impairs the public use of the right-of-way. The property owner is not required to comply with any landscaping requirement of this subsection if compliance is made impossible due to the building official's revocation of a landscape permit.

(E) The issuance of a landscape permit under this paragraph does not excuse the property owner, his agents, or employees from liability for the installation or maintenance of trees or other amenities in the public right-of-way. (Ord. Nos. 25209; 27890)

**SEC. 51P-631.113. SIGNS.**

Signs must comply with the provisions for business zoning districts contained in Article VII, "Sign Regulations." (Ord. 25209)

**SEC. 51P-631.114. ADDITIONAL PROVISIONS.**

(a) Property within this district must be properly maintained in a state of good repair and neat appearance.

(b) Development and use of property within this district must comply with all applicable federal and state laws and regulations, and with all applicable ordinances, rules, and regulations of the city. (Ord. Nos. 25209; 26102)

**SEC. 51P-631.115. COMPLIANCE WITH CONDITIONS.**

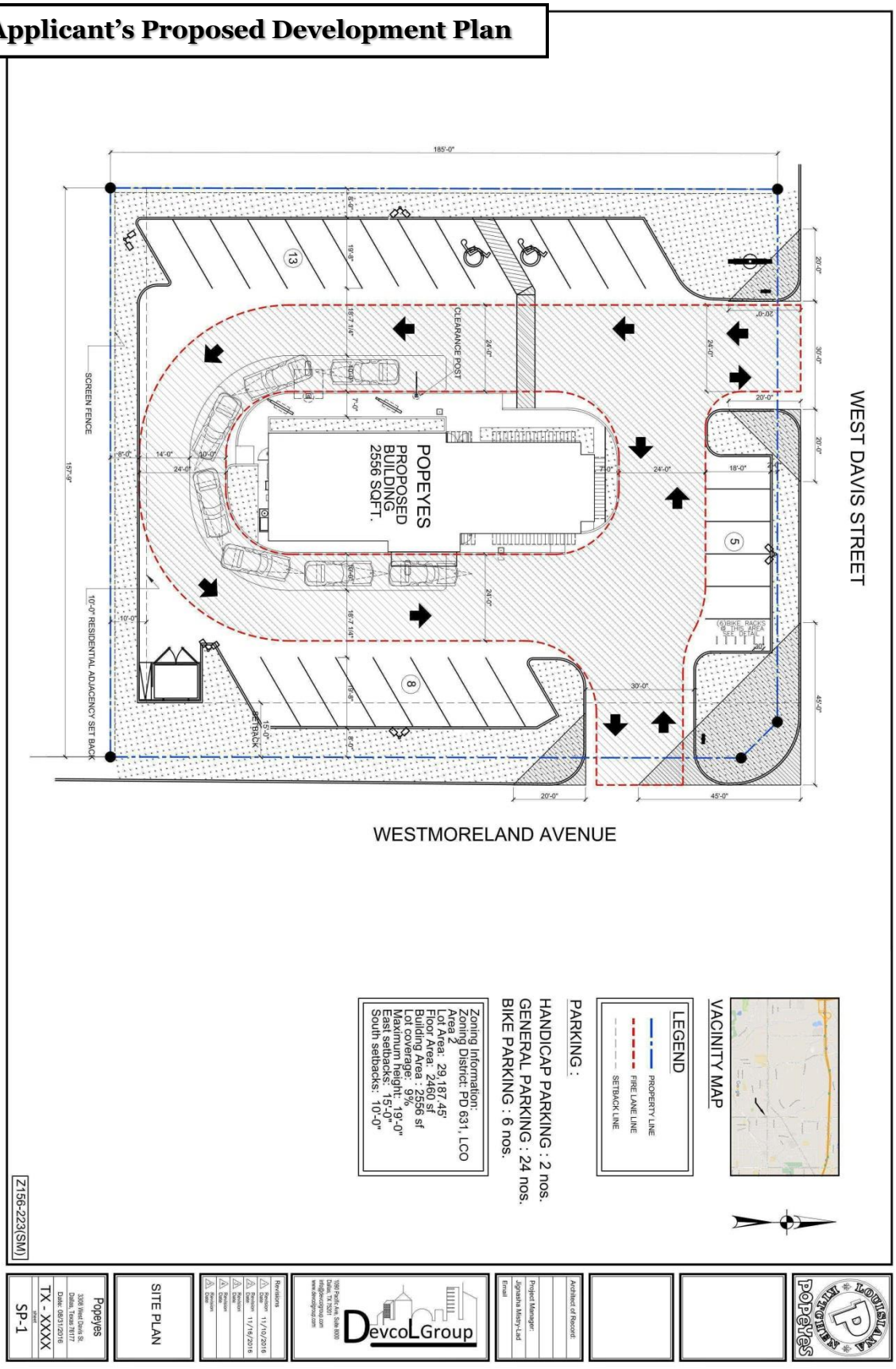
(a) All paved areas, permanent drives, streets, and drainage structures, if any, must be constructed in accordance with standard city specifications, and completed to the satisfaction of the director of public works and transportation.

(b) The building official shall not issue a building permit or a certificate of occupancy for a use in this district until there has been full compliance with this article, the Dallas Development Code, the construction codes, and all other ordinances, rules, and regulations of the city. (Ord. Nos. 25209; 26102)

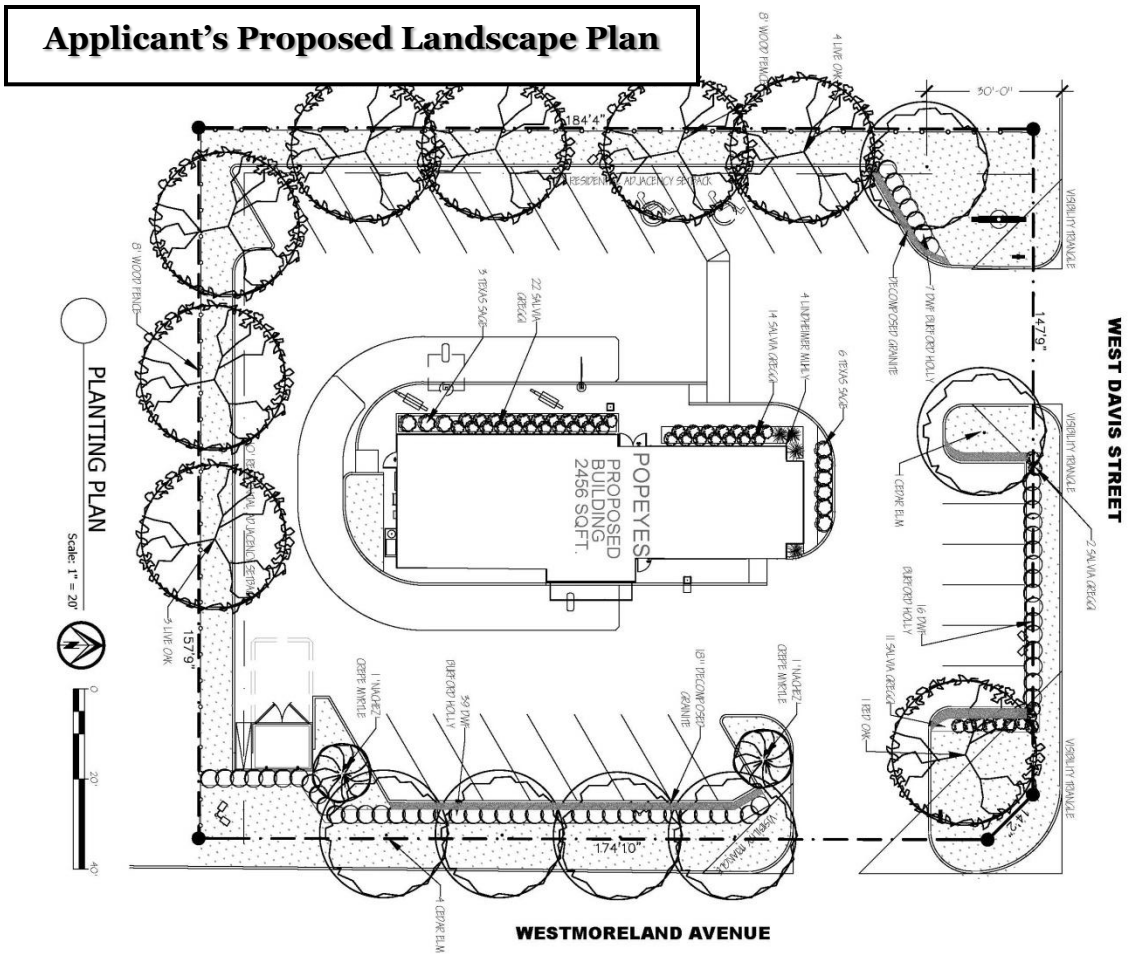
**SEC. 51P-631.116. LAND USE AND DEVELOPMENT STANDARDS CHARTS.**

A land use chart is provided in this article and labeled as Exhibit 631B, and a development standards chart is provided in this article and labeled as Exhibit 631C. In the event of a conflict between these charts and the text of this article, the text controls. (Ord. Nos. 25209; 28915)

## Applicant's Proposed Development Plan



## Applicant's Proposed Landscape Plan




| Common Name | Botanical Name | | Texas Native | Size | Qty | Remarks |
|---|---|---|---|---|---|---|
| Cedar Elm | *Ulmus crassifolia* | Tree | Yes | 65 gal | 6 | 3" cal |
| Crepe Myrtle 'Natchez' | *Lagerstroemia x fauriei 'Natchez'* | Small tree | No | 15 gal | 2 | 7' tall at planting |
| Dwarf Burford Holly | *Ilex cornuta 'Burfordii nana'* | Shrub | No | 3 gal | 62 | |
| Live Oak | *Quercus virginiana* | Tree | Yes | 65 gal | 7 | 3" cal |
| Salvia greggii 'red' | *Salvia greggii* | Perennial | Yes | 1 gal | 48 | |
| Shumard Red Oak | *Quercus shumardii* | Tree | Yes | 65 gal | 1 | 3" cal |
| Texas Sage, Compact | *Leucophyllum frutescens 'Compactum'* | Shrub | Yes | 3 gal | 9 | |
| Decomposed Granite | *Brown tone, 5" compacted to 4.4"* | | | | 245 | sq. ft. |

### PLANT LIST

8' WOOD FENCE

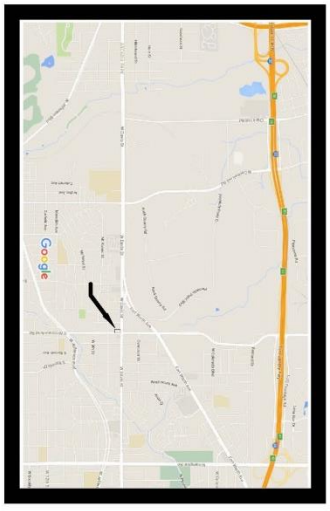
DECOMPOSED GRANITE

PECOFFERY LINE

BERMUDA SOD GRASS

### DRAWING KEY

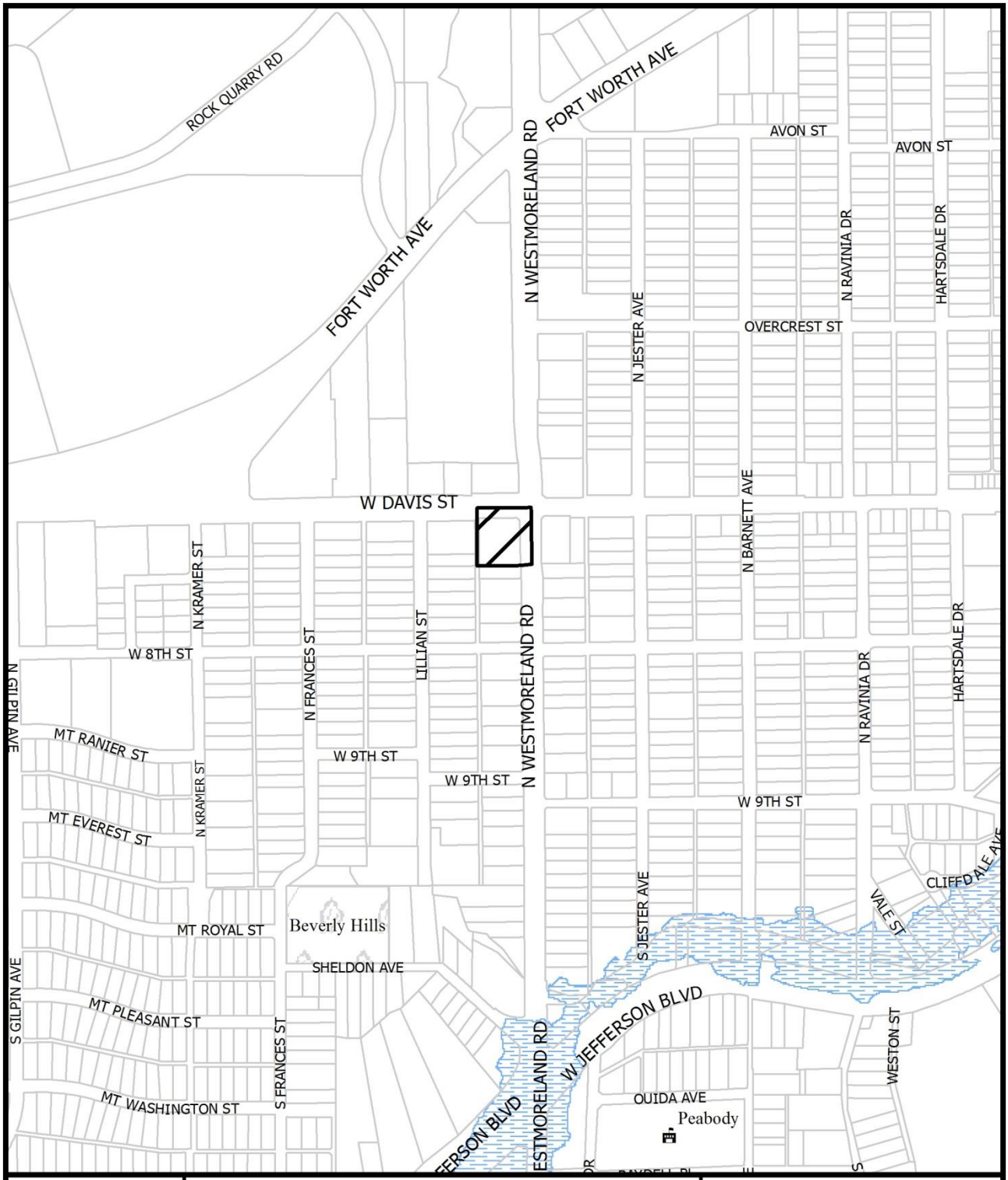
### Site Location




### Owner & Professionals Information

**OWNER**
SUN HOLDINGS, LLC
C/O ARMANDO PALACIOS
3318 FOREST LANE #206, DALLAS, TX 75234
214-551-4921

**LANDSCAPE ARCHITECT**
FELDMAN DESIGN STUDIOS
P.O. BOX 832346
RICHARDSON, TEXAS 75083
ATTN: CAROL FELDMAN 972-980-1730

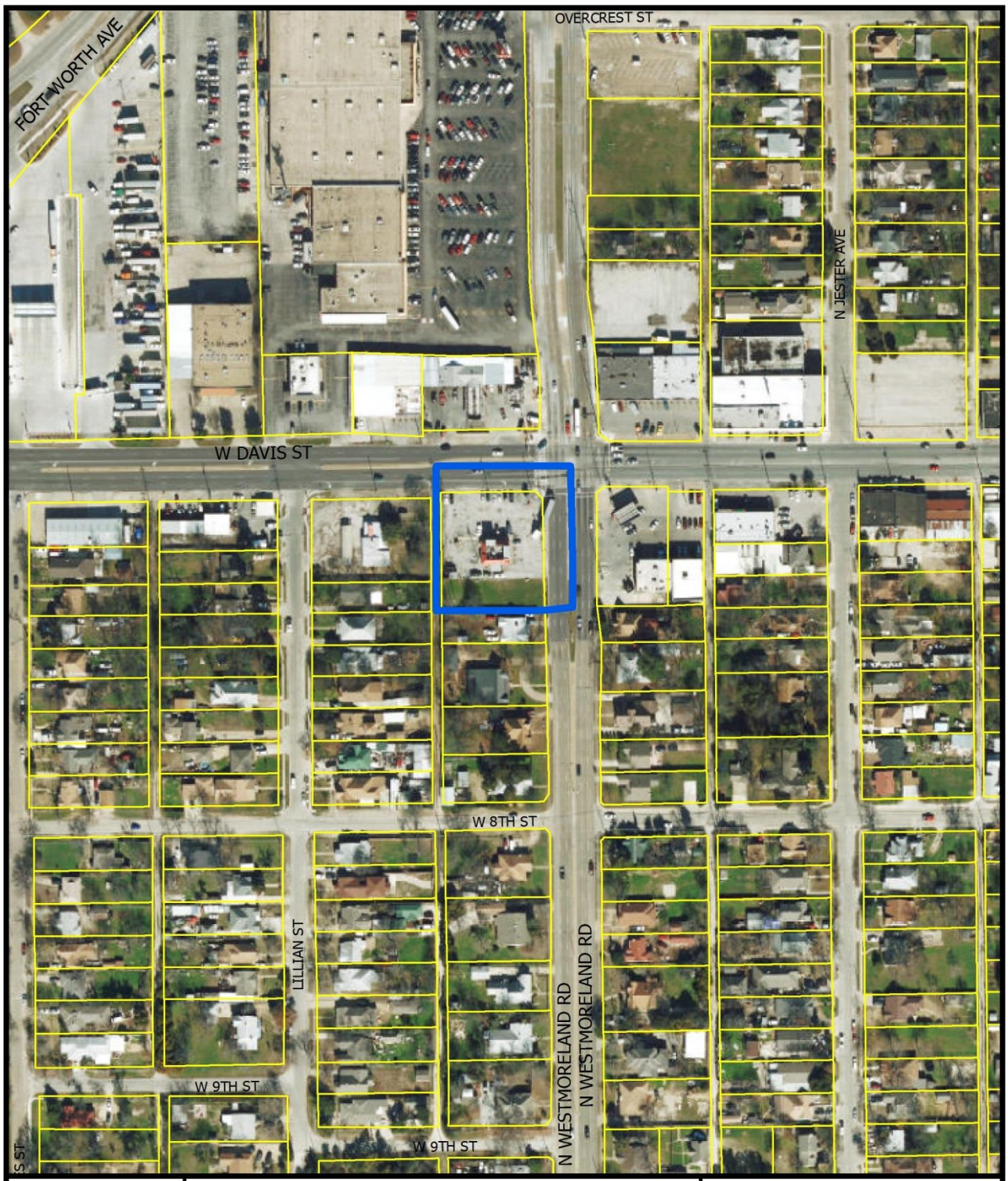



1:6,000

# VICINITY MAP

Case no: Z156-223

Date: 11/17/2016

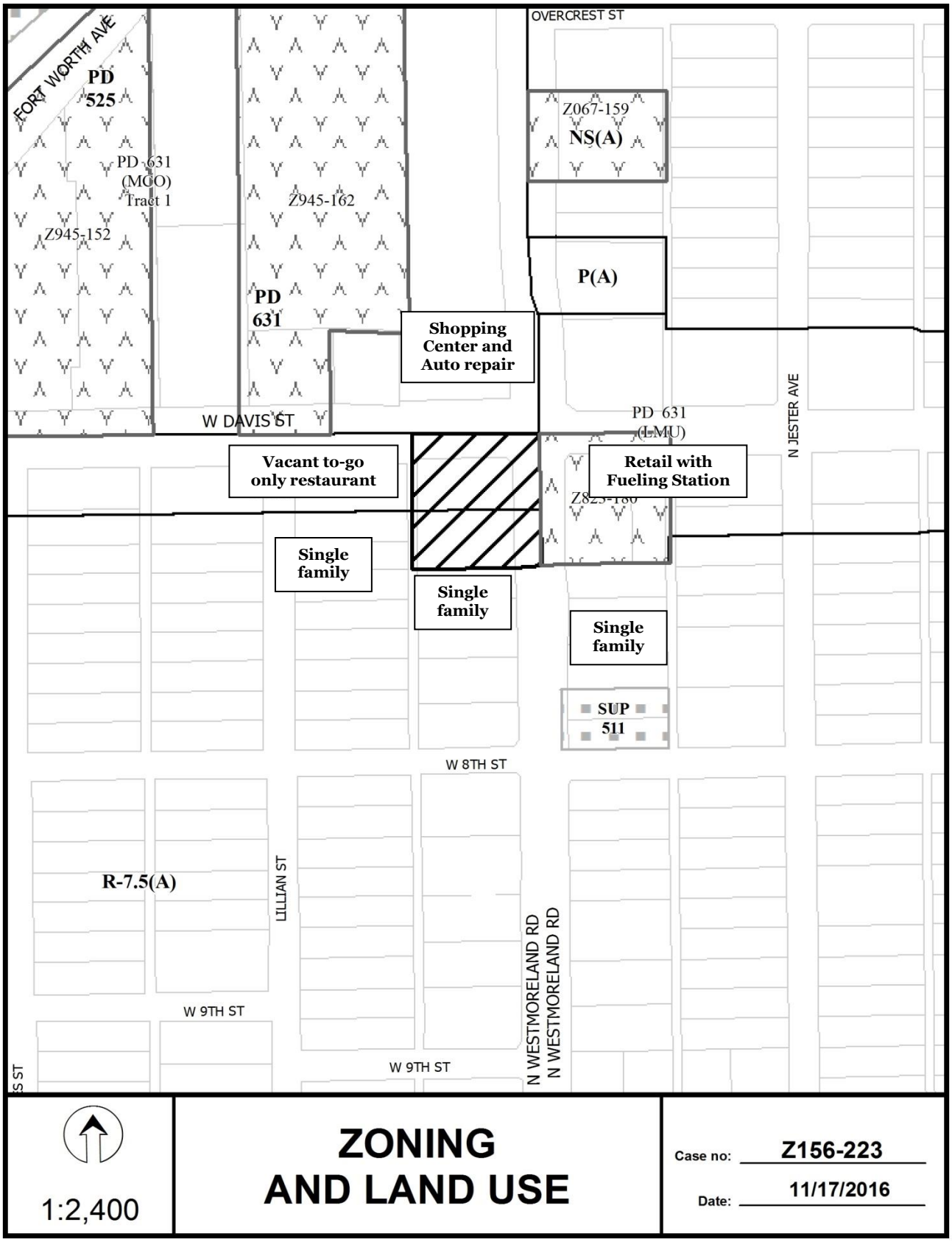



1:2,400

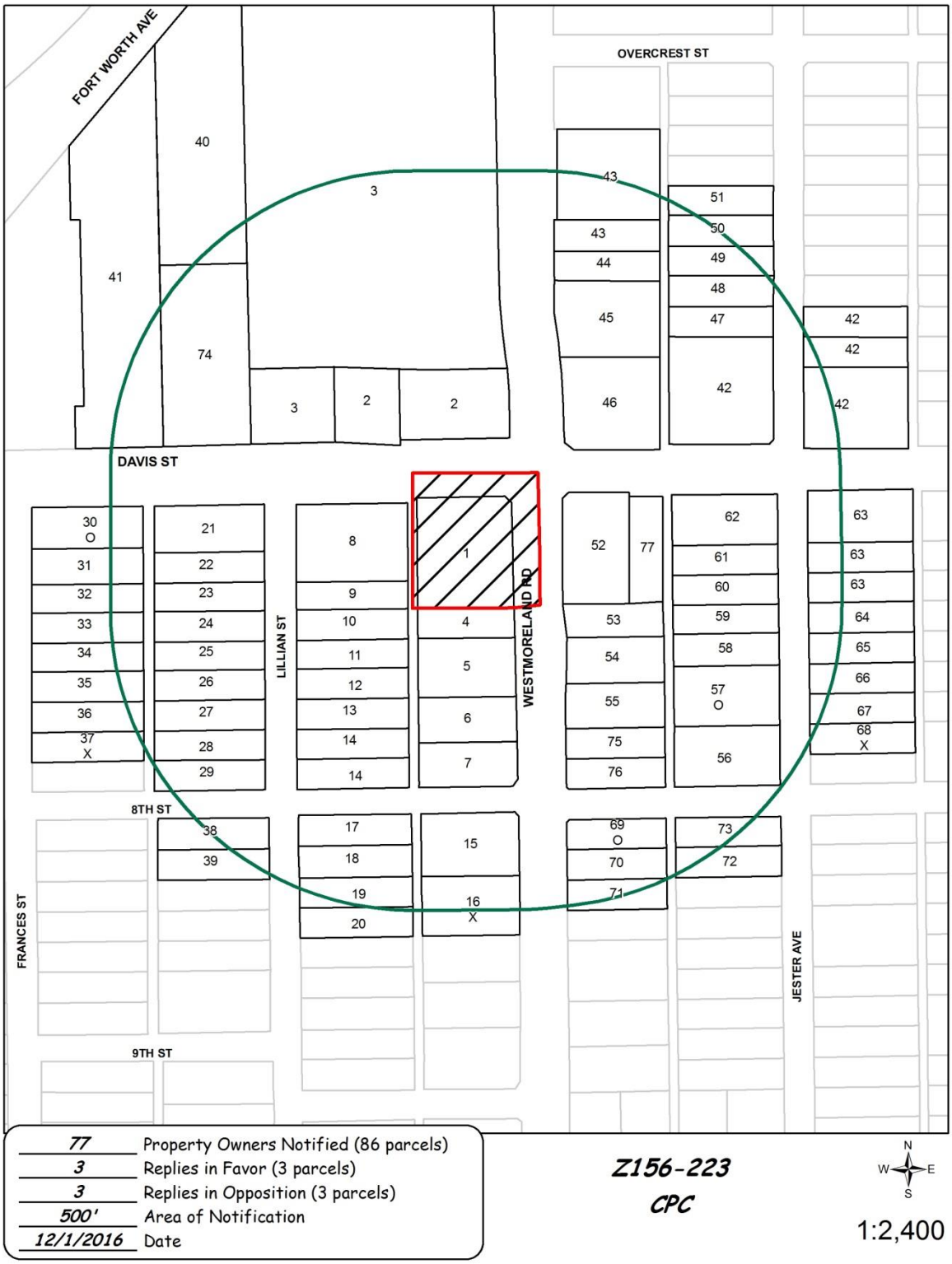
# AERIAL MAP

Case no: Z156-223

Date: 11/17/2016


OVERCREST ST
FORT WORTH AVE
PD 525
PD 631 (MCO) Tract 1
Z945-152
Z945-162
PD 631
Z067-159
NS(A)
P(A)
Shopping Center and Auto repair
W DAVIS ST
PD 631 (LMU)
N JESTER AVE
Vacant to-go only restaurant
Retail with Fueling Station
Z823-180
Single family
Single family
Single family
SUP 511
W 8TH ST
R-7.5(A)
LILLIAN ST
N WESTMORELAND RD
N WESTMORELAND RD
W 9TH ST
W 9TH ST
1:2,400
ZONING AND LAND USE
Case no: Z156-223
Date: 11/17/2016

# CPC Responses



***11/30/2016***

# *Reply List of Property Owners*

## *Z156-223*

***77 Property Owners Notified*** ***3 Property Owners in Favor*** ***3 Property Owners Opposed***

| *Reply* | *Label #* | *Address* | | *Owner* |
|---|---|---|---|---|
| | 1 | 3308 | W DAVIS ST | POP HOLDINGS LP |
| | 2 | 3317 | W DAVIS ST | KANAN NADER |
| | 3 | 3333 | W DAVIS ST | WESTMORELAND PLAZA JV |
| | 4 | 503 | N WESTMORELAND RD | GONZALEZ FELIPE N |
| | 5 | 415 | N WESTMORELAND RD | ROBERTS LUKE J |
| | 6 | 409 | S WESTMORELAND RD | MARTINEZ SILVERIO |
| | 7 | 403 | N WESTMORELAND RD | PALLARES VICTOR M & |
| | 8 | 3320 | W DAVIS ST | SEAFOOD SHACK INC |
| | 9 | 506 | LILLIAN ST | HUERTA MARTA & |
| | 10 | 504 | LILLIAN ST | ESPINOSA VERONICA |
| | 11 | 418 | LILLIAN ST | VILLAGOMEZ R M |
| | 12 | 414 | LILLIAN ST | HERRERA CRISTINA |
| | 13 | 410 | LILLIAN ST | BADILLO SERGIO & OLGA |
| | 14 | 406 | LILLIAN ST | CHAIDES ELIAS |
| | 15 | 315 | N WESTMORELAND RD | MARTINEZ MARIANO & CRYSTAL |
| X | 16 | 311 | N WESTMORELAND RD | HUERTA AMADOR & ROSA |
| | 17 | 334 | LILLIAN ST | GUTIERREZ AMY N |
| | 18 | 330 | LILLIAN ST | JAYME FLORINA B |
| | 19 | 326 | LILLIAN ST | VILLATORO JOSE R & |
| | 20 | 322 | LILLIAN ST | ALCALA ELEAZAR SR & LISA |
| | 21 | 519 | LILLIAN ST | AKPUNKU EMEKA ET AL |
| | 22 | 517 | LILLIAN ST | MARQUEZ SEFERINA SOSA & |
| | 23 | 507 | LILLIAN ST | ARGUMEDO OSCAR & |
| | 24 | 503 | LILLIAN ST | CRAIG VERA LOPEZ |
| | 25 | 419 | LILLIAN ST | VERACRUZ SIMONE |
| | 26 | 415 | LILLIAN ST | LOPEZ TERESA V |

***11/30/2016***

| *Reply* | *Label #* | *Address* | | *Owner* |
|---|---|---|---|---|
| | 27 | 411 | LILLIAN ST | RAFAMAN INVESTMENTS LLC |
| | 28 | 407 | LILLIAN ST | GARCIA JESSIE |
| | 29 | 403 | LILLIAN ST | MARTINEZ IVAN |
| O | 30 | 3434 | W DAVIS ST | MILLER NORMAN A II & |
| | 31 | 510 | N FRANCES ST | RESENDIZ HILARIO O & |
| | 32 | 506 | N FRANCES ST | MARTINEZ DANIEL & |
| | 33 | 502 | N FRANCES ST | COUCH TAWANA YVONNE |
| | 34 | 418 | N FRANCES ST | ARELLANO FIDELMAR |
| | 35 | 414 | N FRANCES ST | GARZA LUIS A |
| | 36 | 410 | N FRANCES ST | ARVIZU EUSTACIA |
| X | 37 | 406 | N FRANCES ST | GARCIA DAVID P & MARIA |
| | 38 | 327 | LILLIAN ST | LOPEZ MARTIN & |
| | 39 | 323 | LILLIAN ST | CERPA JESUS FRANCISCO & |
| | 40 | 3400 | FORT WORTH AVE | BRYANT BRADY W |
| | 41 | 3410 | FORT WORTH AVE | FORT DAVIS CAVAZOS I LLC |
| | 42 | 618 | N JESTER AVE | TEMPLO DE PODER Y GOZO |
| | 43 | 702 | N WESTMORELAND RD | SOS CUSTOM HOMES INC |
| | 44 | 626 | N WESTMORELAND RD | ASH LIZ PROPERTIES INC |
| | 45 | 614 | N WESTMORELAND RD | GARZA RICARDO |
| | 46 | 3217 | W DAVIS ST | M CACERES ENTERPRISES INC |
| | 47 | 619 | N JESTER AVE | CAMACHO MIGUEL |
| | 48 | 623 | N JESTER AVE | VASQUEZ ALICIA |
| | 49 | 625 | N JESTER AVE | ALVAREZ MARY LOU & |
| | 50 | 703 | N JESTER AVE | WEBB LARRY M |
| | 51 | 707 | N JESTER AVE | BONILLA ERICK & SONIA |
| | 52 | 3230 | W DAVIS ST | SEJ ASSET MGMT & INV CO |
| | 53 | 502 | N WESTMORELAND RD | GONZALEZ LUCIANO & MARIA D |
| | 54 | 418 | N WESTMORELAND RD | AZPEITIA PEDRO M |
| | 55 | 414 | N WESTMORELAND RD | RIVERA ARMANDO & JUANTIA |
| | 56 | 403 | N JESTER AVE | YPINA ERICA |
| O | 57 | 415 | N JESTER AVE | KREMPIN LINDA R |

***11/30/2016***

| *Reply* | *Label #* | *Address* | | *Owner* |
|---|---|---|---|---|
| | 58 | 419 | N JESTER AVE | PEREZ JOSE & ALICIA |
| | 59 | 503 | N JESTER AVE | CERPA CARLOS & VIRGINIA |
| | 60 | 507 | N JESTER AVE | AGUILERA CRISPIN & |
| | 61 | 511 | N JESTER AVE | SANASEROS JESSE |
| | 62 | 3206 | W DAVIS ST | DAVIS NP LLC |
| | 63 | 3116 | W DAVIS ST | MARTINEZ RAUL & LETICIA |
| | 64 | 502 | N JESTER AVE | ESPINOZA DOMINGO ROMAN & |
| | 65 | 418 | N JESTER AVE | RANGEL RIGOBERTO |
| | 66 | 414 | N JESTER AVE | YPINA ISMAEL & EPIFANIA |
| | 67 | 410 | N JESTER AVE | ZARATE ERCILIA C |
| X | 68 | 406 | N JESTER AVE | CORTEZ CRESENCIO RIVAS & |
| O | 69 | 318 | N WESTMORELAND RD | LEONARD J P |
| | 70 | 314 | N WESTMORELAND RD | RODRIGUEZ GILBERTO & |
| | 71 | 310 | N WESTMORELAND RD | RODRIGUEZ GILBERTO & |
| | 72 | 315 | N JESTER AVE | OROZCO CECILIA |
| | 73 | 319 | N JESTER AVE | MARQUEZ ENRIQUE & MARTHA |
| | 74 | 3407 | W DAVIS ST | MARTINEZ FERNANDO & |
| | 75 | 406 | N WESTMORELAND RD | RUIZ JESSE M & |
| | 76 | 402 | N WESTMORELAND RD | MARQUEZ DANIEL H |
| | 77 | 3220 | W DAVIS ST | STANDAR LP |

**AGENDA ITEM # 83**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 7

**DEPARTMENT:** Sustainable Development and Construction

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 49 N

## SUBJECT

A public hearing to receive comments regarding an application for and an ordinance granting a CS Commercial Service District on property zoned an LI-D-1 Light Industrial District with a D-1 Liquor Control Overlay on the southwest corner of Forney Road and North Prairie Creek Road
Recommendation of Staff and CPC: Approval
Z156-234(JM)
Note: This item was considered by the City Council at public hearings on September 28, 2016, October 26, 2016, January 11, 2017, and January 25, 2017, and was deferred until February 22, 2017, with the public hearing open

**HONORABLE MAYOR & CITY COUNCIL** **WEDNESDAY, FEBRUARY 22, 2017**

**ACM: Mark McDaniel**

**FILE NUMBER:** Z156-234(JM) **DATE FILED:** March 15, 2016

**LOCATION:** Southwest corner of Forney Road and North Prairie Creek Road

**COUNCIL DISTRICT:** 7 **MAPSCO:** 49-N

**SIZE OF REQUEST:** ±2.4496 acres **CENSUS TRACT:** 121.00

**APPLICANT/OWNER:** West Texas Rebar Placers, Inc.

**REPRESENTATIVE:** Marco A. Hernandez

**REQUEST:** An application for a CS Commercial Service District on property zoned an LI-D-1 Light Industrial District with a D-1 Liquor Control Overlay.

**SUMMARY:** The applicant is requesting the zoning change in order to operate a contractor maintenance yard. The intent is to store heavy equipment on-site, and do necessary maintenance and repairs to that equipment. An office is intended to be on-site, as well.

**CPC RECOMMENDATION:** **Approval**

**STAFF RECOMMENDATION:** **Approval**

**GUIDING CRITERIA FOR STAFF RECOMMENDATION:**

Staff recommends approval based upon:

1. *Performance impacts upon surrounding property* – The proposed zoning district allows uses that are similar, but with greater restrictions for height. The Commercial Service District adds 18 uses, primarily in the retail and personal services, and wholesale, distribution, and storage uses categories. More information is provided under Development Standards and Land Use Comparison sections of this report.

2. Development on this block is similar to the requested use, but not allowed. The property is not currently in use, although there is some machinery being stored pending the outcome of this case.

3. *Traffic impact* – The proposed zoning will not have a negative impact on the existing street system.

4. *Comprehensive Plan or Area Plan Conformance* – The *forwardDallas! Comprehensive Plan* shows that the request site is located in a Business Center or Corridor Building Block. While the proposed district is inconsistent with this building block, it generally supports economic goals within the comprehensive plan. Additionally, the proposed district and use are consistent with surrounding land use patterns.

**Zoning History**: There have been no recent zoning cases in the area.

**Thoroughfares/Streets:**

| Thoroughfare/Street | Type | Existing ROW |
|---|---|---|
| Forney Road | Community Collector (S-4-D) | 80 feet |
| Prairie Creek Road | Principal Arterial (M-6-D(A)) | 100 feet |

**Traffic:**

The Engineering Section of the Department of Sustainable Development and Construction reviewed the proposed zoning and determined it will not have a negative impact on the existing street system.

**STAFF ANALYSIS:**

**Comprehensive Plan:**

The comprehensive plan does not make a specific land use recommendation related to the request, however the ***forwardDallas! Vision Illustration***, adopted June 2006, is comprised of a series of Building Blocks that depicts general land use patterns. Building Blocks are generalized patterns without well-defined boundaries that indicate where certain types and densities of development might logically occur.

The Vision Illustration depicts the request site as within a *Business Center or Corridor*. This Building Block represents major employment or shopping destinations outside of Downtown. Examples include the Galleria area, the NorthPark Center area, Southwest Center Mall area at I-20 and US Hwy 67 and the Stemmons Corridor. Business Centers are usually at major intersections or along highways or major arterials and rely heavily on car access. These areas typically include high-rise office towers and low- to mid-rise residential buildings for condos or apartments and may include multifamily housing. Land uses are typically separated from one another by parking lots, freeways or arterial roads. Streets in these areas emphasize efficient movement of vehicles. Bold lighting and linear landscaping features such as esplanades and tree-lined boulevards can all work to distinguish and identify these areas. Public spaces may be at key entry points and central locations. Gateway landscaping, monuments and other devices will provide visibility from the freeway and guide visitors to destinations. Public transit may play a role in these areas and help create some pockets of transit oriented development. Business Centers and Corridors provide important concentrations of employment within Dallas that compete with suburban areas.

The proposed CS Commercial Service District is described as being for the development of commercial and business serving uses that may involve outside storage, service, or display. This district ultimately supports the intended Building Block and is a less intensive industrial-type of zoning.

Finally, the proposed zoning request meets the following goals and objectives of the comprehensive plan:

Vision: Embrace all types of land use. Workshop participants were interested in having a wide range of land use options and scale in Dallas. While some land use types reflect a definite nod toward autos, others focused more heavily on walking and bicycling. Variety is the key in what workshop participants wanted for land use types throughout the city, recognizing differences in appropriateness and scale from place to place.

**ECONOMIC ELEMENT**

GOAL 2.4 CREATE AND MAINTAIN AN ENVIRONMENT FRIENDLY TO BUSINESSES AND ENTREPRENEURS
A business friendly environment is essential for Dallas to maintain competitiveness in the regional and global marketplace.

**Land Use Compatibility:**

| | Zoning | Land Use |
|---|---|---|
| Site | LI w/D-1 Overlay | Vacant (storage of equipment) |
| North | LI w/D-1 Overlay | Vacant land, warehouse & distribution centers (freight terminal) |
| East | LI w/D-1 Overlay | Tool or equipment rental |
| South | LI w/D-1 Overlay | Cell tower, railroad, vacant land |
| West | LI w/D-1 Overlay | Tool or equipment rental |

The request site is ± 2.5 acres situated between several industrial parks and business centers. Immediately adjacent zoning is Light Industrial. Surrounding land uses are of an industrial nature. Many have outside storage of semi-trucks and trailers. The proposed CS Commercial Service District and contractor's maintenance yard use seems compatible with the area.

The request to rezone is to allow for a contractor's maintenance yard use, which includes the outside storage of equipment. This will require screening of the entire site. The screening will provide a transitional buffer as the area continues to change over time. While an industrial zoning district like CS Commercial Service is not typically a zoning district that is envisioned for Business Center or Corridor Building Blocks, given that LI is the existing zoning on the property, and because the site and surrounding area are being commercially utilized for industrial uses, the request can be supported. The subject site is adjacent to industrial and business parks on the fringe of Dallas city limits and Mesquite city limits.

**Development Standards:**

| DISTRICT | Setbacks | | FAR | Height | Lot Coverage | Primary Uses |
|---|---|---|---|---|---|---|
| | Front | Side/Rear | | | | |
| **Existing** | | | | | | |
| LI Light Industrial | 15' | 0' | 0.5 to 1.0 | 70' | 80% | Commercial & business service, wholesale, distribution & storage, retail & personal service, office, and utility and public service uses. A few industrial uses. |
| **Proposed** | | | | | | |
| CS Commercial Service | 0' | 0' | 0.75 to 1.0 | 45' | 80% | Commercial & business service, wholesale, distribution & storage, retail & personal service, office, and utility and public service uses. A few industrial uses. |

## Land Use Comparison:

| | Proposed | Existing |
|---|---|---|
| **Use** | **CS** | **LI** |
| Vehicle or engine repair or maintenance. | **RAR** | **X** |
| Alcoholic beverage manufacturing. | | **RAR** |
| Inside industrial. | | **RAR** |
| Temporary concrete or asphalt batching plant. | | **By CBO authorization** |
| Convent or monastery. | **X** | |
| Public School. | **RAR** | **SUP** |
| College dormitory, fraternity, or sorority house. | **X** | |
| Ambulance service. | **RAR** | |
| Animal shelter or clinic without outside run. | **RAR** | **X** |
| Alcoholic beverage establishments* | **SUP** | **Check Use** |
| Commercial amusement (outside). | **DIR** | |
| Convenience store with drive-through. | **SUP** | |
| Drive-in theater. | **SUP** | |
| General merchandise or food store greater than 3,500 square feet. | **X** | |
| Liquefied natural gas fueling station. | **SUP** | **Check Use** |
| Liquor store. | **X** | |
| Mortuary, funeral home, or commercial wedding chapel. | **X** | |
| Nursery, garden shop, or plant sales. | **X** | |
| **Use** | **CS** | **LI** |
| Outside sales. | **SUP** | |
| Pawn shop. | **X** | |
| Swap or buy shop. | **SUP** | |
| Auto auction. | **SUP** | |
| Building mover's temporary storage yard. | **SUP** | |
| Contractor's maintenance yard. | **RAR** | |
| Petroleum product storage and wholesale. | **SUP** | |

| | | |
|---|---|---|
| Sand, gravel, or earth sales and storage. | **SUP** | |
| Vehicle storage lot. | **SUP** | |
| Accessory pathological waste incinerator. | **X** | |

**X** *indicates permitted by right.*
***SUP*** *indicates permitted with a Specific Use Permit.*
***RAR*** *indicates permitted, but subject to Residential Adjacency Review.*
***DIR*** *indicates permitted, but subject to Development Impact Review.*
***Check Use*** *indicates permitted, but that the use must conform to specific regulations in different districts, as outlined in the Development Code.*
***By CBO Authorization*** *indicates that the use may be allowed with permission from the Chief Building Official.*

**WEST TEXAS REBAR PLACERS, INC.**

**10209 Plano Rd. Suite 101**
**Dallas, Texas 75238**

**PHONE: (214) 221-1333**
**FAX: (214) 221-1303**

Marco A. Hernandez – President

Magno A. Hernandez – Vice-President

Z156-234

**CPC Action:**
September 1, 2016

**Motion:** It was moved to recommend **approval** of a CS Commercial Service District on property zoned an LI-D-1 Light Industrial District with a D-1 Liquor Control Overlay on the southwest corner of Forney Road and North Prairie Creek Road.

Maker: Anantasomboon
Second: Davis
Result: Carried: 14 to 0

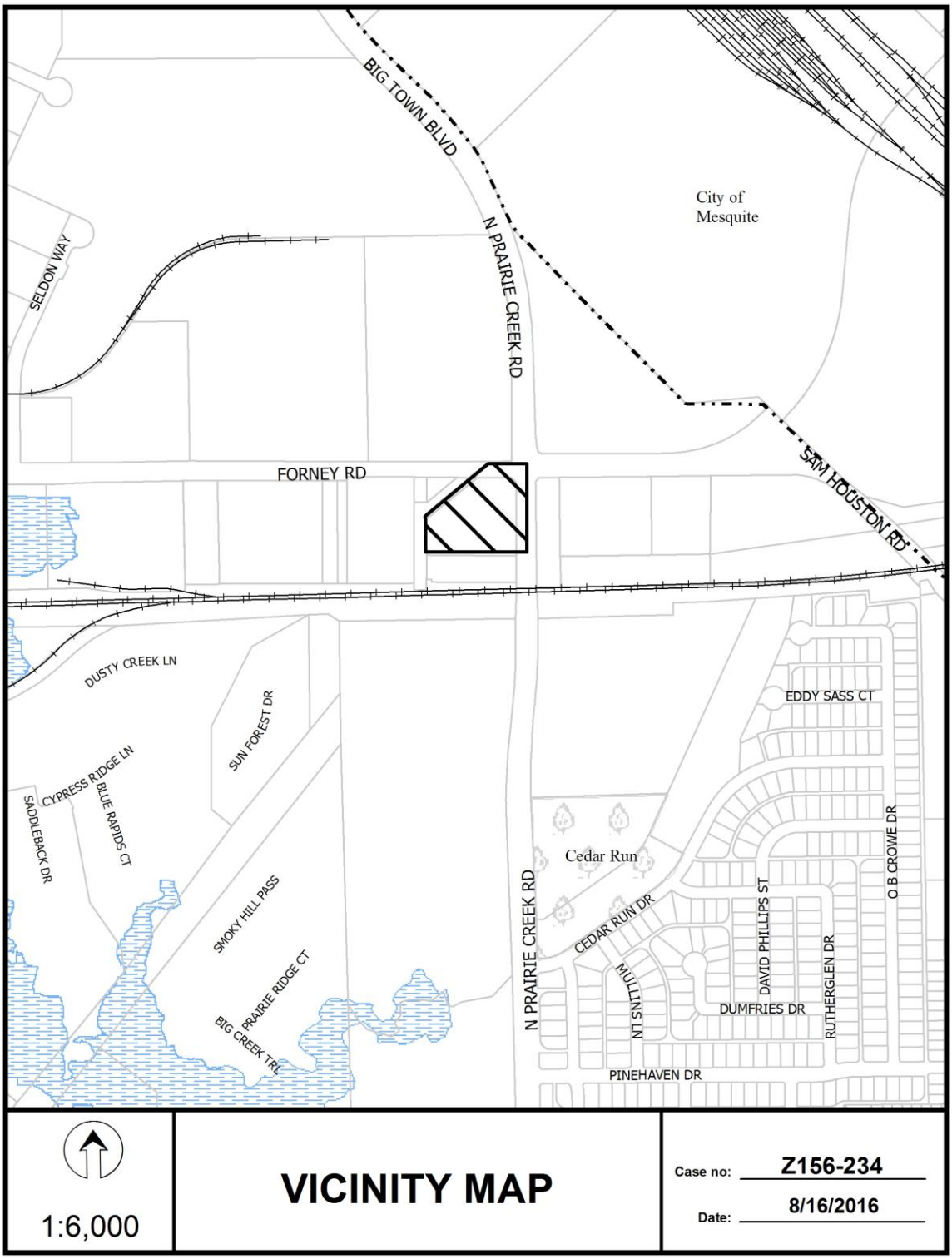
For: 14 - Anglin, Rieves, Houston, Davis, Shidid*, Anantasomboon, Haney, Jung, Housewright, Schultz, Peadon, Murphy, Ridley, Tarpley

Against: 0
Absent: 0
Vacancy: 1 - District 7

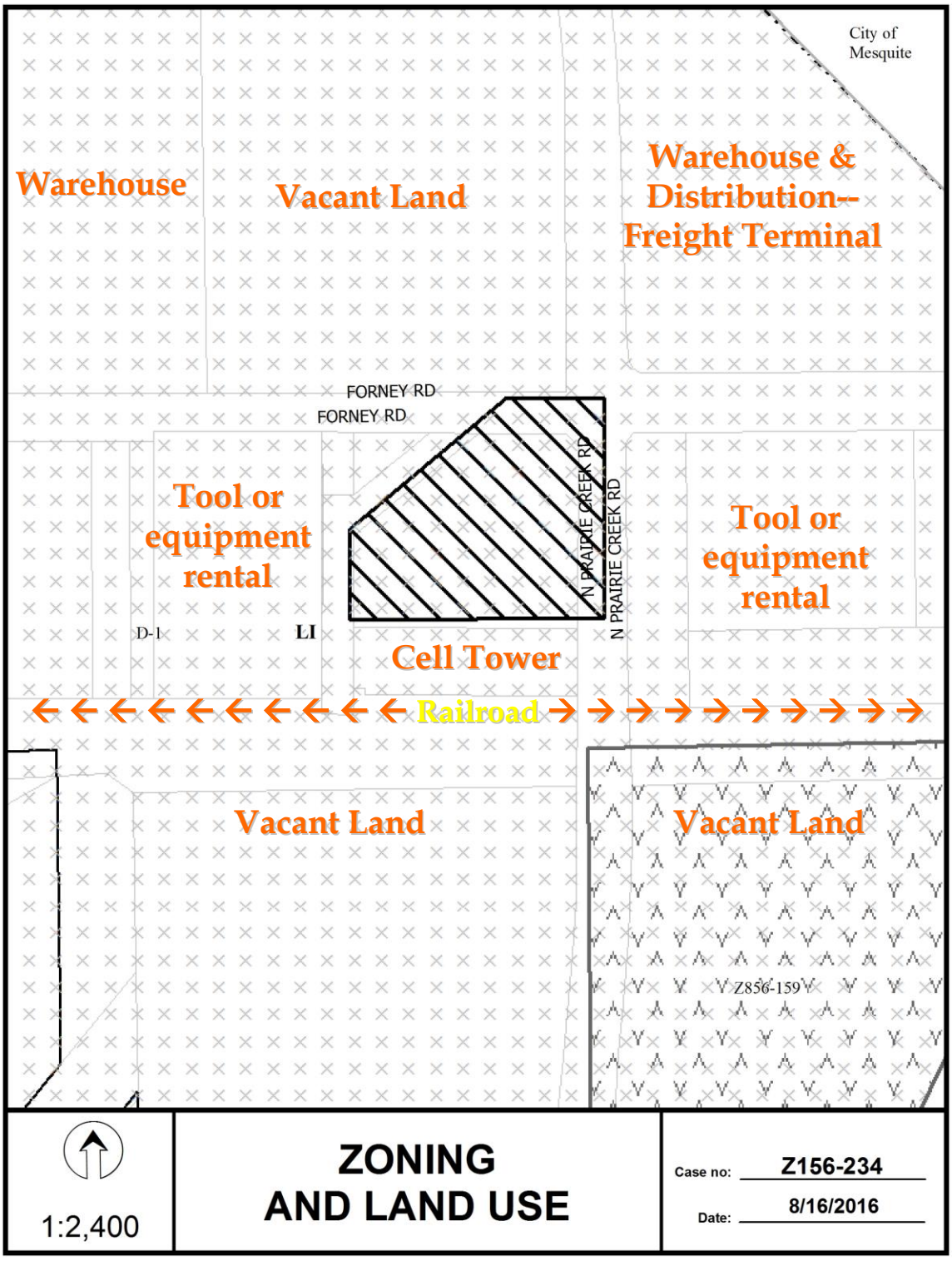
*out of the room, shown voting in favor

**Notices:** Area: 300 Mailed: 14
**Replies:** For: 4 Against: 1

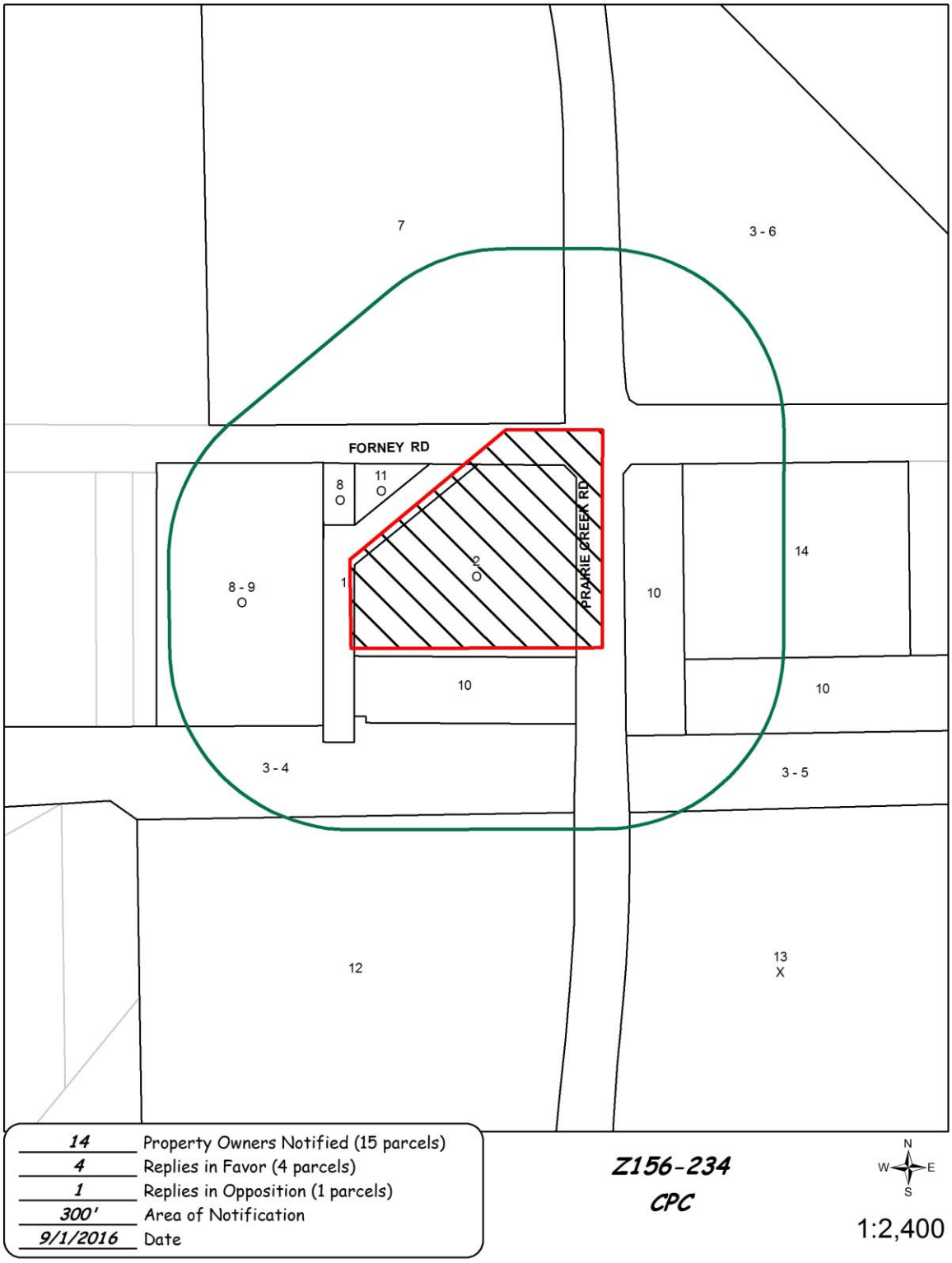
**Speakers**: None


BIG TOWN BLVD
City of Mesquite
SELDON WAY
N PRAIRIE CREEK RD
FORNEY RD
SAM HOUSTON RD
DUSTY CREEK LN
SUN FOREST DR
CYPRESS RIDGE LN
BLUE RAPIDS CT
SADDLEBACK DR
SMOKY HILL PASS
BIG PRAIRIE RIDGE CT
BIG CREEK TRL
EDDY SASS CT
Cedar Run
N PRAIRIE CREEK RD
CEDAR RUN DR
MULLINS LN
DAVID PHILLIPS ST
DUMFRIES DR
RUTHERGLEN DR
O B CROWE DR
PINEHAVEN DR
1:6,000
VICINITY MAP
Case no: Z156-234
Date: 8/16/2016


City of Mesquite
FORNEY RD
FORNEY RD
N PRAIRIE CREEK RD
N PRAIRIE CREEK RD
1:2,400
AERIAL MAP
Case no: Z156-234
Date: 8/16/2016


City of Mesquite
Warehouse
Vacant Land
Warehouse & Distribution-- Freight Terminal
FORNEY RD
FORNEY RD
N PRAIRIE CREEK RD
N PRAIRIE CREEK RD
Tool or equipment rental
Tool or equipment rental
D-1
LI
Cell Tower
Railroad
Vacant Land
Vacant Land
Z856-159
1:2,400
ZONING AND LAND USE
Case no: Z156-234
Date: 8/16/2016

## CPC RESPONSES



*08/31/2016*

# *Reply List of Property Owners*

## *Z156-234*

***14 Property Owners Notified 4 Property Owners in Favor 1 Property Owners Opposed***

| *Reply* | *Label #* | *Address* | | *Owner* |
|---|---|---|---|---|
| | 1 | 9202 | FORNEY RD | COUNTY OF DALLAS |
| O | 2 | 9124 | FORNEY RD | WEST TEXAS REBAR PLACERS INC |
| | 3 | 4401 | LINFIELD RD | ST LOUIS S W RAILWAY CO |
| | 4 | 9999 | NO NAME ST | UNION PACIFIC RR CO |
| | 5 | 4401 | LINFIELD RD | ST LOUIS S W RAILWAY CO |
| | 6 | 4401 | LINFIELD RD | ST LOUIS S W RAILWAY CO |
| | 7 | 1201 | BIG TOWN BLVD | BAPTIST FOUNDATION OF TX |
| O | 8 | 9090 | FORNEY RD | GILLIS EDWARD T & |
| O | 9 | 9090 | FORNEY RD | GILLIS EDDIE |
| | 10 | 4501 | PRAIRIE CREEK RD | TEXAS UTILITIES ELEC CO |
| O | 11 | 9124 | FORNEY RD | GILLIS EDWARD TRAVIS & DEBORAH KAY GILLIS |
| | 12 | 4401 | PRAIRIE CREEK RD | DAL TILE CORP |
| X | 13 | 4400 | N PRAIRIE CREEK RD | DWL REAL ESTATE INC |
| | 14 | 9208 | FORNEY RD | BERRY MARK W & |

**AGENDA ITEM # 84**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 8

**DEPARTMENT:** Sustainable Development and Construction

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 69A M; 70 J

## SUBJECT

A public hearing to receive comments regarding an application for **(1)** a CR Community Retail District with deed restrictions volunteered by the applicant, and **(2)** a Specific Use Permit for the sale of alcoholic beverages in conjunction with a general merchandise store 3,500 square feet or less on property zoned an NS(A)-D-1 Neighborhood Service District with a D-1 Liquor Control Overlay, with an ordinance granting a CR Community Retail District and a resolution accepting deed restrictions volunteered by the applicant on the west corner of South Beltline Road and Garden Grove Drive

Recommendation of Staff: Approval of a CR Community Retail District with deed restrictions volunteered by the applicant; and approval of a Specific Use Permit for a two-year period with eligibility for automatic renewals for additional five-year periods, subject to a revised site plan and conditions

Recommendation of CPC: Approval of a CR Community Retail District with deed restrictions volunteered by the applicant; and denial of a Specific Use Permit

Z156-289(JM)

Note: This item was considered by the City Council at public hearings on January 11, 2017, and February 8, 2017, and was held under advisement until February 22, 2017, with the public hearing open

**HONORABLE MAYOR & CITY COUNCIL** **WEDNESDAY, FEBRUARY 22, 2017**

**ACM: Mark McDaniel**

**FILE NUMBER:** Z156-289(JM) **DATE FILED:** June 20, 2016

**LOCATION:** On the west corner of South Beltline Road and Garden Grove Drive

**COUNCIL DISTRICT:** 8 **MAPSCO:** 69A-M, 70-J

**SIZE OF REQUEST:** ±2.3 acres **CENSUS TRACT:** 0171.01

**REPRESENTATIVE:** Michael R. Coker Company

**APPLICANT/OWNER:** 1500 S. Beltline, LLC

**REQUEST:** An application for 1) a CR Community Retail District with deed restrictions volunteered by the applicant; and 2) a Specific Use Permit for the sale of alcoholic beverages in conjunction with a general merchandise store 3,500 square feet or less on property zoned an NS(A)-D-1 Neighborhood Service District with a D-1 Liquor Control Overlay.

**SUMMARY:** The purpose of this request is to allow the applicant to sell alcohol for off-premise consumption in a convenience store. The CR District allows a fueling station by right, and a variety of different sized retail uses. Furthermore, the applicant proposes to volunteer deed restrictions that prohibit certain uses. An amended site plan has been provided.

**CPC RECOMMENDATION:** **Approval** of a CR Community Retail District with deed restrictions volunteered by the applicant; and **denial** of a Specific Use Permit.

**STAFF RECOMMENDATION:** **Approval** of a CR Community Retail District with deed restrictions volunteered by the applicant; and **approval** of a Specific Use Permit for a two-year period with eligibility for automatic renewals for additional five-year periods, subject to a revised site plan and conditions.

**BACKGROUND INFORMATION:**

- This development was carefully negotiated to ensure limited disruption to the residential uses along the northwest and southwest boundaries of the site. Staff feels that the proposed development will not be disruptive to the single-family neighborhoods in proximity.

- The site is currently undeveloped. There are several residential developments all along the northwest and southwest boundaries of the site. Land uses along South Beltline and Garden Grove Drive range from commercial at the intersection, and shift rapidly to less intensive residential and agricultural uses.

- The request is made to rezone the parcel from an NS(A) District to a CR District to allow for certain uses to complement the proposed development and surrounding residential uses. A use such as a dry cleaning or laundry store is allowed by right in the current district, but restricted to being less than 3,500 square feet. The applicant would like the right to develop a larger facility. To ease concerns over other uses allowed by the proposed CR District, the applicant has volunteered deed restrictions (attached to this report). The deed restrictions make 30 uses no longer allowed. Some of those uses are currently allowed in an NS(A) District.

- The deed restrictions provide the following conditions:
    - No parking or vehicular traffic along the northeast of the property.
    - No parking along the west of the property.
    - An additional landscape buffer will be provided as follows:
        - 5’ along the northeast
        - 3’ along the west.

**Zoning History:**

1. **Z123-223:** On June 11, 2013, staff approved an application for the auto renewal of SUP No. 1886 for the sale of alcoholic beverages in conjunction with a general merchandise store less than 3,500 square feet on property within Planned Development District No. 777 for NS(A) Neighborhood Service District uses with a D-1 liquor Control Overlay.

**Traffic:**

The Engineering Division of the Sustainable Development and Construction Department has reviewed the request and determined that it will not significantly impact the surrounding roadway system.

**Thoroughfares/Streets:**

| Thoroughfares/Street | Type | Existing ROW |
|---|---|---|
| S. Beltline Road | Principal Arterial | 80 ft. |
| Garden Grove Road | Residential Collector | 60 ft. |

**STAFF ANALYSIS:**

**Comprehensive Plan:**

The *forwardDallas! Comprehensive Plan* was adopted by the City Council in June 2006. The *forwardDallas! Comprehensive Plan* outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request. The Plan identifies the request site is within a Commercial Center or Corridor.

These areas primarily function as service and job destinations and are similar to Business Centers or Corridors, but are smaller and incorporate less density. These corridors, commonly at the intersection of major streets, are easily accessed via automobiles. Buckner Boulevard is an example of a Commercial Corridor. Buildings in these areas tend to be on separate parcels and stand one to five stories with offices, restaurants and a range of retail and commercial uses. In addition to jobs and services, Commercial Centers or Corridors also may include multifamily housing in low- to mid-rise apartment buildings or condominiums. Landscaping and urban design will enhance the visitor's experience and is used to separate sidewalks from major roads and define pedestrian routes in large parking lots. For large shopping centers, this may involve adding public plazas or other "town center" features. Public transit enhancements as well as quality access and visibility are important components of successful auto-oriented development.

The proposed CR Community Retail District is described as being for the development of community-serving retail, personal service, and office uses at a scale and intensity compatible with residential communities. This district ultimately supports the intended Building Block and is a less intensive industrial-type of zoning.

Finally, the proposed zoning request meets the following goals and objectives of the comprehensive plan:

**LAND USE**

GOAL 1.2 PROMOTE DESIRED DEVELOPMENT

Policy 1.2.1 Use Vision Building Blocks as a general guide for desired development patterns.

**ECONOMIC ELEMENT**

GOAL 2.1 PROMOTE BALANCED GROWTH

Planning for balanced growth in a dynamic economic environment calls for flexible zoning regulations to enable the City to respond to changing markets and to better facilitate development that aligns with economic priorities.

**West Kleberg Community Plan (2007):**

The West Kleberg Community Plan identified a vision statement: To reflect "Old Kleberg's" historical heritage, to promote a strong rural atmosphere, to allow for future growth with sensitivity to future amenities and infrastructure of a modern urban environment. Long-time residents seem to have mixed feelings about growth, noting on one side the negative impacts of crowds, noise, traffic, and pollution, while acknowledging the benefits of improved public services, better schools, and new neighborhood-serving retail and commercial business locating to the area.

The subject site is located within Sub-area 1, which is comprised of approximately 2,047 acres of which 46% was vacant or undeveloped, and 33% was comprised of Single Family (SF) uses at publication in 2007.

Commercial service and retail uses are dominant along Highway 175, with a concentration of these uses between Edd and Belt Line Roads. The West Kleberg community desires to encourage economic development along its main corridors, namely Highway 175 and Belt Line Road. A retail gap analysis completed with the plan identified that residents of this area were likely to spend in nearby Balch Springs or the city of Mesquite. Retail facilities are not sufficiently available. This analysis may not accurately reflect the preferences of households within the study area; however, it can serve as a source for future projections for these types of services needed within this sector of Dallas.

The Future Vision Map shows a 1000-foot buffer zone as idea for business development along the Highway 175-freeway corridor. Land assemblage may be required to develop in these areas to construct uses such a hospital, bank, mix use project and so on. Business nodes to possibly stimulate economic activity are earmarked at the intersections of Seagoville and Belt Line Roads, Highway 175 and Belt Line Road and Kleberg and Belt Line Road. The subject site is within that buffer zone. Furthermore, a Visioning Activity conducted at a community meeting identified the top 20 Community “Needs & Desires” as indicated on the following page.

The proposed development could satisfy a few of those desires, namely numbers 8, 16, 18, 19, and/or 20.

**TABLE 12: VISIONING ACTIVITY – COMMUNITY "NEEDS & DESIRES"**

| | |
|---|---|
| 1. Bank | 11. Ice Rink |
| 2. Big Box (Lowe's and Sam's) | 12. Mid-rise Mixed Use |
| 3. Bookstore | 13. Museum |
| 4. Central Market | 14. New Auto Dealership |
| 5. Cinema | 15. Office |
| 6. Doctor Offices | 16. Outlet and/or Mini-Malls |
| 7. Drug Store | 17. Research & Development Uses |
| 8. Gas Station | 18. Restaurants |
| 9. Hospital | 19. Small Shops |
| 10. Hotel/Conference Center | 20. Ice Cream Parlor (i.e., Braum's) |

The requested change in zoning and the SUP for the sale of alcohol support the following goals within the community plan:

Land Use & Zoning—Goal 1: Protect the rural character of the community by encouraging commercial development along the commercial corridors.

Economic Development—Goal 1: Economic development that encourages business retention and attracts new "neighborhood serving" business uses to the community.

**Surrounding Land Uses:**

| | Zoning | Land Use |
|---|---|---|
| **Site** | NS(A), D-1 Overlay | Undeveloped |
| **North** | R-10(A) | Undeveloped |
| **East/SE** | PD No. 777, SUP No. 1886, NS(A), D-1 Overlay | Retail Center, Personal Service Uses, Restaurants, and Undeveloped |
| **South** | CR w/ DR | Office and Carwash |
| **West/SW** | R-7.5(A) | Single family homes |

**Land Use Compatibility:**

The subject site is currently zoned an NS(A) Neighborhood Service District. The purpose of this district is to accommodate convenience retail shopping, services, and professional offices principally servicing and compatible in scale and intensity of use with adjacent residential uses. Limited institutional and community service, office, and

retail and personal services uses are allowed. The current request is to change the zoning to a CR Community Retail District to allow for general merchandise or food store use larger than the 3,500 square feet or less allowed in the NS(A) District.

Surrounding single family, residential developments to the northwest and southwest must be properly screened from the potential retail development. The Dallas Development Code provides greater consideration when residential adjacency exists. To develop the subject site, a ten foot landscape buffer would have to separate the uses. All off-street loading spaces must be screened from the residential development, as well as the public streets. The dumpster must also be screened. All screening is a minimum of six feet high and solid in nature. The SUP site plan provided identifies screening in compliance with the Dallas Development Code.

There are other retail uses across South Beltline Road and Garden Grove Drive. The overall development of this intersection as a business center or corridor is consistent with the area plan and comprehensive plan. The voluntary deed restrictions will provide for desired development while remaining sensitive to surrounding residential adjacency. The addition of new businesses along this corridor will further promote the long-term vision for land use and development within this area.

The proposed zoning district primarily allows an expanded list of Commercial and business service, Retail and personal service, and Wholesale, distribution, and storage uses.

The proposed development will enhance the area by providing sidewalks for connectivity to nearby neighborhoods. Additionally, the applicant has worked with staff to provide a 15' landscape buffer along the northeast of the property; an additional 5' from what code requires. The applicant has adjusted their building footprint to restrict traffic flow near residential adjacency. No access has been provided along those areas. The revised dumpster location will be accommodated in the furthest area from residences, while allowing for adequate maneuverability for collection trucks. This is subject to the revised plan pending submittal as of November 3rd.

The general provisions for a Specific Use Permit in Section 51A-4.219 of the Dallas Development Code specifically state: (1) The SUP provides a means for developing certain uses in a manner in which the specific use will be consistent with the character of the neighborhood; (2) Each SUP application must be evaluated as to its probable effect on the adjacent property and the community welfare and may be approved or denied as the findings indicate appropriate; (3) The city council shall not grant an SUP for a use except upon a finding that the use will: (A) complement or be compatible with the surrounding uses and community facilities; (B) contribute to, enhance, or promote the welfare of the area of request and adjacent properties; (C) not be detrimental to the public health, safety, or general welfare; and (D) conform in all other respects to all applicable zoning regulations and standards. The regulations in this chapter have been established in accordance with a comprehensive plan for the purpose of promoting the health, safety, morals, and general welfare of the city.

Although the SUP request is for alcohol sales, the store and fueling station will provide immediate access to items not found in immediate walking distance. The nearest general merchandise or food store is across Beltline Road. The heavily residential areas to the north and west do not have walkable access to stores. The public improvements of added sidewalks will help connect the residents to convenience items.

Staff supports this request for an initial short time period with the eligibility for automatic renewals. CPC recommended denial of the SUP. The applicant does not wish to move forward with the SUP request but as it was part of the original request, Council will need to act on both portions of the request.

## Development Standards:

| District | Setbacks | | Height | Lot Coverage | Special Standards | FAR | Stories | Primary Uses |
|---|---|---|---|---|---|---|---|---|
| | Front | Side/Rear | | | | | | |
| **Existing:** NS(A) | 15' | 0'<br>0' | 30' to 35' | 40% | RPS | 0.5 | 2 | Institutional, few Office, Recreation, and Retail and personal service uses. |
| **Proposed:** CR with Deed Restrictions | 15' | 0'<br>0' | 54' | 60% | RPS | 0.5 to 0.75 | 4 | Retail and personal service, Commercial and business service, Institutional, Lodging, Office, Recreation, and added Wholesale, distribution, and storage uses.<br>Proposed voluntary deed restrictions will restrict several uses. |

## Parking:

Parking will be provided according to the Dallas Development Code. The assumption of all uses requiring one space for every 200 square feet of retail floor area has been used, providing 108 parking spaces.

The SUP site area is 3,500 square feet or less. At the maximum of 3,500 square feet divided by the ratio of one space for every 200 square feet of floor area, 18 spaces are required for this use. Handicap parking must be provided as per Sec. 51A. 4.305.

## Landscaping and Screening:

Landscaping and screening will be provided per Article X, as amended. In addition, the developer has agreed to provide an extra five foot landscape buffer along the northeast residential adjacent line.

| **Land Use Comparison:** | **Proposed** | **Existing** |
|---|---|---|
| **Use** | **CR** | **NS(A)** |
| Building repair and maintenance shop. | **RAR** | |
| Catering Service. | **X** | |
| Custom business services. | **X** | |
| Electronics service center. | **X** | |
| Medical or scientific laboratory. | **X** | |
| Tool or equipment rental. | **X** | |
| ~~College, university, or seminary.~~ | **~~X~~** | **SUP** |
| ~~Hospital.~~ | **~~SUP~~** | |
| ~~Hotel and motel.~~ | **~~SUP~~** | |
| ~~Lodging or boarding house.~~ | **~~SUP~~** | |
| ~~Overnight general purpose shelter.~~ | **~~Check Use~~** | |
| Alternative financial establishment. | **SUP** | |
| Financial institution with drive-in window. | **DIR** | |
| Private recreation center, club, or area. | **X** | **SUP** |
| ~~College dormitory, fraternity, or sorority house.~~ | **~~X~~** | **~~SUP~~** |
| ~~Alcoholic beverage establishments.~~ | **~~Check Use~~** | |
| ~~Ambulance service.~~ | **~~RAR~~** | |
| ~~Animal shelter or clinic without outside runs.~~ | **~~RAR~~** | |
| ~~Auto service center.~~ | **~~RAR~~** | |
| Business school. | | |
| ~~Car wash.~~ | **~~DIR~~** | |
| ~~Commercial amusement (inside).~~ | **~~Check Use (SUP)~~** | |
| ~~Commercial amusement (outside).~~ | **~~SUP~~** | |
| ~~Commercial parking lot or garage.~~ | **~~RAR~~** | |
| Convenience store with drive-through. | **SUP** | |
| Furniture store. | **X** | |
| General merchandise or food store greater than 3,500 square feet. | **X** | |
| ~~General merchandise or food store 100,000 square feet or more.~~ | **~~SUP~~** | |

| | | |
|---|---|---|
| Home improvement center, lumber, brick or building materials sales yard. | **DIR** | |
| Household equipment and appliance repair. | **X** | |
| ~~Liquor store.~~ | **~~X~~** | |
| ~~Mortuary, funeral home, or commercial wedding chapel.~~ | **~~X~~** | |
| Motor vehicle fueling station. | **X** | **SUP** |
| Nursery, garden shop, or plant sales. | **X** | |
| ~~Pawn shop.~~ | **~~X~~** | |
| Restaurant with drive-in or drive-through service. | **DIR** | |
| ~~Swap or buy shop.~~ | **~~SUP~~** | |
| Temporary retail use. | **X** | |
| Theater. | **X** | |
| ~~Commercial radio and television transmitting station.~~ | **~~X~~** | |
| Electrical substation. | **X** | **SUP** |
| Police or fire station. | **X** | **SUP** |
| Post office. | **X** | **SUP** |
| Mini-warehouse. | **SUP** | |
| ~~Recycling buy-back center.~~ | **~~Check Use~~** | |
| ~~Recycling collection center.~~ | **~~Check Use~~** | |
| Accessory helistop. | **SUP** | |
| Accessory medical/infectious waste incinerator. | **Check Use** | |
| **X** *indicates permitted by right.*<br>***SUP*** *indicates permitted with a Specific Use Permit.*<br>***RAR*** *indicates permitted, but subject to Residential Adjacency Review.*<br>***DIR*** *indicates permitted, but subject to Development Impact Review.*<br>***Check Use*** *indicates permitted, but that the use must conform to specific regulations in different districts, as outlined in the Development Code.*<br>***By CBO Authorization*** *indicates that the use may be allowed with permission from the Chief Building Official.*<br>***~~Strikethrough text~~*** *indicates items which are being voluntary deed restricted. Those uses will not be allowed. Furthermore, they have proposed additional deed restrictions, but for uses which are typically allowed by right in the NS(A) District. Those are supplemental and can be seen in the full listed deed restrictions attached.* | | |
| ***Alternating color pattern indicates a new category of uses.*** | | |

**LIST OF OFFICERS**

## 1500 S. Beltline, LLC

Noorallah Jooma, Manager

Z156-289

**CPC Action**
**November 10, 2016:**

**Motion:** It was moved to recommend **approval** of a CR Community Retail District with deed restrictions volunteered by the applicant; and **denial** of a Specific Use Permit for the sale of alcoholic beverages in conjunction with a general merchandise store 3,500 square feet or less on property zoned an NS(A)-D-1 Neighborhood Service District with a D-1 Liquor Control Overlay, on the west corner of South Beltline Road and Garden Grove Drive.

Maker: Haney
Second: Ridley
Result: Carried: 14 to 0

For: 14 - Anglin, Rieves, Houston, Davis, Shidid, Anantasomboon, Haney, Jung, Housewright, Schultz, Peadon, Murphy, Ridley, Tarpley

Against: 0
Absent: 0
Vacancy: 1 - District 7

**Notices:** Area: 300 Mailed: 54
**Replies:** For: 0 Against: 9

**Speakers**: For: Michael Coker, 3111 Canton St., Dallas, TX, 75226
Against: None

**VOLUNTEERED DEED RESTRICTIONS**

The following uses are prohibited:

(1) Industrial uses.
-- Gas drilling and production.
-- Temporary concrete or asphalt batching plant.

(2) Institutional and community service uses.
-- Adult day care facility.
-- Cemetery or mausoleum.
-- College, university, or seminary.
-- Hospital.

(3) Lodging uses.
-- Hotel and motel.
-- Lodging or boarding house.
-- Overnight general purpose shelter.

(4) Miscellaneous uses.
-- Carnival or circus (temporary).

(5) Residential uses.
-- College dormitory, fraternity, or sorority house.

(6) Retail and personal service uses.
-- Alcoholic beverage establishments.
-- Ambulance service.
-- Animal shelter or clinic without outside runs.
-- Auto service center.
-- Car wash.
-- Commercial amusement (inside).
-- Commercial amusement (outside).
-- Commercial parking lot or garage.
-- General merchandise or food store 100,000 square feet or more.
-- Liquor store
-- Mortuary, funeral home, or commercial wedding chapel.
-- Pawn shop.
-- Swap or buy shop.

(7) Utility and public service uses.
-- Commercial radio and television transmitting station.
-- Tower/antenna for cellular communication.

(8) Wholesale, distribution, and storage uses.
-- Recycling buy-back center.
-- Recycling collection center.
-- Recycling drop-off container.
-- Recycling drop-off for special occasion collection.

Additional Conditions:

(1) No parking or vehicular traffic along the northeast of the property.

(2) No parking along the west of the property.

(3) An additional landscape buffer will be provided as follows:
a. 5' along the northeast
b. 3' along the west

**PROPOSED SUP CONDITIONS**

1. USE: The only use authorized by this specific use permit is the sale of alcoholic beverages in conjunction with a general merchandise or food store use 3,500 square feet or less.

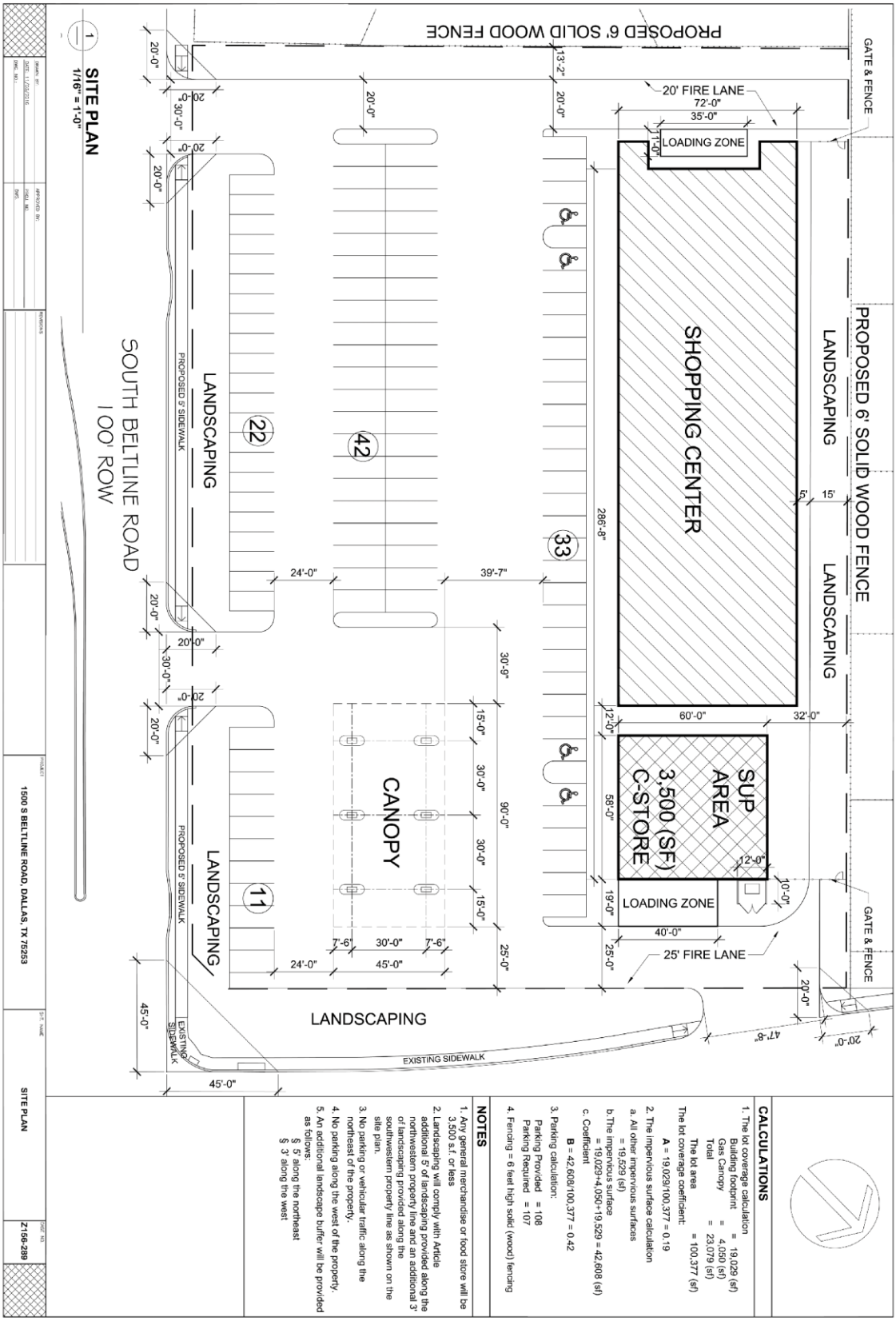
2. SITE PLAN: Use and development of the Property must comply with the attached site plan.

3. TIME LIMIT: This specific use permit expires on_____, (two-year period from the passage of this ordinance), but is eligible for automatic renewal for additional five-year periods pursuant to Section 51A-4.219 of Chapter 51A of the Dallas City Code, as amended. For automatic renewal to occur, the Property owner must file a complete application for automatic renewal with the director before the expiration of the current period. Failure to timely file a complete application will render this specific use permit ineligible for automatic renewal. (Note: The Code currently provides that applications for automatic renewal must be filed after the 180th but before the 120th day before the expiration of the current specific use permit period. The Property owner is responsible for checking the Code for possible revisions to this provision. The deadline for applications for automatic renewal is strictly enforced).

4. MAINTENANCE: The Property must be properly maintained in a state of good repair and neat appearance.

5. GENERAL REQUIREMENTS: Use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the City of Dallas.

# PROPOSED SITE PLAN



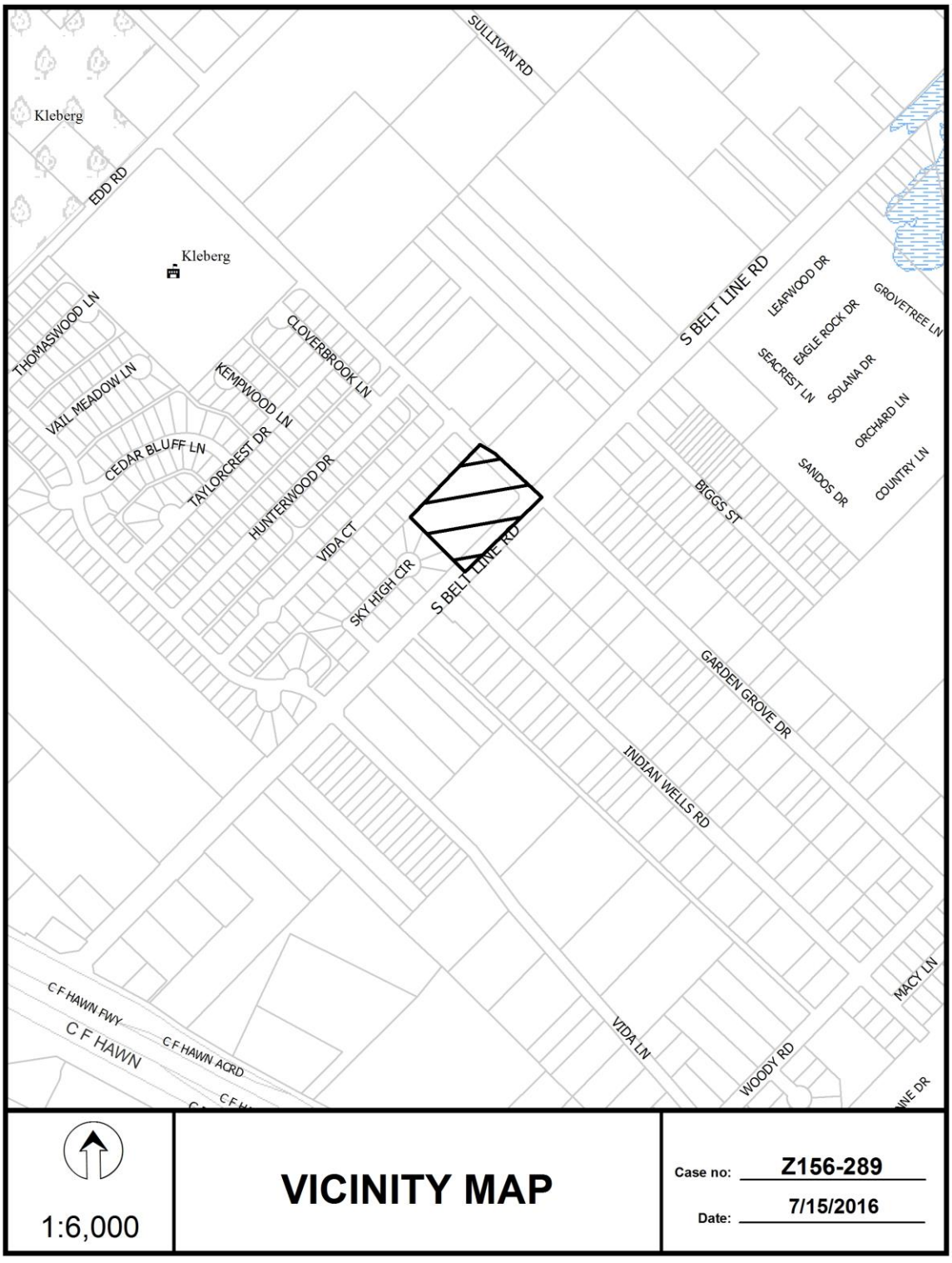

**CALCULATIONS**

1. The lot coverage calculation
   - Building footprint = 19,029 (sf)
   - Gas Canopy = 4,050 (sf)
   - Total = 23,079 (sf)
   - The lot area = 100,377 (sf)

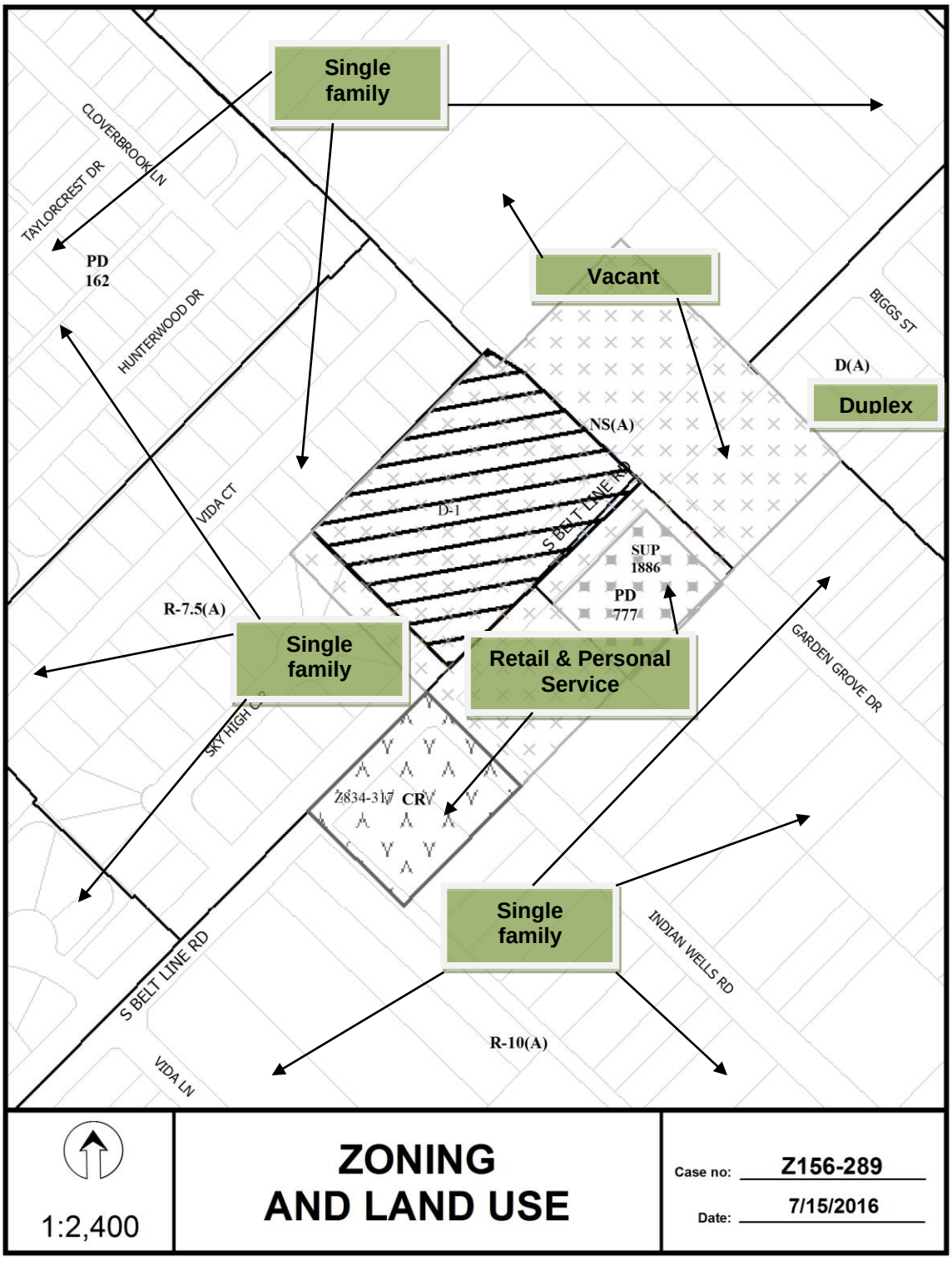
   The lot coverage coefficient:
   **A** = 19,029/100,377 = 0.19
2. The impervious surface calculation
   a. All other impervious surfaces = 19,529 (sf)
   b. The impervious surface = 19,029+4,050+19,529 = 42,608 (sf)
   c. Coefficient **B** = 42,608/100,377 = 0.42
3. Parking calculation:
   - Parking Provided = 108
   - Parking Required = 107
4. Fencing = 6 feet high solid (wood) fencing

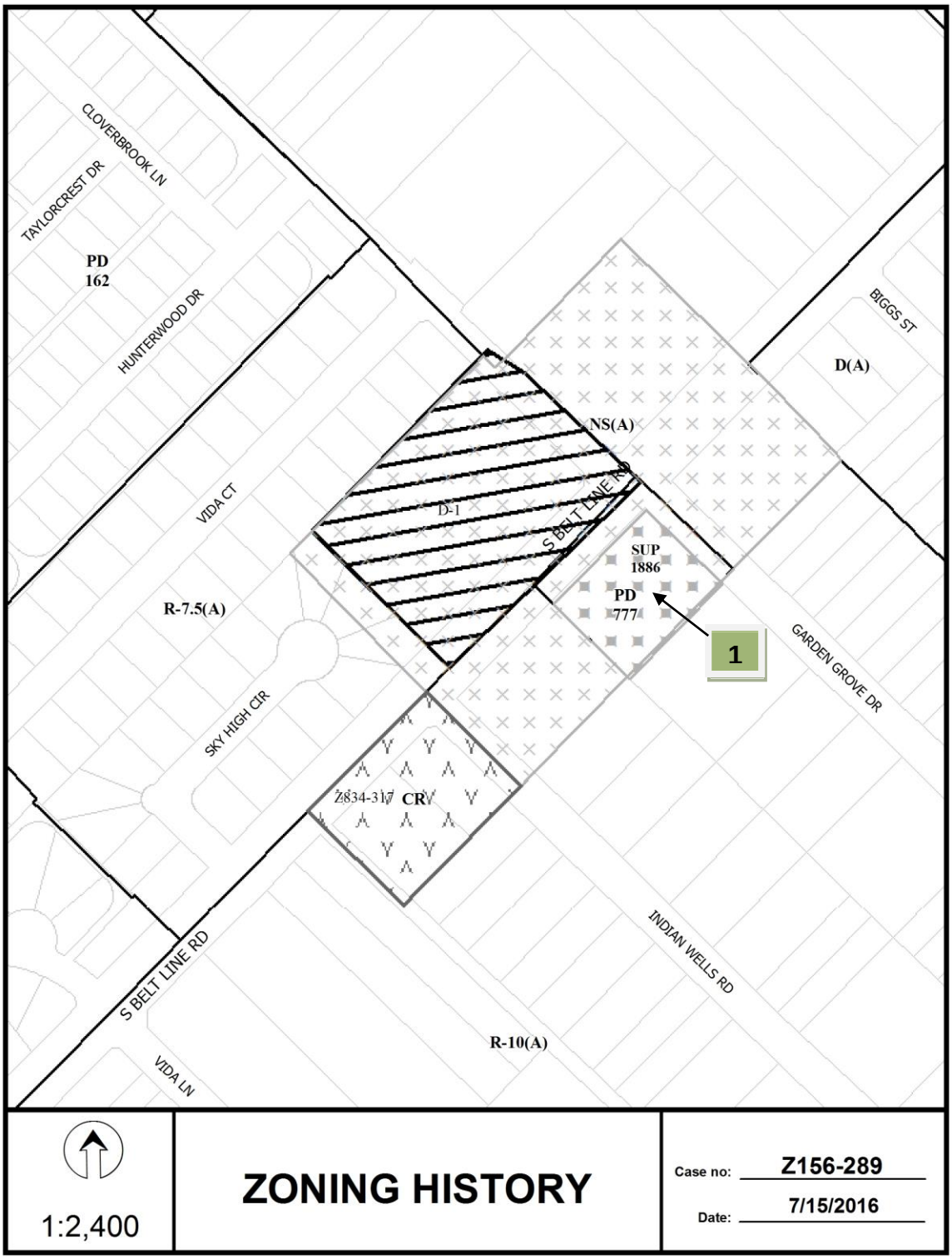
**NOTES**

1. Any general merchandise or food store will be 3,500 s.f. or less
2. Landscaping will comply with Article
   additional 5' of landscaping provided along the northwestern property line and an additional 3' of landscaping provided along the southwestern property line as shown on the site plan.
3. No parking or vehicular traffic along the northeast of the property.
4. No parking along the west of the property.
5. An additional landscape buffer will be provided as follows:
   - § 5' along the northeast
   - § 3' along the west

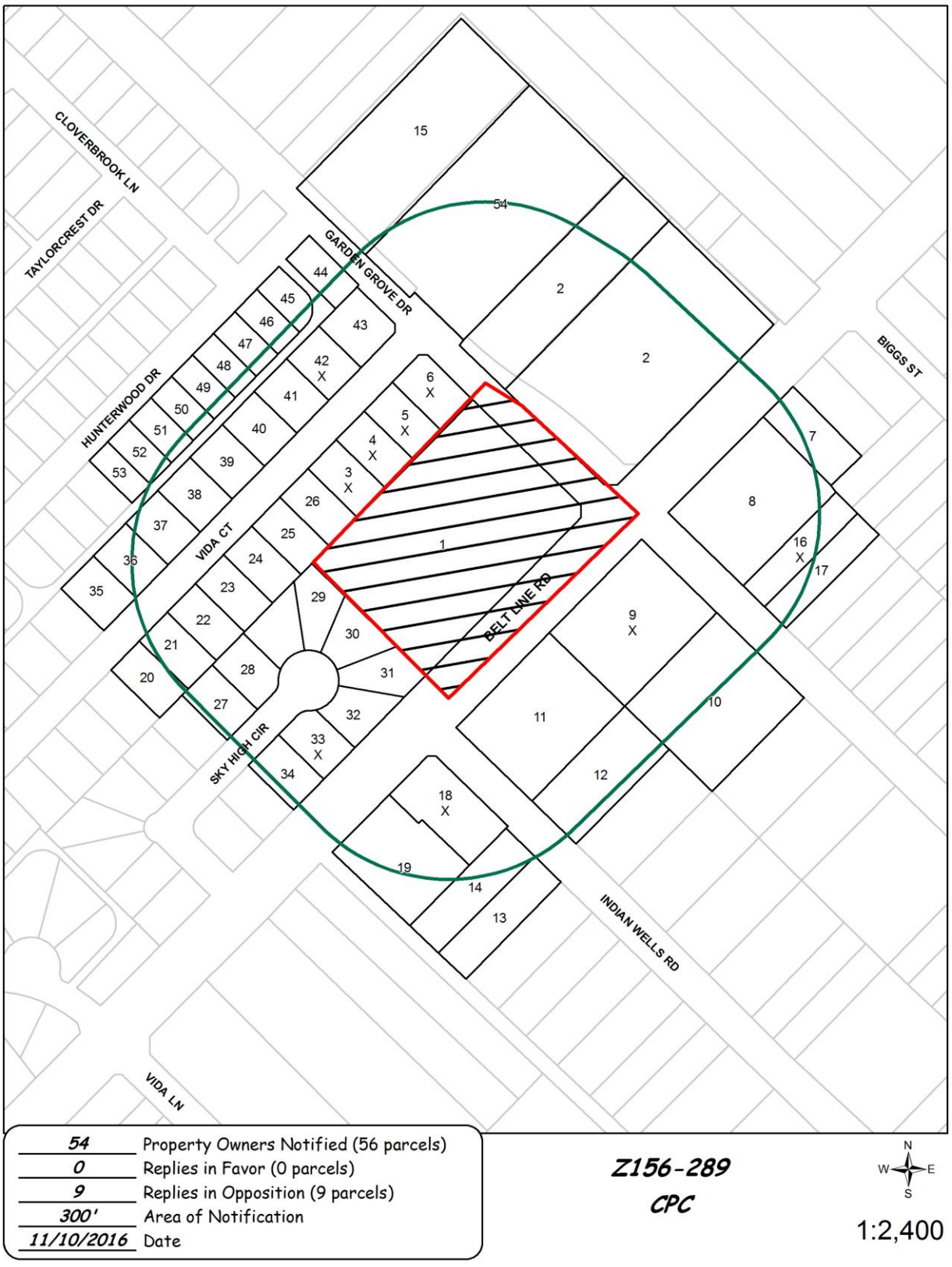

SULLIVAN RD
Kleberg
EDD RD
Kleberg
THOMASWOOD LN
VAIL MEADOW LN
CEDAR BLUFF LN
KEMPWOOD LN
CLOVERBROOK LN
TAYLORCREST DR
HUNTERWOOD DR
VIDA CT
SKY HIGH CIR
S BELT LINE RD
S BELT LINE RD
LEAFWOOD DR
EAGLE ROCK DR
GROVETREE LN
SEACREST LN
SOLANA DR
ORCHARD LN
SANDOS DR
COUNTRY LN
BIGGS ST
GARDEN GROVE DR
INDIAN WELLS RD
C F HAWN FWY
C F HAWN
C F HAWN ACRD
VIDA LN
WOODY RD
MACY LN
1:6,000
VICINITY MAP
Case no: Z156-289
Date: 7/15/2016


CLOVERBROOK LN
TAYLORCREST DR
HUNTERWOOD DR
VIDA CT
BIGGS ST
S BELT LINE RD
S BELT LINE RD
GARDEN GROVE DR
SKY HIGH CIR
INDIAN WELLS RD
VIDA LN
1:2,400
AERIAL MAP
Case no: Z156-289
Date: 7/15/2016


Single family
Vacant
Duplex
Single family
Retail & Personal Service
Single family
CLOVERBROOK LN
TAYLORCREST DR
PD 162
HUNTERWOOD DR
VIDA CT
BIGGS ST
D(A)
NS(A)
D-1
S BELT LINE RD
SUP 1886
PD 777
R-7.5(A)
SKY HIGH CT
Z834-317
CR
GARDEN GROVE DR
INDIAN WELLS RD
R-10(A)
VIDA LN
1:2,400
ZONING AND LAND USE
Case no: Z156-289
Date: 7/15/2016


CLOVERBROOK LN
TAYLORCREST DR
PD
162
HUNTERWOOD DR
VIDA CT
R-7.5(A)
SKY HIGH CIR
S BELT LINE RD
VIDA LN
D-1
NS(A)
SUP
1886
PD
777
1
BIGGS ST
D(A)
GARDEN GROVE DR
Z834-317
CR
INDIAN WELLS RD
R-10(A)
1:2,400
ZONING HISTORY
Case no: Z156-289
Date: 7/15/2016

# CPC RESPONSES




| | |
|---|---|
| 54 | Property Owners Notified (56 parcels) |
| 0 | Replies in Favor (0 parcels) |
| 9 | Replies in Opposition (9 parcels) |
| 300' | Area of Notification |
| 11/10/2016 | Date |

**Z156-289**
**CPC**

N
W E
S

1:2,400

# *11/09/2016*
# *Reply List of Property Owners*

## *Z156-289*

***54 Property Owners Notified*** ***0 Property Owners in Favor*** ***9 Property Owners Opposed***

| *Reply* | *Label #* | *Address* | | *Owner* |
|---|---|---|---|---|
| | 1 | 1500 | S BELTLINE RD | HALL PATRICIA |
| | 2 | 1429 | S BELTLINE RD | MCDANIEL JOE DOYLE |
| X | 3 | 1512 | VIDA CT | HUNTSBERRY JACQUELINE |
| X | 4 | 1508 | VIDA CT | DIAZ LUIS C & NANCY |
| X | 5 | 1504 | VIDA CT | GASPARMARTINEZ JHONATAN MISCHEL |
| X | 6 | 1500 | VIDA CT | GUILLEN ISAIAS |
| | 7 | 1442 | S BELTLINE RD | HUMPHRIES KENNETH |
| | 8 | 1448 | S BELTLINE RD | MORALES ELSA |
| X | 9 | 1512 | BELT LINE RD | WALNUT HILLTOP CORP |
| | 10 | 13624 | GARDEN GROVE DR | LUNA RUBEN |
| | 11 | 13601 | INDIAN WELLS RD | CHAVEZ RAQUEL & |
| | 12 | 13621 | INDIAN WELLS RD | BANDA MARIA ROSA BELTRAN |
| | 13 | 13624 | INDIAN WELLS RD | YAWS ALYENE |
| | 14 | 13620 | INDIAN WELLS RD | MUNIZ ALBERTO |
| | 15 | 13405 | GARDEN GROVE DR | AMADOR JOSE |
| X | 16 | 13621 | GARDEN GROVE DR | DELEON JOEL & |
| | 17 | 13625 | GARDEN GROVE DR | ROGERS KRYSTAL M & |
| X | 18 | 1602 | S BELTLINE RD | FRANKS J D |
| | 19 | 1610 | S BELTLINE RD | MUNCRIEF MATT |
| | 20 | 1540 | VIDA CT | LOPEZ JESUS & LAURA E MARTINEZ |
| | 21 | 1536 | VIDA CT | RODRIGUEZ JESSIE R |
| | 22 | 1532 | VIDA CT | KIRK CLINTON |
| | 23 | 1528 | VIDA CT | KIKS PPTY DEV LLC |
| | 24 | 1524 | VIDA CT | RICHARDSON VERNON |
| | 25 | 1520 | VIDA CT | ROBINSON NAOMI & KENNETH |
| | 26 | 1516 | VIDA CT | KULICK RONIT |

***11/09/2016***

| *Reply* | *Label #* | *Address* | | *Owner* |
|---|---|---|---|---|
| | 27 | 1615 | SKY HIGH CIR | AMERICAN RESIDENTIAL LEASING CO |
| | 28 | 1611 | SKY HIGH CIR | CENDEJAS VICENTE |
| | 29 | 1603 | SKY HIGH CIR | GASPAR MARTIN & SANDRA SALAZAR |
| | 30 | 1602 | SKY HIGH CIR | MACHADO ROSI |
| | 31 | 1606 | SKY HIGH CIR | NAVARRO GLENDA X |
| | 32 | 1610 | SKY HIGH CIR | SBY 2014 I BORROWER LLC |
| X | 33 | 1614 | SKY HIGH CIR | EQUITY TRUST CO |
| | 34 | 1618 | SKY HIGH CIR | KNOSP ROBERT R |
| | 35 | 1539 | VIDA CT | ROLLAND CLEOPHUS |
| | 36 | 1535 | VIDA CT | TRINIDAD RUBEN |
| | 37 | 1531 | VIDA CT | SHAW EDDIE |
| | 38 | 1527 | VIDA CT | RICHMOND KHIANTA |
| | 39 | 1523 | VIDA CT | HOWARD BELVA Z |
| | 40 | 1519 | VIDA CT | WAGGONER DON & ELVIA |
| | 41 | 1515 | VIDA CT | EUCEDA INVESTMENTS CORP |
| X | 42 | 1511 | VIDA CT | KENTVILLE LLC |
| | 43 | 1507 | VIDA CT | KIRKS PROPERTY DEVELOPMENT LLC |
| | 44 | 1504 | HUNTERWOOD DR | GM CAPITAL LLC |
| | 45 | 1508 | HUNTERWOOD DR | WARD OPELENE |
| | 46 | 1512 | HUNTERWOOD DR | CHILDS BRIAN |
| | 47 | 1516 | HUNTERWOOD DR | NASCIMENTO JOAQUIM CARLOS |
| | 48 | 1520 | HUNTERWOOD DR | COBBIN CURTIS L & |
| | 49 | 1524 | HUNTERWOOD DR | JACKSON YVONNE |
| | 50 | 1528 | HUNTERWOOD DR | BENNETT BONNIE K & |
| | 51 | 1532 | HUNTERWOOD DR | RODRIGUEZ OSCAR |
| | 52 | 1536 | HUNTERWOOD DR | MARTINEZ RICARDO Z & |
| | 53 | 1540 | HUNTERWOOD DR | BROOKS JERRY D |
| | 54 | 13435 | GARDEN GROVE DR | ORTIZ JOSE & BELEN |

**AGENDA ITEM # 85**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 8

**DEPARTMENT:** Sustainable Development and Construction

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 58 W

## SUBJECT

A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 2099 for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less on property zoned a CR-D-1 Community Retail District with a D-1 Liquor Control Overlay and deed restrictions on the southwest corner of Great Trinity Forest Way and North Jim Miller Road

Recommendation of Staff: Approval for a two-year period with eligibility for automatic renewals for additional five-year periods, subject to conditions

Recommendation of CPC: Approval for a three-year period, subject to conditions

Z156-310(OTH)

Note: This item was considered by the City Council at public hearings on January 11, 2017, and February 8, 2017, and was held under advisement until February 22, 2017, with the public hearing open

**HONORABLE MAYOR & CITY COUNCIL** **WEDNESDAY, FEBRUARY 22, 2017**
**ACM: Mark McDaniel**

**FILE NUMBER:** Z156-310(OTH) **DATE FILED:** July 20, 2016

**LOCATION:** Southwest corner of Great Trinity Forest Way and North Jim Miller Road.

**COUNCIL DISTRICT:** 8 **MAPSCO:** 58-W

**SIZE OF REQUEST:** ± 0.22 acre **CENSUS TRACT:** 116.01

**REPRESENTATIVE:** Parvez Malik, Business Zoom

**APPLICANT:** Mohammad Sidiqi

**OWNER:** Juneja Property Holdings, Inc.
Wazir Juneja, President/Secretary

**REQUEST:** An application to renew Specific Use Permit No. 2099 for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less on property zoned a CR-D-1 Community Retail District with a D-1 Liquor Control Overlay and deed restrictions.

**SUMMARY:** The applicant proposes to continue the sale of alcoholic beverages for off-premise consumption in conjunction with the existing convenience store [BZ Food Mart].

**CPC RECOMMENDATION:** **Approval** for a three-year period, subject to conditions.

**STAFF RECOMMENDATION:** **Approval** for a two-year period with eligibility for automatic renewals for additional five-year periods, subject to conditions.

**BACKGROUND INFORMATION:**

- The ±0.22-acre request site is developed with a ±2,167-square-foot general convenience store with fuel pumps. No new construction is proposed by this application.

- The general merchandise or food store (convenience store) is permitted by right, but the sale of alcoholic beverages for off-premise consumption in conjunction with the convenience store requires a Specific Use Permit due to the D-1 Liquor Control Overlay.

- Deed restrictions volunteered on July 16, 1986 limit the uses to those allowed in the Chapter 51 General Retail District and limit multifamily uses to no more than 26 units per acre.

- As depicted on the alcohol measurement survey submitted with the application, the request site complies with the 300 foot door-to-door distance requirement from the church to the south.

- SUP No. 2099 was originally approved on December 10, 2014 for a two-year period.

**Surrounding Zoning History:**

**1. Z134-166:** December 11, 2013, the City Council approved Specific Use Permit No. 2099 for the sale of alcoholic beverages in conjunction with a general merchandise or food store greater than 3,500 square feet on property zoned a CR-D-1 Community Retail District with a D-1 Liquor Control Overlay for a two-year period with eligibility for automatic renewal for additional five-year periods, subject to a site plan and conditions. Tentative CPC hearing is December 15, 2016.

**2. Z167-104:** An application for a Specific Use Permit for the sale of alcoholic beverages in conjunction with a general merchandise or food store greater than 3,500 square feet on property zoned a CR-D-1 Community Retail District with a D-1 Liquor Control Overlay.

**3. Z123-337:** On December 11, 2013, the City Council approved a Specific Use Permit for the sale of alcoholic beverages in conjunction with a general merchandise or food store greater than 3,500 square feet on property zoned a CR-D-1 Community Retail District with a D-1 Liquor Control Overlay.

**Thoroughfares/Streets:**

| Thoroughfare/Street | Type | Existing ROW |
|---|---|---|
| Great Trinity Forest Way | Principal Arterial | 160 feet |
| North Jim Miller Road | Principal Arterial | 100 feet |

**Traffic:**

The Engineering Division of the Sustainable Development and Construction Department has reviewed the requested amendment and determined that it will not significantly impact the surrounding roadway system.

**Surrounding Land Uses:**

| | Zoning | Land Use |
|---|---|---|
| **Site** | CR with SUP No. 2099 | General merchandise or food store with sale of alcohol and motor vehicle fueling stations |
| **North** | CR-D-1, deed restrictions | Auto service center, church, restaurant |
| **East** | CR-D-1, deed restrictions | Undeveloped |
| **South** | R-7.5(A), MF-1(A) | Church, undeveloped, single family, multifamily |
| **West** | CR-D-1, deed restrictions | Carwash, hotel, undeveloped |

**STAFF ANALYSIS:**

**Comprehensive Plan:**

The *forwardDallas! Comprehensive Plan* was adopted by the City Council in June 2006. The *forwardDallas! Comprehensive Plan* outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request.

**Goal 1.1** Align land use strategies with economic development priorities.

**Policy 1.1.15** Strengthen existing neighborhoods and promote neighborhoods' unique characteristics. Acknowledge the importance of neighborhoods to the city's long-term health and vitality.

**Implementation measure 1.1.5.3** Encourage neighborhood-serving office, retail, or other non-residential uses to be located in residential community areas, primarily on significant roadways or at key intersections.

**Land Use Compatibility:**

The proposed site is developed with a general merchandise or food store 3,500 square feet or less and a motor vehicle fueling station. The applicant is requesting that the existing SUP be renewed to continue the sale of alcoholic beverages for off-premise consumption.

The property is adjacent to a car wash to the west. The surrounding uses are auto service center, restaurant, church, undeveloped, and restaurant under construction; to the east undeveloped; to the south undeveloped, single family, church and multifamily; to the west hotel and undeveloped.

An existing church is behind the proposed site. The site meets the minimum required distance to be able to sell alcoholic beverages. The church measurements are from door-to-door and staff estimates that there is a distance of over 450 feet.

The general provisions for a Specific Use Permit in Section 51A-4.219 of the Dallas Development Code specifically state: (1) The SUP provides a means for developing certain uses in a manner in which the specific use will be consistent with the character of the neighborhood; (2) Each SUP application must be evaluated as to its probable effect on the adjacent property and the community welfare and may be approved or denied as the findings indicate appropriate; (3) The city council shall not grant an SUP for a use except upon a finding that the use will: (A) complement or be compatible with the surrounding uses and community facilities; (B) contribute to, enhance, or promote the welfare of the area of request and adjacent properties; (C) not be detrimental to the public health, safety, or general welfare; and (D) conform in all other respects to all applicable zoning regulations and standards. The regulations in this chapter have been established in accordance with a comprehensive plan for the purpose of promoting the health, safety, morals, and general welfare of the city.

The general merchandise use is also regulated by Chapter 12B of the Dallas City Code, Convenience Stores. This chapter applies to all convenience stores, which is defined as any business that is primarily engaged in the retail sale of convenience goods, or both convenience goods and gasoline, and has less than 10,000 square feet of retail floor space; the term does not include any business that has no retail floor space accessible to the public. The purpose of Chapter 12B is to protect the health, safety, and welfare of the citizens of the city of Dallas by reducing the occurrence of crime, preventing the

escalation of crime, and increasing the successful prosecution of crime that occurs in convenience stores in the city. This chapter establishes a registration program for convenience stores and provides requirements relating to:

- surveillance camera systems,
- video recording and storage systems,
- alarm systems,
- drop safes,
- security signs,
- height markers,

The applicant's request conforms to the zoning regulations and standards of the Dallas Development Code. The applicant is in compliance with the convenience store regulations. The proposed sale of alcoholic beverages in conjunction with the existing convenience store does not seem to negatively impact the adjacent properties as shown in the police calls for the past four years. The use is compatible with the surrounding non-residential uses and provides an alternative shopping venue for the neighborhood. The short initial time period will allow re-evaluation of the request to ensure ongoing compliance with the conditions and other City regulations.

**Development Standards:**

| District | Setbacks | | Density/ FAR | Height | Lot Coverage | Special Standards | Primary Uses |
|---|---|---|---|---|---|---|---|
| | Front | Side/Rear | | | | | |
| CR-D-1 Community retail | 15' | 20' adjacent to residential Other: No min. | 0.75 FAR overall 0.5 office | 54' 4 stories | 60% | RPS Visual Intrusion | Retail and personal service, office |

**Parking:**

Pursuant to the Dallas Development Code, the off-street parking requirement for a general merchandise or food store use is one space per 200 square feet of floor area; the off-street parking requirement for a motor vehicle fueling station is two spaces. Therefore, the ±2,167-square-foot convenience store with fuel pumps requires 13 parking spaces. The applicant is providing 16 spaces as shown on the existing site plan.

**Landscaping:**

No new development is proposed. Therefore, no additional landscaping is required. Any new development on the property will require landscaping per Article X of the Dallas Development Code.

**Police Report:**

The Dallas Police Department's provided an incident report for the period from July 1, 2011 to August, 2015 revealed the following results:

| **Offenses** | **2011** | **2012** | **2013** | **2014** | **2015** | **2016** |
|---|---|---|---|---|---|---|
| Forge & Counterfeit | 2 | 0 | 4 | 2 | 0 | 0 |
| Assault | 1 | 0 | 0 | 0 | 0 | 1 |
| Robbery individual | 0 | 2 | 0 | 4 | 2 | 2 |
| Other thefts | 0 | 1 | 0 | 1 | 0 | 0 |
| Vandalism & Criminal Mischief | 1 | 0 | 0 | 0 | 2 | 0 |
| Criminal trespass | 0 | 0 | 0 | 1 | 1 | 6 |
| UUMV | 0 | 0 | 2 | 0 | 2 | 0 |
| **Total 37** | 4 | 3 | 6 | 8 | 7 | 9 |

**CPC ACTION:**
**November 17, 2016**

**Motion:** It was moved to recommend **approval** of the renewal of Specific Use Permit No. 2099 for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less for a three-year period, subject to conditions on property zoned a CR-D-1 Community Retail District with a D-1 Liquor Control Overlay on the southwest corner of Great Trinity Forest Way and North Jim Miller Road.

Maker: Houston
Second: Jung
Result: Carried: 13 to 0

For: 13 - Anglin, Rieves, Houston, Davis, Shidid, Anantasomboon, Haney, Jung, Schultz, Peadon, Murphy, Ridley, Tarpley

Against: 0
Absent: 1 - Housewright
Vacancy: 1 - District 7

**Notices:** Area: 200 Mailed: 13
**Replies:** For: 0 Against: 0

**Speakers**: For: Parvez Malik, P.O. Box 54803, Hurst, TX, 76054
Against: None

**Proposed SUP Conditions**
**Z134-166(OTH)**

1. USE: The only use authorized by this specific use permit is the sale of alcoholic beverages in conjunction with a general merchandise or food store use 3,500 square feet or less.

2. SITE PLAN: Use and development of the Property must comply with the attached site plan.

CPC recommendation:

3. TIME LIMIT: This specific use permit expires on (three years) ~~December 10~~, 2016.

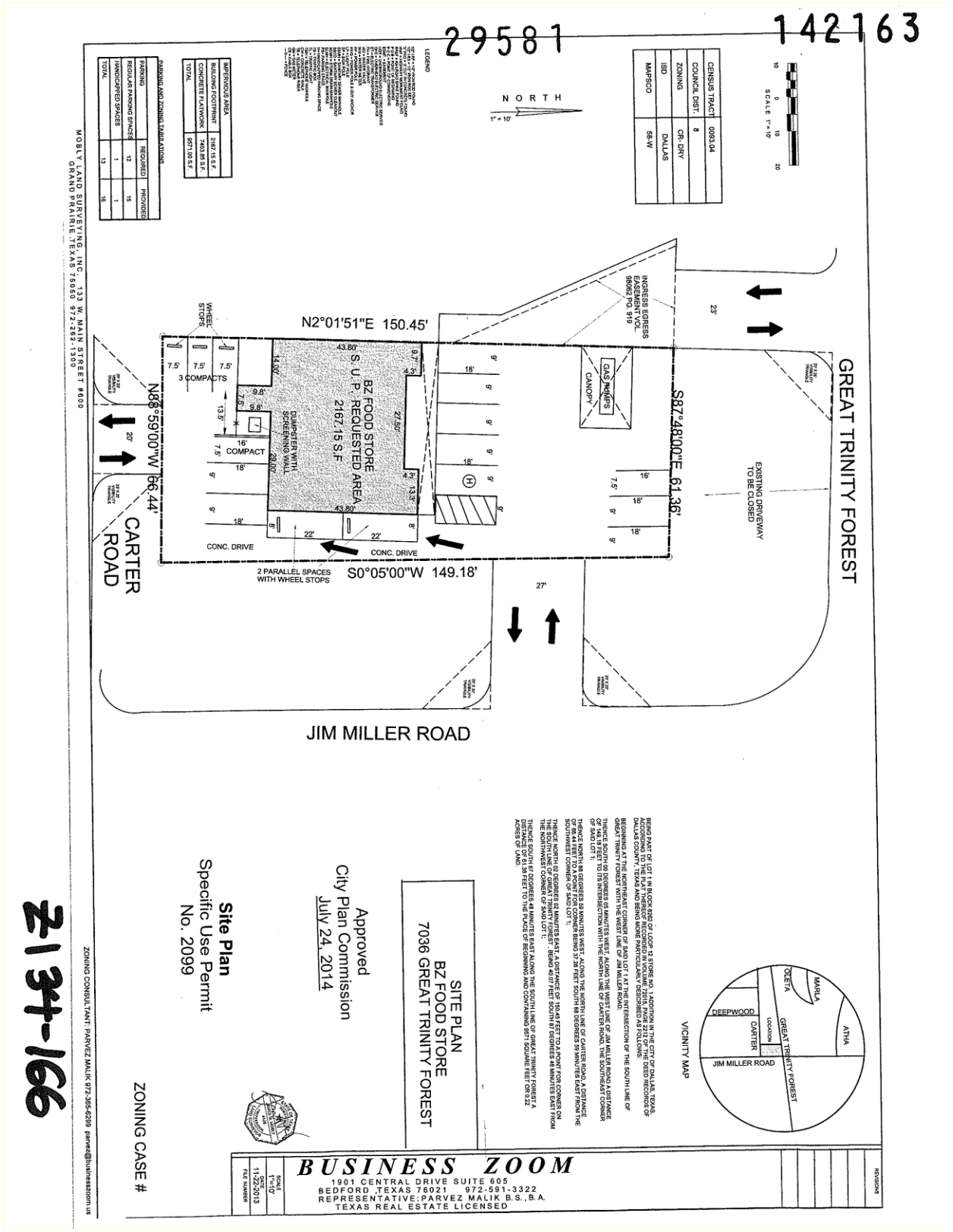
Staff recommendation:

4. TIME LIMIT: This specific use permit expires on (two years) ~~December 10~~, 2016, but is eligible for automatic renewal for additional five-year periods, pursuant to Section 51A-4.219 of Chapter 51A of the Dallas City Code, as amended. For automatic renewal to occur, the Property owner must file a complete application for automatic renewal with the director before the expiration of the current period. Failure to timely file a complete application will render this specific use permit ineligible for automatic renewal. (Note: The Code currently provides that applications for automatic renewal must be filed after the 180th but before the 120th day before the expiration of the current specific use permit period. The Property owner is responsible for checking the Code for possible revisions to this provision. The deadline for applications for automatic renewal is strictly enforced.)

5. MAINTENANCE: The Property must be properly maintained in a state of good repair and neat appearance.

6. GENERAL REQUIREMENTS: Use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the City of Dallas.

## EXISTING PLAN



Existing deed restrictions

THENCE 01 degrees, 05 minutes, 08 seconds, East, with said North Jim Miller Road a distance of 245.89 feet to an Iron Rod for corner;

THENCE North 89 degrees, 24 minutes, 20 seconds, West, a distance of 20.0 feet to a point for corner;

THENCE North 01 degree, 12 minutes, 00 seconds, East, a distance of 105.00 feet to the PLACE OF BEGINNING and containing 187,146.301 square feet or 4.296 acres of land.

That the undersigned, Paul L. Adams and Jack Kellam, do hereby impress all of the following described property with the following deed restrictions, to-wit:

(1) The only permitted uses on the property are those uses allowed in a General Retail District as defined in the Dallas Development Code, as amended (the "Code").

(2) Multiple-family uses are limited to no more than 26 units per acre in density, as defined in the Code.

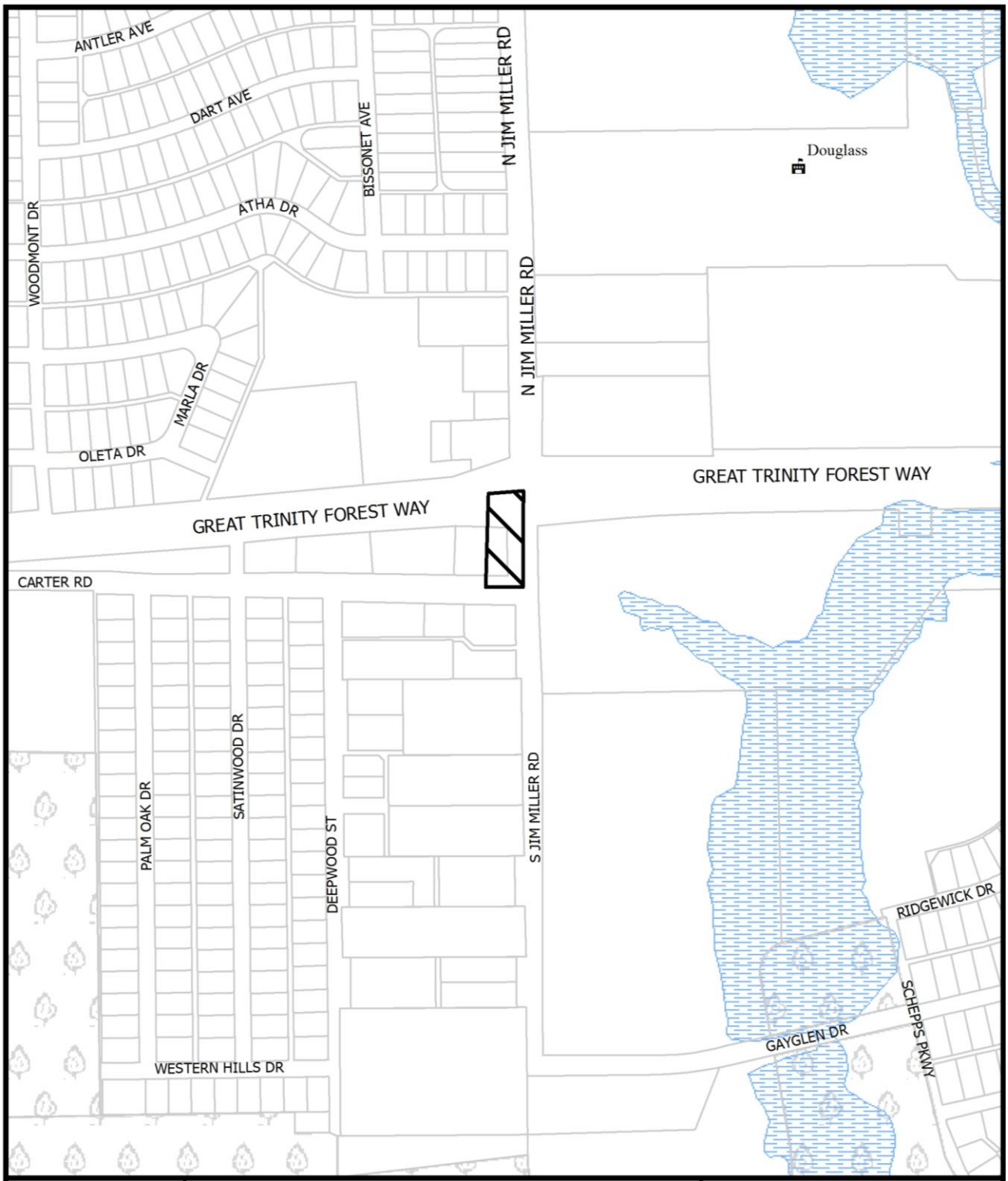
These restrictions shall continue in full force and effect for a period of twenty-five (25) years from the date of execution, and shall automatically be extended for additional period of ten (10) years unless terminated in the manner specified herein.

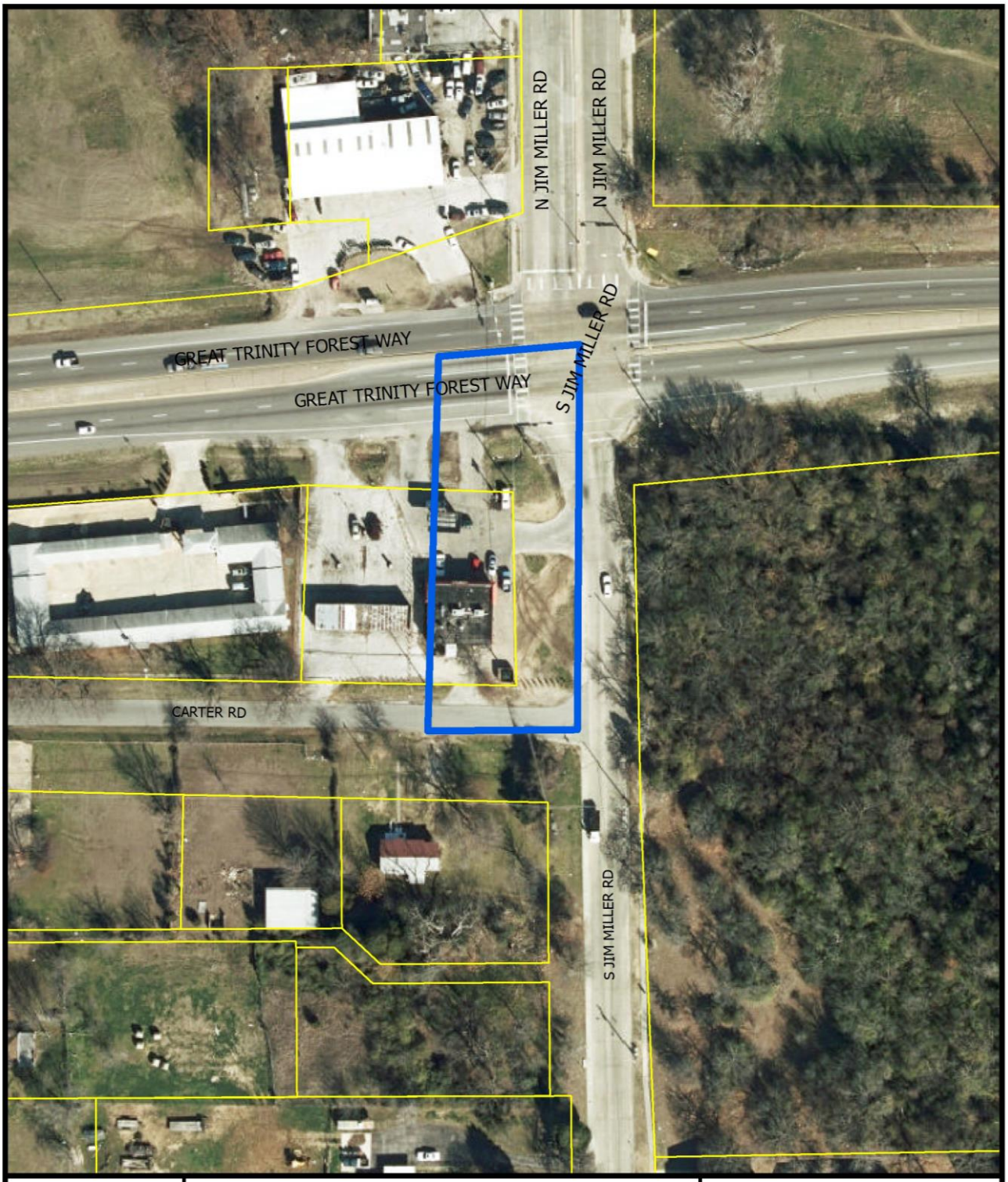
These restrictions shall not be altered, amended or terminated without a public hearing before the City Plan Commission and the City Council of the City of Dallas. Notice of such public hearings shall be given as would be required by law for a zoning change on the property described herein.

The restrictions contained herein are not in any manner intended to restrict the right of the City Council of the City of Dallas to exercise its legislative duties and powers insofar as zoning of the property is concerned.

These restrictions inure to the benefit of the City of Dallas, and the undersigned owner hereof does grant to the City of Dallas the right to

86140 2745


ANTLER AVE
DART AVE
BISSONET AVE
N JIM MILLER RD
Douglass
ATHA DR
WOODMONT DR
MARLA DR
OLETA DR
N JIM MILLER RD
GREAT TRINITY FOREST WAY
GREAT TRINITY FOREST WAY
CARTER RD
PALM OAK DR
SATINWOOD DR
DEEPWOOD ST
S JIM MILLER RD
RIDGEWICK DR
SCHEPPS PKWY
GAYGLEN DR
WESTERN HILLS DR
1:4,800
VICINITY MAP
Case no: Z156-310
Date: 11/1/2016

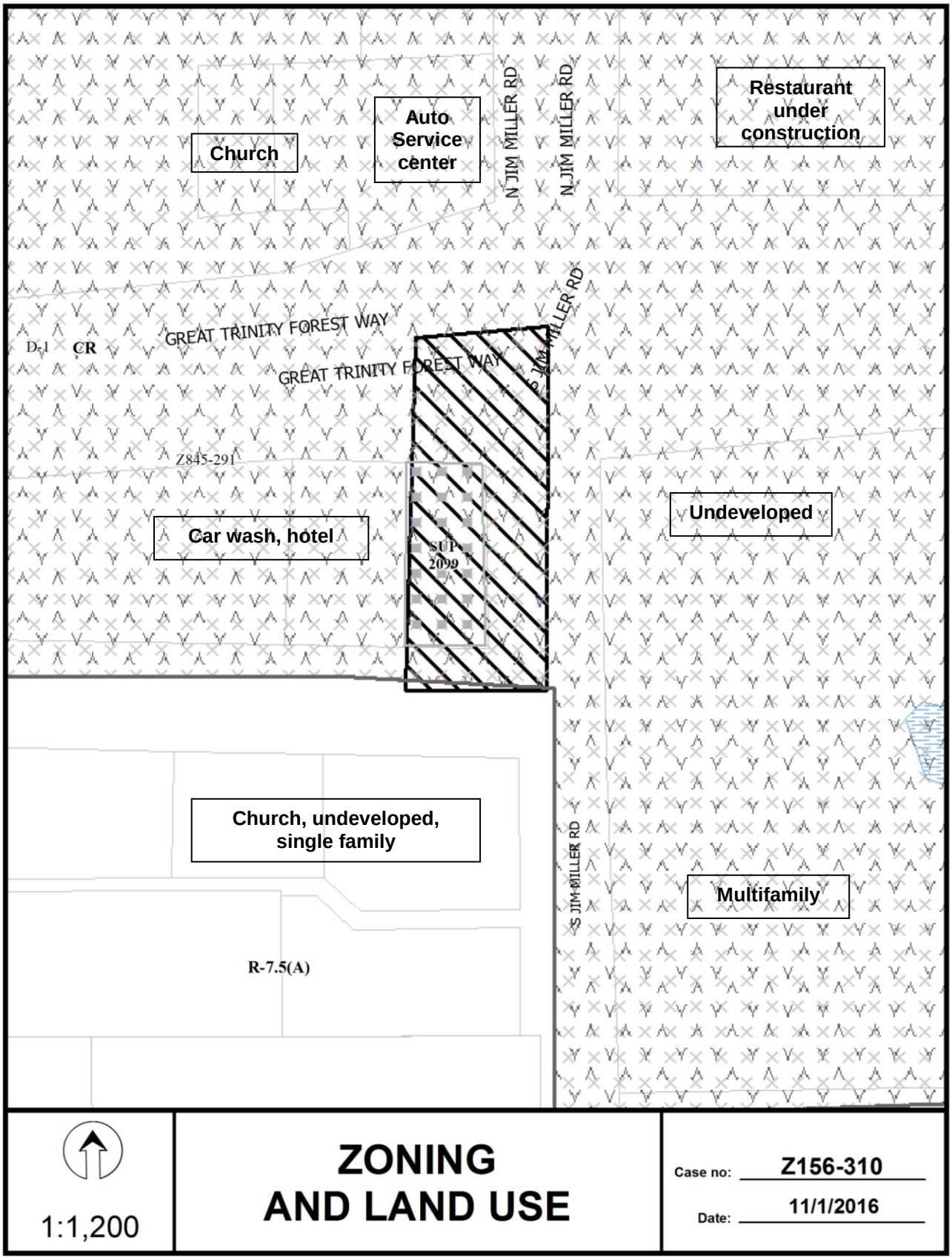


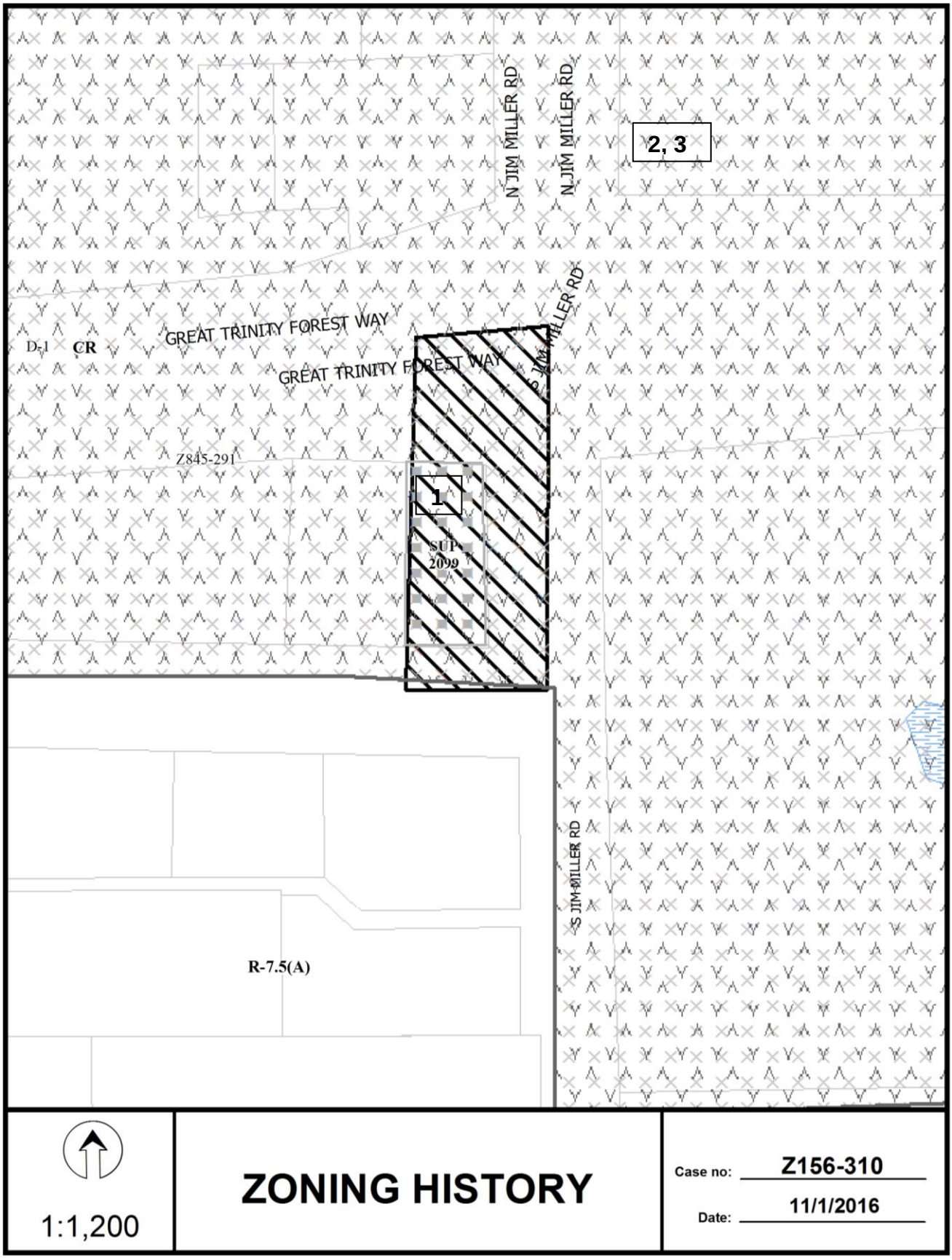

1:1,200

# AERIAL MAP

Case no: Z156-310

Date: 11/1/2016


Church
Auto Service center
N JIM MILLER RD
N JIM MILLER RD
Restaurant under construction
GREAT TRINITY FOREST WAY
GREAT TRINITY FOREST WAY
JIM MILLER RD
D-1 CR
Z845-291
Car wash, hotel
SUP 2099
Undeveloped
Church, undeveloped, single family
R-7.5(A)
S JIM MILLER RD
Multifamily
1:1,200
ZONING AND LAND USE
Case no: Z156-310
Date: 11/1/2016


N JIM MILLER RD
N JIM MILLER RD
2, 3
GREAT TRINITY FOREST WAY
GREAT TRINITY FOREST WAY
N JIM MILLER RD
D-1
CR
Z845-291
1
SUP
2099
R-7.5(A)
S JIM MILLER RD
1:1,200
ZONING HISTORY
Case no: Z156-310
Date: 11/1/2016

## CPC RESPONSES



***11/16/2016***

# *Reply List of Property Owners*

## *Z156-310*

***13 Property Owners Notified*** ***0 Property Owners in Favor*** ***0 Property Owners Opposed***

| *Reply* | *Label #* | *Address* | | *Owner* |
|---|---|---|---|---|
| | 1 | 7036 | GREAT TRINITY FOREST WAY | JUNEJA PROPERTY HOLDINGS |
| | 2 | 7028 | GREAT TRINITY FOREST WAY | PHILLIPS LEO & |
| | 3 | 6901 | GREAT TRINITY FOREST WAY | CATHEDRAL OF FAITH |
| | 4 | 7015 | GREAT TRINITY FOREST WAY | CATHEDRAL OF FAITH |
| | 5 | 120 | DEEPWOOD ST | COX ERMA |
| | 6 | 137 | S JIM MILLER RD | MENDOZA JUAN |
| | 7 | 7100 | GREAT TRINITY FOREST WAY | VSB INVESTMENTS LLC |
| | 8 | 116 | N JIM MILLER RD | SANABEL INVESTMENT LP |
| | 9 | 7020 | GREAT TRINITY FOREST WAY | JUNEJA HOSPITALITY HOLDINGS |
| | 10 | 7071 | GREAT TRINITY FOREST WAY | ALEJANDRE ARCANGEL |
| | 11 | 7004 | CARTER RD | LOVE OF GOD CHURCH |
| | 12 | 7026 | CARTER RD | GIBSON KENNETH E |
| | 13 | 7040 | CARTER RD | HOUSE OF PRAYER |

**AGENDA ITEM # 86**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 1

**DEPARTMENT:** Sustainable Development and Construction

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 54 C; G; H

## SUBJECT

A public hearing to receive comments regarding an application for and an ordinance granting a new subdistrict within Planned Development District No. 830 and the removal of a D Liquor Control Overlay on a portion on property zoned Subdistrict 3 within Planned Development District No. 830 in an area generally bounded by West 10th Street, both sides of North Bishop Avenue, both sides of Melba Street and both sides of North Madison Avenue

Recommendation of Staff: Approval, subject to staff's recommended conditions; and denial of the removal of the D Liquor Control Overlay

Recommendation of CPC: Approval, subject to conditions; and approval of the removal of the D Liquor Control Overlay

Z156-250(WE)

**HONORABLE MAYOR & CITY COUNCIL WEDNESDAY, FEBRUARY 22, 2017**
**ACM: Mark McDaniel**

**FILE NUMBER:** Z156-250(WE) **DATE FILED:** April 15, 2016

**LOCATION:** Generally bounded by West 10th Street, both sides of North Bishop Avenue, both sides of Melba Street and both sides of North Madison Avenue

**COUNCIL DISTRICT:** 1 **MAPSCO:** 54C, 54G, 54H

**SIZE OF REQUEST:** Approx. 11.112 acres **CENSUS TRACT:** 47.00

---

**APPLICANT / OWNER:** Bishop Arts Village, LLC

**REPRESENTATIVE:** Robert Baldwin, Baldwin and Associates

**REQUEST:** An application for a new subdistrict within Planned Development District No. 830 and the removal of a D Liquor Control Overlay on a portion on property zoned Subdistrict 3 within Planned Development District No. 830.

**SUMMARY:** The purpose of this request is to create a new Subdistrict in order to redevelop the site with multifamily uses, retail and office uses and lodging uses.

**CPC RECOMMENDATION:** **Approval**, subject to conditions; and **approval** of the removal of the D Liquor Control Overlay.

**STAFF RECOMMENDATION:** **Approval**, subject to staff's recommended conditions; and **denial** of the removal of the D Liquor Control Overlay.

**DESIGNATED ZONING CASE**

**BACKGROUND INFORMATION:**

- On August 11, 2010, the City Council approved Planned Development District No. 830. The Planned Development District was divided into eight Subdistricts. With the creation of the new Subdistrict, PDD No. 830 will have nine Subdistricts.

- The request site is currently located within Subdistrict 3, the East Garden District. The applicants request is to create a new Subdistrict to allow for a mix of uses consisting of retail, restaurant, hotel, office, event/chapel and multifamily uses.

- The applicant has filed an application with the City of Dallas Real Estate Division for the abandonment of a portion of West 9th Street between North Madison Avenue and North Bishop Avenue. A City Council hearing date has not been scheduled in considering the applicant's request for the abandonment of a portion of 9th Street.

- The site is surrounded by primarily residential uses. However, there are some properties adjacent to the site that are developed with medical uses, library, retail and personal service and office uses.

**Zoning History:** There have been two zoning cases in the area over the past five years.

1. Z101-349 On August 22, 2012, the City Council approved new subdistrict within Subdistrict 3 (Garden District) of Planned Development District No. 830, the Davis Street Special Purpose District on the South side of West 10th Street between North Madison Avenue and North Bishop Avenue.

2. Z123-104 On January 23, 2013, the City Council approved the renewal of SUP No. 1789 for a medical clinic limited to a dental office on the North Line of Jefferson Boulevard, West of Madison Avenue

**Thoroughfares/Streets:**

| Thoroughfare/Street | Type | Existing ROW | Proposed ROW |
|---|---|---|---|
| West 10th Street | Local | 60 ft. | 60 ft. |
| North Bishop Avenue | Collector | 60 ft. | 60 ft. |
| Melba Street | Local | 60 ft. | 60 ft. |
| North Madison Avenue | Local | 60 ft. | 60 ft. |

**Traffic:** The Engineering Division of the Sustainable Development and Construction Department has reviewed the request and determined that it will not have a detrimental impact on the surrounding street system.

**COMPREHENSIVE PLAN:** The *fowardDallas! Comprehensive Plan* was adopted by the City Council in June 2006. The *fowardDallas! Comprehensive Plan* outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request. The request site is located within an Urban Neighborhood Building Block.

The proposed mixed use development may enhance the neighborhood character and identity with the variety of uses that are being proposed within the new Subdistrict. The proposed development is located within the Bishop Art District and preserving the overall character, scale is vital to the community. The applicant is planning to create an open space area to allow the pedestrians to enjoy the ambience and walkability of the various venues that are being proposed within the development.

**LAND USE ELEMENT:**

**GOAL 1.1** Align Land Use Strategies with Economic Development Priorities

**Policy 1.1.5** Strengthen existing neighborhoods and promote neighborhoods' unique characteristics. Acknowledge the importance of neighborhoods to the city's long-term health and vitality.

**GOAL 1.2** Promote desired development.

**Policy 1.2.1** Use Vision Building Blocks as a general guide for desired development patterns

**ECONOMIC DEVELOPMENT ELEMENT:**

**GOAL 2.5** Foster a City of Great Neighborhoods

**Policy 2.5.1** Promote strong and distinctive neighborhoods to enhance Dallas' quality of life.

**URBAN DESIGN ELEMENT:**

**GOAL 5.1** Promote a Sense of Place, Safety and Walkability

**Policy 5.1.1** Promote pedestrian-friendly streetscapes.

**GOAL 5.2** Strengthen Community and Neighborhood Identity

**Policy 5.2.1** Maintain neighborhood scale and character

**STAFF ANALYSIS:**

**Land Use:**

| | Zoning | Land Use |
|---|---|---|
| **Site** | Subdistrict 3, PDD No. 830 | Undeveloped, Medical building, Multifamily |
| **North** | PDD No. 830, CD No. 7 | Single Family, Retail |
| **South** | Subdistrict 3A, PDD No. 830 | Library |
| **East** | Subdistrict 3, PDD No. 830 | Undeveloped, Single Family, Office, Medical office |
| **West** | Subdistrict 3, PDD No. 830, SUP No. 814 | Undeveloped, Single Family, Day care facility |

**Land Use Compatibility:** The 11.112 acre site is mostly razed with the exception of a vacant medical building and a 42-unit apartment unit complex. The land uses surrounding the site is predominately single family, with several properties being developed with medical uses, office uses and a library. A portion of the site is contiguous to Conservation District No. 7, which is developed with a mix of retail and personal service uses.

The applicant's request to create a new Subdistrict within Planned Development District No. 830, will allow for the construction of a mixed use development. A majority of the development standards and regulations within Subdistrict 3 will not change, but due to certain restrictions within the PDD limiting certain type of developments, a new Subdistrict was requested. As a side note, a development plan is not a requirement for submission in this PDD District. Below are the specific changes the applicant is requesting to the proposed PDD to allow for the development.

- Allow massage establishment as an accessory use for the hotel, a salon, or spa;
- General retail or food store allowed up to 15,000 square feet instead of 5,000 square feet for the market building;
- The new subdistrict will be considered as one building site for off-street parking;
- Allow for a public plaza or outdoor seating area to count as part of a building façade for the build-to requirements for the front yard regulations. This will allow for outdoor dining areas to be near the street and the plazas will be an extension

of the pedestrian facilities. These breaks in the build-to requirement will provide for additional open space and promote a vibrate environment;

- Allow for alternative parking surfaces;

- Live-work units will only require residential parking be provided if the floor area exceeds 600 square feet;

- Residential adjacency buffer is reduced to a minimum of five feet landscape buffer, six foot tall solid fence or decorative fence with a living screen;

- Include awnings and canopies in the private license;

- Allow for the relief from strict compliance with the architectural design standards for buildings greater than 40 feet from the right-of-way due to the pending abandonment of Ninth Street. (Ninth Street will be realigned and provided as an access easement, so connectivity is not negatively impacted in the area).

In addition to the specific changes, the following main uses are being proposed:

- Hotel (with 31 or more guest rooms);
- Art or craft production facility;
- Commercial amusement (inside);
- Commercial parking lot or garage;
- Event Center [flexible indoor and outdoor gathering and entertainment space; Maximum of 10,000 square feet and only permitted in the area south of 9th Street];
- General Merchandise or food store *[One facility is allowed by right up to 15,000 square feet of floor area if located in the area south of 9th Street and is comprised of at least four independently operated vendors, with no one vendor occupying more than 3,000 square feet of floor area; otherwise by SUP];* and
- Neighborhood market [temporary outdoor marketplace];

Staff can support most the changes being proposed in the new Subdistrict but is concerned that the applicant is requesting not to provide off-street parking for the events center, a restaurant use with uncovered outdoor dining areas and a personal service use for a massage establishment.

Not requiring off-street parking requirements for the abovementioned items could create a significant parking issue with overflow of parking on the adjacent residential streets and throughout the entire mixed use development. The applicant has agreed to limit the total floor area of the event center to 10,000 square feet. Typically an event center would be parked as a commercial amusement (inside) and would require to be parked at one space per 100 square feet of floor area. Staff's recommendation is to treat the use the same as a restaurant in Planned Development District No. 830 and park it at the 25 percent relaxed rate of one space per 125 square feet of floor area. If the event space is associated with a hotel use, staff can support parking it at one space per 200

square feet of floor area. As it relates to the off-street parking requirement for the proposed development, the site supports considering the subarea as a building site.

In addition, staff also supports the applicant parking any uncover outdoor dining area that is being used for a restaurant use at the same parking ratio as a restaurant use.

As it relates to the massage establishment, the current PD prohibits the use. Staff can support a massage establishment when the use is associated with a hotel.

The applicant is proposing the abandonment of a portion of 9th Street, which will allow for pedestrian access and walkability to the various activities and retail establishments. However, staff is recommending that all street facing façade requirements for the architectural design standards apply to the development adjacent to the private drive and pedestrian way that would align with the abandoned 9th Street right-of-way.

Staff is recommending the new subdistrict limit the maximum dwelling units allowed on site to 340 units. Even though Subdistrict 3 has no limit to the maximum dwelling units, staff does support a developer having the option to develop a large portion for multifamily uses. The applicant's Traffic Impact Analysis indicates that the development will consist of a maximum of 340 multifamily units.

The applicant is also proposing to allow a general merchandise or food store as a main use up to 15,000 square feet of floor area within the proposed Subdistrict. The conditions will allow one multi-vendor market by right to exceed 5,000 sq. ft. (up to a maximum of 15,000 sq. ft.) if it is comprised of at least four independently owned and operated vendor entities, with no vendor occupying more than 2,000 sq. ft. of floor area, and is located in the blocks bounded by 9th St., Madison Ave., 10th St. and Bishop Ave. If a general merchandise or food store is developed outside these specific boundaries and is greater than 5,000 square feet, an SUP is required. Staff is supportive of a general merchandise or food store less than 15,000 square feet within the specified boundaries because use is not in close proximately to residential uses and the applicant will have the flexibility to provide a variety of retail uses within the proposed development.

Staff met with the applicant and agreed on the language in the conditions as it relates to the personal service uses [massage establishment], work-live residential square footage, and commercial parking lot or garage. In addition, the applicant agreed to limit the locations of the hotel, event center and general merchandise of food store up to 15,000 square feet within area south of 9th Street.

However, there are three issues where staff differs with the applicant: 1) the number of linear feet that is credited as a street facing façade for a plaza or outdoor area, 2) the maximum density for the site, and 3) determining if the uncovered outdoor dining areas are included in the parking requirement calculations for a restaurant use.

The City Plan Commission recommended permitting on any block face up to 100 linear feet of plaza or outdoor seating area to be credited as a street facing façade as

opposed to 80 linear feet. As it relates to the maximum density, the Commission mirrored the allowable density that is permitted in PDD No. 830. PDD No. 830 has no maximum number of dwelling units within the entire district. Lastly, the Commission recommended that the applicant comply with the PDD regulations as it relates to the outdoor dining area.

**Development Standards:**

| DISTRICT | SETBACKS | | Density | Height | Lot Coverage | Special Standards | PRIMARY Uses |
|---|---|---|---|---|---|---|---|
| | Front | Side/Rear | | | | | |
| PDD No. 830 – existing Subdistrict 3 | 0' min. / 10' max | 0' / 0' | No max | 50 ft. 75 ft. on Bishop Ave | 100% | Proximity Slope Visual Intrusion | Retail and personal service, office, Medical, single family |
| PDD No. 830 – Staff's Rec. Subdistrict 3B | 0' min. / 10' max | 0' / 0' | 340 units. | 50 ft. 75 ft. on Bishop Ave | 100% | Proximity Slope Visual Intrusion | Retail and personal service, office, Medical, single family, Hotel, Events |
| PDD No. 830 – CPCs Recommendation Subdistrict 3B | 0' min. / 10' max | 0' / 0' | No max | 50 ft. 75 ft. on Bishop Ave | 100% | Proximity Slope Visual Intrusion | Retail and personal service, office, Medical, single family, Hotel, Events |
| | | | | | | | |

**Landscaping:** Landscaping must be provided in accordance with the landscape requirements in PDD No. 830.

**Off-street parking:** Staff has concerns regarding the applicant's request for off-street parking requirements for specific uses within the proposed development. There has been no indication, observation, or study that the current requirement for restaurants and outside seating should be altered. Staff is concerned that relaxing the parking standards established by PD No. 830 for this subdistrict would make the TIF requirement to provide 30 additional parking spaces less meaningful. The intent of having 30 additional spaces to benefit the existing development in the Bishop Arts district would be negated if all 30 of the spaces were consumed by the applicant's development as a result of reduced parking requirements.

In addition, the request site is adjacent to several residential uses and staff is concern with the parcels on the north side of Melba Street and east of Madison Street. There are residences on the south side of 8th Street and staff is cautious about providing off-street parking on the north side of Melba Street, east of Melba Street without a sufficient buffer area. If the applicant proposes to provide an appropriate buffer between the residences and parking, staff could support the additional parking in this location.

**CPC Action** (November 10, 2016)

**Motion:** In considering an application for a new subdistrict within Planned Development District No. 830 and the removal of a D Liquor Control Overlay on a portion on property zoned Subdistrict 3 within Planned Development District No. 830 in an area generally bounded by West 10th Street, both sides of North Bishop Avenue, both sides of Melba Street and both sides of North Madison Avenue, it was moved to **hold** this case under advisement until December 15, 2016.

Maker: Anglin
Second: Houston
Result: Carried: 14 to 0

For: 14 - Anglin, Rieves, Houston, Davis, Shidid, Anantasomboon, Haney, Jung, Housewright, Schultz, Peadon, Murphy, Ridley, Tarpley

Against: 0
Absent: 0
Vacancy: 1 - District 7

**Notices:** Area: 500 Mailed: 196
**Replies:** For: 13 Against: 3

**Speakers**: None

**CPC Action** (December 15, 2016)

**Motion I:** It was moved to recommend **approval** of a new subdistrict within Planned Development District No. 830, subject to staff's recommended revised conditions with the following modifications: 1) Staff's recommendation that at least 50 percent of rooms be entered internally from the inside of the hotel, 2) Follow staff's recommendation under Commercial parking lot or garage that surface parking extend only to already permitted prior to 12-31-2016 (no new parking lots). 3) Under Event center add the following applicant language "and restricted to the block bordered by Madison, 10th, Bishop and current 9th Streets.", 4) Under General Merchandise and food store add both the following staff and applicant language to read as follows: "…and the use consists of a multi-vendor market comprised of at least four independently owned and operated vender entities with no single vendor taking more than 2,000 feet.", Also, after "otherwise" insert "up to 15,000 square feet of floor area", 4) Under Personal service uses (Massage) accept applicant's recommendation that "…A message establishment is permitted as an accessory use to a hotel,

salon, or spa use only.", 5) Regarding Counting plaza/outdoor seating toward streets façade calculations (1)(b), accept staff recommendation (1st sentence) and strike second sentence, 6) Under front yard setbacks accept applicant's recommendation with the following preferred wording "On any block face, up to 100 linear feet of plaza or outdoor seating areas may be credited as a street-facing façade.", 7) Under Residential unit density (d)(3), accept applicant recommendation of no change; current zoning, 8) Under Parking, general (b), accept applicant's recommendation to read as follows: "This district will be considered one lot for purposes of off-street parking requirements.", 9) Under Event center parking (3), accept staff recommendation to read with the following preferred language: "A minimum of one off-street parking space per 175 sq. ft., of indoor or covered outdoor floor area is required." Also, that this provision be moved "(d) Subdistrict 3B", 10) Under Live-Work unit parking, accept the applicant's recommendation with modifications to read as follows: "Provide dwelling unit parking plus for non-residential floor area above 600 sq. ft. If non-residential floor area exceeds floor area of the residential use, each use must provide parking separately.", 11) Regarding Uncovered outdoor dining parking accept staff recommendation and stay with 25% Rule of Bishop Arts District on page 10-19 #(a)(2)(B), 12) Under Architectural Design Standards, accept applicant recommendation in Subditrict 3B, paragraph d, e, and f, and k, do not apply for building that has no street frontage and is located more than 40 feet from a street. (striking "k"); and **approval** of the removal of the Dry Liquor Control Overlay on a portion on property zoned Subdistrict 3 within Planned Development District No. 830 in an area generally bounded by West 10th Street, both sides of North Bishop Avenue, both sides of Melba Street and both sides of North Madison Avenue.

Maker: Anglin
Second: Ridley
Result: Failed: 6 to 7

For: 6 - Anglin, Rieves, Housewright, Murphy, Ridley, Tarpley

Against: 7 - Houston, Davis, Shidid, Haney, Jung, Schultz, Peadon
Absent: 1 - Anantasomboon
Vacancy: 1 - District 7

**Motion II:** In considering an application for a new subdistrict within Planned Development District No. 830 and the removal of a D Liquor Control Overlay on a portion on property zoned Subdistrict 3 within Planned Development District No. 830 in an area generally bounded by West 10th Street, both sides of North Bishop Avenue, both sides of Melba Street and both sides of North Madison Avenue, it was moved to **hold** this case under advisement until January 19, 2017.

Maker: Ridley
Second: Houston
Result: Carried: 13 to 0

For: 13 - Anglin, Rieves, Houston, Davis, Shidid, Haney, Jung, Housewright, Schultz, Peadon, Murphy, Ridley, Tarpley

Against: 0
Absent: 1 - Anantasomboon
Vacancy: 1 - District 7

**Notices:** Area: 500 Mailed: 196
**Replies:** For: 28 Against: 3

**Speakers**: For: Michael Nazerian, 4113 Buena Vista St., Dallas, TX, 75204
Rob Baldwin, 3904 Elm St., Dallas, TX, 75206
Ray O'Connor, 629 Melba St., Dallas, TX, 75208
For (Did not speak): Cody Ellison, 502 N. Bishop Ave., Dallas, TX, 75208
Against: Amanda Popken, 2519 Catherine St., Dallas, TX, 75211
Tracy Popken Springer, 301 Melba St., Dallas, TX, 75208
Cristine Baril, 824 N. Clinton Ave., Dallas, TX, 75208
Against (Did not speak): Scott Henry, 615 N. Willomet Ave., Dallas, TX, 75208
John Hossley, 301 W. 8Th St., Dallas, TX, 75208
Sonya Eudaley, 400 E. 5th St., Dallas, TX, 75203
Amy Cowan, 821 N. Windomere Ave., Dallas, TX, 75208

**CPC Action** (January 19, 2017)

**Motion:** It was moved to recommend **approval** of a new subdistrict within Planned Development District No. 830, subject to staff's recommended conditions with the following modifications: 1) Accept staff's recommended conditions (Page 22) regarding the parking of outdoor dining, 2) Accept applicant's recommended conditions (Page 17) regarding dwelling unit cap and street façade provisions, 3) Under Personal Service Uses (Massage) accept applicant's recommended language to read as follows: "…A message establishment is permitted as an accessory use to a hotel, salon, or spa use only.", and 4) Remove the TIF language from the ordinance; and **approval** of the removal of the D Liquor Control Overlay on a portion on property zoned Subdistrict 3 within Planned Development District No. 830 in an area generally bounded by West 10th Street, both sides of North Bishop Avenue, both sides of Melba Street and both sides of North Madison Avenue.

Maker: Anglin
Second: Houston
Result: Carried: 14 to 0

For: 14 - Anglin, Rieves, Houston, Davis, Shidid, Anantasomboon, Haney, Jung, Housewright, Schultz, Peadon, Murphy, Ridley, Tarpley

Against: 0
Absent: 0
Vacancy: 0
Abstained: 1 - Mack**

**abstained from voting, due to bus tour requirement

**Notices:** Area: 500 Mailed: 196
**Replies:** For: 28 Against: 3

**Speakers**: For: Michael Nazerian, 4113 Buena Vista St., Dallas, TX, 75204
Rob Baldwin, 3904 Elm St., Dallas, TX, 75206
Rick Garza, 1314 Kings Highway, Dallas, TX, 75208
Chris Faison, 206 N. Clinton Ave., Dallas, TX, 75208
Tracy Popken Springer, 301 Melba St., Dallas, TX, 75208
Daniel Quintana, 700 W. 8th St., Dallas, TX, 752508
Shane Spillers, 407 N. Bishop Ave., Dallas, TX, 75208
Amanda Popken, 2519 Catherine St., Dallas, TX, 75211
For (Did not speak): Scott Henry, 615 N. Willomet Ave., Dallas, TX, 75208
J.S. Frank, 615 N. Willomet Ave., Dallas, TX, 75208
Against: None

**LIST OF OFFICERS**
Bishop Arts Village, LLC

**Bishop Arts Village, LLC**

- Farrokh Nazerian  President
- Michael Nazerian  Vice President

**Man PartnersII, LLC**

- Michael Nazerian  Managing Partner

**Kensington Riverfall**

- Michael Nazerian  Managing Partner

**CPC PROPOSED PDD CONDITIONS**

**ARTICLE 830.**

**PD 830.**

**SEC. 51P-830.101. LEGISLATIVE HISTORY.**

PD 830 was established by Ordinance No. 27944, passed by the Dallas City Council on August 11, 2010.

**SEC. 51P-830.102. PROPERTY LOCATION AND SIZE.**

PD 830 is established on property located along the Bishop Avenue Corridor between Colorado Boulevard and Davis Street; property located along the Davis Street Corridor, bounded by Plymouth Road on the west and Zang Boulevard on the east; and excluding property zoned Planned Development District No. 160, Planned Development No. 340, Planned Development No. 87/Historic District 15, Conservation District No. 1, and Conservation District 7. The size of PD 830 is approximately 290.5 acres.

**SEC. 51P-830.103. CREATION OF SUBDISTRICTS.**

This district is divided into the following subdistricts:

(1) Subdistricts 1 and 1A: Bishop Avenue.

(2) Subdistict 2: Subdistrict 2 is not created as part of this PD. See Conservation District No. 7 (Bishop/Eighth Street Conservation District) for the use regulations and development standards in that area.

(3) Subdistrict 3: East Garden District ~~and~~, Subdistrict 3A: Bishop Arts Branch Library, and Subdistrict 3B: Bishop Arts Mixed Use District.

(4) Subdistrict 4: Kidd Springs Park.

(5) Subdistrict 5: Kings Highway Gateway.

(6) Subdistricts 6 and 6A: Davis Corridor.

(7) Subdistrict 7: Winnetka Heights Village.

(8) Subdistricts 8 and 8A: West Garden District.

**SEC. 51P-830.104. DEFINITIONS.**

Unless otherwise stated, the definitions in Chapter 51A apply to this article. In this district:

(1) A-FRAME SIGN means a portable detached premise sign that is hinged at the top and is made of durable, rigid materials such as wood, plastic, or metal.

(2) ANTIQUE SHOP means an establishment for the retail sale of articles such as glass, china, furniture, or similar furnishings and decorations that have value and significance as a result of age, design, or sentiment.

(3) ART GALLERY means an establishment where original works of art or limited editions of original works of art are bought, sold, loaned, appraised, or exhibited to the general public.

(3.1) ART OR CRAFT PRODUCTION FACILITY means a facility for the production of handcrafted art or craft products through processes such as kiln firing, glass blowing, welding, or woodworking and for retail sale of the products to the general public.

(4) ATTIC STORY means that portion of a building between the top floor and the ceiling above it that is located within a roof structure.

(5) BED AND BREAKFAST means a lodging use that has no more than five guest rooms; provides accommodations for periods not to exceed five nights; serves no meals other than breakfast; and is a member of, or certified by, a recognized bed and breakfast association such as the National Bed and Breakfast Association (NBBA) or Historic and Hospitality Accommodation of Texas.

(6) BLADE SIGN means a sign that projects perpendicularly from a main building facade and is visible from both sides.

(7) BODY PIERCING STUDIO means a facility in which body piercing is performed. BODY PIERCING means the creation of an opening in an individual's body, other than in an individual's earlobe, to insert jewelry or another decoration.

(8) BOUTIQUE HOTEL means a lodging facility with 30 or fewer guest rooms that are rented to occupants on a daily basis for not more than 14 consecutive days; provides food that is prepared on-site; and more than 50 percent of the guest rooms are internal-entry.

(9) DOOR YARD means the area between the edge of the sidewalk furthest from the street and the front building facade.

(9.1) EVENT CENTER means a facility with indoor and outdoor areas for gathering and entertainment.

(9.2) HOTEL means a lodging facility between 31 and 120 guest rooms that are rented to occupants on a daily basis for not more than 14 consecutive days; provides food that is prepared on-site; and more than 50 percent of the guest rooms are internal-entry.

(10) LEGACY BUILDING means a building that fronts on Davis Street or Bishop Avenue and that is listed on Exhibit "830B" or determined to be a legacy building in accordance with Section 51P-830.118.

(11) MAJOR MODIFICATION means reconstruction, alteration, or renovation of an a single family or duplex structure that exceeds 50 percent of the structure assessed by the Dallas Central Appraisal District or any increase in the floor area of a structure if the expansion is over 50 percent of the floor area of the existing structure.

(12) MASSAGE ESTABLISHMENT and MASSAGE mean a massage establishment or massage as defined by Texas Occupation Code Chapter 455, as amended.

(13) MIXED USE DEVELOPMENT means a development that has both main residential and main nonresidential uses on the same building site.

(14) MIXED USE RESIDENTIAL PROJECT (MURP) means a development that has street-level nonresidential uses with hours of operation that are limited to 7:30 a.m. through 6:30 p.m., Monday through Saturday, and that has residential uses only above street level.

(14.1) NEIGHBORHOOD MARKET means a temporary outdoor marketplace on private property that occurs no more than 15 days a month.

(15) OPEN SPACE means an area that is open to the public for at least eight hours each day, limited to pedestrians, is at least 80 percent open to the sky, a contiguous area of not less than 15 feet in width and 25 feet in length, and where a minimum of 25 percent of the open space area is landscaped with turf, ground cover, shrubs, trees, seasonal plantings, or a combination of these plant materials.

(16) PROJECTING SIGN means an attached sign projecting more than 12 inches from a building at an angle other than parallel to the facade.

(17) REMOTE SURFACE PARKING LOT means a nonstructural passenger-vehicle parking facility where at least 30 percent of its parking spaces are subject to remote parking agreements and where the remaining parking spaces may serve as off-site parking for a valet service that may charge a fee.

(18) RETAIL-RELATED USES means any of the following uses:

(A) Antique shop.

(B) Art gallery.

(C) Dry cleaning or laundry store.

(D) General merchandise or food store.

(E) Nursery, garden shop, or plant sales.

(F) Personal service uses.

(19) TATTOO STUDIO means an establishment in which tattooing is performed. TATTOOING means the practice of producing an indelible mark or figure on the human body by scarring or inserting a pigment under the skin using needles, scalpels, or other related equipment.

(20) TRANSPARENCY means the total area of windows and door openings with glass that is a percentage of the total street-level façade.

**SEC. 51P-830.105. INTERPRETATIONS.**

(a) Unless otherwise stated, the interpretations in Chapter 51A apply to this article.

(b) Unless otherwise stated, all references to articles, divisions, or sections in this article are to articles, divisions, or sections in Chapter 51A.

(c) Section 51A-2.101, “Interpretations,” applies to this article.

(d) The following rules apply in interpreting the use regulations in this article:

(1) The absence of a symbol appearing after a listed use means that the use is permitted by right.

(2) The symbol [L] appearing after a listed use means that the use is permitted by right as a limited use only. (For more information regarding limited uses, see Section 51A-4.218, “Limited Uses.”)

(3) The symbol [SUP] appearing after a listed use means that the use is permitted by specific use permit only. [“SUP” means “specific use permit.” For more information regarding specific use permits, see Section 51A-4.219, “Specific Use Permit (SUP).”]

(4) The symbol [DIR] appearing after a listed use means that a site plan must be submitted and approved in accordance with the requirements of Section 51A-4.803, “Site Plan Review.” (“DIR” means “development impact review.” For more information regarding development impact review, see Division 51A-4.800, “Development Impact Review.”)

(5) The symbol [RAR] appearing after a listed use means that, if the use has a residential adjacency as defined in Section 51A-4.803, "Site Plan Review," a site plan must be submitted and approved in accordance with the requirements of that section. ("RAR" means "residential adjacency review." For more information regarding residential adjacency review, see Division 51A-4.800, "Development Impact Review.")

(e) If there is a conflict, the text of this article controls over any charts, exhibits, graphic displays, or maps.

(f) Subdistricts 1, 1A, 3, 4, and 8 of this district are considered to be residential zoning districts. Subdistricts 3A, 3B, 5, 6, 6A, and 7 are considered to be nonresidential zoning districts.

**SEC. 51P-830.106. EXHIBITS.**

The following exhibits are incorporated into this article:

(1) Exhibit 830A: Subdistrict maps.

(2) Exhibit 830B: Legacy buildings list.

(3) Exhibit 830C: Mixed use development parking chart.

(4) Exhibit 830D: Subdistrict 3A building corner marker elevation.

**SEC. 51P-830.107. CONCEPTUAL PLAN.**

(a) There is no conceptual plan for this district.

(b) The Bishop/Davis Land Use and Zoning Study should be consulted for goals, objectives, policy statements, and recommendations for development of this district.

**SEC. 51P-830.108. DEVELOPMENT PLAN.**

No development plan is required, and the provisions of Section 51A-4.702 regarding submission of or amendments to a development plan, site analysis plan, conceptual plan, development schedule, and landscape plan do not apply.

**SEC. 51P-830.109. USE REGULATIONS AND DEVELOPMENT STANDARDS IN SUBDISTRICTS 1 AND 1A: BISHOP AVENUE.**

*OMITTED FOR BREVITY*

**SEC. 51P-830.110. USE REGULATIONS AND DEVELOPMENT STANDARDS IN SUBDISTRICT 2: THE BISHOP ARTS-EIGHTH STREET CONSERVATION DISTRICT.**

Subdistrict No. 2 is not part of this PD. *See* Conservation District No. 7 (Bishop/Eighth Street Conservation District) for the use regulations and development standards in that area.

**SEC. 51P-830.111. USE REGULATIONS AND DEVELOPMENT STANDARDS IN SUBDISTRICT 3: EAST GARDEN DISTRICT**

*OMITTED FOR BREVITY*

**SEC. 51P-830.111.1. USE REGULATIONS AND DEVELOPMENT STANDARDS IN SUBDISTRICT 3A: BISHOP ARTS BRANCH LIBRARY.**

*OMITTED FOR BREVITY*

**SEC. 51P-830.111.2. USE REGULATIONS AND DEVELOPMENT STANDARDS IN SUBDISTRICT 3B: BISHOP ARTS MIXED USE DISTRICT.**

**Note:** ** The asterisk represents the new main uses that are being proposed by the applicant in the new Subdistrict. The remaining uses are currently permitted in Tract 3.

(a) Uses. The following uses are the only main uses permitted:

(1) Agricultural uses.

-- Crop production.

(2) Commercial and business service uses.

-- Catering service.

-- Custom business services.

(3) Industrial uses.

None permitted.

(4) Institutional and community service uses.

-- Child-care facility.
-- Church.

(5) Lodging uses.

-- Bed and breakfast.
-- Boutique hotel.
-- Hotel. *[Limited to one hotel in the block bounded by 9th Street, Madison Avenue, 10th Street, and Bishop Avenue.]* **

(6) Miscellaneous uses.

-- Temporary construction or sales office. *[A temporary construction trailer may be located on an adjacent lot or across the street with the owner's permission.]*

(7) Office uses.

-- Financial institution without drive-in window.
-- Medical clinic or ambulatory surgical center.
-- Office.

(8) Recreation uses.

-- Private recreation center, club, or area.
-- Public park, playground, or golf course.

(9) Residential uses.

-- Duplex.
-- Handicapped group dwelling unit. *[SUP required if spacing component of Section 51A-4.209(b)(3.1) is not met.]*
-- Multifamily.
-- Retirement housing.
-- Single family.

(10) Retail and personal service uses.

-- Alcoholic beverage establishments. *[SUP]*
-- Antique shop.
-- Art or craft production facility. **
-- Art gallery. **
-- Commercial amusement (inside). *[Treat as a CR District.]* **
-- Commercial parking lot or garage. ***[surface commercial parking lot only permitted on paved parking areas that existed prior to December 31, 2016]*
-- Dry cleaning or laundry store.
-- Event center. *[Maximum of 10,000 square feet. Limited to one event center in the block bounded by Madison Avenue, 10th Street, Bishop Avenue and 9th Street.]* **
-- Furniture store.

-- General merchandise or food store. *[By right up to 5,000 sq. ft. of floor area. Such uses exceeding 5,000 sq. ft. (up to a maximum of 15,000 sq. ft.) will require an SUP, except that one multi-vendor market will be allowed by right to exceed 5,000 sq. ft. (up to a maximum of 15,000 sq. ft.) if it is comprised of at least four independently owned and operated vendor entities, with no vendor occupying more than 2,000 sq. ft. of floor area, and is located in the blocks bounded by 9th St., Madison Ave., 10th St. and Bishop Ave***

-- Neighborhood market. ***

-- Nursery, garden shop, or plant sales.

-- Personal service uses. *[Body piercing studio, and tattoo studios are prohibited.] A m*assage establishment is permitted as an accessory use to a hotel, spa or salon only.

-- Restaurant without drive-in or drive-through service. *[RAR]*

-- Remote surface parking lot.

-- Theater. *[SUP]*

(11) Transportation uses.

-- Transit passenger shelter.

(12) Utility and public service uses.

-- Local utilities.

(13) Wholesale, distribution, and storage uses.

-- Recycling drop-off container. *[SUP required if the requirements of Section 51A-4.213(11.2)(E) are not satisfied.]*

-- Recycling drop-off for special occasion collection. *[SUP required if the requirements of Section 51A-4.213(11.3)(E) are not satisfied.]*

(b) Drive-in and drive-through uses. Drive-in and drive-through lanes, windows, or services are not permitted.

(c) Accessory uses.

(1) As a general rule, an accessory use is permitted in any subdistrict in which the main use is permitted. Some specific accessory uses, however, due to their unique nature, are subject to additional regulations in Section 51A-4.217, "Accessory Uses." For more information regarding accessory uses, consult Section 51A-4.217.

(2) The following accessory uses are not permitted:

-- Accessory helistop.

-- Accessory medical/infectious waste incinerator.

-- Accessory pathological waste incinerator.

(d) Yard, lot, and space regulations. (Note: The yard, lot, and space regulations in this subsection must be read together with the yard, lot, and space regulations in Division 51A-4.400, "Yard, Lot, and Space Regulations." If there is a conflict between this subsection and Division 51A-4.400, this subsection controls.)

(1) Front yard.

(a) Except as provided in this paragraph, minimum front yard is 0 feet and maximum front yard is 10 feet.

(b) For street facing facades within 40 feet of the street, a minimum of 75 percent of the street-facing facade must be located within the area between the minimum and maximum front yard setback.

*CPCs Recommendation*

(c) On any block face up to 100 linear feet of plaza or outdoor seating area may be credited as a street facing façade.

*Staff's Recommendation*

(c) On any block face up to 80 linear feet of plaza or outdoor seating area may be credited as a street facing façade.

(2) Side and rear yard. No minimum side or rear yard.

*CPCs Recommendation*

[~~(3) Density. Maximum number of dwelling units is 340.~~] No maximum number of dwelling units

*Staff's Recommendation*

(3) Density. Maximum number of dwelling units is 340.

(4) Floor area ratio. No maximum floor area ratio.

(5) Height.

(A) Except as provided in this paragraph, maximum structure height is 50 feet.

(B) For lots fronting on Bishop Avenue, maximum structure height is 75 feet, except as provided in Section 51P-830.122(g)(2).

(6) Lot coverage. Maximum lot coverage is 100 percent. Aboveground parking structures are included in lot coverage calculations; surface parking lots and underground parking structures are not.

(7) Lot size. No minimum lot size. Lot width does not apply in this district.

(8) Stories.

(A) Except as provided in this paragraph, maximum number of stories above grade is four.

(B) For lots fronting on Bishop Avenue, maximum number of stories above grade is five.

**SEC. 51P-830.112. USE REGULATIONS AND DEVELOPMENT STANDARDS IN SUBDISTRICT 4: KIDD SPRINGS PARK.**

*OMITTED FOR BREVITY*

**SEC. 51P-830.113. USE REGULATIONS AND DEVELOPMENT STANDARDS IN SUBDISTRICT 5: KINGS HIGHWAY GATEWAY.**

*OMITTED FOR BREVITY*

**SEC. 51P-830.114. USE REGULATIONS AND DEVELOPMENT STANDARDS IN SUBDISTRICT 6: DAVIS CORRIDOR.**

*OMITTED FOR BREVITY*

**SEC. 51P-830.114.1 USE REGULATIONS AND DEVELOPMENT STANDARDS IN SUBDISTRICT 6A: DAVIS CORRIDOR.**

*OMITTED FOR BREVITY*

**SEC. 51P-830.115. USE REGULATIONS AND DEVELOPMENT STANDARDS IN SUBDISTRICT 7: WINNETKA HEIGHTS VILLAGE.**

*OMITTED FOR BREVITY*

**SEC. 51P-830.116. USE REGULATIONS AND DEVELOPMENT STANDARDS IN SUBDISTRICTS 8 AND 8A: WEST GARDEN DISTRICT.**

*OMITTED FOR BREVITY*

**SEC. 51P-830.117. OFF-STREET PARKING AND LOADING.**

(a) In general. Except as provided in this section, consult the use regulations in Division 51A-4.200 for the specific off-street parking and loading requirements for each use. For the purpose of this section, Subdistrict 6A shall be considered one lot.

(1) Multifamily use. A minimum of one off-street parking space per bedroom is required with a maximum of two off-street parking spaces per dwelling unit.

(2) Restaurant use.

(A) A minimum of one off-street parking space per 125 square feet of floor area is required.

(B) If an outdoor dining area, whether covered or not, is within 20 feet of, and has direct access to, a street, sidewalk, or publically accessible open space, the outdoor dining area is not included in the parking requirement calculations for up to 25 percent of the size of the indoor floor area. Any portion of the outdoor dining area in excess of 25 percent of the size of the indoor floor area must be parked in accordance with Section 51P-830.117(a)(2)(A).

(b) Parking reductions.

(1) Bicycle parking. Off-street parking spaces required for a use may be reduced by one space for each four bicycle parking stations provided for that use, up to a maximum of three off-street parking spaces per lot.

(2) Legacy building.

(A) For residential uses within a legacy building, off-street parking requirements may be reduced an additional 25 percent.

(B) For retail-related uses and office uses within a legacy building, off-street parking is not required.

(3) Mixed use development parking.

(A) In general. The off-street parking requirement for a mixed use development may be reduced in accordance with the mixed use development parking chart (Exhibit 830C).

(B) Calculation of adjusted standard off-street parking requirement. The adjusted off-street parking requirement for a mixed use development is calculated as follows:

(i) The standard parking requirements for each of the uses in the mixed use development must be ascertained.

(ii) The parking demand for each use is determined for each of the five times of day shown in the mixed use development parking chart by multiplying the standard off-street parking requirement for each use by the percentage in the chart assigned to the category of use. If a use in the development does not fall within one of the categories shown in the mixed use development parking chart, the percentage assigned to that use is 100 percent for all five times of day.

(iii) The "time of day" columns are totaled to produce sums that represent the aggregate parking demand for the development at each time of day. The largest of these five sums is the adjusted off-street parking requirement for the development.

(C) Minimum parking requirement. If one or more of the main uses in a mixed use development is a nonresidential use, the minimum parking requirement for the mixed use development cannot be reduced to a number of spaces that is less than the sum of the standard parking spaces required for each of the nonresidential uses in the mixed use development.

(4) On-street parking. Except as provided in this subparagraph, any on-street parking spaces that abut the building site may be counted as a reduction in the off-street parking requirement of the use adjacent to the on-street parking space. On-street parking must be striped in accordance with standard city specifications.

(A) An on-street parking space may not be used to reduce the required parking for more than one use, except that an on-street parking space may be used to reduce the combined total parking requirement for a mixed use development.

(B) An on-street parking space that is not available to the public at all times of the day may only be counted as a partial parking space in proportion to the amount of time that is available. For example, a parking space that is available to the public only eight hours per day will be counted as one-third of the parking space (8 / 24 = 1/3). The total number of the limited-availability parking spaces will be counted to the nearest whole number, with one-half counted as an additional space.

(5) Tree preservation. Off-street parking spaces required for a use may be reduced by one space for each protected tree (as defined in Article X) retained on site that would otherwise have to be removed to provide the required off-street parking for that use.

(c) Remote parking.

(1) For nonresidential uses and mixed use developments, remote parking is permitted if the requirements of Division 51A-4.320, "Special Parking Regulations," are met, including the landscape requirements, except that the remote parking may be within a walking distance of 1,000 feet from the use served.

(2) An agreement authorizing a nonresidential use or a mixed use development to use remote parking for nonresidential uses may be based on a lease of the remote parking spaces only if the lease:

(A) is in writing;

(B) contains legal descriptions of the properties affected;

(C) specifies the special parking being provided and the hours of operation of any use involved;

(D) is governed by the laws of the state of Texas;

(E) is signed by all owners of the properties affected;

(F) signed by all lienholders, other than taxing entities, that have an interest in or an improvement on the properties;

(G) is for a minimum term of three years; and

(H) provides both the owner of the lot occupied by the nonresidential use or mixed use development use and the owner of the remote parking lot shall notify the building official in writing if there is a breach of any provision of the lease, or if the lease is modified or terminated.

(3) The remote parking provisions of this subsection and Division 51A-4.320 shall not affect or cause the reduction of delta credits.

(4) In Subdistrict 3A, remote parking may account for one-hundred percent of the off-street parking requirement during a phased construction period.

(d) Subdistrict 3B.

(1) Occupancies that combine a residential dwelling unit and a non-residential use in the same space must only provide parking for the dwelling unit and the portion of the non-residential floor area above 600 square feet. If the non-residential floor area exceeds the floor area of the residential floor area, each use must provided parking separately.

(2) Subdistrict 3B is considered one building site for parking regulations.

(3) For an art gallery, a minimum of one space per 600 square feet of floor area is required.

(4) For an arts or craft production facility, a minimum of one space per 1,000 square feet of floor area is required.

*CPC's Recommendation*

[~~(5) For a restaurant use, uncovered outdoor dining areas are not included in the parking requirement calculations.~~]

*Applicant's Proposal*

(5) For a restaurant use, uncovered outdoor dining areas are not included in the parking requirement calculations.

(3) Event Center. A minimum of one off-street parking space per 175 square feet of floor area is required.

(4) Hotel. One space for each unit for units 1 to 120; plus one space per 200 square feet of meeting room.

(5) Neighborhood Market. One space per 200 square feet of floor area.

(6) No off-street loading is required.

**SEC. 51P-830.118. LEGACY BUILDING AMENDMENTS.**

*OMITTED FOR BREVITY*

**SEC. 51P-830.119. ENVIRONMENTAL PERFORMANCE STANDARDS.**

See Article VI.

**SEC. 51P-830.120. LANDSCAPING.**

(a) In general.

(1) Except as provided in this section, landscaping must be provided in accordance with Article X.

(2) Required landscaping may be located in the public right-of-way.

(3) Required landscaping and design standards located in adjacent rights-of-way may count toward the site requirements.

(b) Subdistricts 3, 3A, 3B, and 6. The following additional landscaping provisions apply:

(1) Street trees.

(A) Except as provided in this paragraph, in Subdistricts 3, 3B, and 6, one large canopy tree having a caliper of at least three inches must be provided no closer than 25 feet on center for every 40 feet of street frontage and may be planted within 25 feet of back of curb. Except as provided in this paragraph, in Subdistrict 3A,

one large canopy tree having a caliper of at least three inches must be provided no closer than 20 feet on center for every 40 feet of street frontage and may be planted within 25 feet of back of curb.

(B) If the city arborist determines that the planting space for the required tree is inadequate or that utility lines prohibit the planting, two small trees may count toward the street tree requirements.

(2) Surface parking landscaping.

(A) Parking spaces in a surface parking lot may be located no more than 75 feet from the trunk of a large canopy tree in a median or island.

(B) Each large canopy tree must have a caliper of at least two inches, must be located in a median or island that is no closer than four feet to the paved portion of the parking lot.

(C) A median or island that is located in a surface parking lot must be a minimum of 125 square feet in area.

(3) Residential adjacency buffer. In Subdistrict 3B, a residential adjacency buffer must be a minimum depth of five feet with a minimum six-foot tall solid screening fence. Shrubs must form a three-foot-high screen that is 95 percent opaque year-round within three years of planting. Landscaping must consist of hedge-like evergreen plant materials recommended for local area use by the building official. Landscaping must be located in a bed that is at least three feet wide with a minimum soil depth of 24 inches. Plants must be placed 24 inches on center over the entire length of the bed unless a landscape architect recommends an alternative planting density that the building official determines is capable of providing a solid appearance within three years.

(c) Private license granted.

(1) The city council hereby grants a revocable, non-exclusive license to the owners or tenants (with the written consent of the owner) of all property in this district for the exclusive purpose of authorizing compliance with the parkway landscaping requirements of this article. “Parkway” means the portion of a street right-of-way between the street curb and the lot line. An owner or tenant is not required to pay an initial or annual fee for this license, although a fee may be charged for issuance of a parkway landscape permit. This private license will not terminate at the end of any specific period, however, the city council reserves the right to terminate this license at will, by resolution passed by the city council, any time such termination becomes necessary. The determination by the city council of the need for termination is final and binding. The city shall become entitled to possession of the licensed area without giving any notice and without the necessity of legal proceedings to obtain possession when, in its judgment, the purpose or use of the license is inconsistent with the public use of the right-of-way or when the purpose or use of the license is likely to become a nuisance or a threat to public safety. Upon termination of the license by the city council, each owner

or tenant shall remove all improvements and installations in the public rights-of-way to the satisfaction of the director of public works and transportation.

(2) An owner or tenant is not required to comply with any landscaping requirement to the extent that compliance is made impossible due to the city council's revocation of the private license granted by this subsection.

(3) Upon the installation of landscaping and related amenities, such as irrigation systems, in the public rights-of-way, the owner or tenant shall procure, pay for, and keep in full force and effect commercial general liability insurance coverage with an insurance company authorized to do business in the State of Texas and otherwise acceptable to the city, covering, but not limited to, the liability assumed under the private license granted under this subsection, with combined single limits of liability for bodily injury and property damage of not less than $1,000,000 for each occurrence, and $2,000,000 annual aggregate. Coverage under this liability policy must be on an occurrence basis and the city shall be named as additional insured. Proof of such insurance must be sent to: Office of Risk Management, City of Dallas, 1500 Marilla, Dallas, Texas 75201, and the policy must provide for 30 days prior written notice to the Office of Risk Management of cancellation, expiration, non-renewal, or material change in coverage. All subrogation rights for loss or damage against the city are hereby waived to the extent that they are covered by this liability insurance policy.

(4) Each owner or tenant is responsible for maintaining the landscaping in a healthy, growing condition, for keeping related amenities in good repair and condition, and for keeping the premises safe and from deteriorating in value or condition, at no expense to the city. The city is absolutely exempt from any requirements to make repairs or to maintain the landscaping, related amenities, or the premises. The granting of a license for landscaping and related amenities under this subsection does not release the owner or tenant from liability for the installation or maintenance of trees, landscaping, and related amenities in the public right-of-way.

(d) Parkway landscape permit.

(1) It is the responsibility of the property owner to apply for and obtain a parkway landscape permit before locating trees, landscaping, or related amenities in the parkway. An application for a parkway landscape permit must be made to the building official. The application must be in writing on a form approved by the building official and accompanied by plans or drawings showing the area of the parkway affected and the planting or other amenities proposed.

(2) Upon receipt of the application and any required fees, the building official shall circulate it to all affected city departments and utilities for review and comment. If, after receiving comments from affected city departments and utilities, the building official determines that the construction, planting, or other amenities proposed will not be inconsistent with and will not unreasonably impair the public use of the right-of-way, the building official shall issue a parkway landscape permit to the property owner; otherwise, the building official shall deny the permit.

(3) A property owner is not required to comply with any parkway landscaping requirement of this article if compliance is made impossible due to the building official's denial of a parkway landscape permit.

(4) A parkway landscape permit issued by the building official is subject to immediate revocation upon written notice if at any time the building official determines that the use of the parkway authorized by the permit is inconsistent with or unreasonably impairs the public use of the right-of-way. The property owner is not required to comply with any parkway landscaping requirement of this section if compliance is made impossible due to the building official's revocation of a parkway landscape permit.

(5) The issuance of a parkway landscape permit under this subsection does not excuse the property owner, his agents, or employees from liability for the installation or maintenance of trees or other amenities in the public right-of-way.

(e) Maintenance. Plant materials must be maintained in a healthy, growing condition.

**SEC. 51P-830.121. SIGNS.**

(a) In general.

(1) Except as provided in this subsection, for lots fronting on Bishop Avenue in Subdistrict 3 and 3B, Davis Street, Zang Boulevard, Hampton Road, Jefferson Boulevard, or 7th Street east of Madison Avenue, signs must comply with the provisions for business zoning districts in Article VII.

(2) For all other lots, signs must comply with the provisions for the non-business zoning districts in Article VII.

(3) Except for A-frame signs, movement control signs used for parking, and monument signs in Subdistricts 1 and 1A, detached signs are prohibited.

(b) Signs in the right-of-way. All signs located in or intruding into the public right-of-way must have approval by the director of public works and transportation to prevent conflict with government signs. If the director of public works and transportation determines that a previously-approved sign must be removed or relocated because of safety requirements or changing traffic conditions, the relocation or removal must be done at the owner’s expense within 30 days.

(c) A-frame signs. The following regulations apply:

(1) A-frame signs may identify a business use.

(2) The maximum size of an A-frame sign is 32 inches wide and 36 inches tall.

(3) An A-frame sign may only be displayed when the business it identifies is open.

(4) A-frame signs may be located on the sidewalk if a minimum of four feet of unobstructed sidewalk area is provided, and all necessary licenses and permits have been obtained.

(5) Only one A-frame sign is permitted for each business use.

(6) A-frame signs must be separated by a minimum of 50 feet.

(7) A-frame signs may not be located within 25 feet of an intersection or within a visibility triangle.

(d) Blade signs. The following regulations apply:

(1) Blade signs must be attached premise signs.

(2) Blade signs may not be internally illuminated.

(3) There is no limit on the number of blade signs.

(4) The maximum effective area for blade signs is 30 square feet.

(5) The lowest part of a blade sign may be located no lower than 12 feet and no higher than 25 feet above street level.

(6) A blade sign may not project more than three feet into the right-of-way.

(7) A blade sign may not be located closer than 15 feet to another projecting sign.

(e) Monument signs. The following regulations apply:

(1) Monument signs are only permitted in Subdistricts 1, 1A, and 6A. In Subdistrict 6A, the entire property is considered one lot.

(2) Monument signs must be premise signs.

(3) Monument signs may not be internally illuminated.

(4) Except as provided in this paragraph, one monument sign is permitted per premise. In Subdistrict 3A, one monument sign is permitted per street frontage;

applied signage on exterior planters is permitted and not considered a monument sign. In Subdistrict 6A, two monument sign are permitted per premise.

(5) Except as provided in this paragraph, monument signs must be setback five feet from the right-of-way. In Subdistrict 3A, there is no setback requirement for monument signs.

(6) The maximum height for a monument signs is four feet.

(7) The maximum effective area for a monument sign is 40 square feet.

(f) Building corner markers with graphic identification in Subdistrict 3A.

(1) "Building corner marker with graphic identification" means "a vertical architectural element on the corner of a project site for graphic identification of a civic project."

(2) The maximum height for building corner markers with graphic identification is equal to the maximum building height set by the subdistrict regulations.

(3) Building corner markers with graphic identification may be internally illuminated.

(4) Design of the building corner marker with graphic identification must comply with Exhibit 380D.

**SEC. 51P-830.122. ARCHITECTURAL DESIGN STANDARDS.**

(a) Applicability. Except as provided in this subsection, architectural design standards apply only to new construction of buildings with multifamily, mixed-use, or nonresidential uses on a vacant lot in all subdistricts and new construction of single family and duplex uses on a vacant lot in Subdistrict 8 (see Section 51P-830.122(l) for standards for Subdistrict 8). Architectural design standards are not required for a motor vehicle fueling station and general merchandise or food store 3,500 square feet or less located in Subdistrict 6A.

(1) In Subdistrict 3B, any abandonment of 9th Street will be considered as an access easement and must comply with the requirements for a street facing façade and street frontage for façades elements facing or fronting an access easement.

(2) In Subdistrict 3B, Paragraphs (d), (e), and (f) do not apply for a building that does not have any street frontage and is located more than 40 feet from a street.

(b) Purpose.

(1) These architectural design standards are intended to preserve the historical, cultural, and architectural importance and significance of the Davis Street and Bishop Avenue corridors. This area has historic and cultural importance as an early major east-west thoroughfare in the Dallas metroplex and as the earliest neighborhoods developed in Oak Cliff. The corridor reflects turn of the 20th century development, urban expansion, mid-20th century Americana, and post-World War II automobile culture. These architectural design standards are intended to preserve the character of the corridor while allowing compatible new construction and modifications that respect the corridor's historical, cultural, and architectural significance.

(2) These architectural design standards are intended to:

(A) ensure that new development enhances the character of the corridor and complements adjacent neighborhoods;

(B) ensure that increased density in established neighborhoods makes a positive contribution to the area's character;

(C) ensure the integrity of historic buildings and the compatibility of new development; and

(D) enhance the character and environment for pedestrians.

(c) Plan review. The director shall review any plan submitted to determine whether it complies with the requirements of this section.

(d) Building orientation. The primary facade of new construction on a vacant lot must face the street.

(e) Entrances.

(1) All street-facing entrances must be architecturally prominent and clearly visible from the street.

(2) Primary customer entrances for office uses and retail and personal service uses must face the street or a courtyard, door yard, or plaza area with direct access to the street. Primary customer entrances for retail and personal service uses must be clearly visible through the use of two or more of the following architectural details:

(A) Arcade.

(B) Arch.

(C) Awning.

(D) Canopy.

(E) Decorative elements such as tile work, molding, raised banding or projected banding.

(F) Display windows.

(G) Projections.

(H) Enhanced cornice details.

(I) Raised parapet.

(J) Recess.

(f) Facades.

(1) Street-facing facades on a single building site must have similar architectural design. Street-facing facades in Subdistrict 3B must have compatible architectural design in PDD No. 830.

(2) Street-facing facades exceeding 30 feet in length must have two of the following elements. Street facing facades exceeding 100 feet in length must have four of the following elements (see also Section 51P-830.109(e)):

(A) Change in plane, such as an offset, reveal, recess, or projection. Changes in plane must have a width of no less than 24 inches and depth of at least eight inches and may include columns, planters, arches and niches.

(B) Architectural details such as raised bands and cornices.

(C) Architecturally prominent public entrance.

(D) Awnings.

(E) Change in color.

(F) Change in material.

(G) Change in texture.

(3) The street level of the primary facade for nonresidential uses or mixed use projects with retail uses on the street level must have at least two of the following elements for at least 60 percent of the width of the facade:

(A) Arcades, canopies, or secondary roofs to provide shade.

(B) Display windows. (In Subdistrict 3A, “display window” means glazing that provides transparency into a non-residential space.)

(C) Awnings associated with windows or doors.

(4) Accessory structures must have similar architectural design elements, materials, and roof design as the primary structure.

(5) If a building is two stories or less, 30 percent of the street-facing facade, excluding fenestration, must be masonry. If the building is more than two stories, 100 percent of the first-story street-facing facade, excluding fenestration, must be masonry. This provision does not apply in Subdistrict 3A.

(6) The street level of the primary facade of nonresidential uses or mixed use projects with nonresidential uses on the street level must have a minimum transparency of 40 percent.

(7) Facades may not consist of more than 80 percent glass. For purposes of this provision, glass block is not considered as glass.

(g) Massing and form.

(1) If a building exceeds 150 feet of frontage along any street, and exceeds 36 feet in height, that building must have a minimum of 500 square feet of sloped-roof area. The sloped-roof area must be visible from the street, and the slope must exceed a pitch of two in 12.

(2) To create varied building massing for large scaled buildings, no more than 80 percent of any building footprint may exceed 60 feet in height.

(h) Fences and walls. To prevent visual monotony, at least 20 percent of the length of any fence or wall longer than 200 feet must be alternate materials, alternate textures, gates, offsets, or openings. The alternate materials, alternate textures, gates, offsets, or openings may be spread out over the length of the fence or wall.

(i) Materials.

(1) Glass. The reflectance of glass used on the first two stories may not exceed 15 percent. The reflectance of glass used on stories above the first two stories may not exceed 27 percent. As used in this provision, “reflectance” is the percentage of available light energy reflected away from the exterior surface of the glass. The higher the reflectance percentage, the more mirror-like the surface will appear.

(2) Masonry.

(A) Allowed.

(i) Stone.

(ii) Brick.

(iii) Concrete masonry units that have architectural finish such as split-faced concrete masonry units.

(iv) Job-site cast concrete with an architectural finish.

(v) Cast stone.

(vi) Cultured stone.

(B) Prohibited.

(i) Unfinished concrete masonry units that do not have an architectural finish.

(ii) Precast concrete that does not have an architectural finish.

(3) Metal.

(A) Allowed. No more than 20 percent of a street-facing facade may be flat or corrugated metal panels. In Subdistrict 3A, more than 20 percent of a street facing facade may be permanently-colored stainless steel tiles or panels or weathered steel plate.

(B) Prohibited. Metal siding that imitates wood siding.

(4) Plastic.

(A) Allowed. Fiberglass panels and polycarbonate panels.

(B) Prohibited. Plastic siding and vinyl siding that imitate wood siding.

(5) Stucco.

(A) Allowed. Stucco.

(B) Prohibited. Simulated stucco (EIFS).

(6) Tile. Terra cotta and tile are allowed.

(7) Wood.

(A) Allowed.

(i) Natural wood.

(ii) Composite panels or planks no greater than eight inches in width.

(B) Prohibited. Flake board, particle board, or press board.

(j) Roofs. In addition to the requirements of Section 51P-830.122(g), mechanical equipment, skylights, and solar panels on roofs must be set back or screened so that they are not visible to a person standing at street level on the opposite side of any adjacent right-of-way. This provision does not apply in Subdistrict 3A.

(k) Windows. Retail and personal service uses must provide windows or display cases in street-level street facing windows along sidewalks.

(l) Architectural standards for residential structures in Subdistrict 8.

(1) Purpose. The purpose of these architectural design standards is to cause new construction and major modifications in the subdistrict to be compatible with the existing Victorian Transitional-style housing stock in the neighborhood.

(2) Applicability. These architectural design standards apply to new construction on a vacant lot and major modifications for single-family or duplex use only.

(3) Standards.

(A) Except as provided in this paragraph, structures in the front 50 percent of a lot may only have hipped-roofed or gable-roofed forms with a minimum roof slope of four (vertical) to 12 (horizontal) and a maximum roof slope of 12 (vertical) to 12 (horizontal). Elements such as porches or roof dormers may have a minimum roof slope of at least two (vertical) to 12 (horizontal).

(B) The primary facade material must be painted horizontal lap siding, composed of wood or cement-fiber board. No more than 15 percent of any facade may be clay-fired brick.

(C) Each residential structure must have a covered porch with a minimum of two open sides and a minimum floor area of 50 square feet; the porch must be visible from the street.

(D) Parking is not permitted in the front yard. This provision applies to required parking and non-required parking.

(E) Front-facing garage doors may not be located in the front 50 percent of any lot.

**SEC. 51P-830.123. STREET AND SIDEWALK STANDARDS.**

*OMITTED FOR BREVITY*

**SEC. 51P-830.124. ADDITIONAL PROVISIONS.**

(a) For purposes of platting, structures that exist as of August 11, 2010 that are nonconforming as to the zoning setback regulations or that encroach upon a setback line are not subject to the setback provisions in Sections 51A-8.501(a) or 51A-8.503(e)(1).

(b) Except for maintenance, the access easement in the former location of 9th Street is limited to being closed to public access no more than 15 days per month.

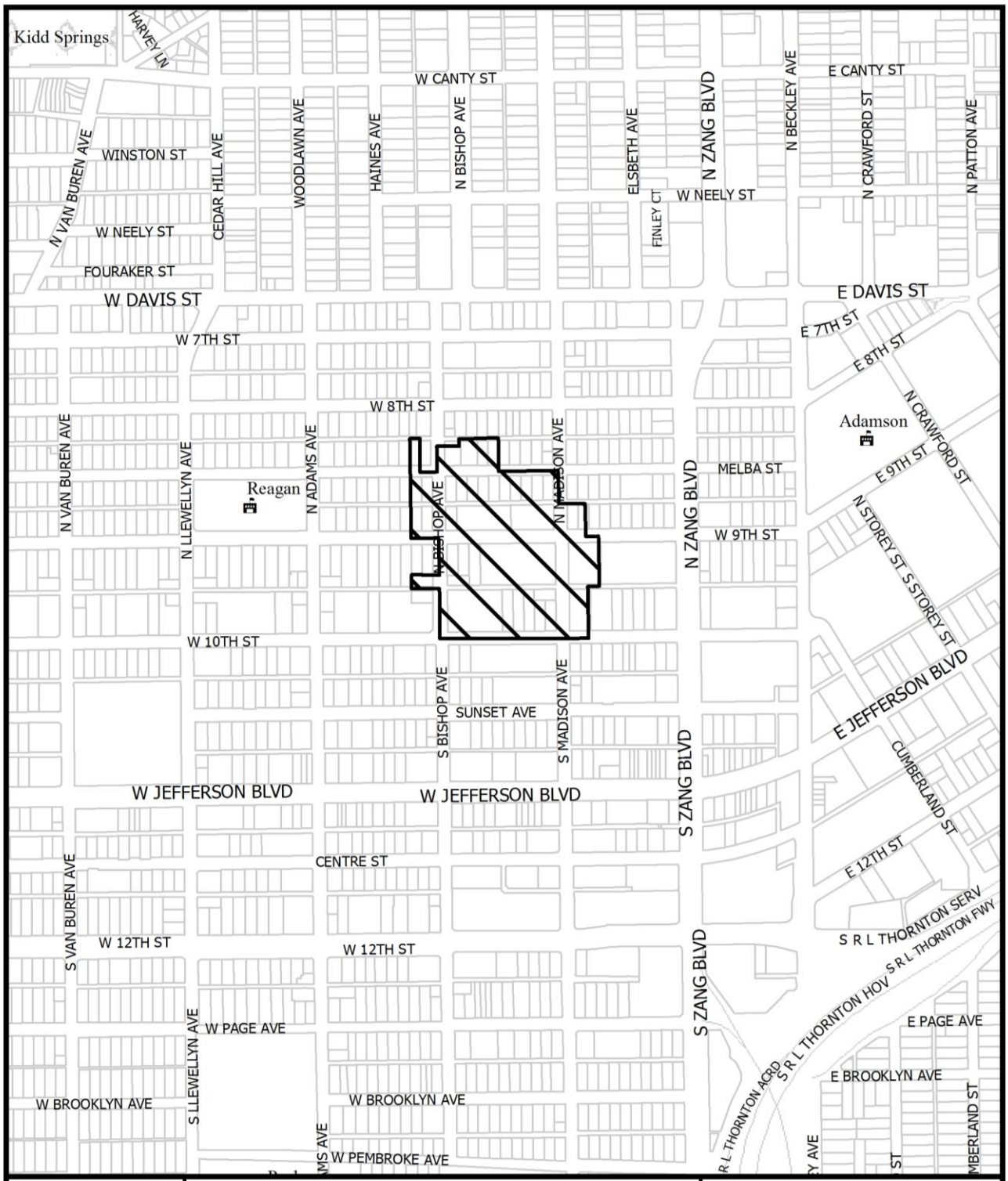
(c)[~~(b)~~] The Property must be properly maintained in a state of good repair and neat appearance.

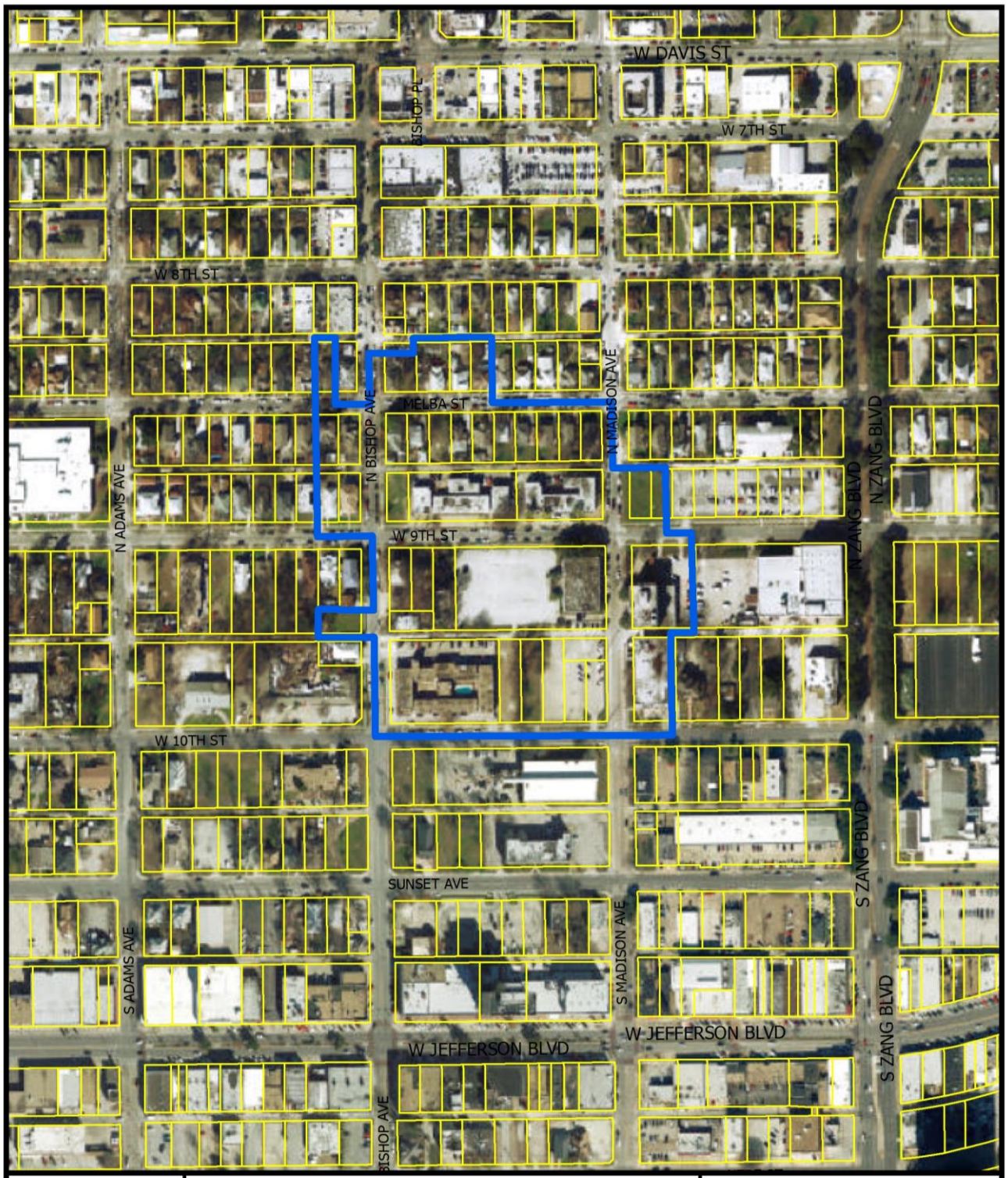
(d)[~~(c)~~] Development and use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the city.

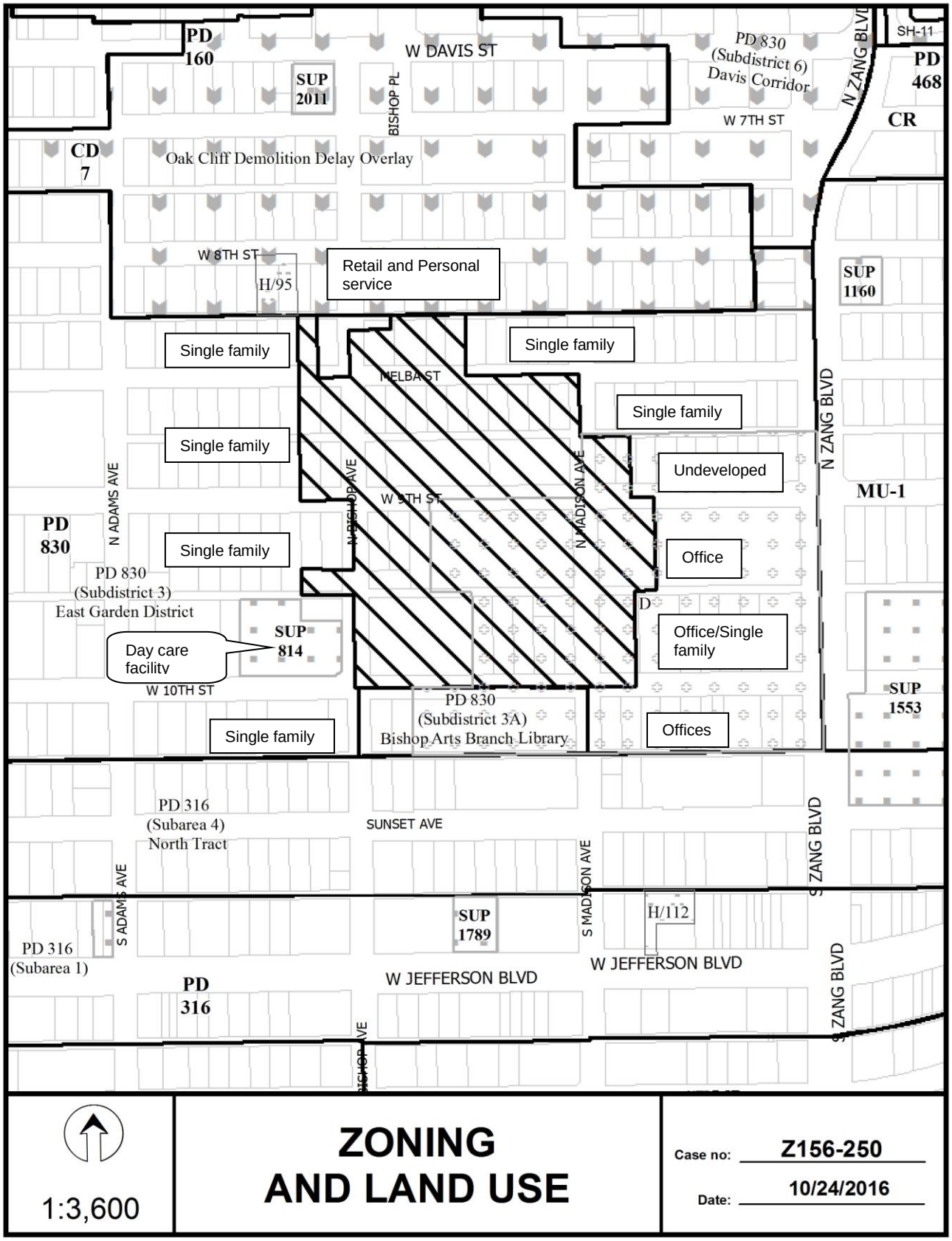
**SEC. 51P-830.125. COMPLIANCE WITH CONDITIONS.**

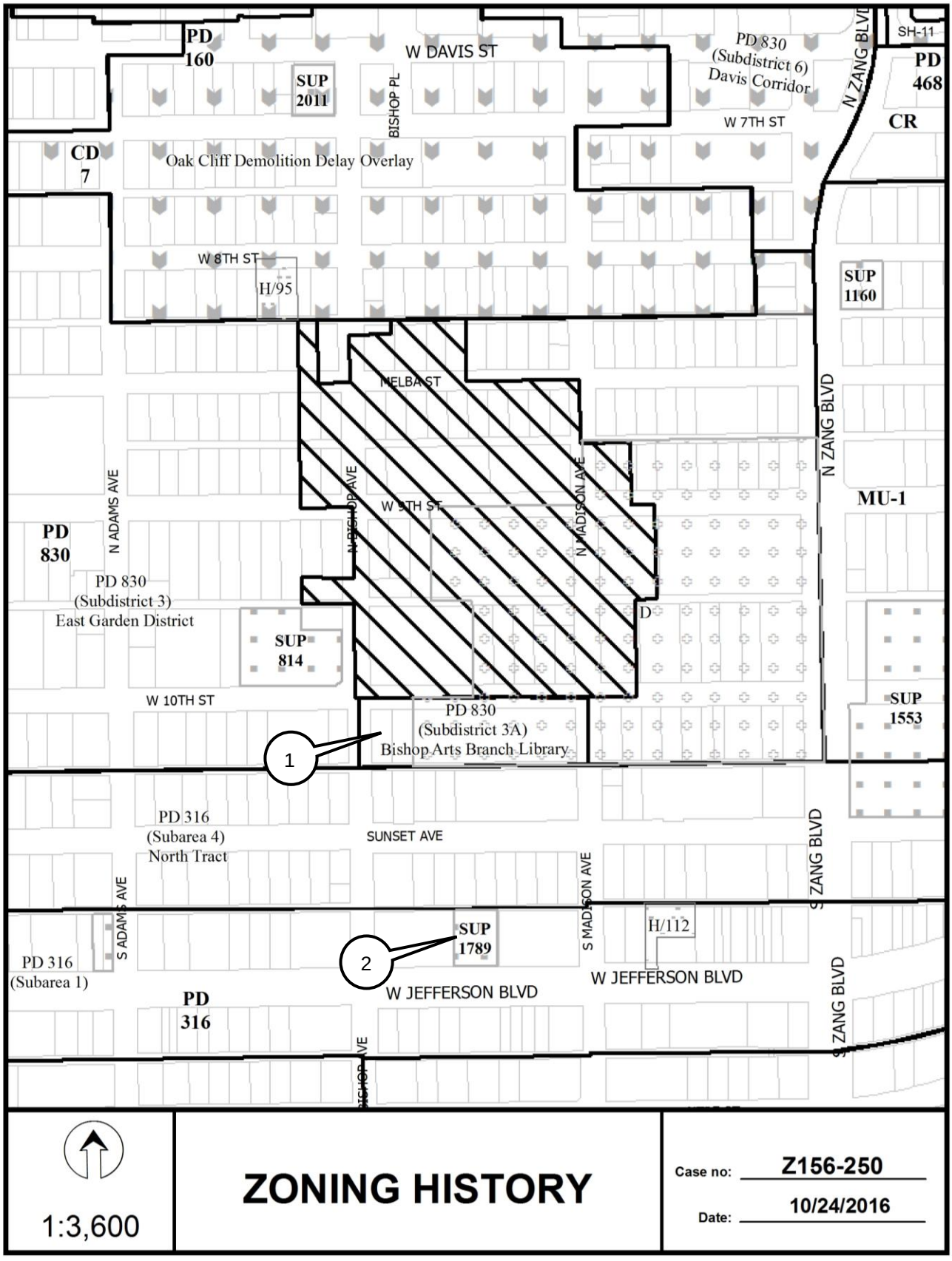
(a) All paved areas, permanent drives, streets, and drainage structures, if any, must be constructed in accordance with standard city specifications, and completed to the satisfaction of the director of public works and transportation.

(b) The building official shall not issue a building permit to authorize work, or a certificate of occupancy to authorize the operation of a use, until there has been full compliance with this article, the Dallas Development Code, the construction codes, and all other ordinances, rules, and regulations of the city.


Kidd Springs
HARVEY LN
W CANTY ST
E CANTY ST
WINSTON ST
N VAN BUREN AVE
CEDAR HILL AVE
WOODLAWN AVE
HAINES AVE
N BISHOP AVE
ELSBETH AVE
N ZANG BLVD
N BECKLEY AVE
N CRAWFORD ST
N PATTON AVE
FINLEY CT
W NEELY ST
FOURAKER ST
W DAVIS ST
E DAVIS ST
W 7TH ST
E 7TH ST
E 8TH ST
W 8TH ST
Adamson
N CRAWFORD ST
E 9TH ST
N VAN BUREN AVE
N LLEWELLYN AVE
Reagan
N ADAMS AVE
S BISHOP AVE
N MADISON AVE
MELBA ST
W 9TH ST
N STOREY ST
S STOREY ST
W 10TH ST
E JEFFERSON BLVD
SUNSET AVE
S MADISON AVE
W JEFFERSON BLVD
S ZANG BLVD
CUMBERLAND ST
E 12TH ST
CENTRE ST
S VAN BUREN AVE
W 12TH ST
S R L THORNTON SERV
S R L THORNTON FWY
S R L THORNTON HOV
W PAGE AVE
S LLEWELLYN AVE
E PAGE AVE
E BROOKLYN AVE
W BROOKLYN AVE
S R L THORNTON ACRD
W PEMBROKE AVE
1:7,200
VICINITY MAP
Case no: Z156-250
Date: 10/24/2016


W DAVIS ST
BISHOP PL
W 7TH ST
W 8TH ST
N BISHOP AVE
N MADISON AVE
MELBA ST
N ADAMS AVE
N ZANG BLVD
W 9TH ST
W 10TH ST
SUNSET AVE
S ADAMS AVE
S MADISON AVE
S ZANG BLVD
W JEFFERSON BLVD
BISHOP AVE
1:3,600
AERIAL MAP
Case no: Z156-250
Date: 10/24/2016


PD 160
W DAVIS ST
SUP 2011
BISHOP PL
PD 830 (Subdistrict 6) Davis Corridor
N ZANG BLVD
SH-11
PD 468
CR
W 7TH ST
CD 7
Oak Cliff Demolition Delay Overlay
W 8TH ST
H/95
Retail and Personal service
SUP 1160
Single family
Single family
MELBA ST
Single family
Single family
N ZANG BLVD
Undeveloped
MU-1
N ADAMS AVE
N BISHOP AVE
W 9TH ST
N MADISON AVE
PD 830
Single family
Office
PD 830 (Subdistrict 3) East Garden District
D
Office/Single family
SUP 814
Day care facilitv
W 10TH ST
PD 830 (Subdistrict 3A) Bishop Arts Branch Library
SUP 1553
Single family
Offices
PD 316 (Subarea 4) North Tract
SUNSET AVE
S ZANG BLVD
S ADAMS AVE
S MADISON AVE
SUP 1789
H/112
PD 316 (Subarea 1)
W JEFFERSON BLVD
W JEFFERSON BLVD
PD 316
S ZANG BLVD
S BISHOP AVE
1:3,600
ZONING AND LAND USE
Case no: Z156-250
Date: 10/24/2016


PD 160
W DAVIS ST
SUP 2011
BISHOP PL
PD 830 (Subdistrict 6) Davis Corridor
N ZANG BLVD
SH-11
PD 468
CR
W 7TH ST
CD 7
Oak Cliff Demolition Delay Overlay
W 8TH ST
H/95
SUP 1160
MELBA ST
N ZANG BLVD
MU-1
N ADAMS AVE
N BISHOP AVE
N MADISON AVE
W 9TH ST
PD 830
PD 830 (Subdistrict 3) East Garden District
SUP 814
W 10TH ST
PD 830 (Subdistrict 3A) Bishop Arts Branch Library
SUP 1553
1
PD 316 (Subarea 4) North Tract
SUNSET AVE
S ZANG BLVD
S ADAMS AVE
S MADISON AVE
SUP 1789
H/112
2
PD 316 (Subarea 1)
W JEFFERSON BLVD
W JEFFERSON BLVD
PD 316
S ZANG BLVD
BISHOP AVE
1:3,600
ZONING HISTORY
Case no: Z156-250
Date: 10/24/2016

## CPC RESPONSES




| | |
|---|---|
| 196 | Property Owners Notified (271 parcels) |
| 28 | Replies in Favor (60 parcels) |
| 3 | Replies in Opposition (3 parcels) |
| 500' | Area of Notification |
| 1/19/2017 | Date |

Z156-250
CPC

N
W E
S

1:3,600

# Notification List of Property Owners

## *Z156-250*

***196 Property Owners Notified 28 Property Owners in Favor 3 Property Owners Opposed***

| *Reply* | *Label #* | *Address* | *Owner* |
|---|---|---|---|
| O | 1 | 405 MELBA ST | BISHOP ARTS VILLAGE LLC |
| | 2 | 308 N BISHOP AVE | MLARLB LP |
| O | 3 | 337 MELBA ST | KENSINGTON RIVERFALL LLC |
| O | 4 | 329 MELBA ST | KENSINGTON REIVERFALL LLC |
| | 5 | 325 MELBA ST | TOVAR JESUS ARMANDO LARA |
| O | 6 | 321 MELBA ST | BISHOP ARTS VILLAGE LLC |
| O | 7 | 321 W 9TH ST | MAN PARTNERS II LLC |
| O | 8 | 300 MELBA ST | BISHOP ARTS VILLAGE LLC |
| O | 9 | 328 MELBA ST | BISHOP ART VILLAGE LLC |
| O | 10 | 336 MELBA ST | BISHOP ARTS VILLAGE LLC |
| | 11 | 407 W 9TH ST | AVILA LORENZO H |
| O | 12 | 403 W 9TH ST | BISHOP ARTS LLC |
| | 13 | 410 MELBA ST | HOMETOWN CLASSIC BUILDERS LLC |
| O | 14 | 311 W 10TH ST | KENSINGTON RIVERFALL LLC |
| O | 15 | 233 W 10TH ST | KENSINGTON RIVERFALL LLC |
| | 16 | 407 W 10TH ST | CHILD CARE GROUP THE |
| | 17 | 408 N MADISON AVE | GAMBER BARRY & |
| | 18 | 239 W 8TH ST | SALVAGGIO CHARLES F |
| | 19 | 235 W 8TH ST | EITCHES ROBERT W |
| | 20 | 233 W 8TH ST | 216 W 7TH LLC |
| | 21 | 231 W 8TH ST | MUSICK RONALD |
| | 22 | 223 W 8TH ST | SALINAS ELIDA |
| | 23 | 217 W 8TH ST | SDE TEXAS LLC |
| | 24 | 232 W 7TH ST | 7TH MADISON LLC |
| | 25 | 238 W 7TH ST | ALAMO MANHATTAN BAD LLC |
| | 26 | 333 W 8TH ST | BISHOP STREET PARTNERS JV |

***01/18/2017***

| *Reply* | *Label #* | *Address* | *Owner* |
|---|---|---|---|
| | 27 | 323 W 8TH ST | SALAZAR MANUAL & MARIA |
| | 28 | 317 W 8TH ST | VILLALOBOS CELESTINO A & |
| | 29 | 315 W 8TH ST | SANCHEZ MARTIN & |
| | 30 | 309 W 8TH ST | ALVAREZ GERARDO |
| O | 31 | 305 W 8TH ST | OAK CLIFF LEASING LLC |
| | 32 | 301 W 8TH ST | 1301 STEMMONS LLC |
| | 33 | 439 W 8TH ST | MENDOZA ELENA |
| | 34 | 433 W 8TH ST | AVILA JOSE A ETAL |
| | 35 | 429 W 8TH ST | ALLMON ALAN DUANE |
| | 36 | 425 W 8TH ST | ALLMON ALAN D |
| | 37 | 421 W 8TH ST | GAYTAN JOSE & |
| | 38 | 419 W 8TH ST | JAR BISHOP ARTS HOLDINGS LLC |
| | 39 | 413 W 8TH ST | MORENO AMELIE G |
| | 40 | 411 W 8TH ST | MORENO JOAQUIN M |
| O | 41 | 407 N BISHOP AVE | BAD KRAMER LLC |
| O | 42 | 403 N BISHOP AVE | MITCHELL DONALD G |
| | 43 | 419 N BISHOP AVE | BISHOP FUND LTD |
| | 44 | 408 W 7TH ST | 7TH LLC |
| | 45 | 412 W 7TH ST | DOMINGUEZ ARTURO & |
| | 46 | 418 W 7TH ST | D MC LEASING INC |
| | 47 | 422 W 7TH ST | D MC LEASING |
| | 48 | 426 W 7TH ST | CASTILLO VICTORIA |
| | 49 | 428 W 7TH ST | ALVARADO DAVE H & |
| | 50 | 434 W 7TH ST | GAMBER MONTY |
| | 51 | 438 W 7TH ST | GAMBER MONTY |
| | 52 | 505 MELBA ST | ARREAGA MICHAEL A |
| | 53 | 502 W 8TH ST | MCDONALD M V |
| | 54 | 433 MELBA ST | MENDEZ EBERTO |
| | 55 | 429 MELBA ST | GUARDADO JOSE FILEMON & |
| | 56 | 425 MELBA ST | CANO MOISES |
| | 57 | 421 MELBA ST | SOTO FELIX & |

*01/18/2017*

| *Reply* | *Label #* | *Address* | *Owner* |
|---|---|---|---|
| | 58 | 417 MELBA ST | AQUIRRE MAXIMINO B & |
| | 59 | 413 MELBA ST | FREITAG AMANDA MARLENA |
| | 60 | 409 MELBA ST | HOMETOWN CLASSIC BLDRS LLC |
| | 61 | 403 MELBA ST | BISHOP & MELBA LLC |
| | 62 | 313 N BISHOP AVE | MLA-RLB LP |
| | 63 | 404 W 8TH ST | SULLIVAN JAMES W TR & |
| O | 64 | 408 W 8TH ST | GOOD SPACE ARTS INC |
| O | 65 | 416 W 8TH ST | GOOD SPACE ARTS INC |
| | 66 | 420 W 8TH ST | 6212 INVESTMENTS LLC |
| | 67 | 424 W 8TH ST | GAYTAN MARY |
| | 68 | 428 W 8TH ST | RAMOS HILDA |
| O | 69 | 432 W 8TH ST | GOOD SPACE X LLC |
| | 70 | 436 W 8TH ST | SOLIS JOSE & MARIE DEL |
| | 71 | 317 MELBA ST | TUESDAY REAL ESTATE LLC |
| | 72 | 313 MELBA ST | UG MELBA LLC |
| | 73 | 309 MELBA ST | CERDA JUAN & GUADALUPE |
| | 74 | 305 MELBA ST | UG MELBA LLC |
| | 75 | 307 N MADISON AVE | ESMIRNA TEMPLO |
| | 76 | 301 MELBA ST | POPKEN TRACY M |
| | 77 | 300 W 8TH ST | TEMPLO ESMIMA |
| O | 78 | 306 W 8TH ST | CDP & LRP 306 LLC |
| | 79 | 310 W 8TH ST | GONZALES EFRAIN JR |
| | 80 | 318 W 8TH ST | SANDOVAL ANTONIO |
| | 81 | 314 W 8TH ST | LOS DETECTIVES SALVAJES INC |
| | 82 | 320 W 8TH ST | RODRIGUEZ JORGE POSADAS & |
| | 83 | 324 W 8TH ST | BMR JOHNSON INVESTMENTS L |
| | 84 | 328 W 8TH ST | SANCHEZ & SANCHEZ LLC |
| | 85 | 332 W 8TH ST | DUARTE JESUS JR & |
| O | 86 | 314 N BISHOP AVE | GOOD SPACE X LLC |
| | 87 | 336 W 8TH ST | WISTERIA HILLS LLC |
| | 88 | 237 MELBA ST | FLORES DAVID & ROSA |

*01/18/2017*

| *Reply* | *Label #* | *Address* | *Owner* |
|---|---|---|---|
| | 89 | 235 MELBA ST | VARGAS ANTELMA & |
| | 90 | 231 MELBA ST | MANDUJANO J PABLO & |
| | 91 | 225 MELBA ST | CHAVARRIA LUCIANO |
| | 92 | 223 MELBA ST | PROSUM VENTURES INC |
| | 93 | 217 MELBA ST | SALAS FRANCISCO & TERESA |
| | 94 | 213 MELBA ST | ERIVES PATRICIA |
| X | 95 | 211 MELBA ST | DEHOYOS DORA |
| | 96 | 205 MELBA ST | CHAVARRIA MACARIO PAIZ |
| | 97 | 201 MELBA ST | BARREIRO CRISEIDA M & |
| | 98 | 321 N ZANG BLVD | 228 POOL LLC |
| | 99 | 212 W 8TH ST | GONZALEZ FELIPE & |
| | 100 | 216 W 8TH ST | MOJICA NICASIO |
| | 101 | 220 W 8TH ST | GUZMAN FRANCISCO |
| | 102 | 228 W 8TH ST | MONCADA ROSA MARIA & |
| | 103 | 232 W 8TH ST | VASQUEZ AURELIANO & |
| | 104 | 234 W 8TH ST | STEELE MINNIE ESTATE OF |
| | 105 | 240 W 8TH ST | BKN REALTY LLC |
| | 106 | 134 MELBA ST | EIGHTH ZANG LTD |
| | 107 | 231 W 9TH ST | SOUTHWESTERN BELL |
| | 108 | 206 MELBA ST | YAWTSAR LLC |
| | 109 | 212 MELBA ST | DRENNAN MARGIE L |
| | 110 | 222 MELBA ST | ESQUIVEL JULIO C & |
| | 111 | 226 MELBA ST | CEJA OCTAVIANO C & |
| | 112 | 230 MELBA ST | CALDERON ANTONIA GAYTAN |
| | 113 | 234 MELBA ST | GONZALEZ MOISES & |
| | 114 | 236 MELBA ST | CRUZ ERWIN |
| | 115 | 439 W 9TH ST | DRENNAN MARGIE LEE |
| | 116 | 435 W 9TH ST | DRENNAN MARGIE LEE |
| | 117 | 429 W 9TH ST | AGUERO AUSENCIO & MARIA |
| | 118 | 425 W 9TH ST | GONZALES CARMEN V |
| | 119 | 419 W 9TH ST | GUERRERO MARTHA |

*01/18/2017*

| *Reply* | *Label #* | *Address* | *Owner* |
|---|---|---|---|
| | 120 | 415 W 9TH ST | RAMIREZ PILAR S |
| | 121 | 413 W 9TH ST | MUSICANT AARON & |
| | 122 | 412 MELBA ST | SANCHEZ JOSE |
| | 123 | 418 MELBA ST | BISHOP ARTS MELBA LLC |
| | 124 | 422 MELBA ST | MEDINA RICARDO & MARCELA |
| | 125 | 426 MELBA ST | DAVILA JESUS |
| | 126 | 428 MELBA ST | MEESTER TRAVIS J |
| | 127 | 436 MELBA ST | BANDA GUADALUPE |
| | 128 | 501 W 10TH ST | PAOG MALENA MEAZELL ET AL |
| | 129 | 115 N ADAMS AVE | MONTIEL ALEJANDRO H |
| | 130 | 125 N ADAMS AVE | RUBIO REGINALDO & |
| | 131 | 119 N ADAMS AVE | CANO RAQUEL |
| | 132 | 110 N ADAMS AVE | MONTIEL ALEJANDRO |
| | 133 | 435 W 10TH ST | RATNER EUGENE L 1999 TRUST |
| | 134 | 427 W 10TH ST | PROXIMITY DEVELOPERS LLC |
| | 135 | 419 W 10TH ST | SALVADOR GARCIA JIMENEZ & |
| | 136 | 111 N BISHOP AVE | JOSEPH GEORGE KROSAMMA |
| X | 137 | 400 W 9TH ST | MOJICA IGNACIO T & MARTHA |
| X | 138 | 406 W 9TH ST | ORTIZ ELSIE |
| | 139 | 410 W 9TH ST | HERNANDEZ ERNESTO DANIEL & |
| | 140 | 412 W 9TH ST | HERNANDEZ ERNEST D |
| | 141 | 416 W 9TH ST | THIEUR JOSEPHINE M |
| | 142 | 422 W 9TH ST | FISHER ROSIA E |
| | 143 | 424 W 9TH ST | 424 W 9TH LLC |
| | 144 | 118 N ADAMS AVE | RIBERA FRANCISCO M |
| | 145 | 432 W 9TH ST | HURLEY DONNA L |
| | 146 | 440 W 9TH ST | TOVAR JOSE S JR & |
| | 147 | 122 ADAMS AVE | TOVAR JOSE & CATALINA |
| | 148 | 227 W 10TH ST | CMWOC PROPERTIES I LLC |
| | 149 | 219 W 10TH ST | JIVE INVESTMENTS LLC |
| O | 150 | 209 W 10TH ST | EXC VENTURES LLC |

***01/18/2017***

| *Reply* | *Label #* | *Address* | *Owner* |
|---|---|---|---|
| | 151 | 135 W 10TH ST | FIRST NORTH TEXAS |
| | 152 | 132 W 9TH ST | CLIFF TEMPLE BAPTIST |
| | 153 | 237 SUNSET AVE | DERASAUGH MARGARET & |
| | 154 | 112 S MADISON AVE | SALA JASON BRANDON |
| | 155 | 233 SUNSET AVE | DERASAUGH MARGARET SUE |
| | 156 | 219 SUNSET AVE | BABAJOON3M PROPERTIES LLC |
| | 157 | 205 SUNSET AVE | L G PAWN SHOP INC |
| O | 158 | 202 W 10TH ST | DUTTON ALLAN M D |
| | 159 | 206 W 10TH ST | MERCADO FRANCISCA M |
| | 160 | 210 W 10TH ST | FIVE NINE SEVEN LP |
| | 161 | 220 W 10TH ST | PERALTA CHIROPRACTIC INC |
| | 162 | 224 W 10TH ST | JAS MAVERICK BISHOP 10TH LLC |
| | 163 | 232 W 10TH ST | PEREZ ARMINDA |
| | 164 | 110 S BISHOP AVE | CAMPOS JUAN MANUAL & |
| | 165 | 333 SUNSET AVE | SANTOS GERONIMO |
| | 166 | 329 SUNSET AVE | SANTOS GERONIMO ET AL |
| | 167 | 325 SUNSET AVE | SUNSET I PPTIES LLC |
| | 168 | 315 SUNSET AVE | SUNSET I PPTIES LLC |
| O | 169 | 433 SUNSET AVE | EQUITY TRUST CO FBO |
| | 170 | 429 SUNSET AVE | BLUMENFELD TERRY & |
| | 171 | 415 SUNSET AVE | TORRES ANDRES |
| | 172 | 411 SUNSET AVE | MARQUEZ JAVIER |
| | 173 | 409 SUNSET AVE | LOPEZ ALBERTANO & TERESA ALMAZAN |
| O | 174 | 405 SUNSET AVE | JDAL PROPERTIES INC |
| O | 175 | 400 W 10TH ST | DEVERS GARY |
| | 176 | 408 W 10TH ST | JOSEPH GEORGE K & ROSAMMA |
| | 177 | 416 W 10TH ST | CALDERON JUAN C |
| | 178 | 418 W 10TH ST | CALDERON JUAN CARLOS |
| | 179 | 426 W 10TH ST | JEFFUS WAYNE |
| O | 180 | 424 W 10TH ST | BISHOP ARTS VILLAGE LLC |
| | 181 | 430 W 10TH ST | JEFFUS WAYNE K |

***01/18/2017***

| *Reply* | *Label #* | *Address* | *Owner* |
|---|---|---|---|
| | 182 | 438 W 10TH ST | TRIPLE L PLACE LLC |
| | 183 | 211 S BISHOP AVE | HUERTA SARA R |
| O | 184 | 404 SUNSET AVE | SALANA PROPERTIES LTD |
| | 185 | 410 SUNSET AVE | RODRIGUEZ JOSE L & |
| | 186 | 414 SUNSET AVE | CORDOVA FRED ETAL |
| | 187 | 422 SUNSET AVE | CORDOVA FRED P & MARIA |
| O | 188 | 201 S MADISON AVE | EFFECTIVE TIME MGMT INC |
| | 189 | 304 SUNSET AVE | JEFFERSON MONUMENT LLC |
| | 190 | 334 SUNSET AVE | TEMPLO MONTE CALVARIO |
| | 191 | 206 SUNSET AVE | RIVCO ENTERPRISE LLC |
| | 192 | 220 SUNSET AVE | DIXON LIVING TRUST |
| O | 193 | 232 SUNSET AVE | TYLER ARTS DISTRICT INV LLC |
| | 194 | 129 W 9TH ST | NINTH STREET LTD |
| | 195 | 201 N ADAMS AVE | Dallas ISD |
| | 196 | 218 W 10TH ST | DDB PROPERTIES LLC |

**AGENDA ITEM # 87**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 6

**DEPARTMENT:** Sustainable Development and Construction

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 44 P

## SUBJECT

A public hearing to receive comments regarding an application for the renewal of Specific Use Permit No. 1813 for a recycling collection center for the collection of household metals, industrial metals and recyclable materials on property zoned an IR Industrial Research District on the northeast corner of Sylvan Avenue and Fabrication Street
Recommendation of Staff: Approval for an 18-month period, subject to conditions
Recommendation of CPC: Denial
Z156-332(PD)

**HONORABLE MAYOR & CITY COUNCIL** **WEDNESDAY, FEBRUARY 22, 2017**

**ACM: Mark McDaniel**

**FILE NUMBER:** Z156-332(PD) **DATE FILED:** August 11, 2016

**LOCATION:** Northeast corner of Sylvan Avenue and Fabrication Street

**COUNCIL DISTRICT:** 6 **MAPSCO:** 44-P

**SIZE OF REQUEST:** ±0.2635 acres **CENSUS TRACT:** 0043.00

**APPLICANT / OWNER:** Rigoberto Rosales

**REPRESENTATIVE:** Peter Kavanagh

**REQUEST:** An application for the renewal of Specific Use Permit No. 1813 for a recycling collection center for the collection of household metals, industrial metals, and recyclable materials on property zoned an IR Industrial Research District.

**SUMMARY:** The request is to allow for the recycling collection center to continue operating at this location. There are no proposed changes to the conditions or the site/landscape plan of Specific Use Permit No. 1813.

**CPC RECOMMENDATION:** **Denial**.

**STAFF RECOMMENDATION:** **Approval** for an 18-month period, subject to conditions.

**DESIGNATED ZONING CASE**

**BACKGROUND:**

- The recycling collection center is located on ±11,456 square feet of land with ingress from Fabrication Street and egress onto an adjacent alley north of the site that leads to Sylvan Avenue.

- The site is developed with two buildings, an office building and a storage facility for the collection of the recyclable materials. The site is secured by a 6-foot tall perimeter fence which provides screening of the entire site, parking and drop-off area. To further minimize the visual impact of the site a landscape buffer consisting of eight mature Bradford Pear trees align Sylvan Avenue.

- The original SUP was approved on October 13, 2010 for a two-year period. The SUP was renewed on October 10, 2012, and August 12, 2015, for additional two-year periods. The Dallas Development Code permits no more than a two-year period for this use.

- The SUP would have expired on August 12, 2016; however, the applicant submitted the renewal application on August 11, 2016.

- On September 2, 2016, staff conducted a site visit and determined that the site was out of compliance with the approved site/landscape plan. Staff held the application until compliance was met.

- On June 19, 2013, City Council approved PD No. 891 providing the beginning of incremental zoning changes in general compliance with the West Dallas Urban Structure and Guidelines area plan (The Structure).

**Zoning History:** There have been three recent zoning change requests within the area in the last five years. Additionally there have been three zoning change requests within the vicinity of the request site that will work in tandem with the vision of the West Dallas Urban Structure and Guidelines area plan (The Structure), but are not in immediate proximity of the request site, and therefore are not shown on the zoning history map.

1. Z156-302 On September 28, 2016, City Council approved an expansion to Planned Development District No. 891. No changes to the conditions of PD No. 891 are requested with this request.

2. Z164-282 On December 10, 2014, City Council approved Planned Development District No. 933 for certain Mixed Uses on property zoned an IR Industrial Research District.

3. Z112-319 On June 19, 2013, City Council approved Planned Development District No. 891 for certain Mixed Uses on property zoned an IR Industrial Research District.

**Thoroughfares/Streets:**

| Thoroughfare/Street | Type | Existing ROW |
|---|---|---|
| Sylvan Avenue | Local | 80 ft. |
| Fabrication Street | Local | 50 ft. |

**Traffic:** The Engineering Division of the Sustainable Development and Construction Department has reviewed the request and has determined that the development has not had a negative impact on the surrounding street system.

**Thoroughfare and Special Cross Section Plans:** On June 19, 2013, the City Council approved an amendment to the Thoroughfare Plan by making the following changes: 1. changing the dimensional classification of Singleton Boulevard from Sylvan Avenue to Canada Drive from a six-lane divided [M-6-D(A)] roadway within 100 feet of right-of-way to a special four lane divided (SPCL 4D) roadway with bicycle lanes within 88 feet of right-of-way; 2. Adding Bataan Street from Singleton Boulevard to Commerce Street as a special two lane undivided collector (SPCL 2U) roadway with on-street parking within 54 feet of right-of-way; 3. Adding Herbert Street from Singleton Boulevard to Commerce Street as a special two-lane undivided collector (SPCL 2U) roadway with on-street parking within feet of right-of-way; and 4. Adding Amonette Street from Singleton Boulevard to Commerce Street as a two-lane undivided collector (SPCL 2U) roadway with on-street parking within 54 feet of right-of-way.

The (Structure) calls for an enhanced street grid that prioritizes pedestrians, bicycles, and transit over movement of goods and services and the automobile. The City of Dallas Thoroughfare Plan was amended to provide for this connected grid. These links, in conjunction with the City's bond program are intended to provide north/south thoroughfares under the Union Pacific Railroad right-of-way which is directly south of Sylvan Avenue and will enhance connectivity for this portion of West Dallas to other areas of the city.

**Surrounding Land Uses:**

| | Zoning | Land Use |
|---|---|---|
| **Site** | IR, SUP No. 1813 | Recycling facility |
| **North** | IR | Home Improvement Center/Building Materials Yard |
| **South** | IR | Retail/Bakery |
| **East** | IR | Outside Storage |
| **West** | IR, TH-3(A) | Single Family/Undeveloped Lot |

**COMPREHENSIVE PLAN:** The *forwardDallas! Comprehensive Plan* was adopted by the City Council in June 2006. The *forwardDallas! Comprehensive Plan* outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request.

**GOAL 1.1 Align Land Use Strategies with Economic Development Priorities**

Policy 1.1.2 Focus on Southern Sector development opportunities.

1.1.2.1 Initiate Area Plans to evaluate land use opportunities for appropriate and compatible development and to coordinate public investment and land use regulations with development activity. Include area stakeholders in the development of Area Plans.

**GOAL 2.1 Promote Balance Growth**

Policy 2.1.2 Ensure that Area Plans include an economic development component to address the economic factors of the areas in the context of the City as a whole.

**Area Plan:**

On March 9, 2011, City Council approved the West Dallas Urban Structure and Guidelines area plan (the Structure). The plan provides a template for redevelopment of the area generally bounded by Canada Drive/Beckley Avenue, IH-30, and Sylvan Avenue; and envisions dense, pedestrian-oriented, mixed-use neighborhoods along the Singleton Boulevard and Herbert Street corridors.

The Structure prefers residential urban development characterized by three to five story buildings containing multiple residential units. This type of development provides a more human-scale type development and higher density residential development along the Trinity River which is the desired land use. While the proposed use is not compatible with the vision of the area plan, the property is maintained in good condition and provides a viable use as the area progresses toward the vision of the West Dallas Urban Structure and Guidelines area plan.

The Structure was developed using a collaborative community-based process under the guidance of the Dallas CityDesign Studio. Public input was a cornerstone of the Structure's development, with over 40 community meetings as well as detailed discussion and interaction with the applicant in order to reach a consensus around the vision for the area.

As an investment in this key move to reformat the built environment in the area, the City of Dallas included $34 million in the 2012 Bond Program to design and construct underpasses under the existing Union Pacific Railroad. This improved connectivity places the target for growth directly south of Sylvan Avenue.

**STAFF ANALYSIS:**

**Land Use Compatibility:**

The request site is located in an area with a myriad of uses with vastly approaching mixed used development. Presently Sylvan Avenue acts as delineation in not only the change of use but also the intensity of uses. The request site is located within an industrial area. The property is surrounded by a variety of uses that vary in parcel size and level of intensity ranging from large and small scale warehouses to a small bakery.

The site is designed in a way that places the entrance along Fabrication Street which minimizes any impact along Sylvan Avenue. People conducting business onsite enter from Fabrication Street and exit north onto an adjacent alley that leads to Sylvan Avenue. The site's development contains the use entirely within a structure and is totally surrounded and enclosed by a solid fence. In an effort to further contribute to the enhancement, safety and welfare of the neighborhood, the site is securely gated nightly at the close of business. These overall site characteristics serve to minimize the impact of the development on the surrounding properties.

The general provisions for a Specific Use Permit in Section 51A-4.219 of the Dallas Development Code specifically state: (1) The SUP provides a means for developing certain uses in a manner in which the specific use will be consistent with the character of the neighborhood; (2) Each SUP application must be evaluated as to its probable effect on the adjacent property and the community welfare and may be approved or denied as the findings indicate appropriate; (3) The city council shall not grant an SUP for a use except upon a finding that the use will: (A) complement or be compatible with the surrounding uses and community facilities; (B) contribute to, enhance, or promote the welfare of the area of request and adjacent properties; (C) not be detrimental to the public health, safety, or general welfare; and (D) conform in all other respects to all applicable zoning regulations and standards. The regulations in this chapter have been established in accordance with a comprehensive plan for the purpose of promoting the health, safety, morals, and general welfare of the city.

The proposed use not only provides a service to the City but is also not anticipated to negatively impact adjacent properties as long as it remains compliant with the conditions of the SUP. Further the specific use permit process provides the City an

opportunity to establish conditions such as hours of operation and site layout to mitigate any potential negative impacts. In the future, staff believes that when this area transitions, this use will in fact not be the best fit for the area. However, presently due to the size of the site, containment of the use internal to the site and its structure which helps to control the exterior maintenance of the site and noise; the recommended one-year time frame allowing the City to continuously re-evaluate the compatibility of the use provides a short term viable interim use for this site that would otherwise be vacant.

**Development Standards:**

| DISTRICT | SETBACKS | | Density | Height | Lot Coverage | Special Standards | PRIMARY Uses |
|---|---|---|---|---|---|---|---|
| | Front | Side/Rear | | | | | |
| IR - Existing Industrial | 15' | 0' | No Maximum | 200' | 80% | NA | Industrial |

**Landscaping:** No additional landscape is required or proposed.

**Police Department:** The Dallas Police Department has indicated that the applicant is in compliance with Chapter 40B in operating the proposed recycling collection center. Chapter 40B has a set of regulations that are tailored to minimize the potential of purchasing stolen items. Regulations listed in Chapter 40B include a list of prohibited items that cannot be purchased by secondary metal recyclers; identification protocol that has to be met; the need for secondary metal recyclers to maintain a seller inventory; and stipulations on how payments can be made.

**Crime Statistics:** Since the approval of SUP No. 1813, there have been no records for Arrest, Calls, or Citations for the site.

**CPC ACTION**

January 5, 2017:

**Motion:** It was moved to recommend **denial** of the renewal of Specific Use Permit No. 1813 for a recycling collection center for the collection of household metals, industrial metals and recyclable materials on property zoned an IR Industrial Research District on the northeast corner of Sylvan Avenue and Fabrication Street.

Maker: Anantasomboon
Second: Davis
Result: Carried: 9 to 4

For: 9 - Anglin, Rieves, Houston, Davis, Anantasomboon, Haney, Jung, Schultz, Peadon

Against: 4 - Shidid, Murphy, Ridley, Tarpley
Absent: 1 - Housewright
Vacancy: 1 - District 7

**Notices:** Area: 200 Mailed: 18
**Replies:** For: 2 Against: 0

**Speakers**: For: Peter Kavanagh, 1620 Handley Dr., Dallas, TX, 75208
Against: None

## APPLICANT/STAFF PROPOSED SUP CONDITIONS

1. USE: The only use authorized by this specific use permit is a recycling collection center for the collection of household metals, industrial metals, and recyclable materials. No other materials may be collected or recycled.

2. SITE/LANDSCAPE PLAN: Use and development of the Property must comply with the attached site plan.

3. TIME LIMIT: This specific use permit expires on [~~August 12, 2016~~] eighteen months from passage of this ordinance.

4. LANDSCAPING: Landscaping must be provided as shown on the attached site plan.

5. HOURS OF OPERATION: The recycling collection center may only operate between 8:00 a.m. and 6:00 p.m., Monday through Friday, and between 8:00 a.m. and 5:00 p.m. on Saturday.

6. INGRESS-EGRESS: Ingress and egress must be provided in the location shown on the attached site plan. No other ingress or egress is permitted.

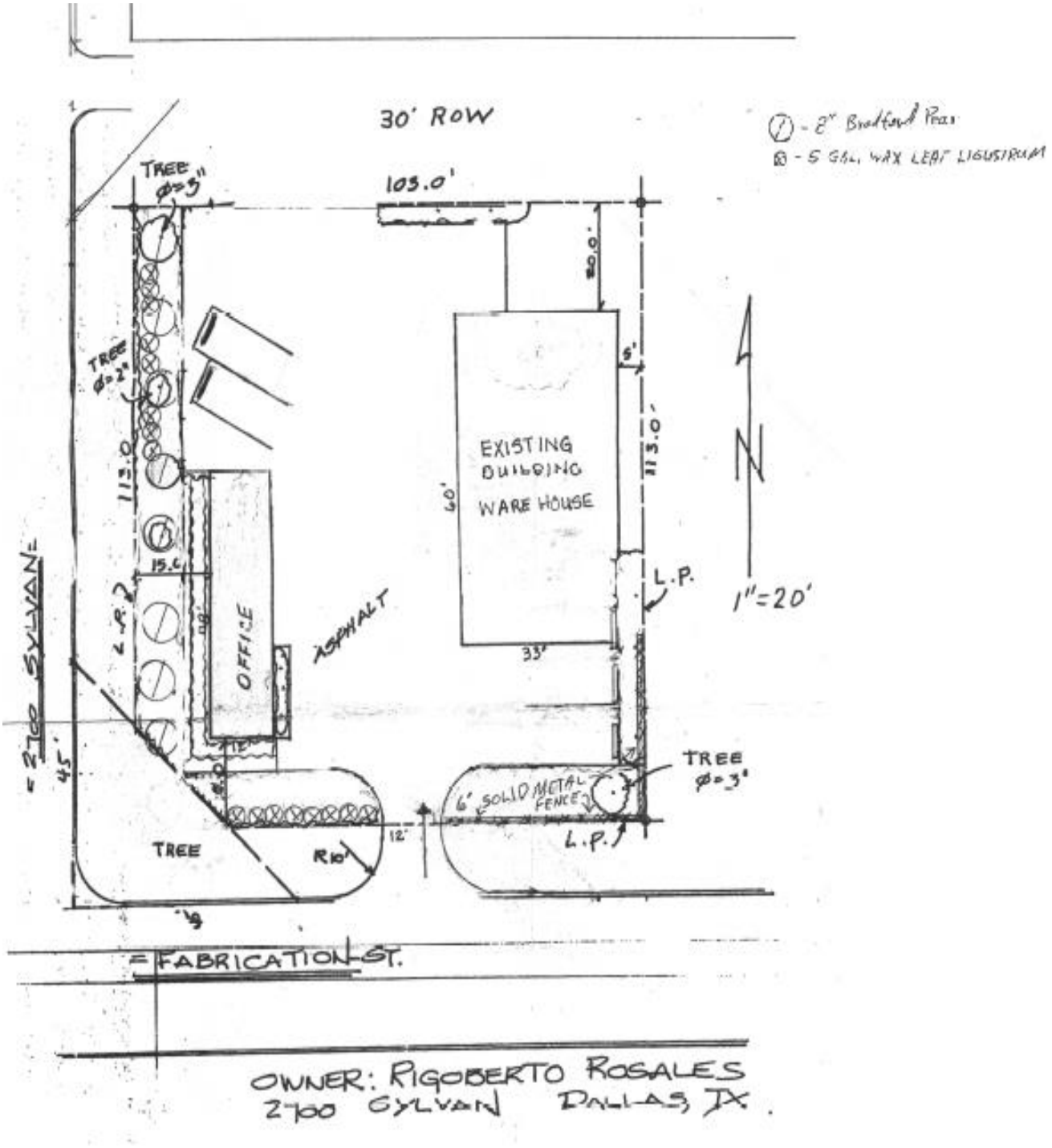
7. PARKING: Parking must be located as shown on the attached site plan.

8. REGULATED PROPERTY LICENSE: The operator of this use must have a secondary metals recyclers' license under Dallas City Code Chapter 40B.

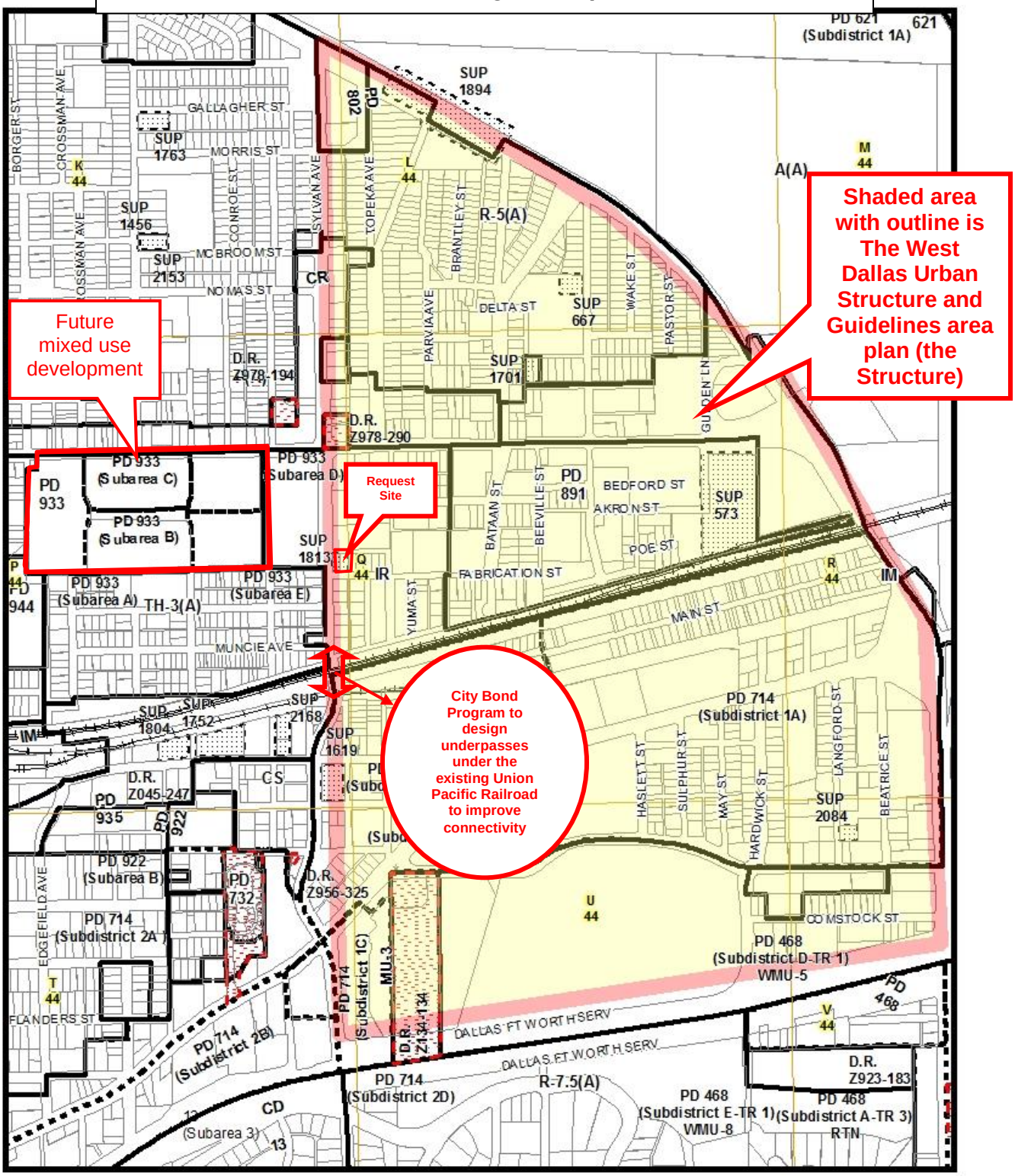
9. MAINTENANCE: The Property must be properly maintained in a state of good repair and neat appearance.

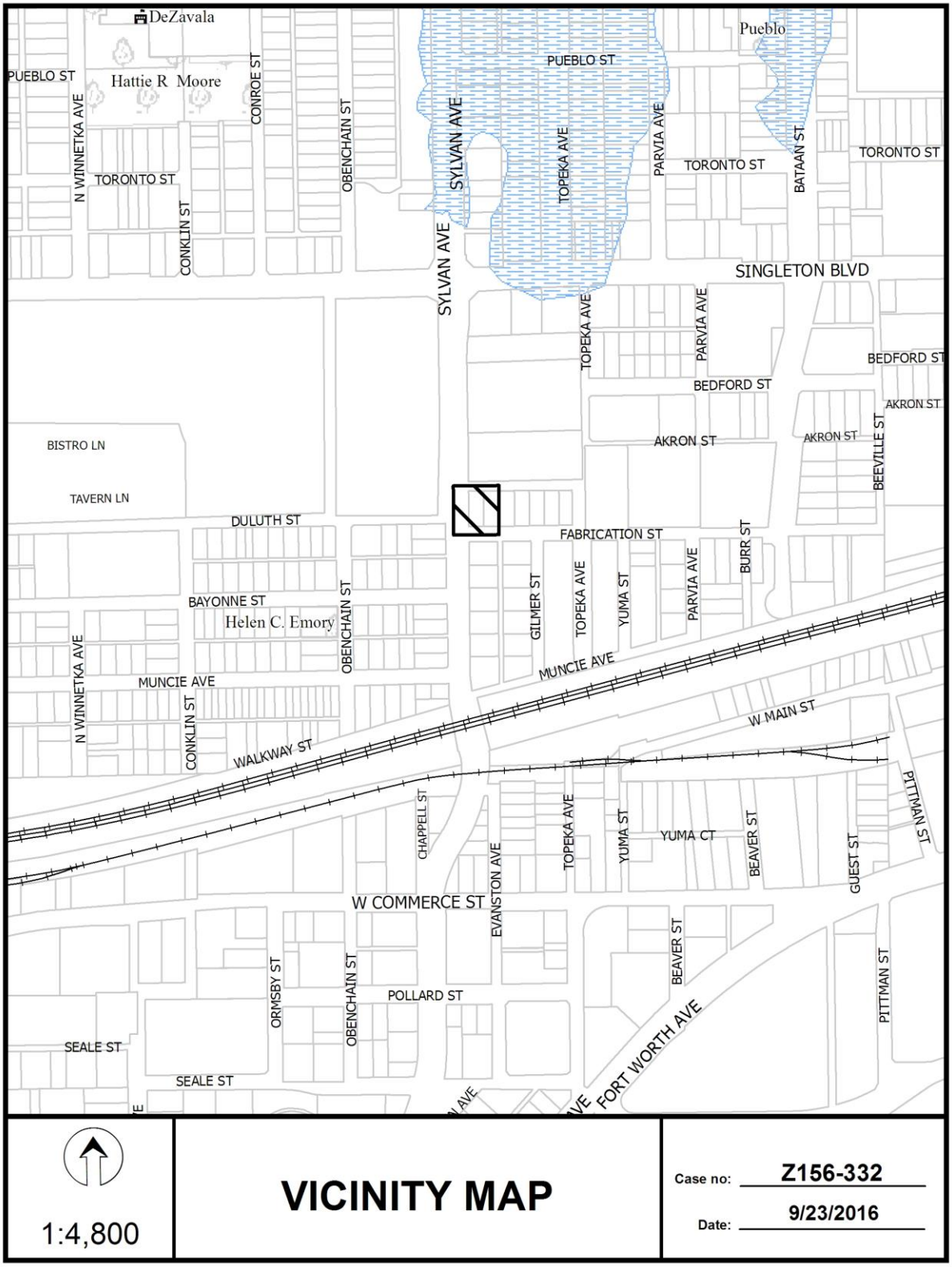
10. GENERAL REQUIREMENTS: Use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the City of Dallas.

**EXISTING SUP SITE PLAN**



**Request site in relation to The West Dallas Urban Structure and Guidelines area plan (The Structure), Thoroughfare Plan and new surrounding development**






1:4,800

# VICINITY MAP

Case no: Z156-332

Date: 9/23/2016

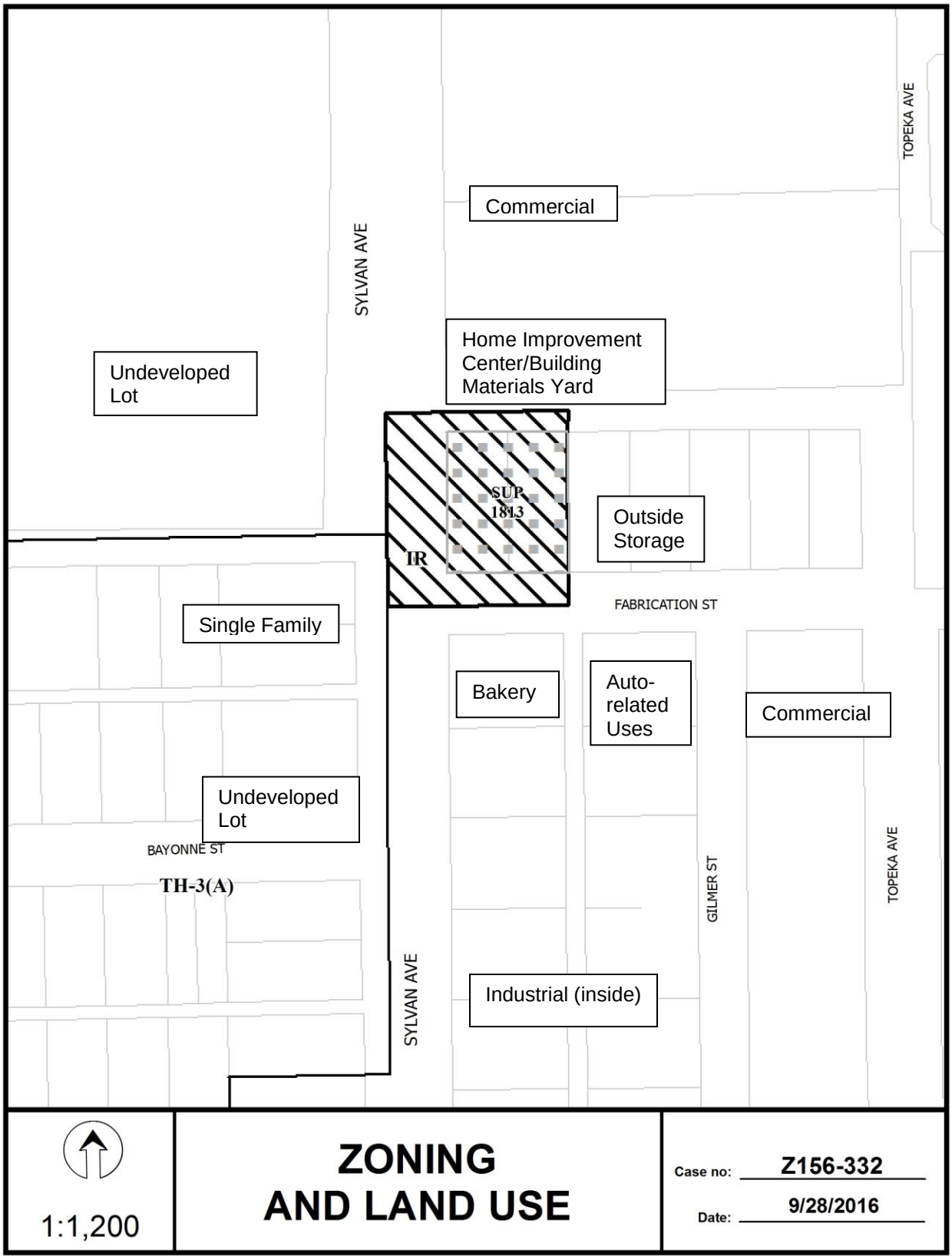


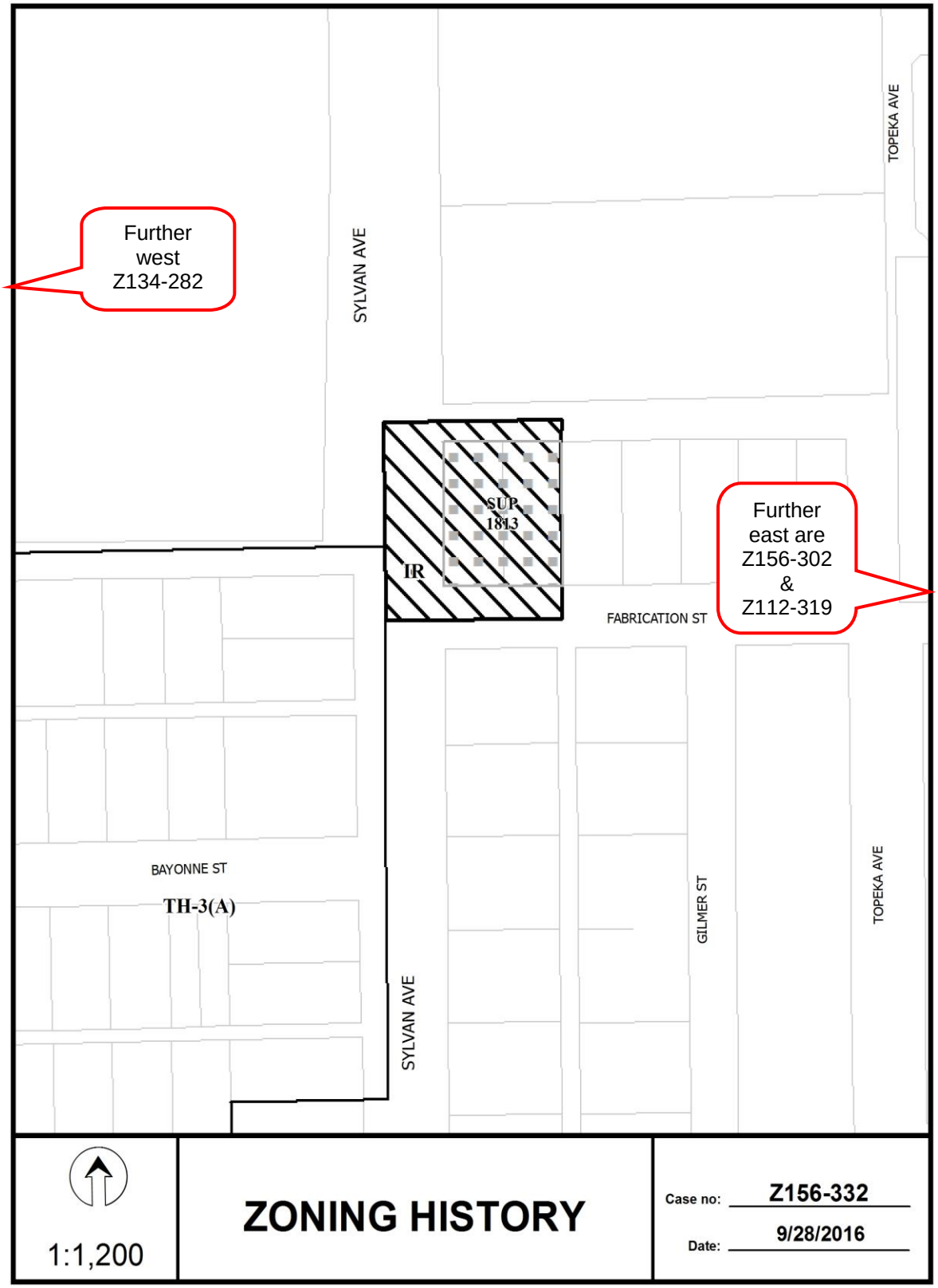

1:1,200

**AERIAL MAP**

Case no: Z156-332

Date: 9/23/2016


TOPEKA AVE
Commercial
SYLVAN AVE
Home Improvement Center/Building Materials Yard
Undeveloped Lot
SUP 1813
Outside Storage
IR
FABRICATION ST
Single Family
Bakery
Auto-related Uses
Commercial
Undeveloped Lot
BAYONNE ST
TH-3(A)
GILMER ST
TOPEKA AVE
SYLVAN AVE
Industrial (inside)
1:1,200
ZONING AND LAND USE
Case no: Z156-332
Date: 9/28/2016


Further west Z134-282
SYLVAN AVE
TOPEKA AVE
SUP 1813
IR
Further east are Z156-302 & Z112-319
FABRICATION ST
BAYONNE ST
TH-3(A)
SYLVAN AVE
GILMER ST
TOPEKA AVE
1:1,200
ZONING HISTORY
Case no: Z156-332
Date: 9/28/2016

**CPC RESPONSES**



***01/04/2017***

# *Reply List of Property Owners*

## *Z156-332*

***18 Property Owners Notified*** ***2 Property Owners in Favor*** ***0 Property Owners Opposed***

| *Reply* | *Label #* | *Address* | | *Owner* |
|---|---|---|---|---|
| O | 1 | 2700 | SYLVAN AVE | BONNILLA JOSE S & |
| O | 2 | 727 | FABRICATION ST | BONNILLA JOSE S & |
| | 3 | 818 | SINGLETON BLVD | ATLAS METAL WORKS |
| | 4 | 805 | BAYONNE ST | DALLAS HOUSING ACQUISITION & DEV CORP |
| | 5 | 2611 | SYLVAN AVE | MATHEWS DAVID Q & |
| | 6 | 2615 | SYLVAN AVE | CERVANTES RICHARD FLORES & |
| | 7 | 810 | DULUTH ST | HURD CHARLIE B |
| | 8 | 814 | DULUTH ST | HURD WILLIAM SAMUEL |
| | 9 | 2720 | SYLVAN AVE | WEST DALLAS INVESTS LP |
| | 10 | 2816 | SYLVAN AVE | BIG D TRUCK & TRAILER |
| | 11 | 719 | FABRICATION ST | SHERARD SCOTT T |
| | 12 | 717 | FABRICATION ST | ORTIZ ANTONIO M |
| | 13 | 711 | FABRICATION ST | CARDENAS ROSALIO & MARIA |
| | 14 | 707 | FABRICATION ST | SHERARD SCOTT THOMAS |
| | 15 | 2610 | SYLVAN AVE | TAHERKHARSANDI ALI |
| | 16 | 2521 | GILMER ST | MOHAMMADIAN MOHAMMAD R |
| | 17 | 714 | FABRICATION ST | NASSERI MASSOUD |
| | 18 | 700 | FABRICATION ST | DAVIS RALEIGH F JR & |

**AGENDA ITEM # 88**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 7

**DEPARTMENT:** Sustainable Development and Construction

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 46 P; Q

## SUBJECT

A public hearing to receive comments regarding an application for a Specific Use Permit for a tower/antenna for cellular communication on property zoned a CC Community Commercial Subdistrict within Planned Development District No. 595, the South Dallas/Fair Park Special Purpose District on the northwest line of Pennsylvania Avenue, southwest of J.B. Jackson Jr. Boulevard

Recommendation of Staff: Approval for a ten-year period with eligibility for automatic renewals for additional ten-year periods, subject to a revised site plan and conditions

Recommendation of CPC: Denial without prejudice

Z156-335(WE)

Note: This item was considered by the City Council at a public hearing on January 25, 2017, and was deferred until February 22, 2017, with the public hearing open

**HONORABLE MAYOR & CITY COUNCIL WEDNESDAY, FEBRUARY 22, 2017**
**ACM: Mark McDaniel**

| | | | |
|---|---|---|---|
| **FILE NUMBER:** | Z156-335(WE) | **DATE FILED:** | August 15, 2016 |
| **LOCATION:** | Northwest line of Pennsylvania Avenue, southwest of J.B. Jackson Jr. Boulevard | | |
| **COUNCIL DISTRICT:** | 7 | **MAPSCO:** | 46P, 46Q |
| **SIZE OF REQUEST:** | Approx. 2,250 sq. ft. | **CENSUS TRACT:** | 203 |

| | |
|---|---|
| **APPLICANT:** | SBA 2012 TC Assets, LLC |
| **OWNER:** | Rickey A. Williams |
| **REPRESENTATIVE:** | Jacob Hamilton |

**REQUEST:** An application for a Specific Use Permit for a tower/antenna for cellular communication on property zoned a CC Community Commercial Subdistrict within Planned Development District No. 595, the South Dallas/Fair Park Special Purpose District.

**SUMMARY:** The purpose of this request is to allow for an existing cellular tower to remain on site. The previous Specific Use Permit expired.

**CPC RECOMMENDATION:** **Denial without prejudice**

**STAFF RECOMMENDATION:** **Approval** for a ten-year period with eligibility for automatic renewals for additional ten-year periods, subject to a revised site plan and conditions.

**DESIGNATED ZONING CASE**

**BACKGROUND INFORMATION:**

- The applicant's request for a Specific Use Permit for a tower/antenna for cellular communication will allow for the continued operation of the cellular communication at this location. The applicant did not renew the Specific Use Permit.

- On February 14, 2001, the City Council approved a Specific Use Permit for a tower/antenna for cellular communication for a ten year period with eligibility for automatic renewals for additional ten-year periods.

- The previous Specific Use Permit allowed the tower to be 78 feet, which is below the projected residential proximity slope by 41.63 feet. The nearest residential subdistrict is approximately 275.63 feet northeast of the request site.

- The current height of the tower /antenna for cellular communication is 78 feet.

- The request site is adjacent to a general merchandise or food store to the northwest, and a retail use to the northeast. The property southwest of the request site is undeveloped.

**Zoning History:** There has not been any zoning changes request in the area for the past five years.

**Thoroughfares/Streets:**

| Thoroughfare/Street | Type | Existing ROW | Proposed ROW |
|---|---|---|---|
| | | | |
| Pennsylvania Avenue | Local | 50 ft. | 50 ft. |

**Land Use:**

| | Zoning within PD No. 595 | Land Use |
|---|---|---|
| **Site** | CC Subdistrict | Cellular tower |
| **Northeast** | CC Subdistrict | Retail |
| **Southeast** | CC Subdistrict w/H/109 | Office, Surface parking |
| **Southwest** | CC Subdistrict | Undeveloped |
| **Northwest** | CC Subdistrict | General merchandise or food store |

**COMPREHENSIVE PLAN:** The *forwardDallas! Comprehensive Plan* was adopted by the City Council in June 2006. The *forwardDallas! Comprehensive Plan* outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request.

There are no goals or policies supporting or opposing the request.

**STAFF ANALYSIS:**

**Land Use Compatibility:** The 2,250 square foot site is developed with a 78-foot high unmanned telecommunication facility (monopole tower). The applicant's request for a Specific Use Permit for a tower/antenna for cellular communication will allow for the continued operation of the existing tower. The CR Community Retail District permits, by right, a maximum height of 65 feet for a cellular tower. In February 2001, the City Council approved a Specific Use Permit for a tower/antenna for cellular communication with a maximum height of 78 feet, complying with the residential proximity slope.

In September 2011, the City Council approved Planned Development District No. 595 which changed the zoning district from a CR Community Retail District to a CC Community Commercial Subdistrict. The Development Code allows an unmanned telecommunication facility (monopole tower) to exceed the maximum height of 65 feet by a Specific Use Permit.

The request site is adjacent to a general merchandise or food store to the northwest, and a retail use to the northeast. The property southwest of the request site is undeveloped.

The general provisions for a Specific Use Permit in Section 51A-4.219 of the Dallas Development Code specifically state: (1) The SUP provides a means for developing certain uses in a manner in which the specific use will be consistent with the character of the neighborhood; (2) Each SUP application must be evaluated as to its probable effect on the adjacent property and the community welfare and may be approved or denied as the findings indicate appropriate; (3) The city council shall not grant an SUP for a use except upon a finding that the use will: (A) complement or be compatible with the surrounding uses and community facilities; (B) contribute to, enhance, or promote the welfare of the area of request and adjacent properties; (C) not be detrimental to the public health, safety, or general welfare; and (D) conform in all other respects to all applicable zoning regulations and standards. The regulations in this chapter have been established in accordance with a comprehensive plan for the purpose of promoting the health, safety, morals, and general welfare of the city.

The applicant's request is consistent with the intent of the Dallas Development Code, because the height of the monopole is within the required residential proximity slope. In addition, the cellular tower is located on a block that is developed with retail uses. The tower/antenna for cellular communication will enhance the vital communication service throughout the area. Also, the use does not generate any traffic and a chain linked fence surrounds the site's perimeter. The applicant will provide shrubs around the

perimeter to screen a portion of the equipment. The City Plan Commission expressed concerns that the applicant was not complying with the standards that are associated with receiving a SUP and therefore, recommended denial of the applicant's request for a Specific Use Permit for a tower / antenna for cellular communication.

**Development Standards:**

| SUBDISTRICT WITHIN PDD No. 595 | SETBACKS | | Density | Height | Lot Coverage | Special Standards | PRIMARY Uses |
|---|---|---|---|---|---|---|---|
| | Front | Side/Rear | | | | | |
| CC<br>Community commercial | 0' | 10' adjacent to residential<br>OTHER:<br>No Min. | 0.75 FAR overall<br>0.75 office<br>0.5 retail | 54'<br>4 stories | 60% | Proximity Slope Visual Intrusion | Retail & personal service, office, Utility and public service |
| | | | | | | | |

**Landscaping:** The request will not trigger any landscaping requirements because the applicant is not increasing the existing floor area. However, staff is recommending the applicant plant a row of hedges around the site's perimeter to screen the equipment.

The comply with the landscaping requirements for Specific Use Permit No. 1436, the applicant had to provide a six-foot chain link fence around the site's perimeter. Any additional landscaping was not required.

**Traffic:** The Engineering Division of the Sustainable Development and Construction Department has reviewed the request and determined that it will not impact the surrounding street system for the proposed development.

**Parking:** Parking will be provided in accordance to the parking requirements in the Dallas Development Code, as amended, which is one space if the cellular communication tower/antenna has an auxiliary building housing electronic and communication equipment ("auxiliary building") greater than a 120 square feet. The applicant is providing one space on site.

**Notification Area:** On January 13, 2016, the City Council approved an amendment to the Development Code regarding tower/antenna for cellular communication use. One provision pertains to the notification area which requires written notification to the public hearing on an application for an SUP for a tower/antenna for cellular communication to all real property within 500 feet of the building site on which the tower/ antenna for cellular communication will be located.

The SUP will be placed on the entire lot instead of the specific location area of the tower/antenna for cellular communication as a result of the amendment.

**CPC Action** (November 10, 2016)

**Motion I:** In considering an application for a Specific Use Permit for a tower/antenna for cellular communication on property zoned a CC Community Commercial Subdistrict within Planned Development District No. 595, the South Dallas/Fair Park Special Purpose District on the northwest line of Pennsylvania Avenue, southwest of J.B. Jackson Jr. Boulevard, it was moved to **hold** this case under advisement until December 1, 2016.

Maker: Houston
Second: Peadon
Failed: Carried: 5 to 9

For: 5 - Rieves, Houston, Shidid, Jung, Peadon

Against: 9 - Anglin, Davis, Anantasomboon, Haney, Housewright, Schultz, Murphy, Ridley, Tarpley
Absent: 0
Vacancy: 1 - District 7

**Motion II:** It was moved to recommend **denial without prejudice** of a Specific Use Permit for a tower/antenna for cellular communication on property zoned a CC Community Commercial Subdistrict within Planned Development District No. 595, the South Dallas/Fair Park Special Purpose District on the northwest line of Pennsylvania Avenue, southwest of J.B. Jackson Jr. Boulevard, due to non-compliance with Section 51A-4.219 of the Dallas Development Code.

Maker: Davis
Second: Schultz
Result: Carried: 9 to 5

For: 9 - Anglin, Rieves, Davis, Anantasomboon, Haney, Housewright, Schultz, Murphy, Ridley

Against: 5 - Houston, Shidid, Jung, Peadon, Tarpley
Absent: 0
Vacancy: 1 - District 7

**Notices:** Area: 500 Mailed: 56
**Replies:** For: 0 Against: 0

**Speakers**: For: Patrick Hardage, 4193 Wilada Dr., Dallas, TX, 75220
Against: None

**LIST OF OFFICERS**
SBA 2012 TC Assets, LLC

- Thomas P. Hunt Director, President
- Jeffery A. Stoops Senior Vice President
- Jason Silberstein Secretary

## PROPOSED SUP CONDITIONS

1. **USE:** The only use authorized by this specific use permit is a tower/antenna for cellular communication.

2. **SITE PLAN:** Use and development of the Property must comply with the attached site plan and elevation.

3. **TIME LIMIT:** This specific use permit expires on (ten years from the passage of the ordinance), but is eligible for automatic renewal for additional 10-year periods, pursuant to Section 51A-4.219 of Chapter 51A of the Dallas City Code, as amended. For automatic renewal to occur, the Property owner must file a complete application for automatic renewal with the director before the expiration of the current period. Failure to timely file a complete application will render this specific use permit ineligible for automatic renewal. (Note: The Code currently provides that applications for automatic renewal must be filed after the 180th but before the 120th day before the expiration of the current specific use permit period. The Property owner is responsible for checking the Code for possible revisions to this provision. The deadline for application for automatic renewal is strictly enforced.)

4. **COMMUNICATION TOWER:** Any antenna cells mounted on the tower/antenna for cellular communication must be mounted and any future co-location cells must be of the same type.

5. **FENCE:** A minimum six-foot fence must be provided in the location shown on the attached site plan.

6. **HEIGHT:** The tower/antenna for cellular communication may not exceed 78 feet in height.

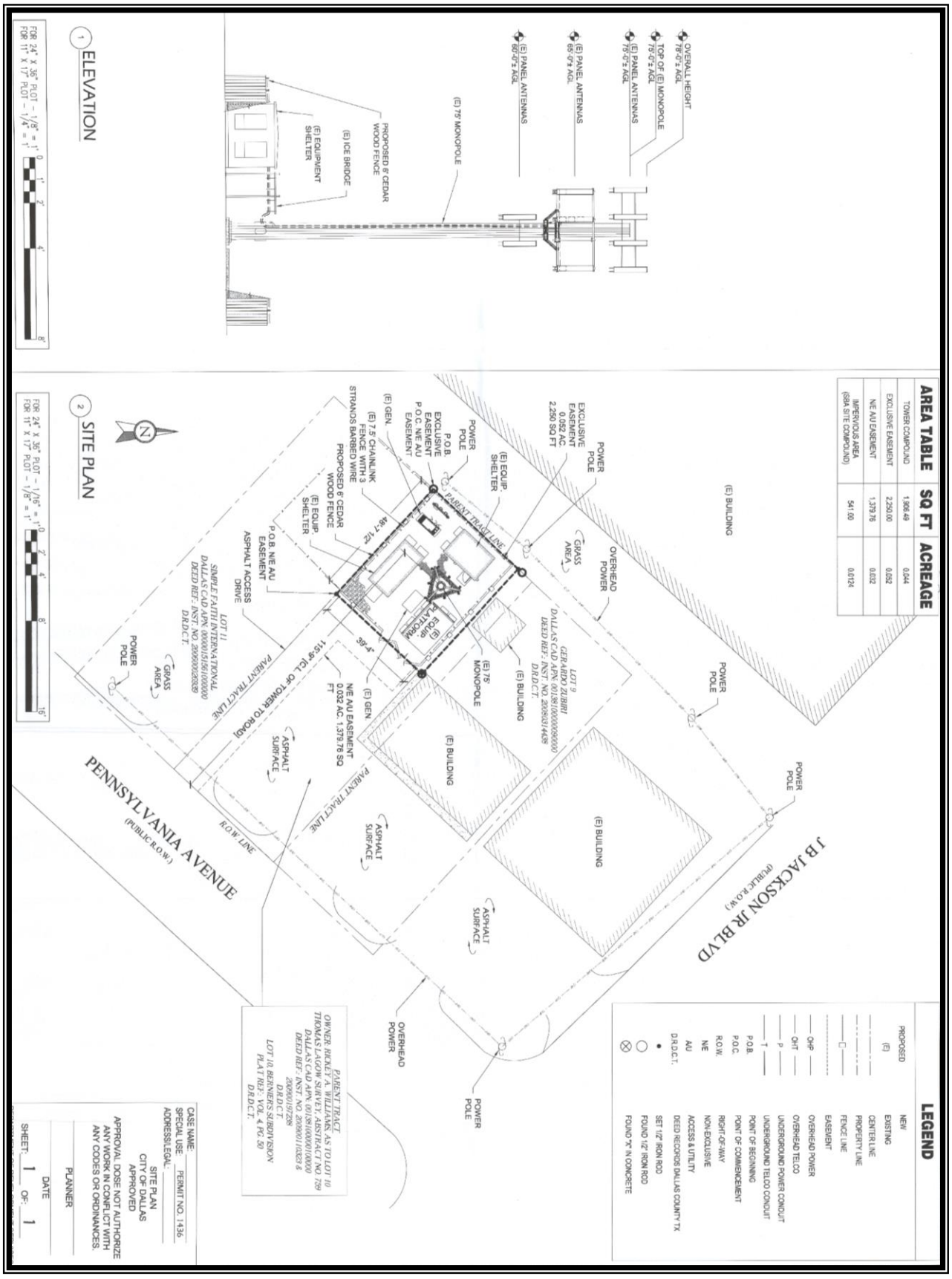
7. **SCREENING:** A maximum of a three foot hedgerow must be planted and in place around the perimeter of the site (two years from the passage of the ordinance).

8. **SHARED USE WITH OTHER CARRIERS**: Any tower/antenna for cellular communication over 65 feet in height must be constructed to support the antenna arrays for at least two other wireless communications carriers, and the tower/antenna for cellular communication must be made available to other carriers upon reasonable terms.

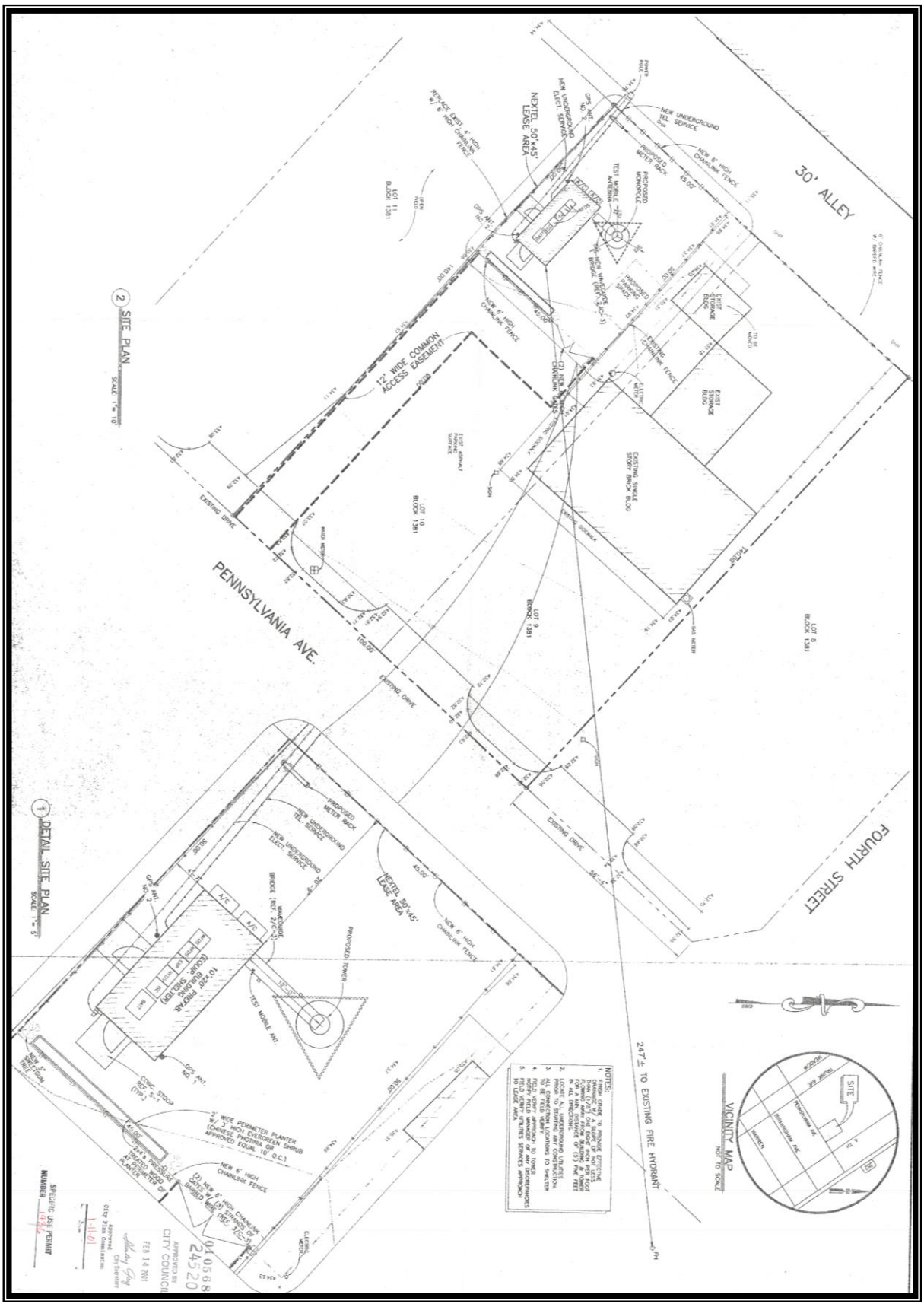
9. **MAINTENANCE:** The Property must be properly maintained in a state of good repair and neat appearance.

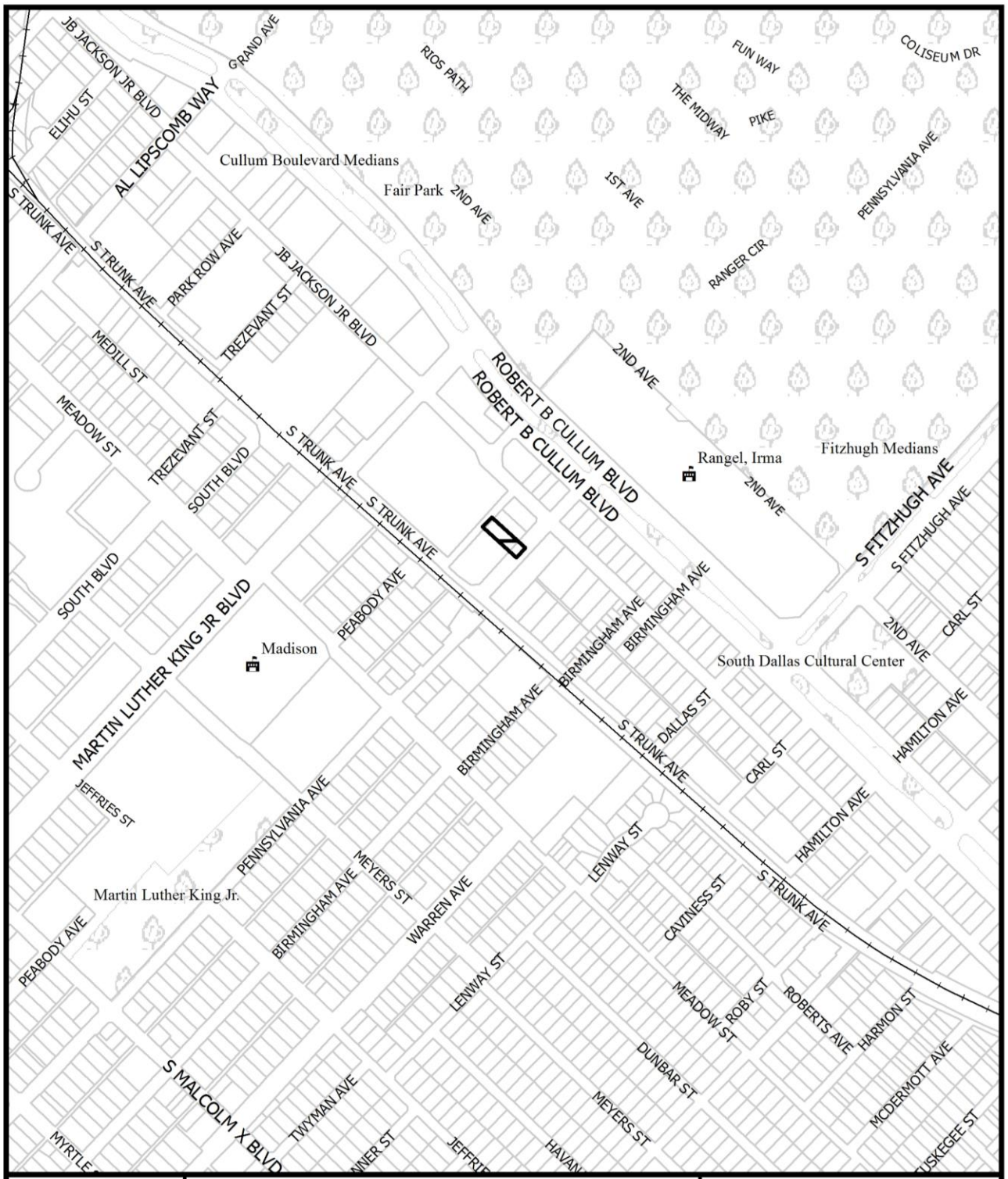
10. **GENERAL REQUIREMENTS:** Use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the City of Dallas.

**PROPOSED SITE PLAN**



**APPROVED SITE PLAN**
February 14, 2001






1:6,000

# VICINITY MAP

Case no: Z156-335

Date: 10/6/2016

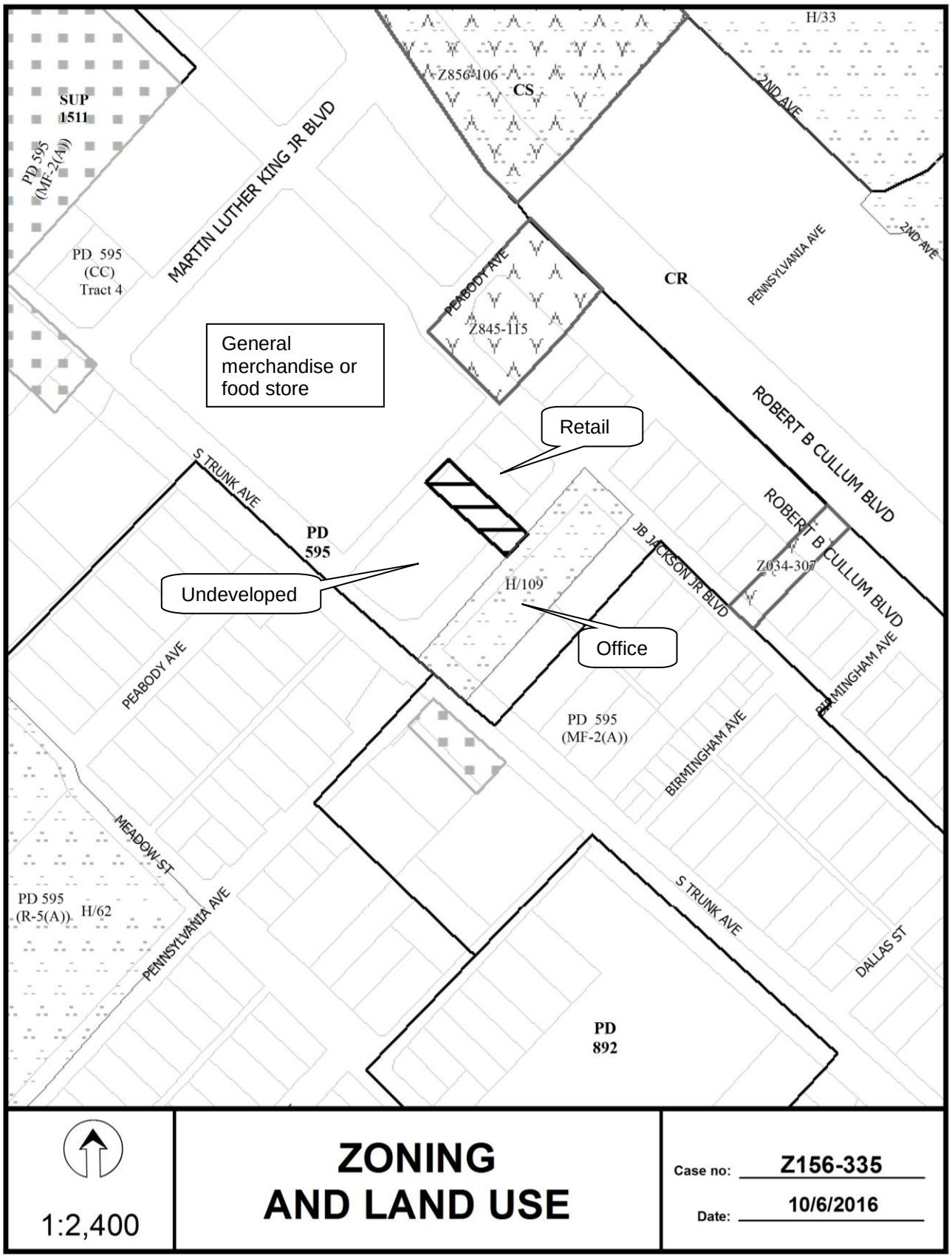



1:2,400

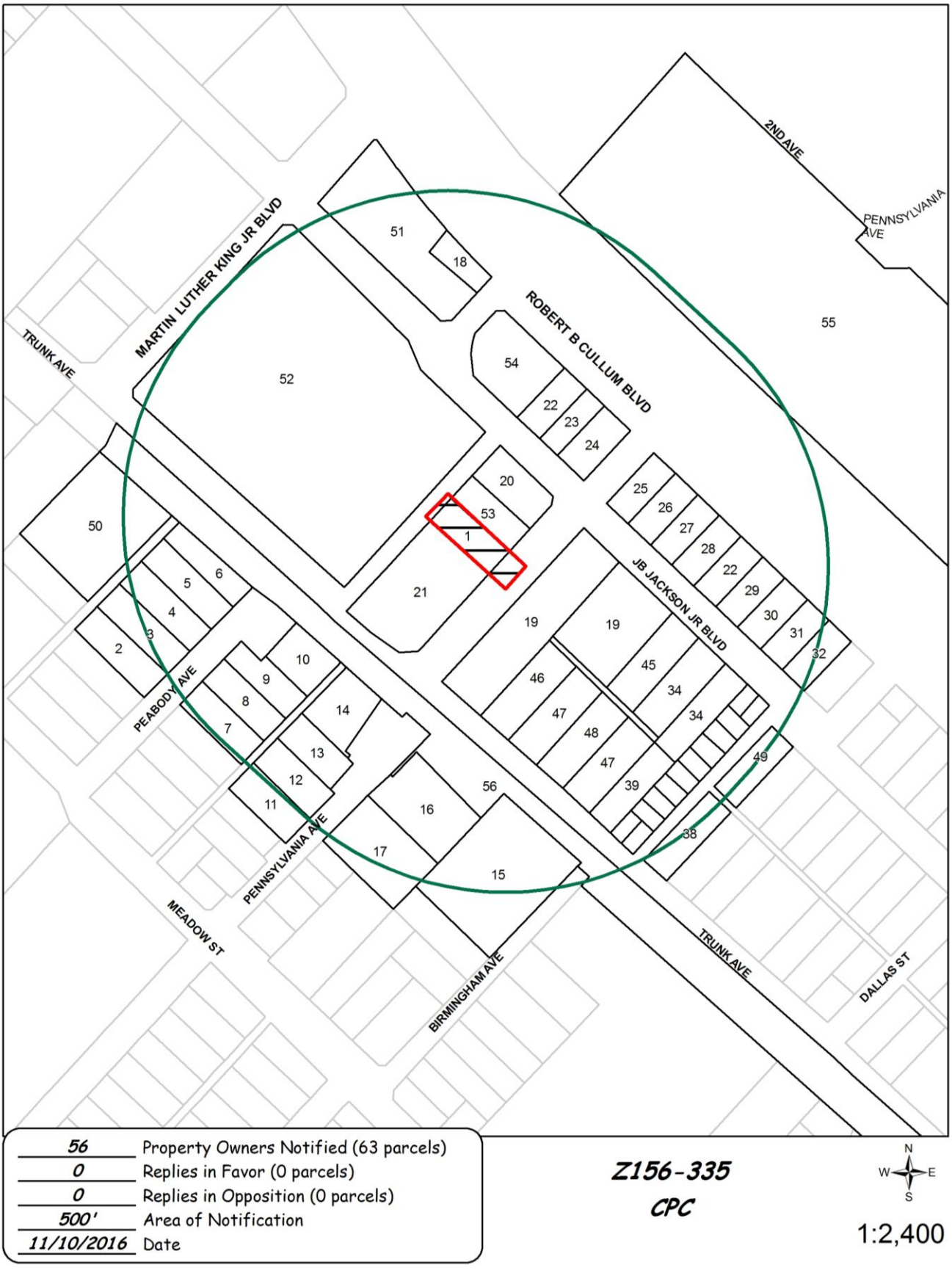
# AERIAL MAP

Case no: Z156-335

Date: 10/6/2016


SUP 1511
PD 595 (MF-2(A))
PD 595 (CC) Tract 4
MARTIN LUTHER KING JR BLVD
Z856-106
CS
H/33
2ND AVE
2ND AVE
PENNSYLVANIA AVE
CR
PEABODY AVE
Z845-115
General merchandise or food store
Retail
ROBERT B CULLUM BLVD
S TRUNK AVE
PD 595
Undeveloped
H/109
JB JACKSON JR BLVD
Z034-307
ROBERT B CULLUM BLVD
Office
PEABODY AVE
BIRMINGHAM AVE
PD 595 (MF-2(A))
BIRMINGHAM AVE
MEADOW ST
PD 595 (R-5(A))
H/62
PENNSYLVANIA AVE
S TRUNK AVE
DALLAS ST
PD 892
1:2,400
ZONING AND LAND USE
Case no: Z156-335
Date: 10/6/2016

## CPC RESPONSES



# *Notification List of Property*

## *Z156-335*

***56 Property Owners Notified 0 Property Owners in Favor 0 Property Owners Opposed***

| *Reply* | *Label #* | *Address* | | *Owner* |
|---|---|---|---|---|
| | 1 | 3223 | PENNSYLVANIA AVE | WILLIAMS RICKEY A |
| | 2 | 3113 | PEABODY AVE | JBIII INVESTMENT INC |
| | 3 | 3117 | PEABODY AVE | JONES EMMA M |
| | 4 | 3121 | PEABODY AVE | BLANCO ROSA |
| | 5 | 3125 | PEABODY AVE | BLOW DON |
| | 6 | 3131 | PEABODY AVE | BLOW DON WAYNE |
| | 7 | 3116 | PEABODY AVE | PERALTA JUAN BENITEZ |
| | 8 | 3122 | PEABODY AVE | DECKARD ROSETTA & NATHANIEL |
| | 9 | 3126 | PEABODY AVE | DALLAS AREA RAPID TRANSIT |
| | 10 | 3130 | PEABODY AVE | DART |
| | 11 | 3113 | PENNSYLVANIA AVE | LEWIS JOHN A SR |
| | 12 | 3117 | PENNSYLVANIA AVE | MCMILLAN WILLIE EDWARD |
| | 13 | 3121 | PENNSYLVANIA AVE | GUERRA EMMANUEL |
| | 14 | 3125 | PENNSYLVANIA AVE | HUNTER DANNY J |
| | 15 | 3131 | BIRMINGHAM AVE | MULTIPLE STREAMS OF GRACE |
| | 16 | 3128 | PENNSYLVANIA AVE | SETTLES C L |
| | 17 | 3116 | PENNSYLVANIA AVE | TWO PODNERS |
| | 18 | 1507 | ROBERT B CULLUM BLVD | OTIS SCRUGGS |
| | 19 | 3224 | PENNSYLVANIA AVE | MITCHEM DERRICK |
| | 20 | 3227 | PENNSYLVANIA AVE | EJIGU HAILU & |
| | 21 | 3203 | PENNSYLVANIA AVE | SIMPLE FAITH |
| | 22 | 1715 | ROBERT B CULLUM BLVD | HOLMES RONNIE L |
| | 23 | 1618 | J B JACKSON JR BLVD | YELDELL CLAUD JR |
| | 24 | 1620 | J B JACKSON JR BLVD | ASKEW MATTIE LEE |
| | 25 | 1702 | J B JACKSON JR BLVD | HALL EMMA ESTATE OF |
| | 26 | 1704 | J B JACKSON JR BLVD | BROWN EARL RICHARD |
| | 27 | 1710 | J B JACKSON JR BLVD | HARRIS & HARRIS PPTIES LLC |

***11/09/2016***

| *Reply* | *Label #* | *Address* | | *Owner* |
|---|---|---|---|---|
| | 28 | 1712 | J B JACKSON JR BLVD | BEDFORD L A JR |
| | 29 | 1718 | J B JACKSON JR BLVD | BEDFORD L A JR |
| | 30 | 1720 | J B JACKSON JR BLVD | F & S PROPERTIES LLC |
| | 31 | 1722 | J B JACKSON JR BLVD | SMITH CHRISTINE |
| | 32 | 1724 | J B JACKSON JR BLVD | GREAT WESTERN FINCL SERV |
| | 33 | 3213 | BIRMINGHAM AVE | ALEXANDER BURLEE |
| | 34 | 1725 | J B JACKSON JR BLVD | EQUABLE INVESTMENT CORP |
| | 35 | 1732 | TRUNK AVE | R M W DEV INC |
| | 36 | 3217 | BIRMINGHAM AVE | MARTINEZ CHRISTINA |
| | 37 | 3203 | BIRMINGHAM AVE | DALLAS BLACK CHAMBER |
| | 38 | 1733 | J B JACKSON JR BLVD | GARTH ARKIT |
| | 39 | 1722 | TRUNK AVE | DALLAS BLACK CHAMBER |
| | 40 | 1731 | J B JACKSON JR BLVD | GARTH ARKIT |
| | 41 | 3209 | BIRMINGHAM AVE | MAY ALONZA |
| | 42 | 3215 | BIRMINGHAM AVE | NASH MILDRED |
| | 43 | 3211 | BIRMINGHAM AVE | STRINGER JERRY R |
| | 44 | 1730 | TRUNK AVE | MURRAY EUNICE |
| | 45 | 1719 | J B JACKSON JR BLVD | HUDSON JOE |
| | 46 | 1708 | TRUNK AVE | JUSGO INC |
| | 47 | 1712 | TRUNK AVE | SIMPLE FAITH INTERNATIONAL |
| | 48 | 1716 | TRUNK AVE | WAGONER ROBERT ETAL |
| | 49 | 1801 | J B JACKSON JR BLVD | MASON ARKIT EUGENE |
| | 50 | 3116 | MARTIN LUTHER KING JR BLVD | RESOURCES ASSISTANTS CORP |
| | 51 | 3300 | MARTIN LUTHER KING JR BLVD | NCNB TEXAS NATIONAL BANK |
| | 52 | 3230 | MARTIN LUTHER KING JR BLVD | 2ML REAL ESTATE INTEREST INC |
| | 53 | 3223 | PENNSYLVANIA AVE | ZUBIRI GERARDO SR |
| | 54 | 1707 | ROBERT B CULLUM BLVD | MAVRICK DEVELOPMENT CORPORATION |
| | 55 | 1718 | ROBERT B CULLUM BLVD | Dallas ISD |
| | 56 | 401 | S BUCKNER BLVD | DART |

**AGENDA ITEM # 89**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 6, 13

**DEPARTMENT:** Mobility and Street Services
Water Utilities

**CMO:** Jill A. Jordan, P.E., 670-5299
Mark McDaniel, 670-3256

**MAPSCO:** 23R 24N 34A 42G

## SUBJECT

A benefit assessment hearing to receive comments on street paving, drainage, water and wastewater main improvements, and alley paving for Project Group 12-3001; and at the close of the hearing, authorize an ordinance levying benefit assessments, and a construction contract with Camino Construction, L.P., lowest responsible bidder of four (list attached) - Not to exceed $2,044,928 - Financing: 2012 Bond Funds ($1,254,801), Water Utilities Capital Construction Funds ($652,725) and Water Utilities Capital Improvement Funds ($137,402)

## BACKGROUND

Palacios Avenue from Ottawa Road to Canada Drive was requested by property owner petition and accepted on April 24, 2007. The alley between Capps Drive and Rexford Drive from Lemmon Avenue parallel to Glencrest Lane was requested by property owner petition and accepted on December 14, 2007. The alley between Hurley Way and Lenel Place from Williamsburg Road to "T" alley south of Walnut Hill Lane was requested by property owner petition and accepted on May 27, 2008. The alley between Manana Drive and Park Lane from Larga Drive to Marsh Lane was requested by property owner petition and accepted on November 17, 2010. All of these projects were subsequently funded in the 2012 Bond Program. A professional services contract for the design was authorized by City Council on January 22, 2014, by Resolution No. 14-0190. This action will allow the public hearing to be held and will authorize the levying of assessments and contract for construction. The street improvements will consist of upgrading the existing unimproved two-lane asphalt street with 26-foot wide concrete pavement with curbs, sidewalks, drive approaches, drainage installation system, water and wastewater main improvements. The alley improvements will consist of upgrading the unimproved gravel and/or dirt alleys with 10-foot wide concrete pavement, drainage improvements where needed and water main improvements.

**BACKGROUND** (Continued)

The paving assessment process requires the following three steps:

1. Authorize paving improvements
2. Authorize a benefit assessment hearing
3. Benefit assessment hearing, ordinance levying assessments and authorize contract for construction

This is the 3rd and final step in the process.

The following chart shows Camino Construction, L.P., completed contractual activities for the past three years.

| | STS | WTR | PKR |
|---|---|---|---|
| Projects Completed | 2 | 1 | 0 |
| Change Orders | 3 | 0 | 0 |
| Projects Requiring Liquidated Damages | 0 | 0 | 0 |
| Projects Completed by Bonding Company | 0 | 0 | 0 |

**ESTIMATED SCHEDULE OF PROJECT**

| | |
|---|---|
| Began Design | March 2014 |
| Completed Design | October 2016 |
| Begin Construction | May 2017 |
| Complete Construction | May 2018 |

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

Authorized a professional services contract for engineering services on January 22, 2014, by Resolution No. 14-0190.

Authorized street paving improvements and a benefit assessment hearing on January 11, 2017, by Resolution No. 17-0080.

Information about this item will be provided to the Transportation and Trinity River Project Committee on February 13, 2017.

**FISCAL INFORMATION**

2012 Bond Funds - $1,254,801.00
Water Utilities Capital Construction Funds - $652,725.00
Water Utilities Capital Improvement Funds - $137,402.00

**FISCAL INFORMATION** (Continued)

| | |
|---|---|
| Design | $ 109,355.50 |
| Construction | |
| Paving (STS) (this action) | $1,254,801.00 |
| Water & Wastewater (DWU) (this action) | $ 790,127.00 |
| Total Project Cost | $2,154,283.50 |

| Council District | Amount |
|---|---|
| 6 | $ 160,135.00 |
| 13 | $1,884,793.00 |
| Total | $2,044,928.00 |

This project does involve assessments.

**M/WBE INFORMATION**

See attached.

**ETHNIC COMPOSITION**

Camino Construction, L.P.

| | | | |
|---|---|---|---|
| Hispanic Female | 2 | Hispanic Male | 34 |
| African-American Female | 0 | African-American Male | 2 |
| Other Female | 0 | Other Male | 0 |
| White Female | 1 | White Male | 2 |

**BID INFORMATION**

The following bids with quotes were received and opened on December 2, 2016.

*Denotes successful bidder

| BIDDERS | BID AMOUNT |
|---|---|
| * Camino Construction, L.P.<br>1208 Metro Park<br>Lewisville, TX 75057 | $2,044,928.00 |
| MACVAL Associates LLC | $2,108,948.00 |
| ARK Contracting Services | $2,157,155.00 |
| Jeske Construction Co. | $2,249,561.00 |

**BID INFORMATION** (Continued)

| | | |
|---|---|---|
| Original estimate: | STS | $1,030,285.00 |
| | WTR | $ 527,324.30 |
| Total Project | | $1,557,609.30 |

**OWNER**

**Camino Construction, L.P.**

Roy Ayala, General Manager

**MAPS**

Attached.

**Project Group 12-3001**

| **Project** | **Limits** | **Council District** |
|---|---|---|
| Palacios Avenue | from Ottawa Road to Canada Drive | 6 |
| Alley between Capps Drive and Rexford Drive | from Lemmon Avenue parallel to Glencrest Lane | 13 |
| Alley between Hurley Way and Lenel Place | from Williamsburg Road to "T" alley south of Walnut Hill Lane | 6 |
| Alley between Manana Drive and Park Lane | from Larga Drive to Marsh Lane | 6 |

# BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: A benefit assessment hearing to receive comments on street paving, drainage, water and wastewater main improvements, and alley paving for Project Group 12-3001; and at the close of the hearing, authorize an ordinance levying benefit assessments, and a construction contract with Camino Construction, L.P., lowest responsible bidder of four (list attached) - Not to exceed $2,044,928 - Financing: 2012 Bond Funds ($1,254,801), Water Utilities Capital Construction Funds ($652,725) and Water Utilities Capital Improvement Funds ($137,402)

Camino Construction is a non-local, minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.
PROJECT CATEGORY: Construction

---

**LOCAL/NON-LOCAL CONTRACT SUMMARY**

| | Amount | Percent |
|---|---|---|
| Total local contracts | $310,549.00 | 15.19% |
| Total non-local contracts | $1,734,379.00 | 84.81% |
| **TOTAL CONTRACT** | $2,044,928.00 | 100.00% |

**LOCAL/NON-LOCAL M/WBE PARTICIPATION**

**Local Contractors / Sub-Contractors**

None

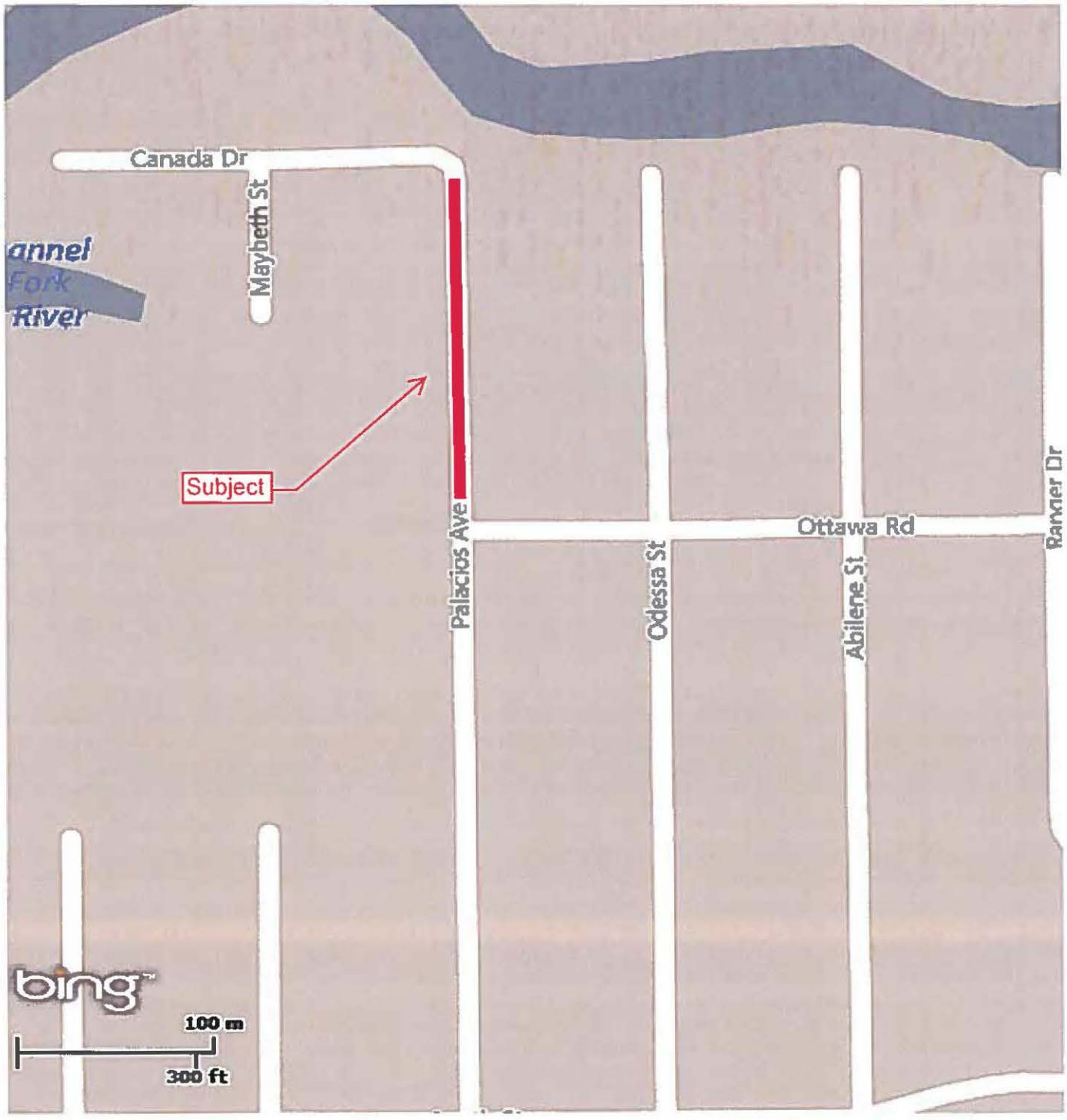
**Non-Local Contractors / Sub-Contractors**

| Non-local | Certification | Amount | Percent |
|---|---|---|---|
| Camino Construction | HMDB64714Y1217 | $1,565,471.00 | 90.26% |
| Miller Surveying | WFDB64425N0317 | $18,000.00 | 1.04% |
| **Total Minority - Non-local** | | $1,583,471.00 | 91.30% |

**TOTAL M/WBE CONTRACT PARTICIPATION**

| | Local | Percent | Local & Non-Local | Percent |
|---|---|---|---|---|
| African American | $0.00 | 0.00% | $0.00 | 0.00% |
| Hispanic American | $0.00 | 0.00% | $1,565,471.00 | 76.55% |
| Asian American | $0.00 | 0.00% | $0.00 | 0.00% |
| Native American | $0.00 | 0.00% | $0.00 | 0.00% |
| WBE | $0.00 | 0.00% | $18,000.00 | 0.88% |
| Total | $0.00 | 0.00% | $1,583,471.00 | 77.43% |

# PROJECT GROUP 12-3001




## MAPSCO 42G

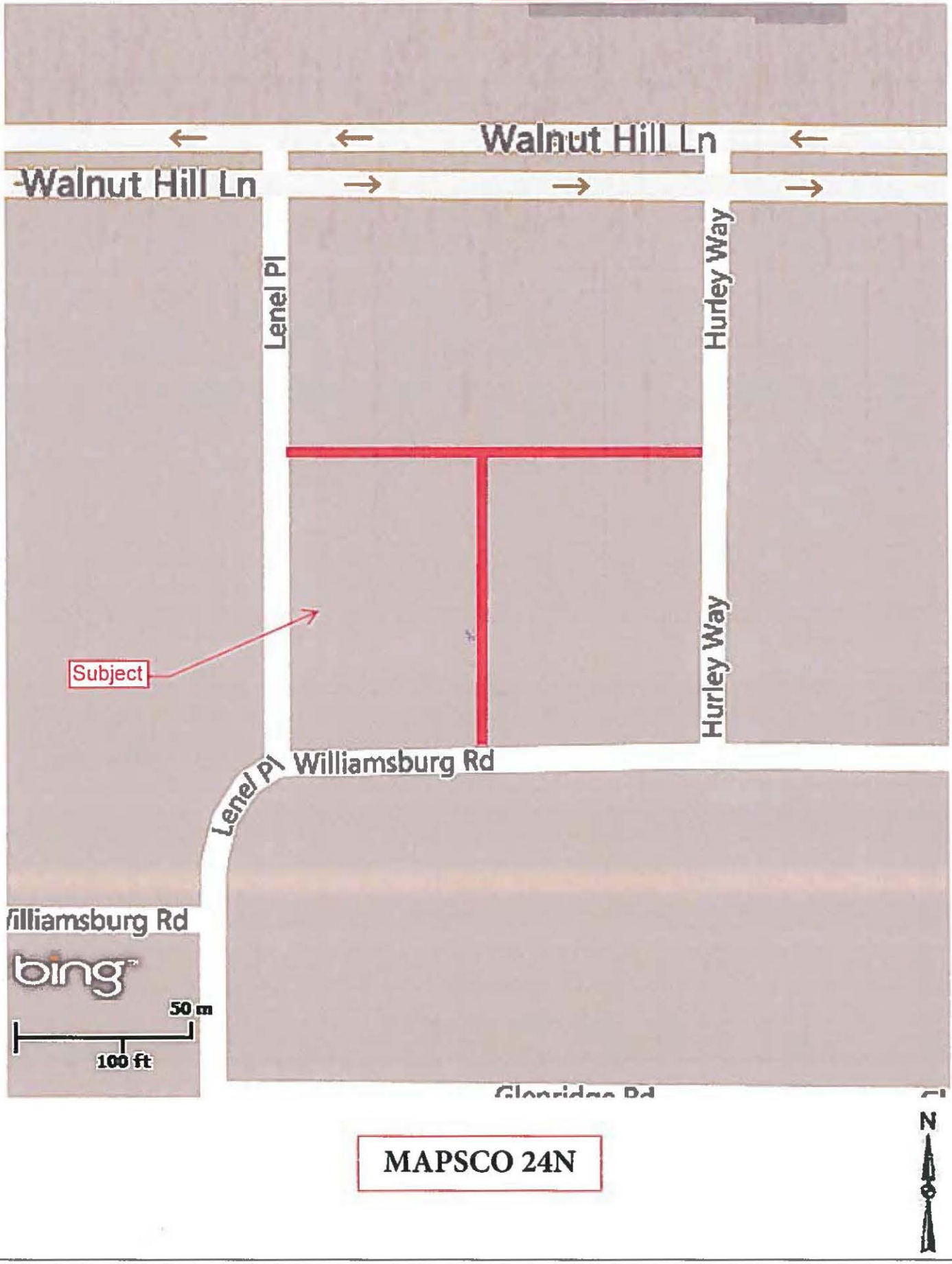
N

# PROJECT GROUP 12-3001




# MAPSCO 34A

**PROJECT GROUP 12-3001**




**MAPSCO 24N**

# PROJECT GROUP 12-3001




## MAPSCO 23R

February 22, 2017

**WHEREAS,** heretofore, a resolution was duly adopted by the City Council of the City of Dallas for the improvement of the following street and alleys between the limits set forth, out of materials specified, ordering that bids be taken for the construction, and ordering that an estimate of the cost of such improvements be prepared, to wit:

**Project Group 12-3001**

**Street:**

1. Palacios Avenue from Ottawa Road to Canada Drive

**Alleys:**

2. Alley between Capps Drive and Rexford Drive from Lemmon Avenue parallel to Glencrest Lane
3. Alley between Hurley Way and Lenel Place from Williamsburg Road to "T" alley south of Walnut Hill Lane
4. Alley between Manana Drive and Park Lane from Larga Drive to Marsh Lane; and

**WHEREAS,** by resolution such estimate and specifications were duly adopted therefore, and the Purchasing Agent was authorized to advertise for bids for such construction; and,

**WHEREAS,** by resolution the City Council determined the necessity for assessing a portion of the cost of such improvements against the property abutting such improvements, and the owners thereof, and duly and legally set a time and place for a public hearing thereon, and provided for notice to be given to such owners, as provided by law; and,

**WHEREAS,** the said hearing was duly held at said time and place; and,

**WHEREAS,** the City Council, after fully considering said proposed assessments, and fully considering the benefits that each property owner and his property receive from making said improvements, is of the opinion that the said proposed assessments determined to be levied are fair and equitable, and in accordance with the enhancement report submitted by Con-Real, LP, an independent appraiser, representing the benefits that the said property receives in enhanced values from the making of the said improvements, and that the said assessments should be made; and,

**WHEREAS,** the Council having no further protest, remonstrance, or objection before it, is of the opinion that the said hearing should be closed.

**Now, Therefore,**

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

**SECTION 1.** That the said hearing held on the 22nd day of February A.D. 2017 be and the same is hereby ordered closed.

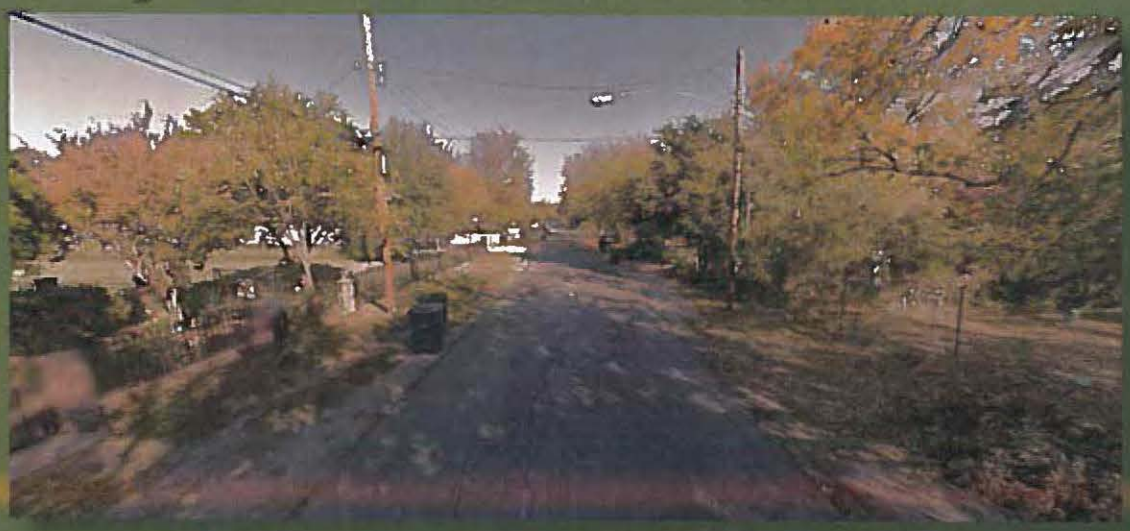
**SECTION 2.** That the City Attorney is hereby directed to prepare an ordinance assessing against the several owners of the abutting property, and against their property abutting upon the street and alleys hereinabove mentioned, the proportionate part of said cost herein adjudged against the said respective owners and their property, such assessments to be in accordance with the attached enhancement report. That the said ordinance shall fix a lien upon said property, and shall declare said respective owners thereof to be respectively liable for the amounts so adjudged against them. Said ordinance shall in all respects comply with the applicable law in such cases made and provided.

**SECTION 3.** 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.

Enhancement Evaluation Study

# Enhancement Evaluation Study
# Project Group 12-3001
# Report #16-17

**Prepared for:**
Mobility and Street Services Dept
Petition/Assessment Section
Lisa Williams
Oak Cliff Municipal Center
320 E. Jefferson Blvd, Room 307, Dallas, TX 75203



Con-Real, LP
Troy C. Alley Jr., MAI
8150 N. Central Expressway
Suite M1120
Dallas, Texas 75206

con-real, lp.

# SUMMARY OF SALIENT FACTS AND CONCLUSIONS

| | |
|---|---|
| **Date of Inspection:** | November 2, 2016 |
| **Effective Date of Study:** | November 8, 2016 |
| **Date of Transmittal:** | November 8, 2016 |
| **Subject Property:** | Various Residential |
| **Location:** | **Street:** Palacios Avenue from Ottawa Road to Canada Drive Dallas, Dallas County, Texas<br><br>**Alleys:** Alley between Capps Drive and Rexford Drive from Lemmon Ave parallel to Glencrest Lane, Alley between Hurley Way and Lenel Place from Williamburg Road to "T" alley south of Walnut Hill Lane, Alley between Manana Drive and Park Lane from Larga Drive to Marsh Lane Dallas, Dallas County, Texas |
| **Zoning Classifications:** | Single Family |
| **Current Use:** | Single Family Dwellings |
| **Highest & Best Use:** | Residential Uses |
| **Flood Zone:** | Based only on a cursory inspection, the properties appear to **not** be in a flood plain. |
| **Purpose of Study:** | The purpose of this study is to estimate the value of the enhancement, if any, to the properties in the defined enhancement study area based on the completion of the proposed street, sidewalk, driveway, and alley improvements that affect the subject properties as of November 8, 2016. |
| **Function of Study:** | The function of this enhancement study is to assist the City of Dallas in estimating a fair and reasonable amount of the actual costs of the street, sidewalk, alleyway, and driveway improvements that the subject property owners should be levied based on the estimated market value enhancement to each property due to the proposed improvements by the City of Dallas |
| **Scope of Study:** | The scope of this study encompasses the inspection of the subject properties, neighborhood and comparable properties. Further, the analysis of data is undertaken in order to support a conclusion of estimated value for the enhancement, if any, to the subject properties |

# PROPERTY ANALYSIS

The streets include Palacios Avenue from Ottawa Road to Canada Drive located in Dallas Texas and consists of 25 parcels. The properties located on the streets are similar in area size ranging from 500 to 2,000 square feet, majority are one story houses built prior to the 1960s. They are located along Palacios Avenue which consists of two lanes. The immediate area is a mix of residential and small commercial development along Singleton Boulevard.

## PROPERTY HIGHLIGHTS

**Description for Street Group 12-3001 Project:**

Street: Palacios Avenue from Ottawa Road to Canada Drive, Dallas, Dallas County, Texas (Mapsco – **Dallas 42 G**).

**Property Owners:** Varied (see tables pages 65-70)

**Street Group Including Streets:** Palacios Avenue from Ottawa Road to Canada Drive

**Area Description:** The area of Dallas; a mix of residential and small commercial developments; Loop 12 (West), Interstate 30, and Singleton Boulevard, are the major roadways

**Area Boundaries:** Mexicana (North), R L Thornton Freeway, Interstate 30 (South), South Walton Walker Blvd, Loop 12 (West), and North Westmoreland Road (East)

**Neighborhood Description:** The residential neighborhood with schools, industrial, retail and commercial businesses; level to rolling terrain

**Property Values:** $ 12,000 - $81,000 (typical)

**Demand/Supply:** Stable/Adequate

**Neighborhood Land Use:** 65% residential; 5% retail, 5% commercial, 20% industrial and 5% churches and schools

**Neighborhood Trend & Probable Changes:** Neighborhood is stable; no anticipated changes

**Factors Affecting the Neighborhood:** No adverse factors noted

**Zoning Classification of Project Area:** Single Family Residences

**Highest and Best Use:** Residential Uses

**Utilities:** All available

**Pictures:** The photos can be found on the following pages numbered as S1 & S2

## PROPERTY CHALLENGES & SOLUTIONS

*Street: Palacios Avenue from Ottawa Road to Canada Drive, Dallas, Dallas County, Texas*

Driveways- various homeowners are without paved driveways and currently have to park on gravel. This effects the attractiveness of the property and overall neighborhood. There is a lack of consistency in the neighborhood's uniformed attractiveness.

- The proposed improvements are expected to increase the neighborhood curb appeal and may enhance the properties attractiveness.

Sidewalks- there is a lack of sidewalks within the neighborhood which is a possible safety hazard for residents and children within the community.

- The improvement of sidewalks in the area will provide a safe route to walk for pedestrians; especially, children. The sidewalks also increase the neighborhood's overall attractiveness.

Curbs/Gutters- the neighborhood has a scarcity of curbs and street gutters. The lack of gutters effects the water flow throughout the neighborhood and can become a hazard.

- The projected improved gutters will alleviate water buildup on the street allowing pedestrians to pass without walking through puddles and reducing the risk of hydroplaning by road vehicles.

# PROPERTY ANALYSIS

The alley including Capps Drive and Rexford Drive from Lemmon Ave parallel to Glencrest Lane Drive located in Dallas Texas consist of 10 parcels. The properties were majority built during the late 2000s, they are one and two story with similarity in housing sizes ranging from 804 to 4,132 square feet. They are within an area that caters to residential, small commercial, and industrial properties. The neighborhood has two way streets to support the traffic flow.

## PROPERTY HIGHLIGHTS

**THE ALLEY GROUP INCLUDING:**

1.Alley between Capps Drive and Rexford Drive from Lemmon Ave parallel to Glencrest Lane Drive, Dallas, Dallas County, Texas. (Mapsco – **Dallas 24 W & 34 A** )

**Property Owners:** Varied (see tables pages 71-72)

**Area Description:** This area of Dallas; a mix of residential and small commercial, and airport; North West Highway (Loop 12), West Mockingbird Lane, Lemmon Avenue, and Lover's Lane are the major roadways

**Area Boundaries:** Shorecrest Drive (North), West Lover's Lane (South), Lemmon Avenue (West), and Midway Road (East).

**Neighborhood Description:** The residential neighborhood surrounded by The Dallas Love Field Airport along with schools and small commercial development within level to rolling terrain

**Property Values:** $200,000- $800,000 Residential (typical)

**Demand/Supply:** Stable/Adequate

**Neighborhood Land Use:** 95% residential; 5% airport zoned properties

**Neighborhood Trend & Probable Changes:** Neighborhood is stable; no anticipated changes

**Factors Affecting the Neighborhood:** No adverse factors noted

**Zoning Classification of Project Area:** Single Family Residences

**Highest and Best Use:** Residential Uses

**Utilities:** All available

**Pictures:** The photos can be found on the following pages numbered as A1 & A2

# PROPERTY ANALYSIS

The alley including Hurley Way and Lenel Place from Williamsburg Road to "T" alley south of Walnut Hill Lane located in Dallas Texas consists of 11 parcels. They include a majority of residential properties and houses range in sizes from 1,224 to 2,688 square feet. The properties were built in the 1950s on a two-way street surrounded by local schools.

## PROPERTY HIGHLIGHTS

**THE ALLEY GROUP INCLUDING**

2.Alley between Hurley Way and Lenel Place from Williamsburg Road to "T" alley south of Walnut Hill Lane, Dallas, Dallas County, Texas (Mapsco-**Dallas 24 N**)

**Property Owners:** Varied (see tables pages 73-74)

**Area Description:** This Dallas area; a majority of residential along with neighboring schools and small commercial development; Northwest Hwy (Loop 12), Walnut Hill, Marsh Lane are the major roadways

**Area Boundaries:** Walnut Hill (North), Northwest Hwy (South), Marsh Lane (West), and Midway Road (East)

**Neighborhood Description:** The residential neighborhood with schools; level to rolling terrain

**Property Values:** $ 280,000 - $352,000 Residential (typical)

**Demand/Supply:** Stable/Adequate

**Neighborhood Land Use:** 90% residential; 5% schools and 5% retail

**Neighborhood Trend & Probable Changes:** Neighborhood is stable; no anticipated changes

**Factors Affecting the Neighborhood:** No adverse factors noted

**Zoning Classification of Project Area:** Single Family Residences

**Highest and Best Use:** Residential Uses

**Utilities:** All available

**Pictures:** The photos can be found on the following pages numbered as A3 & A4

# PROPERTY ANALYSIS

The alley including Manana Drive and Park Lane from Larga Drive to Marsh Lane located in Dallas Texas consist of 40 parcels. The properties were majority built during the late 2000s, they are one and two story with similarity in housing sizes ranging from 786 to 1,800 square feet. They are within an area that caters to residential, retail, and commercial properties. The neighborhood has two way streets to support the traffic flow.

## PROPERTY HIGHLIGHTS

**THE ALLEY GROUP INCLUDING:**

3.Alley between Manana Drive and Park Lane from Larga Drive to Marsh Lane, Dallas, Dallas County, Texas. (Mapsco – **Dallas 23R)**

**Property Owners:** Varied (see tables pages 75-81)

**Area Description:** This Dallas area; a mix of residential and retail, north of Dallas Love Field Airport; North West Highway (Loop 12), Marsh Lane, Walnut Hill Lane, Harry Hines Boulevard, are the major roadways

**Area Boundaries:** Walnut Hill Lane (North), Northwest Hwy (South), Webb Chapel Road (West), and Marsh Lane (East).

**Neighborhood Description:** The residential neighborhood is nearby the Dallas Love Field Airport along with schools and retail development within level to rolling terrain

**Property Values:** $70,000- $130,000 Residential (typical)

**Demand/Supply:** Stable/Adequate

**Neighborhood Land Use:** 95% residential; 4% retail, and 1% park

**Neighborhood Trend & Probable Changes:** Neighborhood is stable; no anticipated changes

**Factors Affecting the Neighborhood:** No adverse factors noted

**Zoning Classification of Project Area:** Single Family Residences

**Highest and Best Use:** Residential Uses

**Utilities:** All available

**Pictures:** The photos can be found on the following pages numbered as A5 & A6

## PROPERTY CHALLENGES & SOLUTIONS

***Alleyway:*** *Alley between Manana Drive and Park Lane from Larga Drive to Marsh Lane, Dallas County, Texas*

Alley Ways- the various groups of properties are in need of improved alley ways because of lack of proper drainage system.

- Improved alley ways address the concerns of safety and environment problems that arrive since there isn't a proper drainage system within the neighborhood. They will eliminate the amount of stand still water and property damage due to the amount of rain fall in various seasons.

- The proposed improvements are expected to increase the ease and accessibility of parking, enhance the street appeal for homeowners, and lessen the constant vehicle weight on the main neighborhood streets which deteriorates the pavement over time.

# SCOPE OF WORK

In preparing this study, we completed the research and analysis below:

- Conducted an inspection of the group of subject properties and the surrounding areas to determine the impact the improved driveways, sidewalks, curbs and gutters, and alley ways will have on the neighborhood

- Gathered and analyzed property, neighborhood, and community information pertaining to the group of subject properties

- Determined the approaches (Sales Approach and Assessment Valuation Method) which are deemed reasonable for estimating an equitable assessment to the property owners for any enhancements they might receive from the improvements

- Interviewed reputable sources to receive opinions on the benefits of the improvements of alley ways

- Provided a recommendation for the proposed improvements

# EVALUATION ANALYSIS

The improvements proposed by the City of Dallas are to include new concrete paving of the streets which includes concrete curbs and gutters, concrete sidewalks, concrete drives (approaches), concrete alleyways where necessary. In the assessment prepared by the City of Dallas, the City calculated a Lineal Foot, Square Foot or Square Yard price in order to estimate the actual cost for each property for the proposed improvements. A summary of the assessment values presented in the study are as follows:

The assessed value of the improvements was enhanced by a range between $18.24 to $90.00 per lineal foot for the concrete paving including alley ways, $9.43 per lineal foot for the concrete sidewalks and $47.21 per square yard for the concrete drives. Properties that have existing sidewalks and drives are not being assessed for the new improvements that take the place of the current improvements. This is one method of estimating the value the improvements provide to the subject, however, there are other ways to analyze the value the sidewalk improvements enhancement the property.

We have reviewed the study performed by the City of Dallas pertaining to the subject properties regarding assessments to the property owners for the construction of the sidewalk improvements. In addition to that study, we have tested two other approaches that we deem reasonable for estimating an equitable assessment to the property owners for any enhancements they might receive from the improvements. They include the Sales Comparison Method and Assessment Valuation Method. The most suitable is the Sales Comparison Method that exhibits the comparison between improved vs unimproved properties and improved properties without alley ways vs. improved properties with alley ways for purposes of comparing the prices paid for properties. The Assessment Valuation Method is utilized to determine a reasonable assessed rate for ever property in regards to street improvements, sidewalks, alleyways and driveways.

# SALES COMPARISON METHOD

This method involves comparing the sales prices of recent sales properties with & without existing curb/gutter/sidewalks/alleyways and forming an opinion as to how much, if any, a purchaser is willing to pay for a property that has existing curb/gutter/sidewalk/alleyways improvements over a property that does not have those improvements.

The subject's area was searched for recent sales of a variety of residential properties that were similar in size and location to the subject properties so that a comparative analysis of each type could be performed. This search provided very few sales of properties that did not have curbs/gutters/sidewalks due to the fact that most of the streets in the area have these features. As such, the search was expanded to areas outside of the subject's immediate area in order to locate a sufficient number of sales of residential properties with and without curbs/gutters/sidewalks. Numerous sales were located and examined and from this vast number of sales only a few were found that could be used for comparative analysis purposes. The subject properties employed in the analysis include both improved and unimproved streets, and while the structures and areas employed in this analysis may not be truly comparable to the properties involved with this project, they do provide a basis for comparison between the properties with curbs/gutters/sidewalks/alleyways and properties that don't have these features.

Adjustment grids for the following types of properties are located on the following pages:

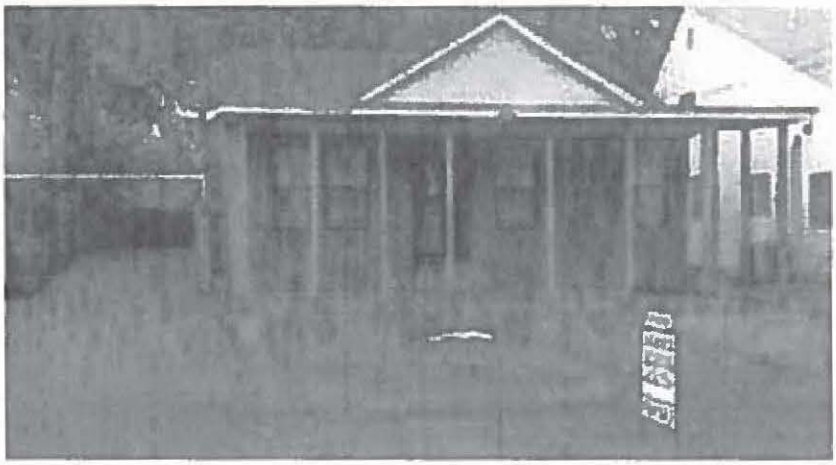
1) **Residential Sales – Improved Street vs. Unimproved Streets**

   - Representing the Group of Streets: Palacios Avenue from Ottawa Road to Canada Drive (25 parcels)

2) **Residential Sales- Unimproved Alley Way vs. Improved Alley Ways**

   a. Representing the Group of Alleys: Alley between Capps Drive and Rexford Drive from Lemmon Avenue parallel to Glencrest Lane (10 parcels)
   b. Alley between Hurley Way and Lenel Place from Williamsburg Road to "T" alley south of Walnut Hill Lane (11 parcels)
   c. Alley between Manana Drive and Park Lane from Larga Drive to Marsh Lane (40 parcels)

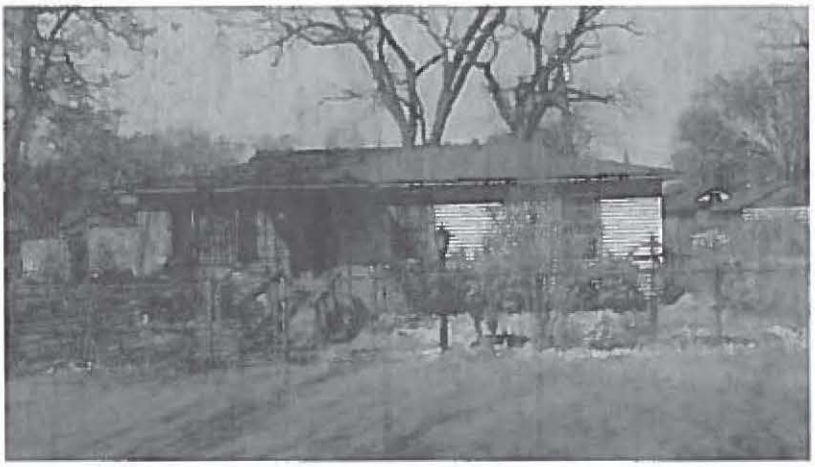
**RESIDENTIAL PROPERTY "Representation Of Subject Property" (will be employed as the subject lot)**



| | |
|---|---|
| **Mapsco:** | 53 N Dallas |
| **Location:** | 4027 Falls Drive, Dallas, Texas |
| **Grantor:** | Mari Neli Ortiz |
| **Grantee:** | Abelino Alvarez Murrugarra |
| **Date of Sale:** | April 21, 2016 |
| **Recording Data:** | 201600109813 |
| **County:** | Dallas |
| **Size:** | 950 SF |
| **Shape:** | Rectangular |
| **Zoning:** | Single Family District |
| **Utilities:** | City Sewer, City Water |
| **Topography:** | Basically Level |
| **Consideration:** | $85,000 |
| **Per SF:** | $89.47 |
| **Terms:** | Cash to Seller |
| **Cash Equivalent Consideration:** | $85,000 |
| **Per SF:** | $89.47 |
| **Source:** | MLS/Deed Records |
| **Comments:** | This site is located on a two-lane interior street which improved with curbs and gutters, drives, and sidewalks. |

Every effort has been made to verify this information, including researching deed records, tax information, appraisal district information, zoning restrictions, flood plain maps, etc. However, the State of Texas does not require disclosure of real estate sale prices or terms, therefore we are dependant upon information obtained from parties with knowledge of the transaction. This information has been obtained from reliable sources and is assumed to be correct, but is in no way guaranteed by us to be accurate. Con-Real, LP reserves the right to revise any information regarding this comparable, should more accurate data become available.

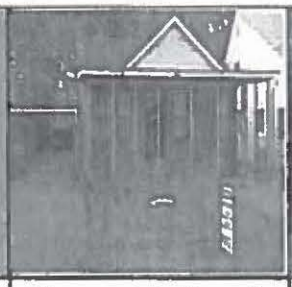
## RESIDENTIAL SALE NO. 1



| | |
|---|---|
| **Mapsco:** | 44 P Dallas |
| **Location:** | 913 Walkway Street, Dallas, Texas |
| **Grantor:** | Eva M Attaway |
| **Grantee:** | China Anderson |
| **Date of Sale:** | September 26, 2016 |
| **Recording Data:** | 201600273067 |
| **County:** | Dallas |
| **Size:** | 880 SF |
| **Shape:** | Irregular |
| **Zoning:** | Single Family District |
| **Utilities:** | City Sewer, City Water |
| **Topography:** | Basically Level |
| **Consideration:** | $86,000 |
| **Per SF:** | $97.73 |
| **Terms:** | Cash to Seller |
| **Cash Equivalent Consideration:** | $86,000 |
| **Per SF:** | $97.73 |
| **Source:** | MLS/Deed Records |
| **Comments:** | This site is located on a two-lane interior street which **is not** improved with curbs and gutters, drives, and sidewalks. |

Every effort has been made to verify this information, including researching deed records, tax information, appraisal district information, zoning restrictions, flood plain maps, etc. However, the State of Texas does not require disclosure of real estate sale prices or terms, therefore we are dependant upon information obtained from parties with knowledge of the transaction. This information has been obtained from reliable sources and is assumed to be correct, but is in no way guaranteed by us to be accurate. Con-Real, LP reserves the right to revise any information regarding this comparable, should more accurate data become available.

**Residential Lot Sales**
**Improved Street vs. Unimproved Streets**

| |  |  |  |
|---|---|---|---|
| **Location** | **Representation of Subject Property**<br>4027 Falls Drive<br>Dallas, Texas | **Sale 1**<br>913 Walkway Street<br>Dallas, Texas | **Sale 2**<br>411 South Dwight Avenue<br>Dallas, Texas |
| **Sales Price/ Per Square Foot** | **$89.47** | **$97.73** | **$99.33** |
| **Eff. Sale Price** | **$89.47** | **$97.73** | **$99.33** |
| **Size/SF** | **950** | 880<br>-10% | 896<br>-7% |
| **Bedrooms** | **2** | 2<br>-0- | 3<br>-5% |
| **Driveways** | **Yes** | **No** | **No** |
| **Sidewalks** | **Yes** | **No** | **No** |
| **Curbs/Gutters** | **Yes** | **No** | **No** |
| **Location** | **Average** | **Inferior**<br>+2% | **Similar** |
| **Condition** | **Average** | **Similar** | **Similar** |
| **Percentage Adjustment** | | (-8%) | (-12%) |
| **Net Adjustment** | | ($8.00) | ($12.00) |
| **Adjusted Sale Price** | **$89.47** | **$89.73** | **$87,33** |

The Representation of the (Subject's Property), at 4027 Falls Drive is a 950 square foot property that **did** have curbs/gutters, sidewalks, or driveways and sold for $89.47 per square foot. The sales **did not** have curbs/gutters, sidewalks, or driveways on their sites and sold at prices ranging from $97.73 to $99.33 per square foot. The sales are located within a five-mile radius and each have similar locational characteristics in regards to surrounding developments, type of homes and assessed lot and dwelling values. Sales 1 and 2 are smaller in size compared to the Representation of the Subject Property (4027 Falls Drive) and an upward adjustment for size was made to compensate for the difference in its price on a per square foot basis. Sales 2 was adjusted downwards for its number of bedrooms per square footage in comparison to the Representation of the Subject Property. Sale 2 and the Representation of Subject Property are similar in location.

They are both are located within an area that has a fair amount of residential and retail properties that caters to its residential neighborhood along Loop 12 and Highway Spur 408. However, Sale 1 was adjusted upward because of its location that is within a residential neighborhood adjacent to a railroad surrounded by commercial, industrial, and retail properties. Sale 1 and 2 conditions are similar to the Representation of the Subject Property and adjusted wasn't needed for condition.

After making warranted adjustments to the sales comparables, a range of values of $87.33 to $89.73 per square foot was derived from Sale 1 & 2. Based on the sales comparables in comparison to the subject property the variance between the subject property and comparables is less than 2%, which leads to the conclusion that there isn't a significant difference in pricing by not having curbs/gutters, driveways, and sidewalks.

**Improved Residential Alley Way Sales**
**Unimproved Alleyway vs. Improved Alleyways**



| Location | Representation of Subject Property 4011 Wembley Terrance Dallas, Texas | Sale 1 4525 W Amherst Avenue Dallas, Texas | Sale 2 5102 W Hanover Avenue, Dallas, Texas |
|---|---|---|---|
| Sales Price/ Per Square Foot | $212.91 | $248.76 | $213.87 |
| Eff. Sale Price | $212.91 | $248.76 | $213.87 |
| Size/SF | 2,912<br>-0- | 2,814<br>-2% | 3,500<br>+5% |
| Curbs/Gutters | Yes | Yes | Yes |
| Alley Way | No | Yes | Yes |
| Location | Average<br>-0- | Superior<br>-10% | Superior<br>-5% |
| Condition | Average<br>-0- | Similiar<br>-0- | Similiar<br>-0- |
| Percentage Adjustment | | (-12%) | 0% |
| Net Adjustment | | ($30.00) | $0.00 |
| Adjusted Sale Price | $212.91 | $218.76 | $213.87 |

The Representation of the Subject, at 4011 Wembley Terrance is a 2,912 square foot property that **did** not have **an alleyway** and sold for $212.91 per square foot. The sales comparables **did have alleyways** on their sites and sold at prices ranging from $213.87 to $248.76 per square foot. All of the sales are similar in locational characteristics in regards to surrounding developments, type of homes and assessed lot and dwelling values. Sales 1 and 2 are different from the Representation of Subject Property (4011 Wembley Terrance) by their respective sizes. Sales 1 was adjusted downward for its smaller size in comparison to the Representation of the Subject Property and Sales 2 was adjusted upward for its larger size in comparison to the Representation of the Subject Property to compensate for the difference in its price on a per square foot. Sales 1 and 2 were adjusted downward because their location is superior to the Representation of Subject Property since both are near Highland Park and the Dallas Love Field Airport. Sale 1 and 2 conditions are similar to the Subject Property and an adjusted wasn't needed for condition.

After making warranted adjustments to the sales comparables, a range of values of $213.87 to 218.76 per square foot was derived from Sale 1 & 2. Based on the sales comparables in comparison to the subject property the variance between the subject property and comparables is less than 3%, which leads to the conclusion that there isn't a significant difference in pricing by not having alleyways.

# ASSESSMENT VALUATION PROCESS

The analyst acknowledges that the new street improvements will provide some enhancement to the overall value of the subject properties, but the improvements will not increase the value of the subject properties at the same rate the City is proposing to assess the property owners. As with all home improvements, the value of the enhancement is very rarely equal to or greater than the actual cost of the improvement. Samples of these types of improvements are: new roofs, replaced fencing, updating of flooring, kitchens, bathrooms, etc. Generally speaking, these type of repairs, renovations or enhancements cost more to replace/construct than they will ever return should the property be sold. A good example is the addition of a swimming pool. A typical swimming pool can cost $25,000 to install, but upon resale rarely yields $10,000 more than a similar property without a swimming pool. The same goes for a new roof. While a new roof may be a selling feature in trying to market the property, very rarely does the property owner ever realize a return on the sale of the property equal to the cost to install the new roof. The same is true with the proposed street improvements and accompanying sidewalks and drives. **Based on the market data gathered and examined by the analyst, it is my opinion that the market value of the subject properties will only experience a slight increase in value because of the proposed improvements.**

In an effort to be equitable to the property owners, given that all of the property owners are supposedly paying their fair share, it is our opinion that the property owners be assessed at a rate of 10% of the assessed value of the lot for the street improvements (concrete paving, curbs/gutters). The property owners are assessed at a rate of 25% of the construction cost of the alley way pavement improvements and assessed at a rate of 50% of the estimated construction cost of the sidewalk and concrete drive improvements. The reason for the percentages of the construction costs for the alley ways, sidewalks, and concrete drives, is that the improvements do not provide a dramatic increase to the overall property, but offer additional benefit for the property owners. Some of the properties in the project areas already have sidewalks and drives. Those property owners should not be compelled to pay additional money for improvements that they already have in place. In some instances, particularly on the subject parcels with large tracts of land, 10% of the assessed land value is greater than the total estimated cost of the proposed improvements. This is due to the fact that these properties typically have a large amount of road frontage and benefit from greater exposure from the street, and in those instances the estimated cost of the improvements as proposed by the City of Dallas is the recommended amount.

**The Tables on the following pages in the Addenda identifies each of the subject properties, the assessment process employed by the City of Dallas, and finally, my estimation of a fair and reasonable value for the assessment.**

# ASSESSMENT VALUATION PROCESS (TABLES)

**PROJECT GROUP 12-3001**

1. **PALACIOS AVENUE FROM OTTAWA ROAD TO CANADA DRIVE SHALL BE PAVED FROM CURB TO CURB WITH 6-INCH THICKNESS 4000-POUNDS PER SQUARE INCH REINFORCED CONCRETE PAVEMENT; WITH 6-INCH LIME STABILIZED BASE; WITH 6-INCH HEIGHT INTEGRAL CURBS; WITH 6-INCH THICKNESS REINFORCED CONCRETE DRIVE APPROACH; WITH 4-INCH THICKNESS REINFORCED CONCRETE SIDEWALKS 4 OR 5 FEET WIDE WHERE SPECIFIED; SO THAT THE ROADWAY SHALL BE 26 FEET IN WIDTH**

**WEST SIDE OF STREET**

*JOE A IRWIN 2*

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT | TOTAL ASSESSMENT VALUE- LAND | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| JESUS V MASCORRO | 12 | 2/7163 | 83 FT PVMT | $90.00 | $7,470.00 | | | **$1,200.00** |
| 4028 HAMMERLY DR | **4107** | | 57 FT WALK | $9.43 | $537.51 | | $1,200 (10% of lot value $12,000) | **$268.76** |
| DALLAS, TX 75212 | **Palacios Ave** | | 24.4 SY DR(15'Wide) | $47.21 | $1,151.92 | | | **$575.96** |
| | | | | | | **$9,159.43** | | **$2,044.72** |
| REYNALDO MARTINEZ & | 11 | 2/7163 | 50 FT PVMT | $90.00 | $4,500.00 | | | **$1,200.00** |
| SYLVIA MARTINEZ | | | 35 FT WALK | $9.43 | $330.05 | | | **$165.03** |
| 4111 PALACIOS AVE | | | 12 FT DRIVE | No Cost | $0.00 | | $1,200 (10% of lot value $12,000) | **$0.00** |
| DALLAS, TX 75212 | | | | | | | | |
| | | | | | | **$4,830.05** | | **$1,365.03** |
| REYNALDO MARTINEZ & | 10 | 2/7163 | 50 FT PVMT | $90.00 | $4,500.00 | | | **$1,200.00** |
| SYLVIA MARTINEZ | **4115** | | 50 FT WALK | $9.43 | $471.50 | | | **$235.75** |
| 4111 PALACIOS AVE | **Palacios Ave** | | | | | | $1,200 (10% of lot value $12,000) | |
| DALLAS, TX 75212 | | | | | | | | |
| | | | | | | **$4,971.50** | | **$1,435.75** |

1. **PALACIOS AVENUE FROM OTTAWA ROAD TO CANADA DRIVE SHALL BE PAVED FROM CURB TO CURB WITH 6-INCH THICKNESS 4000-POUNDS PER SQUARE INCH REINFORCED CONCRETE PAVEMENT; WITH 6-INCH LIME STABILIZED BASE; WITH 6-INCH HEIGHT INTEGRAL CURBS; WITH 6-INCH THICKNESS REINFORCED CONCRETE DRIVE APPROACH; WITH 4-INCH THICKNESS REINFORCED CONCRETE SIDEWALKS 4 OR 5 FEET WIDE WHERE SPECIFIED; SO THAT THE ROADWAY SHALL BE 26 FEET IN WIDTH**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT | TOTAL ASSESSMENT VALUE- LAND | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| PAUL ALEMAN JR & | 9 | 2/7163 | 50 FT PVMT | $90.00 | $4,500.00 | | | $1,200.00 |
| MARGARITA ALEMAN | 4119 | | 50 FT WALK | $9.43 | $471.50 | | $1,200 (10% of lot value $12,000) | $235.75 |
| 4564 CEDAR PATH DR | Palacios Ave | | | | | | | |
| DALLAS, TX 75211 | | | | | | $4,971.50 | | $1,435.75 |
| SUSANA BARJAS | 8 | 2/7163 | 50 FT PVMT | $90.00 | $4,500.00 | | | $1,200.00 |
| 4123 PALACIOS AVE | | | 31 FT WALK | $9.43 | $292.33 | | $1,200 (10% of lot value $12,000) | $146.17 |
| DALLAS, TX 75212 | | | 14 FT DRIVE | No Cost | $0.00 | | | $0.00 |
| | | | | | | $4,792.33 | | $1,346.17 |
| | *JOE A IRWIN* | | | | | | | |
| CLAUDIA T PRECIADO | 19 | 2/7163 | 50 FT PVMT | $90.00 | $4,500.00 | | | $1,200.00 |
| 4127 PALACIOS AVE | | | 17 FT WALK | $9.43 | $160.31 | | | $80.16 |
| DALLAS, TX 75212 | | | 16.3 SY DR(12'wide) | $47.21 | $769.52 | | $1,200 (10% of lot value $12,000) | $384.76 |
| | | | | | | $5,429.83 | | $1,664.92 |
| DANIEL ESTRADA | 18 | 2/7163 | 50 FT PVMT | $90.00 | $4,500.00 | | | $1,200.00 |
| 4131 PALACIOS AVE | | | 34 FT WALK | $9.43 | $320.62 | | | $160.31 |
| DALLAS, TX 75212 | | | 21.3 SY DR(15'Wide) | $47.21 | $1,005.57 | | $1,200 (10% of lot value $12,000) | $502.79 |
| | | | | | | $5,826.19 | | $1,863.10 |
| DALIA SANCHEZ & | 17 | 2/7163 | 40 FT PVMT | $90.00 | $3,600.00 | | | $1,200.00 |
| SAUL SORIA | 4135 | | 24 FT WALK | $9.43 | $226.32 | | | $113.16 |
| 4809 BERNAL DR | Palacios Ave | | 16 FT DRIVE | No Cost | $0.00 | | $1,200 (10% of lot value $12,000) | $0.00 |
| DALLAS, TX 75212 | | | | | | | | |
| | | | | | | $3,826.32 | | $1,313.16 |

1. **PALACIOS AVENUE FROM OTTAWA ROAD TO CANADA DRIVE SHALL BE PAVED FROM CURB TO CURB WITH 6-INCH THICKNESS 4000-POUNDS PER SQUARE INCH REINFORCED CONCRETE PAVEMENT; WITH 6-INCH LIME STABILIZED BASE; WITH 6-INCH HEIGHT INTEGRAL CURBS; WITH 6-INCH THICKNESS REINFORCED CONCRETE DRIVE APPROACH; WITH 4-INCH THICKNESS REINFORCED CONCRETE SIDEWALKS 4 OR 5 FEET WIDE WHERE SPECIFIED; SO THAT THE ROADWAY SHALL BE 26 FEET IN WIDTH**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT | TOTAL ASSESSMENT VALUE- LAND | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| BRENDA HINOJOSA<br>4146 MAYBETH ST<br>DALLAS, TX 75212 | 16<br>4139<br>Palacios Ave | 2/7163 | 39 FT PVMT<br>39 FT WALK | $90.00<br>$9.43 | $3,510.00<br>$367.77 | $3,877.77 | $1,200 (10% of lot value $12,000) | $1,200.00<br>$183.89<br>$1,383.89 |
| JOSE A ESCAMILLA<br>4143 PALACIOS AVE<br>DALLAS, TX 75212 | 15 | 2/7163 | 38 FT PVMT<br>25 FT WALK<br>17.7 SY DR(12'Wide) | $90.00<br>$9.43<br>$47.21 | $3,420.00<br>$235.75<br>$835.62 | $4,491.37 | $1,200 (10% of lot value $12,000) | $1,200.00<br>$117.88<br>$417.81<br>$1,735.68 |
| JUSTO HERNANDEZ<br>CONNIE HERNANDEZ<br>4147 PALACIOS AVE<br>DALLAS, TX 75212 | 13 &14 | 2/7163 | 88 FT PVMT<br>63 FT WALK<br>24.4 SY DR(15'Wide) | $90.00<br>$9.43<br>$47.21 | $7,920.00<br>$594.09<br>$1,151.92 | $9,666.01 | $2,400 (10% of lot value $24,000) | $2,400.00<br>$297.05<br>$575.96<br>$3,273.01 |

**EAST SIDE OF STREET**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT | TOTAL ASSESSMENT VALUE- LAND | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| SAUL SORIA<br>4142 PALACIOS AVE<br>DALLAS, TX 75212 | 1<br>4154<br>Palacios Ave | 3/7163 | 45 FT WALK | $9.43 | $424.35 | $424.35 | | $212.18<br>$212.18 |
| SAUL SORIA<br>4142 PALACIOS AVE<br>DALLAS, TX 75212 | 2<br>4150<br>Palacios Ave | 3/7163 | 34 FT PVMT<br>34 FT WALK<br>17.7 SY DR(12'wide) | $90.00<br>$9.43<br>$47.21 | $3,060.00<br>$320.62<br>$835.62 | $4,216.24 | $1,200 (10% of lot value $12,000) | $1,200.00<br>$160.31<br>$417.81<br>$1,778.12 |

1. **PALACIOS AVENUE FROM OTTAWA ROAD TO CANADA DRIVE SHALL BE PAVED FROM CURB TO CURB WITH 6-INCH THICKNESS 4000-POUNDS PER SQUARE INCH REINFORCED CONCRETE PAVEMENT; WITH 6-INCH LIME STABILIZED BASE; WITH 6-INCH HEIGHT INTEGRAL CURBS; WITH 6-INCH THICKNESS REINFORCED CONCRETE DRIVE APPROACH; WITH 4-INCH THICKNESS REINFORCED CONCRETE SIDEWALKS 4 OR 5 FEET WIDE WHERE SPECIFIED; SO THAT THE ROADWAY SHALL BE 26 FEET IN WIDTH**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT | TOTAL ASSESSMENT VALUE- LAND | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| SAUL SORIA<br>4142 PALACIOS AVE<br>DALLAS, TX 75212 | 3<br>**4146**<br>**Palacios Ave** | 3/7163 | 35 FT PVMT<br>35 FT WALK | $90.00<br>$9.43 | $3,150.00<br>$330.05 | **$3,480.05** | $1,2000 (10% of lot value $12,000) | **$1,200.00**<br>**$165.03**<br>**$1,365.03** |
| SAUL SORIA &<br>DALIA SORIA<br>4809 BERNAL DR<br>DALLAS, TX 75212 | 4<br>**4142**<br>**Palacios Ave** | 3/7163 | 42 FT PVMT<br>22 FT WALK | $90.00<br>$9.43 | $3,780.00<br>$207.46 | **$3,987.46** | $1,200 (10% of lot value $12,000) | **$1,200.00**<br>**$103.73**<br>**$1,303.73** |
| | | ***JOE A IRWIN 2*** | | | | | | |
| DALIA SANCHEZ<br>4809 BERNAL DR<br>DALLAS, TX 75212 | 5<br>**4138**<br>**Palacios Ave** | 3/7163 | 42 FT PVMT<br>42 FT WALK | $90.00<br>$9.43 | $3,780.00<br>$396.06 | **$4,176.06** | $1,200 (10% of lot value $12,000) | **$1,200.00**<br>**$198.03**<br>**$1,398.03** |
| DALIA SANCHEZ<br>4809 BERNAL DR<br>DALLAS, TX 75212 | 6<br>**4134**<br>**Palacios Ave** | 3/7163 | 44 FT PVMT<br>44 FT WALK | $90.00<br>$9.43 | $3,960.00<br>$414.92 | **$4,374.92** | $1,200 (10% of lot value $12,000) | **$1,200.00**<br>**$207.46**<br>**$1,407.46** |
| FRANCISCO SANCHEZ<br>4130 PALACIOS AVE<br>DALLAS, TX 75212 | 7 | 3/7163 | 45 FT PVMT<br>27 FT WALK<br>18.4 SY DR(13'Wide) | $90.00<br>$9.43<br>$47.21 | $4,050.00<br>$254.61<br>$868.66 | **$5,173.27** | $1,200 (10% of lot value $12,000) | **$1,200.00**<br>**$127.31**<br>**$434.33**<br>**$1,761.64** |

1. **PALACIOS AVENUE FROM OTTAWA ROAD TO CANADA DRIVE SHALL BE PAVED FROM CURB TO CURB WITH 6-INCH THICKNESS 4000-POUNDS PER SQUARE INCH REINFORCED CONCRETE PAVEMENT; WITH 6-INCH LIME STABILIZED BASE; WITH 6-INCH HEIGHT INTEGRAL CURBS; WITH 6-INCH THICKNESS REINFORCED CONCRETE DRIVE APPROACH; WITH 4-INCH THICKNESS REINFORCED CONCRETE SIDEWALKS 4 OR 5 FEET WIDE WHERE SPECIFIED; SO THAT THE ROADWAY SHALL BE 26 FEET IN WIDTH**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT | TOTAL ASSESSMENT VALUE- LAND | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| FRANCISCO SANCHEZ<br>4130 PALACIOS AVE<br>DALLAS, TX 75212 | 8<br>4126<br>Palacios Ave | 3/7163 | 45 FT PVMT<br>45 FT WALK | $90.00<br>$9.43 | $4,050.00<br>$424.35 | $4,474.35 | $1,200 (10% of lot value $12,000) | $1,200.00<br>$212.18<br>$1,412.18 |
| ROY L THORNE<br>P O BOX 566<br>DESOTO, TX 75123 | 9<br>4122<br>Palacios Ave | 3/7163 | 47 FT PVMT<br>29 FT WALK<br>18.9 SY DR(13'Wide) | $90.00<br>$9.43<br>$47.21 | $4,230.00<br>$273.47<br>$892.27 | $5,395.74 | $1,200 (10% of lot value $12,000) | $1,200.00<br>$136.74<br>$446.13<br>$1,782.87 |

*JOE E IRWIN 2*

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| RUBEN C MAGANA TR &<br>MARY V MAGANA TR<br>4118 PALACIOS AVE<br>DALLAS, TX 75212 | 10 | 3/7163 | 48 FT PVMT<br>32 FT WALK<br>16 FT DRIVE | $90.00<br>$9.43<br>No Cost | $4,320.00<br>$301.76<br>$0.00 | $4,621.76 | $1,200 (10% of lot value $12,000) | $1,200.00<br>$150.88<br>$0.00<br>$1,350.88 |
| BENITO HERNANDEZ<br>4114 PALACIOS AVE<br>DALLAS, TX 75212 | 11 | 3/7163 | 50 FT PVMT<br>38 FT WALK<br>12 FT DRIVE | $90.00<br>$9.43<br>No Cost | $4,500.00<br>$358.34<br>$0.00 | $4,858.34 | $1,200 (10% of lot value $12,000) | $1,200.00<br>$179.17<br>$0.00<br>$1,379.17 |

1. **PALACIOS AVENUE FROM OTTAWA ROAD TO CANADA DRIVE SHALL BE PAVED FROM CURB TO CURB WITH 6-INCH THICKNESS 4000-POUNDS PER SQUARE INCH REINFORCED CONCRETE PAVEMENT; WITH 6-INCH LIME STABILIZED BASE; WITH 6-INCH HEIGHT INTEGRAL CURBS; WITH 6-INCH THICKNESS REINFORCED CONCRETE DRIVE APPROACH; WITH 4-INCH THICKNESS REINFORCED CONCRETE SIDEWALKS 4 OR 5 FEET WIDE WHERE SPECIFIED; SO THAT THE ROADWAY SHALL BE 26 FEET IN WIDTH**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT | TOTAL ASSESSMENT VALUE- LAND | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| QUIRINO MEDINA<br>5230 BRYCE CANYON RD<br>DALLAS, TX 75211 | 12<br>**4110**<br>**Palacios Ave** | 3/7163 | 49 FT PVMT<br>49 FT WALK | $90.00<br>$9.43 | $4,410.00<br>$462.07 | **$4,872.07** | $1,200 (10% of lot value $12,000) | **$1,200.00**<br>**$231.04**<br>**$0.00**<br>**$1,431.04** |
| RAFAEL MEDINA<br>3126 HAMMERLY DR<br>DALLAS, TX 75212 | 13 | 3/7163 | 48 FT PVMT<br>36 FT WALK<br>12 FT DRIVE | $90.00<br>$9.43<br>No Cost | $4,320.00<br>$339.48<br>$0.00 | **$4,659.48** | $1,200 (10% of lot value $12,000) | **$1,200.00**<br>**$169.74**<br>**$0.00**<br>**$1,369.74** |
| BEATRICE ORNELAS<br>4102 PALACIOS AVE<br>DALLAS, TX 75212 | 14 | 3/7163 | 49 FT PVMT<br>30 FT WALK<br>19 FT DRIVE | $90.00<br>$9.43<br>No Cost | $4,410.00<br>$282.90<br>$0.00 | **$4,692.90** | $1,200 (10% of lot value $12,000) | **$1,200.00**<br>**$141.45**<br>**$0.00**<br>**$1,341.45** |

**PROJECT GROUP 12-3001**

**2. ALLEY BETWEEN CAPPS DRIVE AND REXFORD DRIVE FROM LEMMON AVENUE PARALLEL TO GLENCREST LANE SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT | TOTAL ASSESSMENT VALUE- ALLEY | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| **NORTHWEST SIDE OF ALLEY** | | | | | | | | |
| | | | ***SHORE CREST TERRACE*** | | | | | |
| D MICHAEL CANNADY REVOCABLE TRUST 8723 REXFORD DR DALLAS, TX 75209 | 10 | 3/5065 | 34 FT PMVT | $18.24 | $620.16 | **$620.16** | $155.04 (25% of total assessment $620.16) | **$155.04** |
| ROBERT L SORRELLS TRUST 8201 PRESTON RD STE 520 DALLAS, TX 75225 | 9 8719 Rexford Dr | 3/5065 | 62 FT PVMT | $18.24 | $1,130.88 | **$1,130.88** | $282.72 (25% of total assessment $1,130.88) | **$282.72** |
| THOMAS L ARNOLD LANA M ARNOLD 8715 REXFORD DR DALLAS, TX 75209 | 6 | 3/5065 | 52 FT PVMT | $18.24 | $948.48 | **$948.48** | $237.12 (25% of total assessment $948.48) | **$237.12** |
| **EAST SIDE OF ALLEY** | | | | | | | | |
| TRAVIS B SINGLETON 8623 GLENCREST LN DALLAS, TX 75209 | 5 Acs. 0.230 | 3/5065 | 57 FT PMVT | $18.24 | $1,039.68 | **$1,039.68** | $259.92 (25% of total assessment $1,039.68) | **$259.92** |
| CHANNING E MILFELD & CHRISTOPHER P MILFELD 8619 GLENCREST LN DALLAS, TX 75209 | 4 | 3/5065 | 63 FT PMVT | $18.24 | $1,149.12 | **$1,149.12** | $287.28 (25% of total assessment $1,149.12) | **$287.28** |

2. **ALLEY BETWEEN CAPPS DRIVE AND REXFORD DRIVE FROM LEMMON AVENUE PARALLEL TO GLENCREST LANE SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT | TOTAL ASSESSMENT VALUE- ALLEY | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| THE BROYLES GROUP LLC<br>25 HIGHLAND PARK VLG #100<br>DALLAS, TX 75205 | 3<br>8615 Glencrest Ln | 3/5065 | 61 FT PMVT | $18.24 | $1,112.64 | $1,112.64 | $278.16 (25% of total assessment $1,112.64) | $278.16<br>$278.16 |
| | | | ***SHORE CREST TERRACE*** | | | | | |
| JASON & YVETTE COFFMAN<br>8609 GLENCREST LN<br>DALLAS, TX 75209 | 2 | 3/5065 | 63 FT PMVT<br>20 FT DRIVE | $18.24<br>No Cost | $1,149.12<br>$0.00 | $1,149.12 | $287.28 (25% of total assessment $1,149.12) | $287.28<br>$0.00<br>$287.28 |
| DENNIS SCOTT DAVIS JR &<br>COURTENAY L DAVIS<br>8603 GLENCREST LN<br>DALLAS, TX 75209 | 1 | 3/5065 | 60 FT PVMT | $18.24 | $1,094.40 | $1,094.40 | $273.60 (25% of total assessment $1,094.40) | $273.60<br>$273.60 |
| | | | ***SOUTHWEST SIDE OF ALLEY*** | | | | | |
| MARIVILLA M PARRAMORE &<br>DAVID PARRAMORE<br>3843 CAPPS DR<br>DALLAS, TX 75209 | 7 | 3/5065 | 57 FT PMVT<br>6.6 SY DR(15'Wide) | $18.24<br>$47.21 | $1,039.68<br>$311.59 | $1,351.27 | $259.92 (25% of total assessment $1,039.68) | $259.92<br>$155.79<br>$415.71 |
| SING YEE POONG &<br>NYOK CHING CHEONG<br>4401 LONE TREE DRIVE<br>PLANO, TX 75093 | 8<br>3839 Capps Dr | 3/5065 | 78 FT PMVT | $18.24 | $1,422.72 | $1,422.72 | $355.68 (25% of total assessment $1,422.72 | $355.68<br>$355.68 |

**PROJECT GROUP 12-3001**

**3. ALLEY BETWEEN HURLEY WAY AND LENEL PLACE FROM WILLIAMSBURG ROAD TO "T" ALLEY SOUTH OF WALNUT HILL LANE SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT | TOTAL ASSESSMENT VALUE- ALLEY | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| **WEST SIDE OF ALLEY** | | | | | | | | |
| | | | ***GLENRIDGE ESTATES 3*** | | | | | |
| SALVADOR IMPASTATO & LORI IMPASTATO 9918 LENEL PL DALLAS, TX 75220 | 8 | C/6620 | 76 FT PMVT | $18.24 | $1,386.24 | **$1,386.24** | $346.56 (25% of total assessment $1,386.24) | **$346.56** |
| ELINORE C GONDOLF 9922 LENEL PL DALLAS, TX 75220 | 9 | C/6220 | 70 FT PVMT | $18.24 | $1,276.80 | **$1,276.80** | $319.20 (25% of total assessment $1,276.80) | **$319.20** |
| BLAIR W CARPENTER & SUSAN C CARPENTER 9926 LENEL PL DALLAS, TX 75220 | 10 | C/6220 | 69 FT PVMT | $18.24 | $1,258.56 | **$1,258.56** | $314.64 (25% of total assessment $1,258.56) | **$314.64** |
| MARTHA DORA VASQUEZ 9934 LENEL PL DALLAS, TX 75220 | 11 | C/6220 | 55 FT PMVT | $18.24 | $1,003.20 | **$1,003.20** | $250.80 (25% of total assessment $1,003.20) | **$250.80** |
| **NORTH SIDE OF ALLEY** | | | | | | | | |
| GUIDO BOUMAN 4006 WALNUT HILL LN DALLAS, TX 75229 | 1 | C/6220 | 122 FT PVMT | $18.24 | $2,225.28 | **$2,225.28** | $556.32 (25% of total assessment $2,225.28) | **$556.32** |

3. ALLEY BETWEEN HURLEY WAY AND LENEL PLACE FROM WILLIAMSBURG ROAD TO "T" ALLEY SOUTH OF WALNUT HILL LANE SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT | TOTAL ASSESSMENT VALUE- ALLEY | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| | | | *GLENRIDGE ESTATES 3* | | | | | |
| ANTONIA GUERRERO<br>4016 WALNUT HILL LN<br>DALLAS, TX 75229 | 2 | C/6220 | 121 FT PMVT | $18.24 | $2,207.04 | $2,207.04 | $551.76 (25% of total assessment $2,207.04) | $551.76<br>$551.76 |
| WILLIAM E JOHNSON<br>4026 WALNUT HILL LN<br>DALLAS, TX 75229 | 3 | C/6220 | 120 FT PMVT | $18.24 | $2,188.80 | $2,188.80 | $547.20 (25% of total assessment $2,188.80) | $547.20<br>$547.20 |
| EAST SIDE OF ALLEY | | | | | | | | |
| RONALD R DOWD<br>9923 HURLEY WAY<br>DALLAS, TX 75220 | 4 | C/6220 | 54 FT PVMT | $18.24 | $984.96 | $984.96 | $246.24 (25% of total assessment $984.96) | $246.24<br>$246.24 |
| A H SYLVESTER<br>9915 HURLEY WAY<br>DALLAS, TX 75220 | 5 | C/6220 | 69 FT PMVT | $18.24 | $1,258.56 | $1,258.56 | $314.64 (25% of total assessment $1,258.56 | $314.64<br>$314.64 |
| WILLIAM A GALLAGHER<br>9911 HURLEY WAY<br>DALLAS, TX 75220 | 6 | C/6220 | 70 FT PMVT | $18.24 | $1,276.80 | $1,276.80 | $319.20 (25% of total assessment $1,276.80 | $319.20<br>$319.20 |
| KELLI A LAOS<br>9905 HURLEY WAY<br>DALLAS, TX 75220 | 7 | C/6220 | 76 FT PMVT | $18.24 | $1,386.24 | $1,386.24 | $346.56 (25% of total assessment $1,386.24 | $346.56<br>$346.56 |

**PROJECT GROUP 12-3001**

**4. ALLEY BETWEEN MANANA DRIVE AND PARK LANE FROM LARGA DRIVE TO MARSH LANE SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT | TOTAL ASSESSMENT VALUE- ALLEY | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| **NORTH SIDE OF ALLEY** | | | | | | | | |
| | | | ***BROWNWOOD PARK*** | | | | | |
| ISMAEL GARDUNO & MARIA I GARDUNO 9816 LARGA DRIVE DALLAS, TX 75220 | 1 | E/6144 | 54 FT PMVT | $18.24 | $984.96 | **$984.96** | $246.24 (25% of total assessment $984.96) | **$246.24** |
| ANTONIO R CRUZ & MARIA J CRUZ 3538 PARK LANE DALLAS, TX 75220 | 3 | E/6144 | 60 FT PVMT<br>4.1 SY DR(10'Wide) | $18.24<br>$47.21 | $1,094.40<br>$193.56 | **$1,287.96** | $321.99 (25% of total assessment $1,094.40) | **$321.99**<br>**$96.78**<br>**$418.77** |
| ANTONIO F HUARINGA 3606 PARK LANE DALLAS, TX 75220 | 4 | E/6144 | 60 FT PVMT | $18.24 | $1,094.40 | **$1,094.40** | $273.60 (25% of total assessment $1,094.40) | **$273.60** |
| GUADALUPE HERRERA 3548 PARK LANE DALLAS, TX 75220 | 5 | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | **$1,094.40** | $273.60 (25% of total assessment $1,094.40) | **$273.60** |
| AURELIANO URESTI & MARIA URESTI 3554 PARK LANE DALLAS, TX 75220 | 6 | E/6144 | 60 FT PVMT | $18.24 | $1,094.40 | **$1,094.40** | $273.60 (25% of total assessment $1,094.40) | **$273.60** |
| CHARLES VILLASANA & KAY L VILLASANA 11429 SNOW WHITE DRIVE DALLAS, TX 75229 | 7 **3558 Park Ln** | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | **$1,094.40** | $273.60 (25% of total assessment $1,094.40) | **$273.60**<br>**$273.60** |

**4. ALLEY BETWEEN MANANA DRIVE AND PARK LANE FROM LARGA DRIVE TO MARSH LANE SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT | TOTAL ASSESSMENT VALUE- ALLEY | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| JOSE ANGEL CORDERO<br>&<br>BALBINA P CORDERO<br>3564 PARK LANE<br>DALLAS, TX 75220 | 8 | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | $1,094.40 | $273.60 (25% of total assessment $1,094.40) | $273.60<br>$273.60 |
| ALFRED L GONZALES<br>3568 PARK LANE<br>DALLAS, TX 75220 | 9 | E/6144 | 60 FT PVMT | $18.24 | $1,094.40 | $1,094.40 | $273.60 (25% of total assessment $1,094.40) | $273.60<br>$273.60 |
| PRUDENCIO PINEDA JR<br>2608 DRISKILL DRIVE<br>EULESS, TX 76039 | 10<br>3602<br>Park Ln | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | $1,094.40 | $273.60 (25% of total assessment $1,094.40) | $273.60<br>$273.60 |
| ANTONIO HUARINGA<br>3606 PARK LANE<br>DALLAS, TX 75220 | 11 | E/6144 | 60 FT PMVT<br>12 FT DRIVE | $18.24<br>No Cost | $1,094.40<br>$0.00 | $1,094.40 | $273.60 (25% of total assessment $1,094.40) | $273.60<br>$0.00<br>$273.60 |
| ANTONIO F HUARINGA<br>3606 PARK LANE<br>DALLAS, TX 75220 | 12<br>3612<br>Park Ln | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | $1,094.40 | $273.60 (25% of total assessment $1,094.40) | $273.60<br>$273.60 |

**4. ALLEY BETWEEN MANANA DRIVE AND PARK LANE FROM LARGA DRIVE TO MARSH LANE**
**SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT | TOTAL ASSESSMENT VALUE- ALLEY | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| | | | *BROWNWOOD PARK* | | | | | |
| ANTONIO F HUARINGA<br>3616 PARK LANE<br>DALLAS, TX 75220 | 13 | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | $1,094.40 | $273.60 (25% of total assessment $1,094.40) | $273.60<br>$273.60 |
| MARTHA DUNGEY<br>3622 PARK LANE<br>DALLAS, TX 75220 | 14 | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | $1,094.40 | $273.60 (25% of total assessment $1,094.40) | $273.60<br>$273.60 |
| PEDRO A SANCHEZ<br>3626 PARK LANE<br>DALLAS, TX 75220 | 15 | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | $1,094.40 | $273.60 (25% of total assessment $1,094.40) | $273.60<br>$273.60 |
| DAVID C OLIVAREZ<br>3630 PARK LANE<br>DALLAS, TX 75220 | 16 | E/6144 | 60 FT PMVT<br>5 SY DR(10'Wide) | $18.24<br>$47.21 | $1,094.40<br>$236.05 | $1,330.45 | $273.60 (25% of total assessment $1,094.40) | $273.60<br>$118.03<br>$391.63 |
| DAVID URIOSTEGUI &<br>YOLANDA ARAND<br>3636 PARK LN<br>DALLAS, TX 75220 | 17 | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | $1,094.40 | $273.60 (25% of total assessment $1,094.40) | $273.60<br>$273.60 |
| EDUWIGES RAMIREZ &<br>MARIA R RAMIREZ<br>3640 PARK LANE<br>DALLAS, TX 75220 | 18 | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | $1,094.40 | $273.60 (25% of total assessment $1,094.40) | $273.60<br>$273.60 |

**4. ALLEY BETWEEN MANANA DRIVE AND PARK LANE FROM LARGA DRIVE TO MARSH LANE SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT | TOTAL ASSESSMENT VALUE- ALLEY | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| | | | ***BROWNWOOD PARK*** | | | | | |
| FERNANDO QUEZADA<br>3644 PARK LANE<br>DALLAS, TX 75220 | 19 | E/6144 | 60 FT PMVT<br>21 FT DRIVE | $18.24<br>No Cost | $1,094.40<br>$0.00 | $1,094.40 | $273.60 (25% of total assessment $1,094.40) | $273.60<br>$0.00<br>$273.60 |
| BETTY JOE SCOTT<br>3650 PARK LANE<br>DALLAS, TX 75220 | 20 | E/6144 | 60 FT PMVT<br>5 SY DR(10'Wide) | $18.24<br>$47.21 | $1,094.40<br>$236.05 | $1,330.45 | $273.60 (25% of total assessment $1,094.40) | $273.60<br>$118.03<br>$391.63 |
| RAQUEL H SANCHEZ<br>1404 LINCOLN DRIVE<br>CARROLLTON TX 75006 | 21<br>3654<br>Park Ln | E/6144 | 79 FT PMVT<br>9.3 SY DR(23'Wide) | $18.24<br>$47.21 | $1,440.96<br>$439.05 | $1,880.01 | $360.24 (25% of total assessment $1,440.96) | $360.24<br>$219.53<br>$579.77 |
| **SOUTH SIDE OF ALLEY** | | | | | | | | |
| | | | ***WALNUT HILL ESTATES*** | | | | | |
| WILLIAM M KEEL<br>ANDREA BRIDEN<br>3653 MANANA DRIVE<br>DALLAS, TX 75220 | 20 | 26/6144 | 75 FT PMVT | $18.24 | $1,368.00 | $1,368.00 | $342.00 (25% of total assessment $1,368.00) | $342.00<br>$342.00 |
| ZISHA WARIS &<br>SHAZIE YUSUF<br>1100 DAMSEL GINER LANE<br>LEWISVILLE, TX 75056 | 19<br>3647<br>Manana Dr | 26/6144 | 65 FT PMVT<br>5 SY DR(10'Wide) | $18.24<br>$47.21 | $1,185.60<br>$236.05 | $1,421.65 | $296.40 (25% of total assessment $1,185.60) | $296.40<br>$118.03<br>$414.43 |
| BENITO LUNA BAEZ &<br>MARIA GUADALUPE LUNA<br>3631 MANANA DRIVE<br>DALLAS, TX 75220 | 18 | 26/6144 | 65 FT PMVT | $18.24 | $1,185.60 | $1,185.60 | $296.40 (25% of total assessment $1,185.60) | $296.40<br>$296.40 |

**4. ALLEY BETWEEN MANANA DRIVE AND PARK LANE FROM LARGA DRIVE TO MARSH LANE SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT | TOTAL ASSESSMENT VALUE- ALLEY | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| | | | *WALNUT HILL ESTATES* | | | | | |
| JOSE C CHAVEZ & GILBERTO GUTIERREZ<br>3635 MANANA DRIVE<br>DALLAS, TX 75220 | 17 | 26/6144 | 65 FT PMVT | $18.24 | $1,185.60 | $1,185.60 | $296.40 (25% of total assessment $1,185.60) | $296.40<br>$296.40 |
| BENITO LUNA<br>3631 MANANA DRIVE<br>DALLAS, TX 75220 | 16 | 26/6144 | 65 FT PMVT<br>12 FT DRIVE | $18.24<br>No Cost | $1,185.60<br>$0.00 | $1,185.60 | $296.40 (25% of total assessment $1,185.60) | $296.40<br>$0.00<br>$296.40 |
| EDUARDO L GOMEZ<br>3625 MANANA DRIVE<br>DALLAS, TX 75220 | 15 | 26/6144 | 65 FT PMVT | $18.24 | $1,185.60 | $1,185.60 | $296.40 (25% of total assessment $1,185.60) | $296.40<br>$0.00<br>$296.40 |
| SALVADOR TORRES & NICOLASA TORRES<br>3621 MANANA DRIVE<br>DALLAS, TX 75220 | 14 | 26/6144 | 65 FT PMVT | $18.24 | $1,185.60 | $1,185.60 | $296.40 (25% of total assessment $1,185.60) | $296.40<br>$296.40 |
| ADOLFA BRIONES CRUZ<br>3615 MANANA DRIVE<br>DALLAS, TX 75220 | 13 | 26/6144 | 65 FT PMVT | $18.24 | $1,185.60 | $1,185.60 | $296.40 (25% of total assessment $1,185.60) | $296.40<br>$296.40 |
| FELIPE MARTINEZ<br>3611 MANANA DRIVE<br>DALLAS, TX 75220 | 12 | 26/6144 | 65 FT PMVT<br>14 FT DRIVE | $18.24<br>No Cost | $1,185.60<br>$0.00 | $1,185.60 | $296.40 (25% of total assessment $1,185.60) | $296.40<br>$0.00<br>$296.40 |

**4. ALLEY BETWEEN MANANA DRIVE AND PARK LANE FROM LARGA DRIVE TO MARSH LANE SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT | TOTAL ASSESSMENT VALUE- ALLEY | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| | | *WALNUT HILL ESTATES* | | | | | | |
| GEORGIA MACA<br>6551 CLIFFBROOK DRIVE<br>DALLAS, TX 75254 | 11<br>**3603 Manana Dr** | 26/6144 | 70 FT PMVT | $18.24 | $1,276.80 | **$1,276.80** | $319.20 (25% of total assessment $1,276.80) | **$319.20**<br>**$319.20** |
| GEORGIA MACA<br>6551 CLIFFBROOK DRIVE<br>DALLAS, TX 75254 | 10<br>**3549 Manana Dr** | 26/6144 | 80 FT PMVT | $18.24 | $1,459.20 | **$1,459.20** | $364.80 (25% of total assessment $1,459.20) | **$364.80**<br>**$364.80** |
| JOSE C SOTO &<br>DINA E BARRIOS<br>3543 MANANA DRIVE<br>DALLAS, TX 75220 | 9 | 26/6144 | 65 FT PMVT | $18.24 | $1,185.60 | **$1,185.60** | $296.40 (25% of total assessment $1,185.60) | **$296.40**<br>**$296.40** |
| JAIME CHAVEZ TREJO &<br>NERI ELSA TREJO<br>3539 MANANA DRIVE<br>DALLAS, TX 75220 | 8 | 26/6144 | 60 FT PMVT | $18.24 | $1,094.40 | **$1,094.40** | $273.60 (25% of total assessment $1,094.40) | **$273.60**<br>**$273.60** |
| JULIA ELIZABETH MERIDA<br>3533 MANANA DRIVE<br>DALLAS, TX 75220 | 7 | 26/6144 | 65 FT PMVT | $18.24 | $1,185.60 | **$1,185.60** | $296.40 (25% of total assessment $1,185.60) | **$296.40**<br>**$296.40** |
| JOSE L LOPEZ<br>3529 MANANA DRIVE<br>DALLAS, TX 75220 | 6 | 26/6144 | 65 FT PMVT | $18.24 | $1,185.60 | **$1,185.60** | $296.40 (25% of total assessment $1,185.60) | **$296.40**<br>**$296.40** |

4. **ALLEY BETWEEN MANANA DRIVE AND PARK LANE FROM LARGA DRIVE TO MARSH LANE**
**SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT | TOTAL ASSESSMENT VALUE- ALLEY | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| | | | *WALNUT HILL ESTATES* | | | | | |
| HAYDEN J LAND<br>3523 MANANA DRIVE<br>DALLAS, TX 75220 | 5 | 26/6144 | 65 FT PMVT | $18.24 | $1,185.60 | $1,185.60 | $296.40 (25% of total assessment $1,185.60) | $296.40<br>$296.40 |
| JOHN P FOWLER &<br>NANCY V FOWLER<br>4331 SOUTHCREST ROAI<br>DALLAS, TX 75229 | 4<br>3519<br>Manana Dr | 26/6144 | 55 FT PMVT | $18.24 | $1,003.20 | $1,003.20 | $250.80 (25% of total assessment $1,003.20) | $250.80<br>$250.80 |
| GASPAR M RODRIGUEZ<br>ETAL<br>3515 MANANA DRIVE<br>DALLAS, TX 75220 | 3 | 26/6144 | 55 FT PMVT | $18.24 | $1,003.20 | $1,003.20 | $250.80 (25% of total assessment $1,003.20) | $250.80<br>$250.80 |
| DINORAH CRUZ<br>3509 MANANA DRIVE<br>DALLAS, TX 75220 | 2 | 26/6144 | 55 FT PMVT<br>6.3 SY DR(14'Wide) | $18.24<br>$47.21 | $1,003.20<br>$297.42 | $1,300.62 | $250.80 (25% of total assessment $1,003.20) | $250.80<br>$148.71<br>$399.51 |
| DONNA LEHMAN<br>3503 MANANA DRIVE<br>DALLAS, TX 75220 | 1 | 26/6144 | 66 FT PMVT | $18.24 | $1,203.84 | $1,203.84 | $300.96 (25% of total assessment $1,203.84) | $300.96<br>$300.96 |

# RECOMMENDATION:

The Sales Comparison Method was conducted for both the Street and Alley Group of properties. The Street Group showed a comparison between improved residential properties with and without curbs and gutters, sidewalks, or driveways. The Alley Group compared the improved residential properties with and without alley ways.

The Street Group: Palacios Avenue from Ottawa Road to Canada Drive which encumbers 25 parcels, were represented within the Sales Comparison Method by a similar improved residential property "4027 Falls Drive, Dallas, Texas" which shared similar features as the group. Recent improved residential properties without improved driveways, sidewalks, and curbs/gutters were able to be obtain within a five-mile radius to show a similar comparsion.

The Alley Groups:

2a. The Alley between Capps Drive and Rexford Drive from Lemmon Avenue parallel to Glencrest Lane which include 10 parcels, were represented within the Sales Comparison Method by a similar improved residential property without an alley way "4011 Wembley Terrace, Dallas, Texas" which shared resembling attributes as the groups.

2b. The Alley between Hurley Way and Lenel Place from Williamsburg Road to "T" alley south of Walnut Hill Lane which include 11 parcels, were represented within the Sales Comparison Method by a similar improved residential property without an alley way "8318 Ridgelea Street, Dallas, Texas" which shared resembling attributes as the groups.

2c. The Alley between Manana Drive and Park Lane from Larga Drive to Marsh Lane which include 40 parcels, were represented within the Sales Comparison Method by a similar improved residential property without an alley way "7907 Mohawk Drive, Dallas, Texas" which shared resembling attributes as the groups.

Recent improved residential properties with alley ways were obtain to be compared to the above represented properties.

The Street Group comparison method concluded that there isn't a significant increase in sales price for properties with curbs/gutters, driveways, and sidewalks when compared to sales of similar type properties that did not possess those features. That does not necessarily mean that a property is not more marketable or attractive to a potential purchaser, it only means that based on the data we were able to gather and verify, we could not positively prove that a difference existed in the marketplace.

Despite the distance between the subject sites and the sales, we were able to gather enough data to perform a comparative analysis for The Alley Groups properties. The comparison approach did not indicate that a premium was being paid for properties that possessed an alley way when compared to sales of similar type properties that did not possess those features. Based on our market analysis in which information from various sources were obtained, we can conclude that an alley way may be an attractive feature for a property based on the purchaser's preference.

However, the lack of an alley may not affect the desirability of the property within the real estate market.

While it is true that the property owners will receive a nominal benefit from having new concrete street improvements, sidewalks and drives, and alley ways the benefit received from these new items will only provide a minimal amount of enhanced value to the properties when compared to the largest portion of the value of the lot. As such, it is our contention that the subject properties will increase in value from the street and sidewalk improvements proposed by the City of Dallas, but not by the actual cost of the improvements. It is our opinion that the property owners should be assessed at a rate of 10% of the assessed value of the lot for the street improvements (concrete paving, curbs/gutters), the property owners be assessed at a rate of 50% of the estimated construction cost of the sidewalk and concrete drive improvements, and the property owners are assessed at a rate of 25% of the construction cost of the alley way pavement improvements.

# CERTIFICATE

We do hereby certify that, except as otherwise noted in this report:

1. The statements of fact contained in this report are true and correct.

2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions.

3. We have no present or prospective interest in the property which is the subject of this report and we have no personal interest or bias with respect to the parties involved.

4. Our compensation is not contingent upon an action or event resulting from the analyses, opinions or conclusions in, or the use of, our report. This assignment was not based on a requested minimum valuation, a specific valuation, or approval of a loan.

5. Ownership and site data was obtained from information appearing on the Tax Rolls and from data provided by the client.

6. Troy Alley, Jr. has made a personal inspection of the property which is the subject of this report. Kristen Alley has also made a personal inspection of the property.

7. Kristen Alley provided significant professional assistance to the person signing this report.

8. The analyst(s) is not an employee, officer or appointed board or commission member of the City of Dallas. We did not consider race, color, religion, sex, national origin, handicap or familial status in determining the value of the Subject Property.

9. **THIS IS NOT AN OPINION OF VALUE, IT IS A ENHANCEMENT STUDY AND SHOULD NOT BE CONSIDERED AN APPRAISAL. In making any decision that relies upon our work, you should know that we have NOT followed the guidelines for development of an appraisal or analysis contained in the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation.**

**Con-Real, LP**

Troy C. Alley, Jr.
Sr. Analyst

Kristen Alley
Analyst

ORDINANCE NO._____

AN ORDINANCE LEVYING ASSESSMENTS AGAINST VARIOUS PERSONS AND THEIR PROPERTY FOR THE PAYMENT OF A PART OF THE COST OF IMPROVING AND PAVING PORTIONS OF THE FOLLOWING STREET AND ALLEYS IN THE CITY OF DALLAS, TEXAS, TO WIT:

**Project Group 12-3001**
**Street:**
1. Palacios Avenue from Ottawa Road to Canada Drive

**Alleys:**
2. Alley between Capps Drive and Rexford Drive from Lemmon Avenue parallel to Glencrest Lane
3. Alley between Hurley Way and Lenel Place from Williamsburg Road to "T" alley south of Walnut Hill Lane
4. Alley between Manana Drive and Park Lane from Larga Drive to Marsh Lane

PROVIDING FOR THE TIME WHEN SUCH ASSESSMENTS BECOME DUE AND PAYABLE, THE RATE OF INTEREST, AND FIXING A CHARGE AND LIEN AGAINST SAID PROPERTY AND MAKING SAID CHARGE A PERSONAL LIABILITY OF THE PROPERTY OWNERS OWNING PROPERTY ABUTTING ON SAID STREET AND ALLEYS, AND PROVIDING FOR THE COLLECTION THEREOF; AND DECLARING AN EMERGENCY.

**WHEREAS,** heretofore a resolution was duly adopted by the City Council ordering the improvements of

**Project Group 12-3001**
**Street:**
1. Palacios Avenue from Ottawa Road to Canada Drive

**Alleys:**
2. Alley between Capps Drive and Rexford Drive from Lemmon Avenue parallel to Glencrest Lane
3. Alley between Hurley Way and Lenel Place from Williamsburg Road to "T" alley south of Walnut Hill Lane
4. Alley between Manana Drive and Park Lane from Larga Drive to Marsh Lane

by filling, raising, grading, and paving same; and,

**WHEREAS,** pursuant to said resolution, specifications and an estimate of the cost of such improvements were prepared for said work by the Director of Mobility and Street Services (City Engineer), filed with said Council, examined, approved, and adopted by it, all as required by applicable law; and,

**WHEREAS,** in compliance with the law the City Engineer prepared his statements or lists showing the names of property owners upon said street and alleys the description of their property, the total cost of the said improvements, the cost there of per front foot and cost to each property owner, said statements possessing all the other requisites required by law; and,

**WHEREAS,** thereafter the said statements were filed with the City Council and by them examined and approved and a resolution was passed by said Council determining the necessity of making an assessment for part of the cost of said pavement against property owners and their property, and fixing a time and providing for a hearing to such property owners, all in accordance with the terms of applicable law, at which hearing to such property owners were to be heard as to the benefits of the said improvements to their property, as to any error or invalidity in said proceedings, or to any matter or thing connected with the said improvements; and,

**WHEREAS,** the said resolution in connection with the improvement of said street and alleys was duly adopted in compliance with the law on the 11th day of January, 2017; and,

**WHEREAS,** in accordance with the terms of the law, the City of Dallas gave notice to the property owners on said street and alleys of said hearing, by publishing a copy of said notice in the Dallas Morning News, a daily paper of general circulation in the City of Dallas, for three successive days prior to the days set for the hearing, to wit, the 22nd day of February, 2017; and the City also gave notice of said hearing by mailing letters containing the same to said property owners at least fourteen (14) days before the said hearing; provided, however, that any failure of the property owners to receive said notices shall not invalidate these proceedings; and,

**WHEREAS,** said hearing was held at the time and place mentioned in the said resolution and notice, to wit, on the 22nd day of February, 2017 at 1:00 o'clock P.M. at the Council Chamber in the City Hall of the City of Dallas, Texas, which hearing was then closed; and,

**WHEREAS,** at said hearing, all desiring to contest the said assessments, correct the same, or in any manner be heard concerning the benefits thereof, or in any related matter, were heard, and errors and all matters of error or mistake or inequalities or other matters requiring rectification which were called to the attention of the Council were rectified and corrected.

**Now, Therefore,**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS, TEXAS:**

**SECTION 1.** That the action of the City Council closing the hearing and overruling the protests at the public hearing on the 22nd day of February, 2017, in these proceedings is hereby ratified and confirmed by this ordinance. That the City Council, from the evidence, finds that the assessments herein levied should be made and levied against the respective parcels of property abutting upon the street and alleys herein below mentioned and against the owners thereof; that such assessments and charges are right and proper, and are substantially in proportion to the benefits to the respective parcels of property by means of the improvement in the unit or district for which such assessments are levied, and establish substantial justice, equality, and uniformity between the respective owners of the respective properties between all parties concerned, considering the benefits received and burdens imposed. The Council further finds that in each case the abutting property assessed is specially benefited in enhanced value to the said properties by means of the said improvements in the unit or district upon which the particular property abuts, and for which assessment is levied and charge made, in a sum in excess of the said assessment and charge made against the same by this ordinance. The Council further finds that the apportionment of the cost of the improvements is in accordance with the law in force in this City and that the proceedings of the City heretofore had with reference to said improvements are in all respects valid and regular.

**SECTION 2.** That there shall be and is hereby levied and assessed against the parcels of property hereinbelow mentioned, and against the real and true owners thereof (whether such owners be correctly named herein or not), the sums of money below mentioned and itemized shown opposite the description of the respective parcels of property, and the several amounts assessed against the same and the owners thereof, as far as such owners are known, being as follows:

**PROJECT GROUP 12-3001**

**1. PALACIOS AVENUE FROM OTTAWA ROAD TO CANADA DRIVE SHALL BE PAVED FROM CURB TO CURB WITH 6-INCH THICKNESS 4000-POUNDS PER SQUARE INCH REINFORCED CONCRETE PAVEMENT; WITH 6-INCH LIME STABILIZED BASE; WITH 6-INCH HEIGHT INTEGRAL CURBS; WITH 6-INCH THICKNESS REINFORCED CONCRETE DRIVE APPROACH; WITH 4-INCH THICKNESS REINFORCED CONCRETE SIDEWALKS 4 OR 5 FEET WIDE WHERE SPECIFIED; SO THAT THE ROADWAY SHALL BE 26 FEET IN WIDTH**

| OWNER | LOT | BLOCK | FRONTAGE | | RATE | AMOUNT | TOTAL ASSESSMENT |
|---|---|---|---|---|---|---|---|
| **WEST SIDE OF STREET** | | | | | | | |
| | | | ***JOE A IRWIN 2*** | | | | |
| JESUS V MASCORRO | 12 | 2/7163 | 83 | FT PVMT | $90.00 | $7,470.00 | |
| 4028 HAMMERLY DR | **4107** | | 57 | FT WALK | $9.43 | $537.51 | |
| DALLAS, TX 75212 | **Palacios Ave** | | 24.4 | SY DR(15'Wide) | $47.21 | $1,151.92 | |
| | | | **TOTAL** | | | $9,159.43 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | | $7,114.71 | |
| | | | **NET DUE BY OWNER** | | | | **$2,044.72** |
| REYNALDO MARTINEZ & | 11 | 2/7163 | 50 | FT PVMT | $90.00 | $4,500.00 | |
| SYLVIA MARTINEZ | | | 35 | FT WALK | $9.43 | $330.05 | |
| 4111 PALACIOS AVE | | | 12 | FT DRIVE | No Cost | $0.00 | |
| DALLAS, TX 75212 | | | **TOTAL** | | | $4,830.05 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | | $3,465.02 | |
| | | | **NET DUE BY OWNER** | | | | **$1,365.03** |
| REYNALDO MARTINEZ & | 10 | 2/7163 | 50 | FT PVMT | $90.00 | $4,500.00 | |
| SYLVIA MARTINEZ | **4115** | | 50 | FT WALK | $9.43 | $471.50 | |
| 4111 PALACIOS AVE | **Palacios Ave** | | **TOTAL** | | | $4,971.50 | |
| DALLAS, TX 75212 | | | **ADJ. PER ENHANCEMENT EVAL.** | | | $3,535.75 | |
| | | | **NET DUE BY OWNER** | | | | **$1,435.75** |
| PAUL ALEMAN JR & | 9 | 2/7163 | 50 | FT PVMT | $90.00 | $4,500.00 | |
| MARGARITA ALEMAN | **4119** | | 50 | FT WALK | $9.43 | $471.50 | |
| 4564 CEDAR PATH DR | **Palacios Ave** | | **TOTAL** | | | $4,971.50 | |
| DALLAS, TX 75211 | | | **ADJ. PER ENHANCEMENT EVAL.** | | | $3,535.75 | |
| | | | **NET DUE BY OWNER** | | | | **$1,435.75** |

**PROJECT GROUP 12-3001**

**1. PALACIOS AVENUE FROM OTTAWA ROAD TO CANADA DRIVE SHALL BE PAVED FROM CURB TO CURB WITH 6-INCH THICKNESS 4000-POUNDS PER SQUARE INCH REINFORCED CONCRETE PAVEMENT; WITH 6-INCH LIME STABILIZED BASE; WITH 6-INCH HEIGHT INTEGRAL CURBS; WITH 6-INCH THICKNESS REINFORCED CONCRETE DRIVE APPROACH; WITH 4-INCH THICKNESS REINFORCED CONCRETE SIDEWALKS 4 OR 5 FEET WIDE WHERE SPECIFIED; SO THAT THE ROADWAY SHALL BE 26 FEET IN WIDTH**

| OWNER | LOT | BLOCK | FRONTAGE | | RATE | AMOUNT | TOTAL ASSESSMENT |
|---|---|---|---|---|---|---|---|
| | | ***JOE A IRWIN 2*** | | | | | |
| SUSANA BARJAS | 8 | 2/7163 | 50 | FT PVMT | $90.00 | $4,500.00 | |
| 4123 PALACIOS AVE | | | 31 | FT WALK | $9.43 | $292.33 | |
| DALLAS, TX 75212 | | | 14 | FT DRIVE | No Cost | $0.00 | |
| | | | **TOTAL** | | | $4,792.33 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | | $3,446.16 | |
| | | | **NET DUE BY OWNER** | | | | **$1,346.17** |
| CLAUDIA T PRECIADO | 19 | 2/7163 | 50 | FT PVMT | $90.00 | $4,500.00 | |
| 4127 PALACIOS AVE | | | 17 | FT WALK | $9.43 | $160.31 | |
| DALLAS, TX 75212 | | | 16.3 | SY DR(12'Wide) | $47.21 | $769.52 | |
| | | | **TOTAL** | | | $5,429.83 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | | $3,764.91 | |
| | | | **NET DUE BY OWNER** | | | | **$1,664.92** |
| DANIEL ESTRADA | 18 | 2/7163 | 50 | FT PVMT | $90.00 | $4,500.00 | |
| 4131 PALACIOS AVE | | | 34 | FT WALK | $9.43 | $320.62 | |
| DALLAS, TX 75212 | | | 21.3 | SY DR(15'Wide) | $47.21 | $1,005.57 | |
| | | | **TOTAL** | | | $5,826.19 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | | $3,963.09 | |
| | | | **NET DUE BY OWNER** | | | | **$1,863.10** |
| DALIA SANCHEZ & | 17 | 2/7163 | 40 | FT PVMT | $90.00 | $3,600.00 | |
| SAUL SORIA | **4135** | | 24 | FT WALK | $9.43 | $226.32 | |
| 4809 BERNAL DR | **Palacios Ave** | | 16 | FT DRIVE | No Cost | $0.00 | |
| DALLAS, TX 75212 | | | **TOTAL** | | | $3,826.32 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | | $2,513.16 | |
| | | | **NET DUE BY OWNER** | | | | **$1,313.16** |

**PROJECT GROUP 12-3001**

**1. PALACIOS AVENUE FROM OTTAWA ROAD TO CANADA DRIVE SHALL BE PAVED FROM CURB TO CURB WITH 6-INCH THICKNESS 4000-POUNDS PER SQUARE INCH REINFORCED CONCRETE PAVEMENT; WITH 6-INCH LIME STABILIZED BASE; WITH 6-INCH HEIGHT INTEGRAL CURBS; WITH 6-INCH THICKNESS REINFORCED CONCRETE DRIVE APPROACH; WITH 4-INCH THICKNESS REINFORCED CONCRETE SIDEWALKS 4 OR 5 FEET WIDE WHERE SPECIFIED; SO THAT THE ROADWAY SHALL BE 26 FEET IN WIDTH**

| OWNER | LOT | BLOCK | FRONTAGE | | RATE | AMOUNT | TOTAL ASSESSMENT |
|---|---|---|---|---|---|---|---|
| | | | ***JOE A IRWIN 2*** | | | | |
| BRENDA HINOJOSA | 16 | 2/7163 | 39 | FT PVMT | $90.00 | $3,510.00 | |
| 4146 MAYBETH ST | **4139** | | 39 | FT WALK | $9.43 | $367.77 | |
| DALLAS, TX 75212 | **Palacios Ave** | | **TOTAL** | | | $3,877.77 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | | $2,493.88 | |
| | | | **NET DUE BY OWNER** | | | | **$1,383.89** |
| JOSE A ESCAMILLA | 15 | 2/7163 | 38 | FT PVMT | $90.00 | $3,420.00 | |
| 4143 PALACIOS AVE | | | 25 | FT WALK | $9.43 | $235.75 | |
| DALLAS, TX 75212 | | | 17.7 | SY DR(12'Wide) | $47.21 | $835.62 | |
| | | | **TOTAL** | | | $4,491.37 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | | $2,755.69 | |
| | | | **NET DUE BY OWNER** | | | | **$1,735.68** |
| JUSTO HERNANDEZ | 13 &14 | 2/7163 | 88 | FT PVMT | $90.00 | $7,920.00 | |
| CONNIE HERNANDEZ | | | 63 | FT WALK | $9.43 | $594.09 | |
| 4147 PALACIOS AVE | | | 24.4 | SY DR(15'Wide) | $47.21 | $1,151.92 | |
| DALLAS, TX 75212 | | | **TOTAL** | | | $9,666.01 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | | $6,393.00 | |
| | | | **NET DUE BY OWNER** | | | | **$3,273.01** |
| **EAST SIDE OF STREET** | | | | | | | |
| SAUL SORIA | 1 | 3/7163 | 45 | FT WALK | $9.43 | $424.35 | |
| 4142 PALACIOS AVE | **4154** | | **TOTAL** | | | $424.35 | |
| DALLAS, TX 75212 | **Palacios Ave** | | **ADJ. PER ENHANCEMENT EVAL.** | | | $212.17 | |
| | | | **NET DUE BY OWNER** | | | | **$212.18** |

**PROJECT GROUP 12-3001**

**1. PALACIOS AVENUE FROM OTTAWA ROAD TO CANADA DRIVE SHALL BE PAVED FROM CURB TO CURB WITH 6-INCH THICKNESS 4000-POUNDS PER SQUARE INCH REINFORCED CONCRETE PAVEMENT; WITH 6-INCH LIME STABILIZED BASE; WITH 6-INCH HEIGHT INTEGRAL CURBS; WITH 6-INCH THICKNESS REINFORCED CONCRETE DRIVE APPROACH; WITH 4-INCH THICKNESS REINFORCED CONCRETE SIDEWALKS 4 OR 5 FEET WIDE WHERE SPECIFIED; SO THAT THE ROADWAY SHALL BE 26 FEET IN WIDTH**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT |
|---|---|---|---|---|---|---|
| | | | ***JOE A IRWIN 2*** | | | |
| SAUL SORIA | 2 | 3/7163 | 34 FT PVMT | $90.00 | $3,060.00 | |
| 4142 PALACIOS AVE | **4150** | | 34 FT WALK | $9.43 | $320.62 | |
| DALLAS, TX 75212 | **Palacios Ave** | | 17.7 SY DR(12'Wide) | $47.21 | $835.62 | |
| | | | **TOTAL** | | $4,216.24 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | $2,438.12 | |
| | | | **NET DUE BY OWNER** | | | **$1,778.12** |
| SAUL SORIA | 3 | 3/7163 | 35 FT PVMT | $90.00 | $3,150.00 | |
| 4142 PALACIOS AVE | **4146** | | 35 FT WALK | $9.43 | $330.05 | |
| DALLAS, TX 75212 | **Palacios Ave** | | **TOTAL** | | $3,480.05 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | $2,115.02 | |
| | | | **NET DUE BY OWNER** | | | **$1,365.03** |
| SAUL SORIA & | 4 | 3/7163 | 42 FT PVMT | $90.00 | $3,780.00 | |
| DALIA SORIA | **4142** | | 22 FT WALK | $9.43 | $207.46 | |
| 4809 BERNAL DR | **Palacios Ave** | | **TOTAL** | | $3,987.46 | |
| DALLAS, TX 75212 | | | **ADJ. PER ENHANCEMENT EVAL.** | | $2,683.73 | |
| | | | **NET DUE BY OWNER** | | | **$1,303.73** |
| DALIA SANCHEZ | 5 | 3/7163 | 42 FT PVMT | $90.00 | $3,780.00 | |
| 4809 BERNAL DR | **4138** | | 42 FT WALK | $9.43 | $396.06 | |
| DALLAS, TX 75212 | **Palacios Ave** | | **TOTAL** | | $4,176.06 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | $2,778.03 | |
| | | | **NET DUE BY OWNER** | | | **$1,398.03** |

**PROJECT GROUP 12-3001**

**1. PALACIOS AVENUE FROM OTTAWA ROAD TO CANADA DRIVE SHALL BE PAVED FROM CURB TO CURB WITH 6-INCH THICKNESS 4000-POUNDS PER SQUARE INCH REINFORCED CONCRETE PAVEMENT; WITH 6-INCH LIME STABILIZED BASE; WITH 6-INCH HEIGHT INTEGRAL CURBS; WITH 6-INCH THICKNESS REINFORCED CONCRETE DRIVE APPROACH; WITH 4-INCH THICKNESS REINFORCED CONCRETE SIDEWALKS 4 OR 5 FEET WIDE WHERE SPECIFIED; SO THAT THE ROADWAY SHALL BE 26 FEET IN WIDTH**

| OWNER | LOT | BLOCK | FRONTAGE | | RATE | AMOUNT | TOTAL ASSESSMENT |
|---|---|---|---|---|---|---|---|
| | | | ***JOE A IRWIN 2*** | | | | |
| DALIA SANCHEZ | 6 | 3/7163 | 44 | FT PVMT | $90.00 | $3,960.00 | |
| 4809 BERNAL DR | **4134** | | 44 | FT WALK | $9.43 | $414.92 | |
| DALLAS, TX 75212 | **Palacios Ave** | | **TOTAL** | | | $4,374.92 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | | $2,967.46 | |
| | | | **NET DUE BY OWNER** | | | | **$1,407.46** |
| FRANCISCO SANCHEZ | 7 | 3/7163 | 45 | FT PVMT | $90.00 | $4,050.00 | |
| 4130 PALACIOS AVE | | | 27 | FT WALK | $9.43 | $254.61 | |
| DALLAS, TX 75212 | | | 18.4 | SY DR(13'Wide) | $47.21 | $868.66 | |
| | | | **TOTAL** | | | $5,173.27 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | | $3,411.63 | |
| | | | **NET DUE BY OWNER** | | | | **$1,761.64** |
| FRANCISCO SANCHEZ | 8 | 3/7163 | 45 | FT PVMT | $90.00 | $4,050.00 | |
| 4130 PALACIOS AVE | **4126** | | 45 | FT WALK | $9.43 | $424.35 | |
| DALLAS, TX 75212 | **Palacios Ave** | | **TOTAL** | | | $4,474.35 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | | $3,062.17 | |
| | | | **NET DUE BY OWNER** | | | | **$1,412.18** |
| ROY L THORNE | 9 | 3/7163 | 47 | FT PVMT | $90.00 | $4,230.00 | |
| P O BOX 566 | **4122** | | 29 | FT WAK | $9.43 | $273.47 | |
| DESOTO, TX 75123 | **Palacios Ave** | | 18.9 | SY DR(13'Wide) | $47.21 | $892.27 | |
| | | | **TOTAL** | | | $5,395.74 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | | $3,612.87 | |
| | | | **NET DUE BY OWNER** | | | | **$1,782.87** |

**PROJECT GROUP 12-3001**

**1. PALACIOS AVENUE FROM OTTAWA ROAD TO CANADA DRIVE SHALL BE PAVED FROM CURB TO CURB WITH 6-INCH THICKNESS 4000-POUNDS PER SQUARE INCH REINFORCED CONCRETE PAVEMENT; WITH 6-INCH LIME STABILIZED BASE; WITH 6-INCH HEIGHT INTEGRAL CURBS; WITH 6-INCH THICKNESS REINFORCED CONCRETE DRIVE APPROACH; WITH 4-INCH THICKNESS REINFORCED CONCRETE SIDEWALKS 4 OR 5 FEET WIDE WHERE SPECIFIED; SO THAT THE ROADWAY SHALL BE 26 FEET IN WIDTH**

| OWNER | LOT | BLOCK | FRONTAGE | | RATE | AMOUNT | TOTAL ASSESSMENT |
|---|---|---|---|---|---|---|---|
| | | | ***JOE E IRWIN 2*** | | | | |
| RUBEN C MAGANA TR & | 10 | 3/7163 | 48 | FT PVMT | $90.00 | $4,320.00 | |
| MARY V MAGANA TR | | | 32 | FT WALK | $9.43 | $301.76 | |
| 4118 PALACIOS AVE | | | 16 | FT DRIVE | No Cost | $0.00 | |
| DALLAS, TX 75212 | | | **TOTAL** | | | $4,621.76 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | | $3,270.88 | |
| | | | **NET DUE BY OWNER** | | | | **$1,350.88** |
| BENITO HERNANDEZ | 11 | 3/7163 | 50 | FT PVMT | $90.00 | $4,500.00 | |
| 4114 PALACIOS AVE | | | 38 | FT WALK | $9.43 | $358.34 | |
| DALLAS, TX 75212 | | | 12 | FT DRIVE | No Cost | $0.00 | |
| | | | **TOTAL** | | | $4,858.34 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | | $3,479.17 | |
| | | | **NET DUE BY OWNER** | | | | **$1,379.17** |
| QUIRINO MEDINA | 12 | 3/7163 | 49 | FT PVMT | $90.00 | $4,410.00 | |
| 5230 BRYCE CANYON RD | **4110** | | 49 | FT WALK | $9.43 | $462.07 | |
| DALLAS, TX 75211 | **Palacios Ave** | | **TOTAL** | | | $4,872.07 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | | $3,441.03 | |
| | | | **NET DUE BY OWNER** | | | | **$1,431.04** |
| RAFAEL MEDINA | 13 | 3/7163 | 48 | FT PVMT | $90.00 | $4,320.00 | |
| 3126 HAMMERLY DR | **4106** | | 36 | FT WALK | $9.43 | $339.48 | |
| DALLAS, TX 75212 | **Palacios Ave** | | 12 | DRIVE | No Cost | $0.00 | |
| | | | **TOTAL** | | | $4,659.48 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | | $3,289.74 | |
| | | | **NET DUE BY OWNER** | | | | **$1,369.74** |

**PROJECT GROUP 12-3001**

**1. PALACIOS AVENUE FROM OTTAWA ROAD TO CANADA DRIVE SHALL BE PAVED FROM CURB TO CURB WITH 6-INCH THICKNESS 4000-POUNDS PER SQUARE INCH REINFORCED CONCRETE PAVEMENT; WITH 6-INCH LIME STABILIZED BASE; WITH 6-INCH HEIGHT INTEGRAL CURBS; WITH 6-INCH THICKNESS REINFORCED CONCRETE DRIVE APPROACH; WITH 4-INCH THICKNESS REINFORCED CONCRETE SIDEWALKS 4 OR 5 FEET WIDE WHERE SPECIFIED; SO THAT THE ROADWAY SHALL BE 26 FEET IN WIDTH**

| OWNER | LOT | BLOCK | FRONTAGE | | RATE | AMOUNT | TOTAL ASSESSMENT |
|---|---|---|---|---|---|---|---|
| | | | ***JOE E IRWIN 2*** | | | | |
| BEATRICE ORNELAS | 14 | 3/7163 | 49 | FT PVMT | $90.00 | $4,410.00 | |
| 4102 PALACIOS AVE | | | 30 | FT WALK | $9.43 | $282.90 | |
| DALLAS, TX 75212 | | | 19 | FT DRIVE | No Cost | $0.00 | |
| | | | **TOTAL** | | | $4,692.90 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | | $3,351.45 | |
| | | | **NET DUE BY OWNER** | | | | **$1,341.45** |

**PROJECT GROUP 12-3001**
**1. PALACIOS AVENUE FROM OTTAWA ROAD TO CANADA DRIVE**

| | | |
|---|---|---|
| TOTAL PROPERTY OWNERS' COST ASSESSMENTS | $121,249.29 | |
| ADJUSTMENTS PER ENHANCEMENT EVALUATION | $83,094.59 | |
| NET DUE BY OWNER | | $38,154.70 |
| TOTAL CITY OF DALLAS' COST - PAVING | $433,230.30 | |
| TOTAL CITY OF DALLAS' COST - DRAINAGE | $77,510.00 | |
| TOTAL DALLAS WATER UTILITIES COST<br>WATER AND WASTEWATER MAIN CONSTRUCTION | $286,184.00 | |
| TOTAL CITY OF DALLAS' COST | | $796,924.30 |
| TOTAL COST OF IMPROVEMENTS | | $835,079.00 |

**PROJECT GROUP 12-3001**

**2. ALLEY BETWEEN CAPPS DRIVE AND REXFORD DRIVE FROM LEMMON AVENUE PARALLEL TO GLENCREST LANE SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT(S) | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT |
|---|---|---|---|---|---|---|
| | | | ***SHORE CREST TERRACE*** | | | |
| D MICHAEL CANNADY | 10 | 3/5065 | 34 FT PMVT | $18.24 | $620.16 | |
| REVOCABLE TRUST | | | **TOTAL** | | $620.16 | |
| 8723 REXFORD DR | | | **ADJ. PER ENHANCEMENT EVAL.** | | $465.12 | |
| DALLAS, TX 75209 | | | **NET DUE BY OWNER** | | | **$155.04** |
| ROBERT L SORRELLS TRUST | 9 | 3/5065 | 62 FT PMVT | $18.24 | $1,130.88 | |
| 8201 PRESTON RD STE 520 | **8719** | | **TOTAL** | | $1,130.88 | |
| DALLAS, TX 75225 | **Rexford Dr** | | **ADJ. PER ENHANCEMENT EVAL.** | | $848.16 | |
| | | | **NET DUE BY OWNER** | | | **$282.72** |
| THOMAS L ARNOLD | 6 | 3/5065 | 52 FT PMVT | $18.24 | $948.48 | |
| LANA M ARNOLD | | | **TOTAL** | | $948.48 | |
| 8715 REXFORD DR | | | **ADJ. PER ENHANCEMENT EVAL.** | | $711.36 | |
| DALLAS, TX 75209 | | | **NET DUE BY OWNER** | | | **$237.12** |
| **EAST SIDE OF ALLEY** | | | | | | |
| TRAVIS B SINGLETON | 5 | 3/5065 | 57 FT PMVT | $18.24 | $1,039.68 | |
| 8623 GLENCREST LN | Acs. 0.230 | | **TOTAL** | | $1,039.68 | |
| DALLAS, TX 75209 | | | **ADJ. PER ENHANCEMENT EVAL.** | | $779.76 | |
| | | | **NET DUE BY OWNER** | | | **$259.92** |
| CHANNING E MILFELD & | 4 | 3/5065 | 63 FT PMVT | $18.24 | $1,149.12 | |
| CHRISTOPHER P MILFELD | | | **TOTAL** | | $1,149.12 | |
| 8619 GLENCREST LN | | | **ADJ. PER ENHANCEMENT EVAL.** | | $861.84 | |
| DALLAS, TX 75209 | | | **NET DUE BY OWNER** | | | **$287.28** |

**PROJECT GROUP 12-3001**

**2. ALLEY BETWEEN CAPPS DRIVE AND REXFORD DRIVE FROM LEMMON AVENUE PARALLEL TO GLENCREST LANE SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT(S) | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT |
|---|---|---|---|---|---|---|
| | | | ***SHORE CREST TERRACE*** | | | |
| THE BROYLES GROUP LLC | 3 | 3/5065 | 61 FT PMVT | $18.24 | $1,112.64 | |
| 25 HIGHLAND PARK VLG #100 | **8615** | | **TOTAL** | | $1,112.64 | |
| DALLAS, TX 75205 | **Glencrest Ln** | | **ADJ. PER ENHANCEMENT EVAL.** | | $834.48 | |
| | | | **NET DUE BY OWNER** | | | **$278.16** |
| JASON & YVETTE COFFMAN | 2 | 3/5065 | 63 FT PMVT | $18.24 | $1,149.12 | |
| 8609 GLENCREST LN | | | 20 FT DRIVE | No Cost | $0.00 | |
| DALLAS, TX 75209 | | | **TOTAL** | | $1,149.12 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | $861.84 | |
| | | | **NET DUE BY OWNER** | | | **$287.28** |
| DENNIS SCOTT DAVIS JR & | 1 | 3/5065 | 60 FT PMVT | $18.24 | $1,094.40 | |
| COURTENAY L DAVIS | | | **TOTAL** | | $1,094.40 | |
| 8603 GLENCREST LN | | | **ADJ. PER ENHANCEMENT EVAL.** | | $820.80 | |
| DALLAS, TX 75209 | | | **NET DUE BY OWNER** | | | **$273.60** |
| **SOUTHWEST SIDE OF ALLEY** | | | | | | |
| MARIVILLA M PARRAMORE & | 7 | 3/5065 | 57 FT PMVT | $18.24 | $1,039.68 | |
| DAVID PARRAMORE | | | 6.6 SY DR(15'Wide) | $47.21 | $311.59 | |
| 3843 CAPPS DR | | | **TOTAL** | | $1,351.27 | |
| DALLAS, TX 75209 | | | **ADJ. PER ENHANCEMENT EVAL.** | | $935.56 | |
| | | | **NET DUE BY OWNER** | | | **$415.71** |
| SING YEE POONG & | 8 | 3/5065 | 78 FT PMVT | $18.24 | $1,422.72 | |
| NYOK CHING CHEONG | **3839** | | **TOTAL** | | $1,422.72 | |
| 4401 LONE TREE DRIVE | **Capps Dr** | | **ADJ. PER ENHANCEMENT EVAL.** | | $1,067.04 | |
| PLANO, TX 75093 | | | **NET DUE BY OWNER** | | | **$355.68** |

**PROJECT GROUP 12-3001**

**2. ALLEY BETWEEN CAPPS DRIVE AND REXFORD DRIVE FROM LEMMON AVENUE PARALLEL TO GLENCREST LANE**

| | | |
|---|---|---|
| TOTAL PROPERTY OWNERS' COST ASSESSMENTS | $11,018.47 | |
| ADJUSTMENTS PER ENHANCEMENT EVALUATION | $8,185.96 | |
| NET DUE BY OWNER | | $2,832.51 |
| TOTAL CITY OF DALLAS' COST - PAVING | $157,302.49 | |
| TOTAL CITY OF DALLAS' COST | | $157,302.49 |
| TOTAL COST OF IMPROVEMENTS | | $160,135.00 |

**PROJECT GROUP 12-3001**

**3. ALLEY BETWEEN HURLEY WAY AND LENEL PLACE FROM WILLIAMSBURG ROAD TO "T" ALLEY SOUTH OF WALNUT HILL LANE SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT(S) | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT |
|---|---|---|---|---|---|---|
| **WEST SIDE OF ALLEY** | | | | | | |
| | | | ***GLENRIDGE ESTATES 3*** | | | |
| SALVADOR IMPASTATO & | 8 | C/6620 | 76 FT PVMT | $18.24 | $1,386.24 | |
| LORI IMPASTATO | | | **TOTAL** | | $1,386.24 | |
| 9918 LENEL PL | | | **ADJ. PER ENHANCEMENT EVAL.** | | $1,489.68 | |
| DALLAS, TX 75220 | | | **NET DUE BY OWNER** | | | **$346.56** |
| ELINORE C GONDOLF | 9 | C/6220 | 70 FT PVMT | $18.24 | $1,276.80 | |
| 9922 LENEL PL | | | **TOTAL** | | $1,276.80 | |
| DALLAS, TX 75220 | | | **ADJ. PER ENHANCEMENT EVAL.** | | $957.60 | |
| | | | **NET DUE BY OWNER** | | | **$319.20** |
| BLAIR W CARPENTER & | 10 | C/6220 | 69 FT PVMT | $18.24 | $1,258.56 | |
| SUSAN C CARPENTER | | | **TOTAL** | | $1,258.56 | |
| 9926 LENEL PL | | | **ADJ. PER ENHANCEMENT EVAL.** | | $943.92 | |
| DALLAS, TX 75220 | | | **NET DUE BY OWNER** | | | **$314.64** |
| MARTHA DORA VASQUEZ | 11 | C/6220 | 55 FT PVMT | $18.24 | $1,003.20 | |
| 9934 LENEL PL | | | **TOTAL** | | $1,003.20 | |
| DALLAS, TX 75220 | | | **ADJ. PER ENHANCEMENT EVAL.** | | $752.40 | |
| | | | **NET DUE BY OWNER** | | | **$250.80** |
| **NORTH SIDE OF ALLEY** | | | | | | |
| GUIDO BOUMAN | 1 | C/6220 | 122 FT PVMT | $18.24 | $2,225.28 | |
| 4006 WALNUT HILL LN | | | **TOTAL** | | $2,225.28 | |
| DALLAS, TX 75229 | | | **ADJ. PER ENHANCEMENT EVAL.** | | $1,668.96 | |
| | | | **NET DUE BY OWNER** | | | **$556.32** |

**PROJECT GROUP 12-3001**

**3. ALLEY BETWEEN HURLEY WAY AND LENEL PLACE FROM WILLIAMSBURG ROAD TO "T" ALLEY SOUTH OF WALNUT HILL LANE SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT(S) | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT |
|---|---|---|---|---|---|---|
| | | | ***GLENRIDGE ESTATES 3*** | | | |
| ANTONIA GUERRERO<br>4016 WALNUT HILL LN<br>DALLAS, TX 75229 | 2 | C/6220 | 121 FT PVMT | $18.24 | $2,207.04<br>$2,207.04<br>$1,655.28 | **$551.76** |
| | | | **TOTAL** | | | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | | |
| | | | **NET DUE BY OWNER** | | | |
| WILLIAM E JOHNSON<br>4026 WALNUT HILL LN<br>DALLAS, TX 75229 | 3 | C/6220 | 120 FT PVMT | $18.24 | $2,188.80<br>$2,188.80<br>$1,641.60 | **$547.20** |
| | | | **TOTAL** | | | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | | |
| | | | **NET DUE BY OWNER** | | | |
| **EAST SIDE OF ALLEY** | | | | | | |
| RONALD R DOWD<br>9923 HURLEY WAY<br>DALLAS, TX 75220 | 4 | C/6220 | 54 FT PVMT | $18.24 | $984.96<br>$984.96<br>$738.72 | **$246.24** |
| | | | **TOTAL** | | | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | | |
| | | | **NET DUE BY OWNER** | | | |
| A H SYLVESTER<br>9915 HURLEY WAY<br>DALLAS, TX 75220 | 5 | C/6220 | 69 FT PVMT | $18.24 | $1,258.56<br>$1,258.56<br>$943.92 | **$314.64** |
| | | | **TOTAL** | | | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | | |
| | | | **NET DUE BY OWNER** | | | |
| WILLIAM A GALLAGHER<br>9911 HURLEY WAY<br>DALLAS, TX 75220 | 6 | C/6220 | 70 FT PVMT | $18.24 | $1,276.80<br>$1,276.80<br>$957.60 | **$319.20** |
| | | | **TOTAL** | | | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | | |
| | | | **NET DUE BY OWNER** | | | |
| KELLI A LAOS<br>9905 HURLEY WAY<br>DALLAS, TX 75220 | 7 | C/6220 | 76 FT PVMT | $18.24 | $1,386.24<br>$1,386.24<br>$1,039.68 | **$346.56** |
| | | | **TOTAL** | | | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | | |
| | | | **NET DUE BY OWNER** | | | |

**PROJECT GROUP 12-3001**

**3. ALLEY BETWEEN HURLEY WAY AND LENEL PLACE FROM WILLIAMSBURG ROAD TO "T" ALLEY SOUTH OF WALNUT HILL LANE**

| | | |
|---|---|---|
| TOTAL PROPERTY OWNERS' COST ASSESSMENTS | $16,452.48 | |
| ADJUSTMENTS PER ENHANCEMENT EVALUATION | $12,339.36 | |
| NET DUE BY OWNER | | $4,113.12 |
| TOTAL CITY OF DALLAS' COST - PAVING | $180,626.88 | |
| TOTAL CITY OF DALLAS' COST | | |
| TOTAL COST OF IMPROVEMENTS | | $184,740.00 |

**PROJECT GROUP 12-3001**

**4. ALLEY BETWEEN MANANA DRIVE AND PARK LANE FROM LARGA DRIVE TO MARSH LANE SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT(S) | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMEN |
|---|---|---|---|---|---|---|
| **NORTH SIDE OF ALLEY** | | | | | | |
| | | | ***BROWNWOOD PARK*** | | | |
| ISMAEL GARDUNO & | 1 | E/6144 | 54 FT PMVT | $18.24 | $984.96 | |
| MARIA I GARDUNO | | | **TOTAL** | | $984.96 | |
| 9816 LARGA DR | | | **ADJ. PER ENHANCEMENT EVAL.** | | $738.72 | |
| DALLAS, TX 75220 | | | **NET DUE BY OWNER** | | | **$246.24** |
| ANTONIO R CRUZ & | 3 | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | |
| MARIA J CRUZ | | | 4.1 SY DR(10'Wide) | $47.21 | $193.56 | |
| 3538 PARK LN | | | **TOTAL** | | $1,287.96 | |
| DALLAS, TX 75220 | | | **ADJ. PER ENHANCEMENT EVAL.** | | $869.19 | |
| | | | **NET DUE BY OWNER** | | | **$418.77** |
| ANTONIO F HUARINGA | 4 | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | |
| 3606 PARK LN | | | **TOTAL** | | $1,094.40 | |
| DALLAS, TX 75220 | | | **ADJ. PER ENHANCEMENT EVAL.** | | $820.80 | |
| | | | **NET DUE BY OWNER** | | | **$273.60** |
| GUADALUPE HERRERA | 5 | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | |
| 3548 PARK LN | | | **TOTAL** | | $1,094.40 | |
| DALLAS, TX 75220 | | | **ADJ. PER ENHANCEMENT EVAL.** | | $820.80 | |
| | | | **NET DUE BY OWNER** | | | **$273.60** |
| AURELIANO URESTI & | 6 | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | |
| MARIA URESTI | | | **TOTAL** | | $1,094.40 | |
| 3554 PARK LN | | | **ADJ. PER ENHANCEMENT EVAL.** | | $820.80 | |
| DALLAS, TX 75220 | | | **NET DUE BY OWNER** | | | **$273.60** |

**PROJECT GROUP 12-3001**

**4. ALLEY BETWEEN MANANA DRIVE AND PARK LANE FROM LARGA DRIVE TO MARSH LANE SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT(S) | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMEN |
|---|---|---|---|---|---|---|
| | | | ***BROWNWOOD PARK*** | | | |
| CHARLES VILLASANA & | 7 | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | |
| KAY L VILLASANA | **3558** | | **TOTAL** | | $1,094.40 | |
| 11429 SNOW WHITE DR | **Park Ln** | | **ADJ. PER ENHANCEMENT EVAL.** | | $820.80 | |
| DALLAS, TX 75229 | | | **NET DUE BY OWNER** | | | **$273.60** |
| JOSE A CORDERO & | 8 | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | |
| BALBINA P CORDERO | | | **TOTAL** | | $1,094.40 | |
| 3564 PARK LN | | | **ADJ. PER ENHANCEMENT EVAL.** | | $820.80 | |
| DALLAS, TX 75220 | | | **NET DUE BY OWNER** | | | **$273.60** |
| ALFRED L GONZALES | 9 | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | |
| 3568 PARK LN | | | **TOTAL** | | $1,094.40 | |
| DALLAS, TX 75220 | | | **ADJ. PER ENHANCEMENT EVAL.** | | $820.80 | |
| | | | **NET DUE BY OWNER** | | | **$273.60** |
| PRUDENCIO PINEDA JR | 10 | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | |
| 2608 DRISKILL DR | **3602** | | **TOTAL** | | $1,094.40 | |
| EULESS, TX 76039 | **Park Ln** | | **ADJ. PER ENHANCEMENT EVAL.** | | $820.80 | |
| | | | **NET DUE BY OWNER** | | | **$273.60** |
| ANTONIO HUARINGA | 11 | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | |
| 3606 PARK LN | | | 12 FT DRIVE | No Cost | $0.00 | |
| DALLAS, TX 75220 | | | **TOTAL** | | $1,094.40 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | $820.80 | |
| | | | **NET DUE BY OWNER** | | | **$273.60** |
| ANTONIO F HUARINGA | 12 | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | |
| 3606 PARK LN | **3612** | | **TOTAL** | | $1,094.40 | |
| DALLAS, TX 75220 | **Park Ln** | | **ADJ. PER ENHANCEMENT EVAL.** | | $820.80 | |
| | | | **NET DUE BY OWNER** | | | **$273.60** |

**PROJECT GROUP 12-3001**

**4. ALLEY BETWEEN MANANA DRIVE AND PARK LANE FROM LARGA DRIVE TO MARSH LANE**
**SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT(S) | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMEN |
|---|---|---|---|---|---|---|
| | | | ***BROWNWOOD PARK*** | | | |
| ANTONIO F HUARINGA | 13 | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | |
| 3616 PARK LN | | | TOTAL | | $1,094.40 | |
| DALLAS, TX 75220 | | | ADJ. PER ENHANCEMENT EVAL. | | $820.80 | |
| | | | NET DUE BY OWNER | | | **$273.60** |
| MARTHA DUNGEY | 14 | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | |
| 3622 PARK LN | | | TOTAL | | $1,094.40 | |
| DALLAS, TX 75220 | | | ADJ. PER ENHANCEMENT EVAL. | | $820.80 | |
| | | | NET DUE BY OWNER | | | **$273.60** |
| PEDRO A SANCHEZ | 15 | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | |
| 3626 PARK LN | | | TOTAL | | $1,094.40 | |
| DALLAS, TX 75220 | | | ADJ. PER ENHANCEMENT EVAL. | | $820.80 | |
| | | | NET DUE BY OWNER | | | **$273.60** |
| DAVID C OLIVAREZ | 16 | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | |
| 3630 PARK LN | | | 5 SY DR(10'Wide) | $47.21 | $236.05 | |
| DALLAS, TX 75220 | | | TOTAL | | $1,330.45 | |
| | | | ADJ. PER ENHANCEMENT EVAL. | | $938.82 | |
| | | | NET DUE BY OWNER | | | **$391.63** |
| DAVID URIOSTEGUI & | 17 | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | |
| YOLANDA ARAND | | | TOTAL | | $1,094.40 | |
| 3636 PARK LN | | | ADJ. PER ENHANCEMENT EVAL. | | $820.80 | |
| DALLAS, TX 75220 | | | NET DUE BY OWNER | | | **$273.60** |
| EDUWIGES RAMIREZ & | 18 | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | |
| MARIA R RAMIREZ | | | TOTAL | | $1,094.40 | |
| 3640 PARK LN | | | ADJ. PER ENHANCEMENT EVAL. | | $820.80 | |
| DALLAS, TX 75220 | | | NET DUE BY OWNER | | | **$273.60** |

**PROJECT GROUP 12-3001**

**4. ALLEY BETWEEN MANANA DRIVE AND PARK LANE FROM LARGA DRIVE TO MARSH LANE**
**SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT(S) | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMEN |
|---|---|---|---|---|---|---|
| | | | ***BROWNWOOD PARK*** | | | |
| FERNANDO QUEZADA | 19 | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | |
| 3644 PARK LN | | | 21 FT DRIVE | No Cost | $0.00 | |
| DALLAS, TX 75220 | | | **TOTAL** | | $1,094.40 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | $820.80 | |
| | | | **NET DUE BY OWNER** | | | **$273.60** |
| BETTY JOE SCOTT | 20 | E/6144 | 60 FT PMVT | $18.24 | $1,094.40 | |
| 3650 PARK LN | | | 5 SY DR(10'Wide) | $47.21 | $236.05 | |
| DALLAS, TX 75220 | | | **TOTAL** | | $1,330.45 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | $938.82 | |
| | | | **NET DUE BY OWNER** | | | **$391.63** |
| RAQUEL H SANCHEZ | 21 | E/6144 | 79 FT PMVT | $18.24 | $1,440.96 | |
| 1404 LINCOLN DR | **3654** | | 9.3 SY DR(23'Wide) | $47.21 | $439.05 | |
| CARROLLTON TX 75006 | **Park Ln** | | **TOTAL** | | $1,880.01 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | $1,300.24 | |
| | | | **NET DUE BY OWNER** | | | **$579.77** |
| **SOUTH SIDE OF ALLEY** | | | | | | |
| | | | ***WALNUT HILL ESTATES*** | | | |
| WILLIAM M KEEL | 20 | 26/6144 | 75 FT PMVT | $18.24 | $1,368.00 | |
| ANDREA BRIDEN | | | **TOTAL** | | $1,368.00 | |
| 3653 MANANA DR | | | **ADJ. PER ENHANCEMENT EVAL.** | | $1,026.00 | |
| DALLAS, TX 75220 | | | **NET DUE BY OWNER** | | | **$342.00** |
| ZISHA WARIS & | 19 | 26/6144 | 65 FT PMVT | $18.24 | $1,185.60 | |
| SHAZIE YUSUF | **3647** | | 5 SY DR(10'Wide) | $47.21 | $236.05 | |
| 1100 DAMSEL GINER LN | **Manana Dr** | | **TOTAL** | | $1,421.65 | |
| LEWISVILLE, TX 75056 | | | **ADJ. PER ENHANCEMENT EVAL.** | | $1,007.22 | |
| | | | **NET DUE BY OWNER** | | | **$414.43** |
| BENITO LUNA BAEZ & | 18 | 26/6144 | 65 FT PMVT | $18.24 | $1,185.60 | |
| MARIA G LUNA | | | **TOTAL** | | $1,185.60 | |
| 3631 MANANA DR | | | **ADJ. PER ENHANCEMENT EVAL.** | | $889.20 | |
| DALLAS, TX 75220 | | | **NET DUE BY OWNER** | | | **$296.40** |

**PROJECT GROUP 12-3001**

**4. ALLEY BETWEEN MANANA DRIVE AND PARK LANE FROM LARGA DRIVE TO MARSH LANE SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT(S) | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMEN |
|---|---|---|---|---|---|---|
| | | | ***WALNUT HILL ESTATES*** | | | |
| JOSE C CHAVEZ & | 17 | 26/6144 | 65 FT PMVT | $18.24 | $1,185.60 | |
| GILBERTO GUTIERREZ | | | **TOTAL** | | $1,185.60 | |
| 3635 MANANA DR | | | **ADJ. PER ENHANCEMENT EVAL.** | | $889.20 | |
| DALLAS, TX 75220 | | | **NET DUE BY OWNER** | | | **$296.40** |
| BENITO LUNA | 16 | 26/6144 | 65 FT PMVT | $18.24 | $1,185.60 | |
| 3631 MANANA DR | | | 12 FT DRIVE | No Cost | $0.00 | |
| DALLAS, TX 75220 | | | **TOTAL** | | $1,185.60 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | $889.20 | |
| | | | **NET DUE BY OWNER** | | | **$296.40** |
| EDUARDO L GOMEZ | 15 | 26/6144 | 65 FT PMVT | $18.24 | $1,185.60 | |
| 3625 MANANA DR | | | **TOTAL** | | $1,185.60 | |
| DALLAS, TX 75220 | | | **ADJ. PER ENHANCEMENT EVAL.** | | $889.20 | |
| | | | **NET DUE BY OWNER** | | | **$296.40** |
| SALVADOR TORRES & | 14 | 26/6144 | 65 FT PMVT | $18.24 | $1,185.60 | |
| NICOLASA TORRES | | | **TOTAL** | | $1,185.60 | |
| 3621 MANANA DR | | | **ADJ. PER ENHANCEMENT EVAL.** | | $889.20 | |
| DALLAS, TX 75220 | | | **NET DUE BY OWNER** | | | **$296.40** |
| ADOLFA B CRUZ | 13 | 26/6144 | 65 FT PMVT | $18.24 | $1,185.60 | |
| 3615 MANANA DR | | | **TOTAL** | | $1,185.60 | |
| DALLAS, TX 75220 | | | **ADJ. PER ENHANCEMENT EVAL.** | | $889.20 | |
| | | | **NET DUE BY OWNER** | | | **$296.40** |
| FELIPE MARTINEZ | 12 | 26/6144 | 65 FT PMVT | $18.24 | $1,185.60 | |
| 3611 MANANA DR | | | 14 FT DRIVE | No Cost | $0.00 | |
| DALLAS, TX 75220 | | | **TOTAL** | | $1,185.60 | |
| | | | **ADJ. PER ENHANCEMENT EVAL.** | | $889.20 | |
| | | | **NET DUE BY OWNER** | | | **$296.40** |

**PROJECT GROUP 12-3001**

**4. ALLEY BETWEEN MANANA DRIVE AND PARK LANE FROM LARGA DRIVE TO MARSH LANE**
**SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT(S) | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMEN |
|---|---|---|---|---|---|---|
| | | | ***WALNUT HILL ESTATES*** | | | |
| GEORGIA MACA | 11 | 26/6144 | 70 FT PMVT | $18.24 | $1,276.80 | |
| 6551 CLIFFBROOK DR | **3603** | | **TOTAL** | | $1,276.80 | |
| DALLAS, TX 75254 | **Manana Dr** | | **ADJ. PER ENHANCEMENT EVAL.** | | $957.60 | |
| | | | **NET DUE BY OWNER** | | | **$319.20** |
| GEORGIA MACA | 10 | 26/6144 | 80 FT PMVT | $18.24 | $1,459.20 | |
| 6551 CLIFFBROOK DR | **3549** | | **TOTAL** | | $1,459.20 | |
| DALLAS, TX 75254 | **Manana Dr** | | **ADJ. PER ENHANCEMENT EVAL.** | | $1,094.40 | |
| | | | **NET DUE BY OWNER** | | | **$364.80** |
| JOSE C SOTO & | 9 | 26/6144 | 65 FT PMVT | $18.24 | $1,185.60 | |
| DINA E BARRIOS | | | **TOTAL** | | $1,185.60 | |
| 3543 MANANA DR | | | **ADJ. PER ENHANCEMENT EVAL.** | | $889.20 | |
| DALLAS, TX 75220 | | | **NET DUE BY OWNER** | | | **$296.40** |
| JAIME CHAVEZ TREJO & | 8 | 26/6144 | 60 FT PMVT | $18.24 | $1,094.40 | |
| NERI ELSA TREJO | | | **TOTAL** | | $1,094.40 | |
| 3539 MANANA DR | | | **ADJ. PER ENHANCEMENT EVAL.** | | $820.80 | |
| DALLAS, TX 75220 | | | **NET DUE BY OWNER** | | | **$273.60** |
| JULIA ELIZABETH MERID/ | 7 | 26/6144 | 65 FT PMVT | $18.24 | $1,185.60 | |
| 3533 MANANA DR | | | **TOTAL** | | $1,185.60 | |
| DALLAS, TX 75220 | | | **ADJ. PER ENHANCEMENT EVAL.** | | $889.20 | |
| | | | **NET DUE BY OWNER** | | | **$296.40** |
| JOSE L LOPEZ | 6 | 26/6144 | 65 FT PMVT | $18.24 | $1,185.60 | |
| 3529 MANANA DR | | | **TOTAL** | | $1,185.60 | |
| DALLAS, TX 75220 | | | **ADJ. PER ENHANCEMENT EVAL.** | | $889.20 | |
| | | | **NET DUE BY OWNER** | | | **$296.40** |

**PROJECT GROUP 12-3001**

**4. ALLEY BETWEEN MANANA DRIVE AND PARK LANE FROM LARGA DRIVE TO MARSH LANE SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT(S) | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMEN |
|---|---|---|---|---|---|---|
| | | | ***WALNUT HILL ESTATES*** | | | |
| HAYDEN J LAND | 5 | 26/6144 | 65 FT PMVT | $18.24 | $1,185.60 | |
| 3523 MANANA DR | | | TOTAL | | $1,185.60 | |
| DALLAS, TX 75220 | | | ADJ. PER ENHANCEMENT EVAL. | | $889.20 | |
| | | | NET DUE BY OWNER | | | **$296.40** |
| JOHN P FOWLER & | 4 | 26/6144 | 55 FT PMVT | $18.24 | $1,003.20 | |
| NANCY V FOWLER | **3519** | | TOTAL | | $1,003.20 | |
| 4331 SOUTHCREST RD | **Manana Dr** | | ADJ. PER ENHANCEMENT EVAL. | | $752.40 | |
| DALLAS, TX 75229 | | | NET DUE BY OWNER | | | **$250.80** |
| GASPAR M RODRIGUEZ | 3 | 26/6144 | 55 FT PMVT | $18.24 | $1,003.20 | |
| 3515 MANANA DR | | | TOTAL | | $1,003.20 | |
| DALLAS, TX 75220 | | | ADJ. PER ENHANCEMENT EVAL. | | $752.40 | |
| | | | NET DUE BY OWNER | | | **$250.80** |
| DINORAH CRUZ | 2 | 26/6144 | 55 FT PMVT | $18.24 | $1,003.20 | |
| 3509 MANANA DR | | | 6.3 SY DR(14'Wide) | $47.21 | $297.42 | |
| DALLAS, TX 75220 | | | TOTAL | | $1,300.62 | |
| | | | ADJ. PER ENHANCEMENT EVAL. | | $901.11 | |
| | | | NET DUE BY OWNER | | | **$399.51** |
| DONNA LEHMAN | 1 | 26/6144 | 66 FT PMVT | $18.24 | $1,203.84 | |
| 3503 MANANA DR | | | TOTAL | | $1,203.84 | |
| DALLAS, TX 75220 | | | ADJ. PER ENHANCEMENT EVAL. | | $902.88 | |
| | | | NET DUE BY OWNER | | | **$300.96** |

**PROJECT GROUP 12-3001**

**4. ALLEY BETWEEN MANANA DRIVE AND PARK LANE FROM LARGA DRIVE TO MARSH LANE**

| | | |
|---|---|---|
| TOTAL PROPERTY OWNERS' COST ASSESSMENTS | $47,402.34 | |
| ADJUSTMENTS PER ENHANCEMENT EVALUATION | $35,093.80 | |
| NET DUE BY OWNER | | $12,308.54 |
| TOTAL CITY OF DALLAS' COST - PAVING | $324,002.46 | |
| TOTAL CITY OF DALLAS' COST - DRAINAGE | $24,720.00 | |
| TOTAL DALLAS WATER UTILITIES COST WATER MAIN CONSTRUCTION | $503,943.00 | |
| TOTAL CITY OF DALLAS' COST | | $852,665.46 |
| TOTAL COST OF IMPROVEMENTS | | $864,974.00 |

**Project Group 12-3001**

**Street:**

1. Palacios Avenue from Ottawa Road to Canada Drive

**Alleys:**

2. Alley between Capps Drive and Rexford Drive from Lemmon Avenue parallel to Glencrest Lane
3. Alley between Hurley Way and Lenel Place from Williamsburg Road to "T" alley south of Walnut Hill Lane
4. Alley between Manana Drive and Park Lane from Larga Drive to Marsh Lane

| | | |
|---|---|---|
| Grand Total Property Owners' Cost - Assessments | $196,122.58 | |
| Adjustments Per Enhancement Evaluation | $138,713.71 | |
| Grand Net Due by Owner | | $57,408.87 |
| Grand Total City of Dallas' Cost - Paving | $1,095,162.13 | |
| Grand Total City of Dallas' Cost - Drainage | $102,230.00 | |
| Grand Total Water Utilities Department Cost Water and Wastewater Mains | $790,127.00 | |
| Grand Total City of Dallas' Cost | | $1,987,519.13 |
| Grand Total Cost of Improvements | | $2,044,928.00 |

**SECTION 3.** That where more than one person, firm or corporation owns an interest in any property above described, each said person, firm or corporation shall be personally liable for its, his or her pro rata of the total assessment against such property in proportion as its, his or her respective interest bears to the total ownership of such property, and its, his or her respective interest in such property may be released from the assessment lien upon payment of such proportionate sum.

**SECTION 4.** That the several sums above mentioned and assessed against the said parcels of property and the owners thereof, and interest thereon at the rate of eight per centum (8.00%) per annum, together with reasonable attorney's fees and costs of collection, if incurred, are hereby declared to be and are made a lien upon the respective parcels of property against which the same are assessed, and a personal liability and charge against the real and true owners of such property, whether such owners be named herein or not, and the said liens shall be and constitute the first enforceable lien and claim against the property on which such assessments are levied, and shall be a first paramount lien thereon, superior to all other liens and claims except State, County, School District and City ad valorem taxes.

That the cost shall be assessed against said owners and their property respectively, in accordance with what is known as the "Front-Foot Plan", in proportion as the frontage of the property of each owner is to the whole frontage improved and shall be payable in monthly installments not to exceed one hundred twenty (120) in number, the first of which shall be payable within thirty (30) days from the date of the completion of said improvements and their acceptance by the City of Dallas, and one installment each month thereafter until paid, together with interest thereon at the current rate established and adopted by the City Council applicable to Public Improvement Assessment Accounts being paid by installments and not to exceed the statutory rate, with the provision that any of said installments may be paid at any time before maturity by the payment of the principal and the accrued interest thereon. Any property owner against whom and whose property assessment has been levied may pay the whole assessment chargeable to him without interest within thirty (30) days after the acceptance and completion of said improvements.

**SECTION 5.** That if default be made in the payment of any of the said sums hereby assessed against said property owners and their property, collection thereof shall be enforced either by suit in any court having jurisdiction or by lien foreclosure.

**SECTION 6.** That for the purpose of evidencing the several sums payable by said property owners and the time and terms of payment, and to aid in the enforcement thereof, assignable certificates may be issued by the City of Dallas upon the completion and acceptance of the said work of improvement, which shall be executed by the Mayor, signing the same or by his facsimile signature impressed thereon, attested by the City Secretary, under the impress of the corporate seal, and shall be payable to the City of Dallas, or its assigns, which certificate shall declare the said amounts and the time and terms of payment thereof, and the said rate of interest payable thereof, and shall contain the name of the owner and the description of his property by Lot or Block Number of front feet thereof, or such description as may otherwise identify the same by reference to any other fact, and if said property shall be owned by an estate, then the description thereof as so owned shall be sufficient.

And that the said certificates shall further provide that if default shall be made in the payment of any installment of principal or interest thereon, when due then at the option of the said City of Dallas being the owner and holder thereof, the whole of the said assessment shall at once become due and payable and shall be collectible with reasonable attorney's fees and costs if incurred.

And that the said certificates shall further set forth and evidence the said personal liability of the owner and the lien upon his premises and shall provide that if default shall be made in the payment thereof, the same may be enforced as above provided.

And the said certificates shall further recite that the proceedings with reference to making said improvements have been regularly in compliance with the terms of the applicable law, and that all prerequisites to the fixing of the lien and claims of personal liability evidenced by such certificates have been performed, which recitals shall be prima facie evidence of the facts so recited and no further proof thereof shall be required.

That the said certificates shall also provide that the amounts payable thereunder shall be paid to the City Controller of the City of Dallas, who shall credit said payments upon the said certificates, and shall immediately deposit the amounts so collected with the City Treasurer of the City of Dallas, to be kept and held by him in a special fund, which is hereby designated as Capital Assessments Fund and which payments shall be by the Treasurer paid to the said City of Dallas or other holder of the said certificates, on presentation thereof to him, duly credited by the City Controller the said credit by said City Controller being the Treasurer's Warranty for making such payment and the said City of Dallas or other holder of said certificate, shall receipt in writing to said Treasurer when paid in full, together with all costs of collection.

**SECTION 6.** (Continued)

And that the said certificates shall further provide that the City of Dallas shall exercise all legal power, when requested so to do by the holder of said certificate, to aid in the collection thereof; but the City of Dallas shall in nowise be liable to the holder of said certificates in any manner for payment of the amount evidenced by the said certificates or for any costs or expense in the premises, or for any failure of the said City Council or any of its officers in connection therewith.

Full power to make and levy reassessments, and to correct mistakes, errors, invalidates or irregularities, either in the assessments or in the certificates issued in evidence thereof, is in accordance with the law in force in this City, vested in the City.

**SECTION 7.** That all assessments levied are a personal liability and charged against the real and true owners of the premises described, notwithstanding such owners may not be named, or may be incorrectly named.

**SECTION 8.** That the assessments herein levied are made and levied under and by virtue of the terms, powers and provisions of an Act passed at the First Called Session of the Fortieth Legislature of the State of Texas, known as Chapter 106 of the Acts of said Session, with amendments thereto, now shown as Texas Transportation Code Annotated Section 311 and 313 (Vernon's 1996), which said law has been adopted as an alternative method for the construction of street and alleys improvements in the City of Dallas, Texas, by Chapter XX of the Charter of the City of Dallas.

**SECTION 9.** That the assessments so levied are for the improvements in the particular unit or district upon which the property described abuts, and the assessments for the improvements in one unit or district are in nowise related to or connected with the improvements in any other unit or district, and in making assessments and in holding said hearing, the amounts assessed for improvements in one unit or district have been in nowise affected by any fact in anywise connected with the improvements or the assessments therefore in any other unit or district.

**SECTION 10.** That the City Manager, or his designee, is hereby authorized to execute releases of any paving assessment liens herein levied and assessed against the parcels of property and owners thereof, if same are fully paid, such releases to be approved as to form by the City Attorney and attested by the City Secretary.

**SECTION 11.** That this Ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly ordained.

APPROVED AS TO FORM:
LARRY E. CASTO
City Attorney

BY _____
Assistant City Attorney

Prepared by _____
Project Coordinator

Approved by _____
Director, Mobility and Street Services Department

February 22, 2017

**WHEREAS,** on January 11, 2017, Resolution No. 17-0080 authorized improvements and the public hearing; and,

**WHEREAS,** bids were received on December 2, 2016, for street and alley paving, storm drainage, water and wastewater main improvements for Project Group 12-3001, as follows:

| **BIDDERS** | **BID AMOUNT** |
|---|---|
| Camino Construction, L.P. | $2,044,928.00 |
| MACVAL Associates, LLC | $2,108,948.00 |
| ARK Contracting Services | $2,157,155.00 |
| Jeske Construction Co. | $2,249,561.00 |

**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 a construction contract with Camino Construction, L.P. for the construction of street and alley paving, storm drainage and water and wastewater main improvements for Project Group 12-3001, in an amount not to exceed $2,044,928.00, this being the lowest responsive bid received as indicated by the tabulation of bids, after it has been approved as to form by the City Attorney.

**Section 2.** That the Chief Financial Officer is hereby authorized to disburse funds in accordance with the terms and conditions of the contract from:

Street and Transportation Improvements Fund
Fund 2U22, Department STS, Unit S424, Act. STPT
Obj. 4510, Program #PB12S424, CT STS12S203E1
Vendor # 144735, in an amount not to exceed $149,090.00

Street and Transportation Improvements Fund
Fund 3U22, Department STS, Unit S424, Act. STPT
Obj. 4510, Program #PB12S424, CT STS12S203E1
Vendor # 144735, in an amount not to exceed $399,805.00

Street and Transportation Improvements Fund
Fund 3U22, Department STS, Unit S210, Act. APET
Obj. 4510, Program #PB12S210, CT STS12S203E1
Vendor # 144735, in an amount not to exceed $160,135.00

| | |
|---|---|
| Street and Transportation Improvements Fund<br>Fund 3U22, Department STS, Unit S203, Act. APET, Obj. 4510,<br>Program #PB12S203, CT-STS12S203E1, Vendor #144735,<br>in an amount not to exceed | $184,740.00 |
| Street and Transportation Improvements Fund<br>Fund 3U22, Department STS, Unit S205, Act. APET<br>Obj. 4510, Program #PB12S205, CT STS12S203E1<br>Vendor #144735, in an amount not to exceed | $361,031.00 |
| Water Construction Fund<br>Fund 0102, Department DWU, Unit CW42, Obj. 4550,<br>Program #717007, CT-PBW717007CP, Vendor #144735,<br>in an amount not to exceed | $642,775.00 |
| Water Construction Fund<br>Fund 0102, Department DWU, Unit CW42, Obj. 3221,<br>Program #717007X, CT-PBW717007EN, Vendor #144735,<br>in an amount not to exceed | $6,050.00 |
| Wastewater Construction Fund<br>Fund 0103, Department DWU, Unit CS42, Obj. 3222,<br>Program #717008X, CT-PBW717008EN, Vendor #144735,<br>in an amount not to exceed | $3,900.00 |
| Wastewater Capital Improvement Fund<br>Fund 3116, Department DWU, Unit PS42, Obj. 4560,<br>Program #717008, CT-PBW717008CP, Vendor #144735,<br>in an amount not to exceed | $137,402.00 |
| Total in an amount not to exceed | $2,044,928.00 |

**Section 3.** 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.

**AGENDA ITEM # 90**

| | |
|---|---|
| **KEY FOCUS AREA:** | Economic Vibrancy |
| **AGENDA DATE:** | February 22, 2017 |
| **COUNCIL DISTRICT(S):** | 9, 10 |
| **DEPARTMENT:** | Mobility and Street Services<br>Water Utilities |
| **CMO:** | Jill A. Jordan, P.E., 670-5299<br>Mark McDaniel, 670-3256 |
| **MAPSCO:** | 27T U 38L |

## SUBJECT

A benefit assessment hearing to receive comments on street paving, drainage, water and wastewater main improvements, and alley paving for Project Group 12-3004; and at the close of the hearing, authorize an ordinance levying benefit assessments, and a construction contract with MACVAL Associates, LLC, lowest responsible bidder of five (list attached) - Not to exceed $873,052 - Financing: 2012 Bond Funds ($712,610), Water Utilities Capital Construction Funds ($96,681) and Water Utilities Capital Improvement Funds ($63,761)

## BACKGROUND

Stevens Street from Cayuga Drive to Davilla Avenue and Davilla Avenue from Stevens Street to Drake Street was requested by property owner petition and accepted on August 9, 2010. The alley southwest and parallel to Shoreview Road from Forest Trail to Eagle Trail to Nimrod Trail was requested by property owner petition and accepted on January 22, 2009. These projects were subsequently funded in the 2012 Bond Program. A professional services contract for the design was authorized by City Council on January 22, 2014, by Resolution No. 14-0190. This action will allow the public hearing to be held and will authorize the levying of assessments and contract for construction. The street improvements will consist of upgrading the existing unimproved two-lane asphalt street with 26-foot wide concrete pavement with curbs, sidewalks, drive approaches, drainage installation system, water and wastewater main improvements. The alley improvements will consist of upgrading the unimproved gravel and dirt alleys with 10-foot wide concrete pavement.

**BACKGROUND** (Continued)

The paving assessment process requires the following three steps:

1. Authorize paving improvements
2. Authorize a benefit assessment hearing
3. Benefit assessment hearing, ordinance levying assessments and authorize contract for construction

This is the 3rd and final step in the process.

The following chart shows MACVAL Associates, LLC completed contractual activities for the past three years.

| | STS | WTR | PKR |
|---|---|---|---|
| Projects Completed | 0 | 0 | 0 |
| Change Orders | 0 | 0 | 5 |
| Projects Requiring Liquidated Damages | 0 | 0 | 0 |
| Projects Completed by Bonding Company | 0 | 0 | 0 |

**ESTIMATED SCHEDULE OF PROJECT**

| | |
|---|---|
| Began Design | March 2014 |
| Completed Design | October 2016 |
| Begin Construction | May 2017 |
| Complete Construction | May 2018 |

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

Authorized a professional services contract for engineering services on January 22, 2014, by Resolution No. 14-0190.

Authorized street paving improvements and a benefit assessment hearing on January 11, 2017, by Resolution No. 17-0081.

Information about this item will be provided to the Transportation and Trinity River Project Committee on February 13, 2017.

**FISCAL INFORMATION**

2012 Bond Funds - $712,610.00
Water Utilities Capital Construction Funds - $96,681.00
Water Utilities Capital Improvement Funds - $63,761.00

**FISCAL INFORMATION** (Continued)

| | |
|---|---|
| Design | $ 61,069.75 |
| Construction | |
| Paving (STS) (this action) | $712,610.00 |
| Water & Wastewater (DWU) (this action) | $160,442.00 |
| Total Project Cost | $934,121.75 |

| Council District | Amount |
|---|---|
| 9 | $629,227.00 |
| 10 | $243,825.00 |
| Total | $873,052.00 |

This project does involve assessments.

**M/WBE INFORMATION**

See attached.

**ETHNIC COMPOSITION**

MACVAL Associates, LLC

| | | | |
|---|---|---|---|
| Hispanic Female | 0 | Hispanic Male | 6 |
| African-American Female | 1 | African-American Male | 6 |
| Other Female | 0 | Other Male | 0 |
| White Female | 0 | White Male | 0 |

**BID INFORMATION**

The following bids with quotes were received and opened on December 2, 2016.

*Denotes successful bidder

| BIDDERS | BID AMOUNT |
|---|---|
| *MACVAL Associates, LLC<br>8500 N. Stemmons Frwy., Suite 5060<br>Dallas, TX 75247 | $ 873,052.00 |
| Jeske Construction Co. | $ 911,793.00 |
| Axis Contracting, Inc. | $1,005,144.00 |
| Camino Construction, LP | $1,024,979.50 |
| ARK Contracting Services | $1,107,892.00 |

**BID INFORMATION** (Continued)

| | | |
|---|---|---|
| Original estimate: | STS | $733,805.00 |
| | WTR | $152,923.76 |
| Total Project | | $886,728.76 |

**OWNER**

**MACVAL Associates, LLC**

Al A. Attah, President

**MAPS**

Attached.

**Project Group 12-3004**

| **Project** | **Limits** | **Council District** |
|---|---|---|
| Stevens Street | from Cayuga Drive to Davilla Avenue and Davilla Avenue from Stevens Street to Drake Street | 9 |
| Alley southwest and parallel to Shoreview Road | from Forest Trail to Eagle Trail to Nimrod Trail | 10 |

# BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: A benefit assessment hearing to receive comments on street paving, drainage, water and wastewater main improvements, and alley paving for Project Group 12-3004; and at the close of the hearing, authorize an ordinance levying benefit assessments, and a construction contract with MACVAL Associates, LLC, lowest responsible bidder of five (list attached) - Not to exceed $873,052 - Financing: 2012 Bond Funds ($712,610), Water Utilities Capital Construction Funds ($96,681) and Water Utilities Capital Improvement Funds ($63,761)

MACVAL Associates, LLC, is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

PROJECT CATEGORY: Construction

---

## LOCAL/NON-LOCAL CONTRACT SUMMARY

| | Amount | Percent |
|---|---|---|
| Total local contracts | $873,052.00 | 100.00% |
| Total non-local contracts | $0.00 | 0.00% |
| **TOTAL CONTRACT** | $873,052.00 | 100.00% |

## LOCAL/NON-LOCAL M/WBE PARTICIPATION

### Local Contractors / Sub-Contractors

| Local | Certification | Amount | Percent |
|---|---|---|---|
| Flow Line Utilities | HMMB64155N0217 | $228,739.00 | 26.20% |
| **Total Minority - Local** | | $228,739.00 | 26.20% |

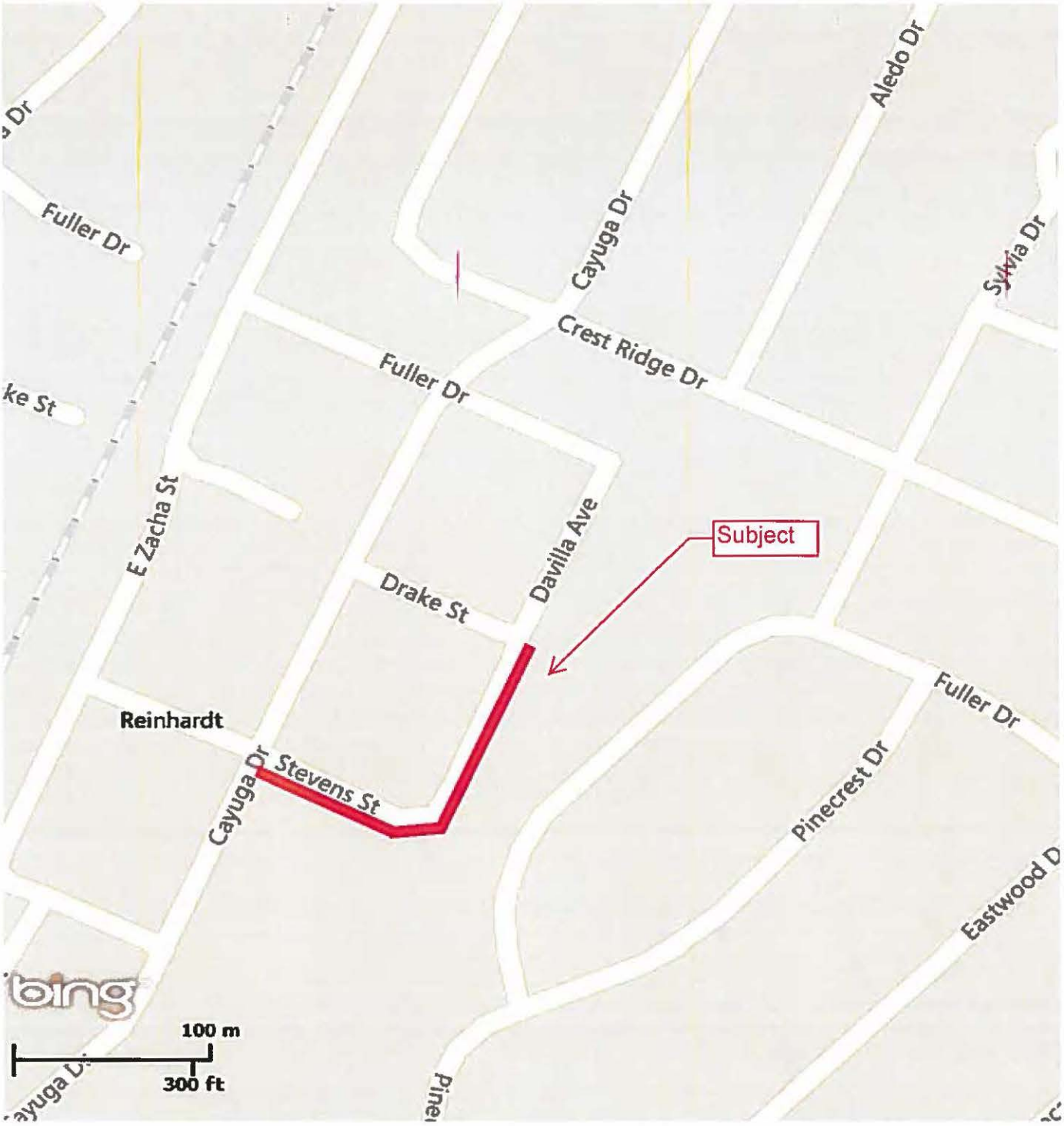
### Non-Local Contractors / Sub-Contractors

None

## TOTAL M/WBE CONTRACT PARTICIPATION

| | Local | Percent | Local & Non-Local | Percent |
|---|---|---|---|---|
| African American | $0.00 | 0.00% | $0.00 | 0.00% |
| Hispanic American | $228,739.00 | 26.20% | $228,739.00 | 26.20% |
| Asian American | $0.00 | 0.00% | $0.00 | 0.00% |
| Native American | $0.00 | 0.00% | $0.00 | 0.00% |
| WBE | $0.00 | 0.00% | $0.00 | 0.00% |
| Total | $228,739.00 | 26.20% | $228,739.00 | 26.20% |

# PROJECT GROUP 12-3004




# MAPSCO 38L

# PROJECT GROUP 12-3004




## MAPSCO 27T, U

N

February 22, 2017

**WHEREAS,** heretofore, a resolution was duly adopted by the City Council of the City of Dallas for the improvement of the following street and alley between the limits set forth, out of materials specified, ordering that bids be taken for the construction, and ordering that an estimate of the cost of such improvements be prepared, to wit:

**Project Group 12-3004**

**Street:**

1. Stevens Street from Cayuga Drive to Davilla Avenue and Davilla Avenue from Stevens Street to Drake Street

**Alley:**

2. Alley southwest and parallel to Shoreview Road from Forest Trail to Eagle Trail to Nimrod Trail; and

**WHEREAS,** by resolution such estimate and specifications were duly adopted therefore, and the Purchasing Agent was authorized to advertise for bids for such construction; and,

**WHEREAS,** by resolution the City Council determined the necessity for assessing a portion of the cost of such improvements against the property abutting such improvements, and the owners thereof, and duly and legally set a time and place for a public hearing thereon, and provided for notice to be given to such owners, as provided by law; and,

**WHEREAS,** the said hearing was duly held at said time and place; and,

**WHEREAS,** the City Council, after fully considering said proposed assessments, and fully considering the benefits that each property owner and his property receive from making said improvements, is of the opinion that the said proposed assessments determined to be levied are fair and equitable, and in accordance with the enhancement report submitted by Con-Real, LP, an independent appraiser, representing the benefits that the said property receives in enhanced values from the making of the said improvements, and that the said assessments should be made; and,

**WHEREAS,** the Council having no further protest, remonstrance, or objection before it, is of the opinion that the said hearing should be closed.

**Now, Therefore,**

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

**SECTION 1.** That the said hearing held on the 22nd day of February A.D. 2017 be and the same is hereby ordered closed.

**SECTION 2.** That the City Attorney is hereby directed to prepare an ordinance assessing against the several owners of the abutting property, and against their property abutting upon the street and alley hereinabove mentioned, the proportionate part of said cost herein adjudged against the said respective owners and their property, such assessments to be in accordance with the attached enhancement report. That the said ordinance shall fix a lien upon said property, and shall declare said respective owners thereof to be respectively liable for the amounts so adjudged against them. Said ordinance shall in all respects comply with the applicable law in such cases made and provided.

**SECTION 3.** 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.

Enhancement Evaluation Study

# Enhancement Evaluation Study
# Project Group #12-3004
# Report #16-19

Prepared for:
Mobility and Street Services Dept
Petition/Assessment Section
Lisa Williams
Oak Cliff Municipal Center
320 E. Jefferson Blvd, Room 307, Dallas, TX 75203



Con-Real, LP
Troy C. Alley Jr., MAI
8150 N. Central Expressway
Suite M1120
Dallas, Texas 75206

con-real, lp.

# SUMMARY OF SALIENT FACTS AND CONCLUSIONS

| | |
|---|---|
| **Date of Inspection:** | November 11, 2016 |
| **Effective Date of Study:** | November 16, 2016 |
| **Date of Transmittal:** | November 16, 2016 |
| **Subject Property:** | Various Residential |
| **Location:** | **Street:** Stevens Street-Cayuga Drive to Davilla Avenue & Davilla Avenue from Stevens Street to Drake Street, Dallas County, Texas<br><br>**Alleys:** Alley southwest and parallel to Shoreview Road from Forest Trail to Nimrod Trail, Dallas County, Texas |
| **Zoning Classifications:** | Single Family |
| **Current Use:** | Single Family Dwellings |
| **Highest & Best Use:** | Residential Uses |
| **Flood Zone:** | Based only on a cursory inspection, the properties appear to **not** be in a flood plain. |
| **Purpose of Study:** | The purpose of this study is to estimate the value of the enhancement, if any, to the properties in the defined enhancement study area based on the completion of the proposed street, sidewalk, driveway, and alley improvements that affect the subject properties as of November 16, 2016 |
| **Function of Study:** | The function of this enhancement study is to assist the City of Dallas in estimating a fair and reasonable amount of the actual costs of the street, sidewalk, alleyway, and driveway improvements that the subject property owners should be levied based on the estimated market value enhancement to each property due to the proposed improvements by the City of Dallas |
| **Scope of Study:** | The scope of this study encompasses the inspection of the subject properties, neighborhood and comparable properties. Further, the analysis of the data is undertaken in order to support a conclusion of estimated value for the enhancement, if any, to the subject properties |

# PROPERTY ANALYSIS

The streets include Stevens Street-Cayuga Drive to Davilla Avenue & Davilla Avenue from Stevens Street to Drake Street in Dallas Texas and consists of 11 parcels. The properties located on the streets are similar in area size ranging from 952 to 4,991 square feet, majority are one story houses. They are located along Stevens Street and Davilla Avenue which consists of two lanes. The immediate area is a mix of residential and small commercial development.

## PROPERTY HIGHLIGHTS

**Description for Street Group 12-3004 Project:**

Street: Stevens Street-Cayuga Drive to Davilla Avenue & Davilla Avenue from Stevens Street to Drake Street, Dallas, Dallas County, Texas (Mapsco – **Dallas 38 K-L**).

**Property Owners:** Varied (see tables pages 40-42)

**Street Group Including Streets:** Stevens Street-Cayuga Drive to Davilla Avenue & Davilla Avenue from Stevens Street to Drake Street

**Area Description:** The area of Dallas; a mix of residential and small commercial developments; Hwy 635, Loop 12, and Peavy Road are the major roadways

**Area Boundaries:** Gus Thomasson Road (North), Peavy Road (South), E Zacha Drive (West), and Ferguson Road (East)

**Neighborhood Description:** The residential neighborhood with schools, industrial, and commercial businesses; level to rolling terrain

**Property Values:** $69,080-205,000

**Demand/Supply:** Stable/Adequate

**Neighborhood Land Use:** 90% residential; 3% commercial, 2% industrial and 5% churches and schools

**Neighborhood Trend & Probable Changes:** Neighborhood is stable; no anticipated changes

**Factors Affecting the Neighborhood:** No adverse factors noted

**Zoning Classification of Project Area:** Single Family Residences

**Highest and Best Use:** Residential Uses

**Utilities:** All available

**Pictures:** The photos can be found on the following pages numbered as S1 & S2

## PROPERTY CHALLENGES & SOLUTIONS

*Street: Stevens Street-Cayuga Drive to Davilla Avenue & Davilla Avenue from Stevens Street to Drake Street, Dallas, Dallas County, Tex*as

Driveways- various homeowners are without paved driveways and have to park on gravel. This effects the attractiveness of the property and overall neighborhood. There is a lack of consistency in the neighborhood's uniformed attractiveness.

- The proposed improvements are expected to increase the neighborhood curb appeal and may enhance the properties attractiveness.

Sidewalks- there is a lack of sidewalks within the neighborhood which is a possible safety hazard for residents and children within the community.

- The improvement of sidewalks in the area will provide a safe route to walk for pedestrians; especially, children. The sidewalks also increase the neighborhood's overall attractiveness.

Curbs/Gutters- the neighborhood has a scarcity of curbs and street gutters. The lack of gutters effects the water flow throughout the neighborhood and can become a hazard.

- The projected improved gutters will alleviate water buildup on the street allowing pedestrians to pass without walking through puddles and reducing the risk of hydroplaning by road vehicles.

# PROPERTY ANALYSIS

The alley southwest and parallel to Shoreview Road from Forest Trail to Nimrod Trail located in Dallas, Texas consist of 14 parcels. The properties were majority built during the 1950s, they are one and two story with similarity in housing sizes ranging from 1,826 to 4,560 square feet. They are within an area that caters to residential, small commercial, and industrial properties. The neighborhood has two way streets to support the traffic flow.

## PROPERTY HIGHLIGHTS

**THE ALLEY GROUP INCLUDING:**

1.Alley southwest and parallel to Shoreview Road from Forest Trail to Nimrod Trail, Dallas, Dallas County, Texas. (Mapsco – **Dallas 27 T** )

**Property Owners:** Varied (see tables pages 43-45)

**Area Description:** This area of Dallas; majority residential with small commercial; Northwest Highway (Loop 12), Walnut Hill Lane, Audelia Road are the major roadways

**Area Boundaries:** Walnut Hill Lane (North), Northwest Highway, Loop 12 (South), Skillman Street (West), and Audelia Road (East).

**Neighborhood Description:** The residential neighborhood with schools, and commercial businesses surrounding; level to rolling terrain

**Property Values:** $334,320- $981,890 Residential (typical)

**Demand/Supply:** Stable/Adequate

**Neighborhood Land Use:** 90% residential; 5% commercial and 5% schools and parks

**Neighborhood Trend & Probable Changes:** Neighborhood is stable; no anticipated changes

**Factors Affecting the Neighborhood:** No adverse factors noted

**Zoning Classification of Project Area:** Single Family Residences

**Highest and Best Use:** Residential Uses

**Utilities:** All available

**Pictures:** The photos can be found on the following pages numbered as A1 & A2

## PROPERTY CHALLENGES & SOLUTIONS

***Alleyway:*** *Alley southwest and parallel to Shoreview Road from Forest Trail to Nimrod Trail, Dallas County, Texas*

Alley Ways- the various groups of properties are in need of improved alley ways because of lack of proper drainage system.

- Improved alley ways address the concerns of safety and environment problems that arrive since there isn't a proper drainage system within the neighborhood. They will eliminate the amount of stand still water and property damage due to the amount of rain fall in various seasons.

- The proposed improvements are expected to increase the ease and accessibility of parking, enhance the street appeal for homeowners, and lessen the constant vehicle weight on the main neighborhood streets which deteriorates the pavement over time.

# SCOPE OF WORK

In preparing this study, we completed the research and analysis below:

- Conducted an inspection of the group of subject properties and the surrounding areas to determine the impact the improved driveways, sidewalks, curbs and gutters, and alley ways will have on the neighborhood

- Gathered and analyzed property, neighborhood, and community information pertaining to the group of subject properties

- Determined the approaches (Sales Approach and Assessment Valuation Method) which are deemed reasonable for estimating an equitable assessment to the property owners for any enhancements they might receive from the improvements

- Interviewed reputable sources to receive opinions on the benefits of the improvements of alley ways

- Provided a recommendation for the proposed improvements

# EVALUATION ANALYSIS

The improvements proposed by the City of Dallas are to include new concrete paving of the streets which includes concrete curbs and gutters, concrete sidewalks, concrete drives (approaches), concrete alleyways where necessary. In the assessment prepared by the City of Dallas, the City calculated a Linear Foot, Square Foot or Square Yard price in order to estimate the actual cost for each property for the proposed improvements. A summary of the assessment values presented in the study are as follows:

The assessed value of the improvements was enhanced by a range between $18.24 to $90.00 per linear foot for the concrete paving including alley ways, $4.71 to $9.43 per linear foot for the concrete sidewalks and $47.21 per square yard for the concrete drives. Properties that have existing sidewalks and drives are not being assessed for the new improvements that take the place of the current improvements. This is one method of estimating the value the improvements provide to the subject, however, there are other ways to analyze the value the sidewalk improvements enhances the property.

We have reviewed the study performed by the City of Dallas pertaining to the subject properties regarding assessments to the property owners for the construction of the sidewalk improvements. In addition to that study, we have tested two other approaches that we deem reasonable for estimating an equitable assessment to the property owners for any enhancements they might receive from the improvements. They include the Sales Comparison Method and Assessment Valuation Method. The most suitable is the Sales Comparison Method that exhibits the comparison between improved vs unimproved properties and improved properties without alley ways vs. improved properties with alley ways for purposes of comparing the prices paid for properties. The Assessment Valuation Method is utilized to determine a reasonable assessed rate for every property in regards to street improvements, sidewalks, alleyways, and driveways.

# SALES COMPARISON METHOD

This method involves comparing the sales prices of recent sales properties with & without existing curbs/gutters/sidewalks/alleyways and forming an opinion as to how much, if any, a purchaser is willing to pay for a property that has existing curbs/gutters/sidewalks/alleyways improvements over a property that does not have those improvements.

The subject's area was searched for recent sales of a variety of residential properties that were similar in size and location to the subject properties so that a comparative analysis of each type could be performed. This search provided very few sales of properties that did not have curbs/gutters/sidewalks due to the fact that most of the streets in the area have these features. As such, the search was expanded to areas outside of the subject's immediate area in order to locate a sufficient number of sales of residential properties with and without curbs/gutters/sidewalks. Numerous sales were located and examined and from this vast number of sales only a few were found that could be used for comparative analysis purposes. The subject properties employed in the analysis include both improved and unimproved streets, and while the structures and areas employed in this analysis may not be truly comparable to the properties involved with this project, they do provide a basis for comparison between the properties with curbs/gutters/sidewalks/alleyways and properties that don't have these features.

Adjustment grids for the following types of properties are located on the following pages:

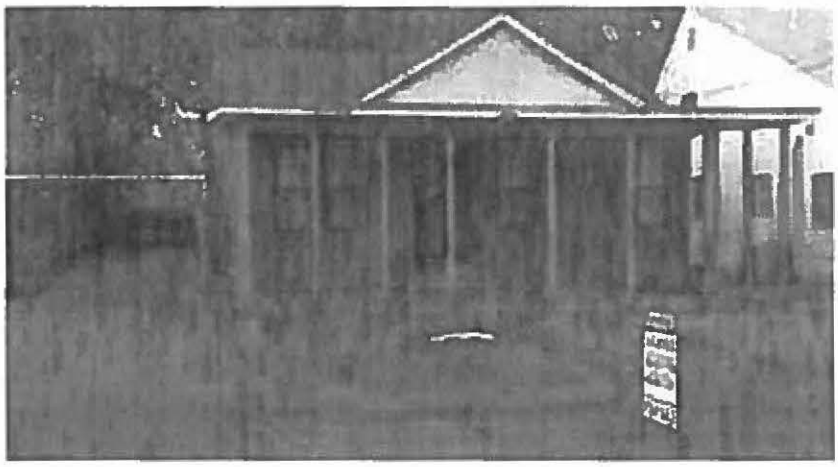
1) **Residential Sales – Improved Street vs. Unimproved Streets**

   - Representing the Group of Streets: Stevens Street-Cayuga Drive to Davilla Avenue & Davilla Avenue from Stevens Street to Drake Street (11 parcels)

2) **Residential Sales- Unimproved Alley Way vs. Improved Alley Ways**

   a. Alley southwest and parallel to Shoreview Road from Forest Trail to Nimrod Trail (14 parcels)

**RESIDENTIAL PROPERTY "Representation Of Subject Property" (will be employed as the subject lot)**



| | |
|---|---|
| **Mapsco:** | 53 N Dallas |
| **Location:** | 4027 Falls Drive, Dallas, Texas |
| **Grantor:** | Mari Neli Ortiz |
| **Grantee:** | Abelino Alvarez Murrugarra |
| **Date of Sale:** | April 21, 2016 |
| **Recording Data:** | 201600109813 |
| **County:** | Dallas |
| **Size:** | 950 SF |
| **Shape:** | Rectangular |
| **Zoning:** | Single Family District |
| **Utilities:** | City Sewer, City Water |
| **Topography:** | Basically Level |
| **Consideration:** | $85,000 |
| **Per SF:** | $89.47 |
| **Terms:** | Cash to Seller |
| **Cash Equivalent Consideration:** | $85,000 |
| **Per SF:** | $89.47 |
| **Source:** | MLS/Deed Records |
| **Comments:** | This site is located on a two-lane interior street which is improved with curbs and gutters, drives, and sidewalks. |

Every effort has been made to verify this information, including researching deed records, tax information, appraisal district information, zoning restrictions, flood plain maps, etc. However, the State of Texas does not require disclosure of real estate sale prices or terms, therefore we are dependant upon information obtained from parties with knowledge of the transaction. This information has been obtained from reliable sources and is assumed to be correct, but is in no way guaranteed by us to be accurate. Con-Real, LP reserves the right to revise any information regarding this comparable, should more accurate data become available.

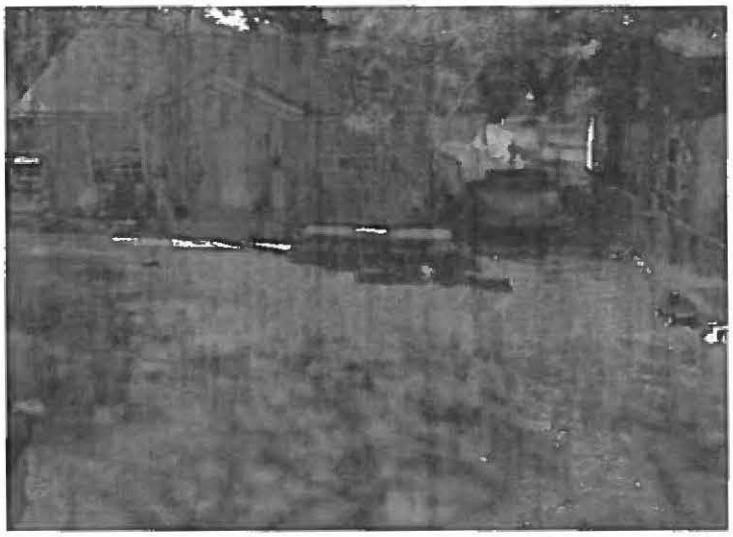
## RESIDENTIAL SALE NO. 1



| | |
|---|---|
| **Mapsco:** | 44 P Dallas |
| **Location:** | 913 Walkway Street, Dallas, Texas |
| **Grantor:** | Eva M Attaway |
| **Grantee:** | China Anderson |
| **Date of Sale:** | September 26, 2016 |
| **Recording Data:** | 201600273067 |
| **County:** | Dallas |
| **Size:** | 880 SF |
| **Shape:** | Irregular |
| **Zoning:** | Single Family District |
| **Utilities:** | City Sewer, City Water |
| **Topography:** | Basically Level |
| **Consideration:** | $86,000 |
| **Per SF:** | $97.73 |
| **Terms:** | Cash to Seller |
| **Cash Equivalent Consideration:** | $86,000 |
| **Per SF:** | $97.73 |
| **Source:** | MLS/Deed Records |
| **Comments:** | This site is located on a two-lane interior street which **is not** improved with curbs and gutters, drives, and sidewalks. |

Every effort has been made to verify this information, including researching deed records, tax information, appraisal district information, zoning restrictions, flood plain maps, etc. However, the State of Texas does not require disclosure of real estate sale prices or terms, therefore we are dependant upon information obtained from parties with knowledge of the transaction. This information has been obtained from reliable sources and is assumed to be correct, but is in no way guaranteed by us to be accurate. Con-Real, LP reserves the right to revise any information regarding this comparable, should more accurate data become available.

## RESIDENTIAL SALE NO. 2



| | |
|---|---|
| **Mapsco:** | 52 G Dallas |
| **Location:** | 411 S Dwight Avenue, Dallas, Texas |
| **Grantor:** | Elegant Investment Group Inc. |
| **Grantee:** | Jesus Moreno & Godinez |
| **Date of Sale:** | June 28, 2016 |
| **Recording Data:** | 201600191198 |
| **County:** | Dallas |
| **Size:** | 896 SF |
| **Shape:** | Basically Rectangular |
| **Zoning:** | Single Family District |
| **Utilities:** | City Sewer, City Water |
| **Topography:** | Basically Level |
| **Consideration:** | $89,000 |
| **Per SF:** | $99.33 |
| **Terms:** | Cash to Seller |
| **Cash Equivalent Consideration:** | $89,000 |
| **Per SF:** | $99.33 |
| **Source:** | MLS/Deed Records |
| **Comments:** | This site is located on a two-lane interior street which **is not** improved with curbs and gutters, drives, and sidewalks. |

Every effort has been made to verify this information, including researching deed records, tax information, appraisal district information, zoning restrictions, flood plain maps, etc. However, the State of Texas does not require disclosure of real estate sale prices or terms, therefore we are dependant upon information obtained from parties with knowledge of the transaction. This information has been obtained from reliable sources and is assumed to be correct, but is in no way guaranteed by us to be accurate. Con-Real, LP reserves the right to revise any information regarding this comparable, should more accurate data become available.

**Residential Lot Sales**
**Improved Street vs. Unimproved Streets**

| |  |  |  |
|---|---|---|---|
| **Location** | **Representation of Subject Property**<br>4027 Falls Drive<br>Dallas, Texas | **Sale 1**<br>913 Walkway Street<br>Dallas, Texas | **Sale 2**<br>411 South Dwight Avenue<br>Dallas, Texas |
| **Sales Price/ Per Square Foot** | **$89.47** | **$97.73** | **$99.33** |
| **Eff. Sale Price** | **$89.47** | **$97.73** | **$99.33** |
| **Size/SF** | **950** | 880<br>-10% | 896<br>-7% |
| **Bedrooms** | **2** | 2<br>-0- | 3<br>-5% |
| **Driveways** | **Yes** | **No** | **No** |
| **Sidewalks** | **Yes** | **No** | **No** |
| **Curbs/Gutters** | **Yes** | **No** | **No** |
| **Location** | **Average** | **Inferior**<br>+2% | **Similar** |
| **Condition** | **Average** | **Similar** | **Similar** |
| **Percentage Adjustment** | | (-8%) | (-12%) |
| **Net Adjustment** | | ($8.00) | ($12.00) |
| **Adjusted Sale Price** | **$89.47** | **$89.73** | **$87.33** |

The lack of credible sales available within the immediate market area required the analyst to utilized sales within a similar neighborhood for this analysis.

The Representation of the (Subject's Property), at 4027 Falls Drive is a 950 square foot property that **did** have curbs/gutters, sidewalks, or driveways and sold for $89.47 per square foot. The sales **did not** have curbs/gutters, sidewalks, or driveways on their sites and sold at prices ranging from $97.73 to $99.33 per square foot. The sales are located within a five-mile radius and each have similar locational characteristics in regards to surrounding developments, type of homes and assessed lot and dwelling values. Sales 1 and 2 are smaller in size compared to the Representation of the Subject Property (4027 Falls Drive) and an upward adjustment for size was made to compensate for the difference in its price on a per square foot basis. Sales 2 was adjusted downward

for its number of bedrooms per square footage in comparison to the Representation of the Subject Property. Sale 2 and the Representation of Subject Property are similar in location. They are both located within an area that has a fair amount of residential and retail properties that caters to its residential neighborhood along Loop 12 and Highway Spur 408. However, Sale 1 was adjusted upward because of its location that is within a residential neighborhood adjacent to a railroad surrounded by commercial, industrial, and retail properties. Sale 1 and 2 conditions are similar to the Representation of the Subject Property and an adjusted wasn't needed for condition.

After making warranted adjustments to the sales comparables, a range of values of $87.33 to $89.73 per square foot was derived from Sale 1 & 2. Based on the sales comparables in comparison to the subject property the variance between the subject property and comparables is less than 2%, which leads to the conclusion that there isn't a significant difference in pricing by not having curbs/gutters, driveways, and sidewalks.

**2. RESIDENTIAL SALE-UNIMPROVED ALLEY WAY "Representation Of Subject Property" (will be employed as the subject lot)**



| | |
|---|---|
| **Mapsco:** | 27 Q Dallas |
| **Location:** | 9412 Northpoint Drive, Dallas, Texas |
| **Grantor:** | Robert Earl Darwin |
| **Grantee:** | Chris R & Emilie Sano |
| **Date of Sale:** | July 19,2016 |
| **Recording Data:** | 201600198869 |
| **County:** | Dallas |
| **Size:** | 1,887 SF |
| **Shape:** | Rectangular |
| **Zoning:** | Single Family District |
| **Utilities:** | City Sewer, City Water |
| **Topography:** | Basically Level |
| **Consideration:** | $400,000 |
| **Per SF:** | $211.98 |
| **Terms:** | Cash to Seller |
| **Cash Equivalent Consideration:** | $400,000 |
| **Per SF:** | $211.98 |
| **Source:** | MLS/Deed Records |
| **Comments:** | This site is located on a two-lane interior street which **is not** improved with alleyways. |

Every effort has been made to verify this information, including researching deed records, tax information, appraisal district information, zoning restrictions, flood plain maps, etc. However, the State of Texas does not require disclosure of real estate sale prices or terms, therefore we are dependant upon information obtained from parties with knowledge of the transaction. This information has been obtained from reliable sources and is assumed to be correct, but is in no way guaranteed by us to be accurate. Con-Real, LP reserves the right to revise any information regarding this comparable, should more accurate data become available.

## RESIDENTIAL ALLEY WAY SALE NO. 1



| | |
|---|---|
| **Mapsco:** | 27 L Dallas |
| **Location:** | 9627 Estate Lane, Dallas, Texas |
| **Grantor:** | Ryan Burkhardt |
| **Grantee:** | Scott C Carr |
| **Date of Sale:** | May 27, 2016 |
| **Recording Data:** | 21600146177 |
| **County:** | Dallas |
| **Size:** | 2,386 SF |
| **Shape:** | Irregular |
| **Zoning:** | Single Family District |
| **Utilities:** | City Sewer, City Water |
| **Topography:** | Basically Level |
| **Consideration:** | $494,700 |
| **Per SF:** | $207.33 |
| **Terms:** | Cash to Seller |
| **Cash Equivalent Consideration:** | $494,700 |
| **Per SF:** | $207.33 |
| **Source:** | MLS/Deed Records |
| **Comments:** | This site is located on a two-lane interior street **which is** improved with alleyways. |

Every effort has been made to verify this information, including researching deed records, tax information, appraisal district information, zoning restrictions, flood plain maps, etc. However, the State of Texas does not require disclosure of real estate sale prices or terms, therefore we are dependant upon information obtained from parties with knowledge of the transaction. This information has been obtained from reliable sources and is assumed to be correct, but is in no way guaranteed by us to be accurate. Con-Real, LP reserves the right to revise any information regarding this comparable, should more accurate data become available.

## RESIDENTIAL ALLEY WAY SALE NO. 2



| | |
|---|---|
| **Mapsco:** | 27 P Dallas |
| **Location:** | 9628 Trailview Drive, Dallas, Texas |
| **Grantor:** | Billy, Leehy, & Mary Johnson |
| **Grantee:** | Clinton Todd & Williamson |
| **Date of Sale:** | September 14, 2016 |
| **Recording Data:** | 201600257695 |
| **County:** | Dallas |
| **Size:** | 2,017 SF |
| **Shape:** | Irregular |
| **Zoning:** | Single Family District |
| **Utilities:** | City Sewer, City Water |
| **Topography:** | Basically Level |
| **Consideration:** | $425,000 |
| **Per SF:** | $210.01 |
| **Terms:** | Cash to Seller |
| **Cash Equivalent Consideration:** | $425,000 |
| **Per SF:** | $210.01 |
| **Source:** | MLS/Deed Records |
| **Comments:** | This site is located on a two-lane interior street **which is** improved alleyways. |

Every effort has been made to verify this information, including researching deed records, tax information, appraisal district information, zoning restrictions, flood plain maps, etc. However, the State of Texas does not require disclosure of real estate sale prices or terms, therefore we are dependant upon information obtained from parties with knowledge of the transaction. This information has been obtained from reliable sources and is assumed to be correct, but is in no way guaranteed by us to be accurate. Con-Real, LP reserves the right to revise any information regarding this comparable, should more accurate data become available.

## RESIDENTIAL ALLEY WAY SALE NO. 3



| | |
|---|---|
| **Mapsco:** | 27 Y Dallas |
| **Location:** | 9817 Shoreview Road, Dallas, Texas |
| **Grantor:** | John T Schalekamp |
| **Grantee:** | Daniel B & Lauren L Rich |
| **Date of Sale:** | August 12, 2016 |
| **Recording Data:** | 201600225070 |
| **County:** | Dallas |
| **Size:** | 1,828 SF |
| **Shape:** | Basically Rectangular |
| **Zoning:** | Single Family District |
| **Utilities:** | City Sewer, City Water |
| **Topography:** | Basically Level |
| **Consideration:** | $395,000 |
| **Per SF:** | $216.08 |
| **Terms:** | Cash to Seller |
| **Cash Equivalent Consideration:** | $395,000 |
| **Per SF:** | $216.08 |
| **Source:** | MLS/Deed Records |
| **Comments:** | This site is located on a two-lane interior street **which is** improved with alleyways. |

Every effort has been made to verify this information, including researching deed records, tax information, appraisal district information, zoning restrictions, flood plain maps, etc. However, the State of Texas does not require disclosure of real estate sale prices or terms, therefore we are dependant upon information obtained from parties with knowledge of the transaction. This information has been obtained from reliable sources and is assumed to be correct, but is in no way guaranteed by us to be accurate. Con-Real, LP reserves the right to revise any information regarding this comparable, should more accurate data become available.

## Improved Residential Alley Way Sales
## Unimproved Alleyway vs. Improved Alleyways

| |  |  |  |  |
|---|---|---|---|---|
| **Location** | **Representation of Subject Property** 9412 Northpoint Drive, Dallas, Texas | **Sale 1** 9627 Estate Lane, Dallas, Texas | **Sale 2** 9628 Trailview Drive, Dallas, Texas | **Sale 3** 9817 Shoreview Road, Dallas, Texas |
| **Sales Price/ Per Square Foot** | $211.98 | $207.33 | $210.71 | $216.08 |
| **Eff. Sale Price** | $211.98 | $207.33 | $210.71 | $216.08 |
| **Size/SF** | 1,887<br>-0- | 2,386<br>+3% | 2,017<br>+2% | 1,828<br>-0- |
| **Curbs/Gutters** | **Yes** | **Yes** | **Yes** | **Yes** |
| **Alley Way** | **No** | **Yes** | **Yes** | **Yes** |
| **Location** | Average<br>-0- | Similiar<br>-0- | Similiar<br>-0- | Similiar<br>-0- |
| **Condition** | Average<br>-0- | Similar<br>-0- | Similar<br>-0- | Similar<br>-0- |
| **Percentage Adjustment** | | 3% | 2% | 0% |
| **Net Adjustment** | | $6.22 | $4.21 | $0.00 |
| **Adjusted Sale Price** | **$211.98** | **$213.55** | **$214.92** | **$216.08** |

The Representation of the Subject, at 9412 Northpoint Drive is a 1,887 square foot property that **did not** have **an alleyway** and sold for $211.98 per square foot. The sales comparables **did have alleyways** on their sites and sold at prices ranging from $207.33 to $216.08 per square foot. All of the sales are similar in locational characteristics in regards to surrounding developments, type of homes and assessed lot and dwelling values. Sales 1 and 2 are different from the Representation of Subject Property (9412 Northpoint Drive) by their respective sizes. Sales 1 and 2 were adjusted upward for their larger size in comparison to the Representation of the Subject Property to compensate for the difference in its price on a per square foot. There weren't any adjustments needed for location or condition since the sales comparables are located within the same neighborhood area of the Representation of the Subject, they are less than a mile away with similar conditions.

After making warranted adjustments to the sales comparables, a range of values of $213.55 to $216.08 per square foot was derived from Sale 1, 2, & 3. Based on the sales comparables in comparison to the subject property the variance between the subject property and comparables is less than 2%, which leads to the conclusion that there isn't a significant difference in pricing by not having alleyways.

# ASSESSMENT VALUATION PROCESS

The analyst acknowledges that the new street improvements will provide some enhancement to the overall value of the subject properties, but the improvements will not increase the value of the subject properties at the same rate the City is proposing to assess the property owners. As with all home improvements, the value of the enhancement is very rarely equal to or greater than the actual cost of the improvement. Samples of these types of improvements are: new roofs, replaced fencing, updating of flooring, kitchens, bathrooms, etc. Generally speaking, these type of repairs, renovations or enhancements cost more to replace/construct than they will ever return should the property be sold. A good example is the addition of a swimming pool. A typical swimming pool can cost $25,000 to install, but upon resale rarely yields $10,000 more than a similar property without a swimming pool. The same goes for a new roof. While a new roof may be a selling feature in trying to market the property, very rarely does the property owner ever realize a return on the sale of the property equal to the cost to install the new roof. The same is true with the proposed street improvements and accompanying sidewalks and drives. **Based on the market data gathered and examined by the analyst, it is my opinion that the market value of the subject properties will only experience a slight increase in value because of the proposed improvements.**

In an effort to be equitable to the property owners, given that all of the property owners are supposedly paying their fair share, it is our opinion that the property owners be assessed at a rate of 10% of the assessed value of the lot for the street improvements (concrete paving, curbs/gutters). The property owners are assessed at a rate of 25% of the construction cost of the alleyway pavement improvements and assessed at a rate of 50% of the estimated construction cost of the sidewalk and concrete drive improvements. The reason for the percentages of the construction costs for the alleyways, sidewalks, and concrete drives, is that the improvements do not provide a dramatic increase to the overall property, but offer additional benefit for the property owners. Some of the properties in the project areas already have sidewalks and drives. Those property owners should not be compelled to pay additional money for improvements that they already have in place. In some instances, particularly on the subject parcels with large tracts of land, 10% of the assessed land value is greater than the total estimated cost of the proposed improvements. This is due to the fact that these properties typically have a large amount of road frontage and benefit from greater exposure from the street, and in those instances the estimated cost of the improvements as proposed by the City of Dallas is the recommended amount.

**The Tables on the following pages in the Addenda identifies each of the subject properties, the assessment process employed by the City of Dallas, and finally, my estimation of a fair and reasonable value for the assessment.**

# ASSESSMENT VALUATION PROCESS (TABLES)

**PROJECT GROUP 12-3004**

**1. STEVENS STREET FROM CAYUGA DRIVE TO DAVILLA AVENUE AND DAVILLA AVENUE FROM STEVENS STREET TO DRAKE STREET SHALL BE PAVED FROM CURB TO CURB WITH 6-INCH THICK 4000-POUNDS PER SQUARE INCH REINFORCED CONCRETE PAVEMENT; WITH 8-INCH LIME STABILIZED BASE; WITH 6-INCH HEIGHT INTEGRAL CURBS; WITH 6-INCH THICKNESS REINFORCED CONCRETE DRIVE APPROACH; WITH 4-INCH THICKNESS REINFORCED CONCRETE SIDEWALKS 4 OR 5 FEET WIDE WHERE SPECIFIED; SO THAT THE ROADWAY SHALL BE 26 AND 36 FEET IN WIDTH**

**WEST SIDE OF STREET**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | ASSESSMENT | TOTAL ASSESSMENT VALUE- LAND | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| ***REINHART TOWN OF*** | | | | | | | | |
| RICHARD WINCORN<br>10118 CAYUGA ST STE 1<br>DALLAS, TX 75228 | 1 &<br>S 1/2 Lt 2<br>**10202**<br>**Cayuga Dr** | 14/5358 | 130 FT PVMT<br>108 FT WALK<br>17 SY DR(12'Wide) | $18.82<br>$4.71<br>$47.21 | $2,446.60<br>$508.68<br>$802.57 | **$3,757.85** | $2,300 (10% of lot value $23,000) | **$2,300.00**<br>**$254.34**<br>**$401.29**<br>**$2,955.63** |
| KENNETH W OCHS<br>1212 ELMWOOD DR<br>RICHARDSON, TX 75080 | 12 &<br>S 1/2 Lt 11<br>**1638**<br>**Stevens St** | 14/5358 | 67 FT PVMT<br>47 FT WALK<br>15 SY DR(10'Wide) | $90.00<br>$9.43<br>$47.21 | $6,030.00<br>$443.21<br>$708.15 | **$7,181.36** | $2,300 (10% of lot value $23,000) | **$2,300.00**<br>**$221.61**<br>**$354.08**<br>**$2,875.69** |
| ***EASTWOOD PARK*** | | | | | | | | |
| KENNETH W OCHS<br>1212 ELMWOOD DR<br>RICHARDSON, TX 75080 | 21<br>**1600**<br>**Stevens St** | 2/5344 | 58 FT PVMT<br>58 FT WALK | $90.00<br>$9.43 | $5,220.00<br>$546.94 | **$5,766.94** | $345 (10% of lot value $3,450) | **$345.00**<br>**$273.47**<br>**$618.47** |

1. **STEVENS STREET FROM CAYUGA DRIVE TO DAVILLA AVENUE AND DAVILLA AVENUE FROM STEVENS STREET TO DRAKE STREET SHALL BE PAVED FROM CURB TO CURB WITH 6-INCH THICK 4000-POUNDS PER SQUARE INCH REINFORCED CONCRETE PAVEMENT; WITH 8-INCH LIME STABILIZED BASE; WITH 6-INCH HEIGHT INTEGRAL CURBS; WITH 6-INCH THICKNESS REINFORCED CONCRETE DRIVE APPROACH; WITH 4-INCH THICKNESS REINFORCED CONCRETE SIDEWALKS 4 OR 5 FEET WIDE WHERE SPECIFIED; SO THAT THE ROADWAY SHALL BE 26 AND 36 FEET IN WIDTH**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | ASSESSMENT | TOTAL ASSESSMENT VALUE- LAND | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| | | | ***REINHARDT*** | | | | | |
| ARNULFO LOPEZ<br>10215 DAVILLA AVE<br>DALLAS, TX 75228 | 9 | 14/5358 | 35 FT PVMT<br>23 FT WALK<br>12 FT DRIVE | $90.00<br>$9.43<br>No Cost | $3,150.00<br>$216.89<br>$0.00 | **$3,366.89** | $2,300 (10% of lot value $23,000) | **$2,300.00**<br>**$108.45**<br>**$0.00**<br>**$2,408.45** |
| ESTATE OF<br>FAUSTO RODRIGUEZ<br>10219 DAVILLA AVE<br>DALLAS, TX 75228 | 8 | 14/5358 | 50 FT PVMT<br>38 FT WALK<br>12 FT DRIVE | $90.00<br>$9.43<br>No Cost | $4,500.00<br>$358.34<br>$0.00 | **$4,858.34** | $2,300 (10% of lot value $23,000) | **$2,300.00**<br>**$179.17**<br>**$0.00**<br>**$2,479.17** |
| | | | ***REINHART TOWN OF*** | | | | | |
| JESUS RODRIGUEZ<br>1641 DRAKE ST<br>DALLAS, TX 75228 | 7 | 14/5358 | 50 FT PVMT<br>30 FT WALK<br>18.3 SY DR(10'Wide) | $18.82<br>$4.71<br>$47.21 | $941.00<br>$141.30<br>$863.94 | **$1,946.24** | $2,300 (10% of lot value $23,000) | **$941.00**<br>**$70.65**<br>**$431.97**<br>**$1,443.62** |

**EAST SIDE OF STREET**

| | | | | |
|---|---|---|---|---|
| | | ***EASTWOOD PARK*** | | |
| NEVILLE CROWELL &<br>ANN R CROWELL<br>1122 CORDOVA ST<br>DALLAS, TX 75223 | 11<br>**10243**<br>**Sylvia Dr** | 2/5344 | NO ASSESSMENT<br>EASEMENT INTERVENING | |
| NICHOLAS J BALTHROP<br>10239 SYLVIA DR<br>DALLAS, TX 75228 | 10 | 2/5344 | 60 FT PVMT<br>19.4 SY DR(20'Wide) | $18.24<br>$47.21 | $1,094.40<br>$915.87 | **$2,010.27** | $2,300 (10% of lot value $23,000) | **$1,094.40**<br>**$457.94**<br>**$1,552.34** |
| DAVID CLEMENTS<br>5505 ANGLEBLUFF PL<br>PLANO, TX 75093 | 9<br>**10233**<br>**Sylvia Dr** | 2/5344 | 51 FT PVMT | $18.24 | $930.24 | **$930.24** | $2,300 (10% of lot value $23,000) | **$930.24**<br>**$930.24** |

1. **STEVENS STREET FROM CAYUGA DRIVE TO DAVILLA AVENUE AND DAVILLA AVENUE FROM STEVENS STREET TO DRAKE STREET SHALL BE PAVED FROM CURB TO CURB WITH 6-INCH THICK 4000-POUNDS PER SQUARE INCH REINFORCED CONCRETE PAVEMENT; WITH 8-INCH LIME STABILIZED BASE; WITH 6-INCH HEIGHT INTEGRAL CURBS; WITH 6-INCH THICKNESS REINFORCED CONCRETE DRIVE APPROACH; WITH 4-INCH THICKNESS REINFORCED CONCRETE SIDEWALKS 4 OR 5 FEET WIDE WHERE SPECIFIED; SO THAT THE ROADWAY SHALL BE 26 AND 36 FEET IN WIDTH**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | ASSESSMENT | TOTAL ASSESSMENT VALUE- LAND | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| HAWKINS WILLIE &<br>ANITA WILLIE<br>10227 SYLVIA DR<br>DALLAS, TX 75228 | 8 | 2/5344 | 32 FT PVMT | $18.24 | $583.68 | $583.68 | $2,300 (10% of lot value $23,000) | $583.68<br>$538.68 |
| ***EASTWOOD PARK*** | | | | | | | | |
| JESUS ALVAREZ &<br>PATRICIA C ALVAREZ<br>1651 STEVENS ST<br>DALLAS, TX 75228 | Pt 20 | 2/5344 | 152 FT PVMT<br>119 FT WALK<br>21.7 SY DR(23'Wide) | $90.00<br>$9.43<br>$47.21 | $13,680.00<br>$1,122.17<br>$1,024.46 | $15,826.63 | $2,300 (10% of lot value $23,000) | $2,300.00<br>$561.09<br>$512.23<br>$3,373.31 |
| RICHARD WINCORN<br>10118 CAYUGA DR STE 1<br>DALLAS, TX 75228 | 3A<br>Acs. 6451 | 13/5357 | 160 FT PVMT<br>135 FT WALK<br>25 FT DRIVE | $90.00<br>$9.43<br>No Cost | $14,400.00<br>$1,273.05<br>$0.00 | $15,673.05 | $8,430 (10% of lot value $84,300) | $8,430.00<br>$636.53<br>$0.00<br>$9,066.53 |

**PROJECT GROUP 12-3004**

**2. ALLEY SOUTHWEST AND PARALLEL TO SHOREVIEW ROAD FROM FOREST TRAIL TO EAGLE TRAIL TO NIMROD TRAIL SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT | TOTAL ASSESSMENT VALUE- ALLEY | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| **NORTHWEST SIDE OF ALLEY** | | | | | | | | |
| | | | ***WHITE ROCK NORTH 3RD INST*** | | | | | |
| MATTHEW HOPE & JENNIE-LAURIE DEVANE 9246 SHOREVIEW ROAD DALLAS, TX 75238 | 14 | A/5705 | 70 FT PVMNT | $18.24 | $1,276.80 | **$1,276.80** | $319.20 (25% of total assessment $1,276.80) | **$319.20** |
| | | | ***LAKE RIDGE ESTATES*** | | | | | |
| GEORGE B DAVIS 9252 SHOREVIEW RD DALLAS, TX 75238 | 13 | A/5705 | 70 FT PVMT | $18.24 | $1,276.80 | **$1,276.80** | $319.20 (25% of total assessment $1,276.80) | **$319.20** |
| SUZANNE BLACKNELL LARRY FLOURNOY JR 9306 SHOREVIEW RD DALLAS, TX 75238 | 12 | A/5705 | 70 FT PMVT | $18.24 | $1,276.80 | **$1,276.80** | $319.20 (25% of total assessment $1,276.80) | **$319.20** |
| ERIC THOMAS BARNHART JENNIFER ADAY 9310 SHOREVIEW RD DALLAS, TX 75238 | 11 | A/5705 | 70 FT PMVT | $18.24 | $1,276.80 | **$1,276.80** | $319.20 (25% of total assessment $1,276.80) | **$319.20** |
| BRIAN ANDERSON & STACIE ANDERSON 9316 SHOREVIEW RD DALLAS, TX 75238 | 10 | A/5705 | 70 FT PMVT | $18.24 | $1,276.80 | **$1,276.80** | $319.20 (25% of total assessment $1,276.80) | **$319.20** |

**2. ALLEY SOUTHWEST AND PARALLEL TO SHOREVIEW ROAD FROM FOREST TRAIL TO EAGLE TRAIL TO NIMROD TRAIL SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT | TOTAL ASSESSMENT VALUE- ALLEY | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| | | | *LAKE RIDGE ESTATES* | | | | | |
| SCOTT BREEDLOVE & JULIE BREEDLOVE 9320 SHOREVIEW RD DALLAS, TX 75238 | 9 | A/5705 | 70 FT PMVT | $18.24 | $1,276.80 | $1,276.80 | $319.20 (25% of total assessment $1,276.80) | $319.20 |
| | | | *SHORE CREST TERRACE* | | | | | |
| THOMAS LAMSON & ESTRELLA LAMSON 9326 SHOREVIEW RD DALLAS, TX 75238 | 8 | A/5705 | 70 FT PMVT | $18.24 | $1,276.80 | $1,276.80 | $319.20 (25% of total assessment $1,276.80) | $319.20 |
| DAVID E HARNDEN & LYNN HARNDEN 9330 SHOREVIEW RD DALLAS, TX 75238 | 7 | A/5705 | 80 FT PMVT | $18.24 | $1,459.20 | $1,459.20 | $364.80 (25% of total assessment $1,459.20) | $364.80 |
| THOMAS J HOWELL & JANE D HOWELL 9336 SHOREVIEW RD DALLAS, TX 75238 | 6 | A/5705 | 80 FT PMVT | $18.24 | $1,459.20 | $1,459.20 | $364.80 (25% of total assessment $1,459.20) | $364.80 |
| TONI SCOTT REED & JOE REED 9342 SHOREVIEW RD DALLAS, TX 75238 | 5 | A/5705 | 100 FT PMVT | $18.24 | $1,824.00 | $1,824.00 | $456.00 (25% of total assessment $1,824.00) | $456.00 |

2. **ALLEY SOUTHWEST AND PARALLEL TO SHOREVIEW ROAD FROM FOREST TRAIL TO EAGLE TRAIL TO NIMROD TRAIL SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT | TOTAL ASSESSMENT VALUE- ALLEY | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| **SOUTHEAST SIDE OF ALLEY** | | | | | | | | |
| | | | ***WHITE ROCK HIGHLANDS*** | | | | | |
| VIRGIL V POPE<br>8061 FOREST TRL<br>DALLAS, TX 75238 | 16 | 9/5445 | 50 FT PMVT | $18.24 | $912.00 | **$912.00** | $228.00 (25% of total assessment $912.00) | **$228.00** |
| VIRGIL V POPE<br>8061 FOREST TRL<br>DALLAS, TX 75238 | 15<br>**8058**<br>**EAGLE TRL** | 9/5445 | 50 FT PMVT | $18.24 | $912.00 | **$912.00** | $228.00 (25% of total assessment $912.00) | **$228.00** |
| **EAGLE TRAIL INTERSECTS** | | | | | | | | |
| PHILLIP G POLITO<br>8057 EAGLE TRL<br>DALLAS, TX 75238 | 14 | A/5445 | 50 FT PMVT<br>17.5 SY DR(15'Wide)<br>10 FT DRIVE | $18.24<br>$47.21<br>No Cost | $912.00<br>$826.18 | **$1,738.18** | $228.00 (25% of total assessment $912.00) | **$228.00**<br>**$413.09**<br>**$0.00**<br>**$641.09** |
| ROY C LIERMAN<br>8051 NIMROD TRL<br>DALLAS, TX 75238 | 13 | 8/5445 | 50 FT PMVT<br>10 FT DRIVE | $18.24<br>No Cost | $912.00 | **$912.00** | $228.00 (25% of total assessment $912.00) | **$228.00** |

## RECOMMENDATION:

The Sales Comparison Method was conducted for both the Street and Alley Group of properties. The Street Group showed a comparison between improved residential properties with and without curbs and gutters, sidewalks, or driveways. The Alley Group compared the improved residential properties with and without alleyways.

The Street Group: Stevens Street-Cayuga Drive to Davilla Avenue & Davilla Avenue from Stevens Street to Drake Street which encumbers 11 parcels, were represented within the Sales Comparison Method by a similar improved residential property "4027 Falls Drive, Dallas, Texas" which shared similar features as the group. The lack of credible sales available within the immediate market area required the analyst to utilize sales within a similar neighborhood for this analysis. Recent improved residential properties without improved driveways, sidewalks, and curbs/gutters were able to be obtain to show a similar comparison.

The Alley Group: The Alley southwest and parallel to Shoreview Road from Forest Trail to Nimrod Trail encumbers14 parcels, were represented within the Sales Comparison Method by a similar improved residential property without an alleyway "9412 Northpoint Drive, Dallas, Texas" which shared resembling attributes as the groups. Recent improved residential properties with alley ways were obtain to be compared to the above represented property.

The Street Group comparison method concluded that there isn't a significant increase in sales price for properties with curbs/gutters, driveways, and sidewalks when compared to sales of similar type of properties that did not possess those features. That does not necessarily mean that a property is not more marketable or attractive to a potential purchaser, it only means that based on the data we were able to gather and verify, we could not positively prove that a difference existed in the marketplace.

Despite the distance between the subject sites and the sales, we were able to gather enough data to perform a comparative analysis for The Alley Group properties. The comparison approach did not indicate that a premium was being paid for properties that possessed an alleyway when compared to sales of similar type properties that did not possess those features. Based on our market analysis in which information from various sources were obtained, we can conclude that an alleyway may be an attractive feature for a property based on the purchaser's preference.

However, the lack of an alley may not affect the desirability of the property within the real estate market. While it is true that the property owners will receive a nominal benefit from having a new concrete street improvement, sidewalks and drives, and alleyways the benefit received from these new items will only provide a minimal amount of enhanced value to the properties when compared to the largest portion of the value of the lot. As such, it is our contention that the subject properties will increase in value from the street and sidewalk improvements proposed by the City of Dallas, but not by the actual cost of the improvements. It is our opinion that the property owners should be assessed at a rate of 10% of the assessed value of the lot for the street improvements (concrete paving, curbs/gutters), the property owners be assessed at a rate of 50% of the estimated construction cost of the sidewalk and concrete drive improvements, and the property owners are assessed at a rate of 25% of the construction cost of the alleyway pavement improvements.

# CERTIFICATE

We do hereby certify that, except as otherwise noted in this report:

1. The statements of fact contained in this report are true and correct.

2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions.

3. We have no present or prospective interest in the property which is the subject of this report and we have no personal interest or bias with respect to the parties involved.

4. Our compensation is not contingent upon an action or event resulting from the analyses, opinions or conclusions in, or the use of, our report. This assignment was not based on a requested minimum valuation, a specific valuation, or approval of a loan.

5. Ownership and site data was obtained from information appearing on the Tax Rolls and from data provided by the client.

6. Troy Alley, Jr. has made a personal inspection of the property which is the subject of this report. Kristen Alley has also made a personal inspection of the property.

7. Kristen Alley provided significant professional assistance to the person signing this report.

8. The analyst(s) is not an employee, officer or appointed board or commission member of the City of Dallas. We did not consider race, color, religion, sex, national origin, handicap or familial status in determining the value of the Subject Property.

9. **THIS IS NOT AN OPINION OF VALUE, IT IS A ENHANCEMENT STUDY AND SHOULD NOT BE CONSIDERED AN APPRAISAL. In making any decision that relies upon our work, you should know that we have NOT followed the guidelines for development of an appraisal or analysis contained in the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation.**

**Con-Real, LP**

Troy C. Alley, Jr.
Sr. Analyst

Kristen Alley
Analyst

ORDINANCE NO._____

AN ORDINANCE LEVYING ASSESSMENTS AGAINST VARIOUS PERSONS AND THEIR PROPERTY FOR THE PAYMENT OF A PART OF THE COST OF IMPROVING AND PAVING PORTIONS OF THE FOLLOWING STREET AND ALLEY IN THE CITY OF DALLAS, TEXAS, TO WIT:

**Project Group 12-3004**

**Street:**

1. Stevens Street from Cayuga Drive to Davilla Avenue and Davilla Avenue from Stevens Street to Drake Street

**Alley:**

2. Alley southwest and parallel to Shoreview Road from Forest Trail to Eagle Trail to Nimrod Trail

PROVIDING FOR THE TIME WHEN SUCH ASSESSMENTS BECOME DUE AND PAYABLE, THE RATE OF INTEREST, AND FIXING A CHARGE AND LIEN AGAINST SAID PROPERTY AND MAKING SAID CHARGE A PERSONAL LIABILITY OF THE PROPERTY OWNERS OWNING PROPERTY ABUTTING ON SAID STREET AND ALLEY, AND PROVIDING FOR THE COLLECTION THEREOF; AND DECLARING AN EMERGENCY.

**WHEREAS,** heretofore a resolution was duly adopted by the City Council ordering the improvements of

**Project Group 12-3004**

**Street:**

1. Stevens Street from Cayuga Drive to Davilla Avenue and Davilla Avenue from Stevens Street to Drake Street

**Alley:**

2. Alley southwest and parallel to Shoreview Road from Forest Trail to Eagle Trail to Nimrod Trail

by filling, raising, grading, and paving same; and,

**WHEREAS,** pursuant to said resolution, specifications and an estimate of the cost of such improvements were prepared for said work by the Director of Mobility and Street Services (City Engineer), filed with said Council, examined, approved, and adopted by it, all as required by applicable law; and,

**WHEREAS,** in compliance with the law the City Engineer prepared his statements or lists showing the names of property owners upon said street and alley the description of their property, the total cost of the said improvements, the cost there of per front foot and cost to each property owner, said statements possessing all the other requisites required by law; and,

**WHEREAS,** thereafter the said statements were filed with the City Council and by them examined and approved and a resolution was passed by said Council determining the necessity of making an assessment for part of the cost of said pavement against property owners and their property, and fixing a time and providing for a hearing to such property owners, all in accordance with the terms of applicable law, at which hearing to such property owners were to be heard as to the benefits of the said improvements to their property, as to any error or invalidity in said proceedings, or to any matter or thing connected with the said improvements; and,

**WHEREAS,** the said resolution in connection with the improvement of said street and alley was duly adopted in compliance with the law on the 11th day of January, 2017; and,

**WHEREAS,** in accordance with the terms of the law, the City of Dallas gave notice to the property owners on said street and alleys of said hearing, by publishing a copy of said notice in the Dallas Morning News, a daily paper of general circulation in the City of Dallas, for three successive days prior to the days set for the hearing, to wit, the 22nd day of February, 2017; and the City also gave notice of said hearing by mailing letters containing the same to said property owners at least fourteen (14) days before the said hearing; provided, however, that any failure of the property owners to receive said notices shall not invalidate these proceedings; and,

**WHEREAS,** said hearing was held at the time and place mentioned in the said resolution and notice, to wit, on the 22nd day of February, 2017 at 1:00 o'clock P.M. at the Council Chamber in the City Hall of the City of Dallas, Texas, which hearing was then closed; and,

**WHEREAS,** at said hearing, all desiring to contest the said assessments, correct the same, or in any manner be heard concerning the benefits thereof, or in any related matter, were heard, and errors and all matters of error or mistake or inequalities or other matters requiring rectification which were called to the attention of the Council were rectified and corrected.

**Now, Therefore,**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS, TEXAS:**

**SECTION 1.** That the action of the City Council closing the hearing and overruling the protests at the public hearing on the 22nd day of February, 2017, in these proceedings is hereby ratified and confirmed by this ordinance. That the City Council, from the evidence, finds that the assessments herein levied should be made and levied against the respective parcels of property abutting upon the street and alley herein below mentioned and against the owners thereof; that such assessments and charges are right and proper, and are substantially in proportion to the benefits to the respective parcels of property by means of the improvement in the unit or district for which such assessments are levied, and establish substantial justice, equality, and uniformity between the respective owners of the respective properties between all parties concerned, considering the benefits received and burdens imposed. The Council further finds that in each case the abutting property assessed is specially benefited in enhanced value to the said properties by means of the said improvements in the unit or district upon which the particular property abuts, and for which assessment is levied and charge made, in a sum in excess of the said assessment and charge made against the same by this ordinance. The Council further finds that the apportionment of the cost of the improvements is in accordance with the law in force in this City and that the proceedings of the City heretofore had with reference to said improvements are in all respects valid and regular.

**SECTION 2.** That there shall be and is hereby levied and assessed against the parcels of property hereinbelow mentioned, and against the real and true owners thereof (whether such owners be correctly named herein or not), the sums of money below mentioned and itemized shown opposite the description of the respective parcels of property, and the several amounts assessed against the same and the owners thereof, as far as such owners are known, being as follows:

**PROJECT GROUP 12-3004**

**1. STEVENS STREET FROM CAYUGA DRIVE TO DAVILLA AVENUE AND DAVILLA AVENUE FROM STEVENS STREET TO DRAKE STREET SHALL BE PAVED FROM CURB TO CURB WITH 6-INCH THICK 4000-POUNDS PER SQUARE INCH REINFORCED CONCRETE PAVEMENT; WITH 8-INCH LIME STABILIZED BASE; WITH 6-INCH HEIGHT INTEGRAL CURBS; WITH 6-INCH THICKNESS REINFORCED CONCRETE DRIVE APPROACH; WITH 4-INCH THICKNESS REINFORCED CONCRETE SIDEWALKS 4 OR 5 FEET WIDE WHERE SPECIFIED; SO THAT THE ROADWAY SHALL BE 26 AND 36 FEET IN WIDTH**

| OWNER | LOT | BLOCK | FRONTAGE | | RATE | AMOUNT | TOTAL ASSESSMENT |
|---|---|---|---|---|---|---|---|
| **WEST SIDE OF STREET** | | | | | | | |
| | | | ***REINHART TOWN OF*** | | | | |
| RICHARD WINCORN | 1 & | 14/5358 | 130 | FT PVMT | $18.82 | $2,446.60 | |
| 10118 CAYUGA ST STE 1 | S 1/2 Lt 2 | | 108 | FT WALK | $4.71 | $508.68 | |
| DALLAS, TX 75228 | **10202** | | 17 | SY DR(12'Wide) | $47.21 | $802.57 | |
| | **Cayuga Dr** | | **TOTAL** | | | $3,757.85 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | | $802.22 | |
| | | | **NET DUE BY OWNER** | | | | **$2,955.63** |
| KENNETH W OCHS | 12 & | 14/5358 | 67 | FT PVMT | $90.00 | $6,030.00 | |
| 1212 ELMWOOD DR | S 1/2 Lt 11 | | 47 | FT WALK | $9.43 | $443.21 | |
| RICHARDSON, TX 75080 | **1638** | | 15 | SY DR(10'Wide) | $47.21 | $708.15 | |
| | **Stevens St** | | **TOTAL** | | | $7,181.36 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | | $4,305.67 | |
| | | | **NET DUE BY OWNER** | | | | **$2,875.69** |
| | | | ***EASTWOOD PARK*** | | | | |
| KENNETH W OCHS | 21 | 2/5344 | 58 | FT PVMT | $90.00 | $5,220.00 | |
| 1212 ELMWOOD DR | **1600** | | 58 | FT WALK | $9.43 | $546.94 | |
| RICHARDSON, TX 75080 | **Stevens St** | | **TOTAL** | | | $5,766.94 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | | $5,148.47 | |
| | | | **NET DUE BY OWNER** | | | | **$618.47** |
| | | | ***REINHARDT*** | | | | |
| ARNULFO LOPEZ | 9 | 14/5358 | 35 | FT PVMT | $90.00 | $3,150.00 | |
| 10215 DAVILLA AVE | | | 23 | FT WALK | $9.43 | $216.89 | |
| DALLAS, TX 75228 | | | 12 | FT DRIVE | No Cost | $0.00 | |
| | | | **TOTAL** | | | $3,366.89 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | | $958.44 | |
| | | | **NET DUE BY OWNER** | | | | **$2,408.45** |

**PROJECT GROUP 12-3004**

**1. STEVENS STREET FROM CAYUGA DRIVE TO DAVILLA AVENUE AND DAVILLA AVENUE FROM STEVENS STREET TO DRAKE STREET SHALL BE PAVED FROM CURB TO CURB WITH 6-INCH THICK 4000-POUNDS PER SQUARE INCH REINFORCED CONCRETE PAVEMENT; WITH 8-INCH LIME STABILIZED BASE; WITH 6-INCH HEIGHT INTEGRAL CURBS; WITH 6-INCH THICKNESS REINFORCED CONCRETE DRIVE APPROACH; WITH 4-INCH THICKNESS REINFORCED CONCRETE SIDEWALKS 4 OR 5 FEET WIDE WHERE SPECIFIED; SO THAT THE ROADWAY SHALL BE 26 AND 36 FEET IN WIDTH**

| OWNER | LOT | BLOCK | FRONTAGE | | RATE | AMOUNT | TOTAL ASSESSMENT |
|---|---|---|---|---|---|---|---|
| | | | ***REINHARDT*** | | | | |
| ESTATE OF | 8 | 14/5358 | 50 | FT PVMT | $90.00 | $4,500.00 | |
| FAUSTO RODRIGUEZ | | | 38 | FT WALK | $9.43 | $358.34 | |
| 10219 DAVILLA AVE | | | 12 | FT DRIVE | No Cost | $0.00 | |
| DALLAS, TX 75228 | | | **TOTAL** | | | $4,858.34 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | | $2,379.17 | |
| | | | **NET DUE BY OWNER** | | | | **$2,479.17** |
| | | | ***REINHART TOWN OF*** | | | | |
| JESUS RODRIGUEZ | 7 | 14/5358 | 50 | FT PVMT | $18.82 | $941.00 | |
| 1641 DRAKE ST | | | 30 | FT WALK | $4.71 | $141.30 | |
| DALLAS, TX 75228 | | | 18.3 | SY DR(10'Wide) | $47.21 | $863.94 | |
| | | | **TOTAL** | | | $1,946.24 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | | $502.62 | |
| **EAST SIDE OF STREET** | | | **NET DUE BY OWNER** | | | | **$1,443.62** |
| | | | ***EASTWOOD PARK*** | | | | |
| NEVILLE CROWELL & | 11 | 2/5344 | NO ASSESSMENT | | | | |
| ANN R CROWELL | **10243** | | EASEMENT INTERVENING | | | | |
| 1122 CORDOVA ST | **Sylvia Dr** | | | | | | |
| DALLAS, TX 75223 | | | | | | | |
| NICHOLAS J BALTHROP | 10 | 2/5344 | 60 | FT PVMT | $18.24 | $1,094.40 | |
| 10239 SYLVIA DR | | | 19.4 | SY DR(20'Wide) | $47.21 | $915.87 | |
| DALLAS, TX 75228 | | | **TOTAL** | | | $2,010.27 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | | $457.93 | |
| | | | **NET DUE BY OWNER** | | | | **$1,552.34** |

**PROJECT GROUP 12-3004**

**1. STEVENS STREET FROM CAYUGA DRIVE TO DAVILLA AVENUE AND DAVILLA AVENUE FROM STEVENS STREET TO DRAKE STREET SHALL BE PAVED FROM CURB TO CURB WITH 6-INCH THICK 4000-POUNDS PER SQUARE INCH REINFORCED CONCRETE PAVEMENT; WITH 8-INCH LIME STABILIZED BASE; WITH 6-INCH HEIGHT INTEGRAL CURBS; WITH 6-INCH THICKNESS REINFORCED CONCRETE DRIVE APPROACH; WITH 4-INCH THICKNESS REINFORCED CONCRETE SIDEWALKS 4 OR 5 FEET WIDE WHERE SPECIFIED; SO THAT THE ROADWAY SHALL BE 26 AND 36 FEET IN WIDTH**

| OWNER | LOT | BLOCK | FRONTAGE | | RATE | AMOUNT | TOTAL ASSESSMENT |
|---|---|---|---|---|---|---|---|
| | | | ***EASTWOOD PARK*** | | | | |
| DAVID CLEMENTS<br>5505 ANGLEBLUFF PL<br>PLANO, TX 75093 | 9<br>**10233**<br>**Sylvia Dr** | 2/5344 | 51 | FT PVMT | $18.24 | $930.24 | **$930.24** |
| HAWKINS WILLIE &<br>ANITA WILLIE<br>10227 SYLVIA DR<br>DALLAS, TX 75228 | 8 | 2/5344<br>**TOTAL**<br>**ADJ PER ENHANCEMENT EVAL.**<br>**NET DUE BY OWNER** | 32 | FT PVMT | $18.24 | $583.68<br>$583.68<br>$45.00 | **$538.68** |
| JESUS ALVAREZ &<br>PATRICIA C ALVAREZ<br>1651 STEVENS ST<br>DALLAS, TX 75228 | Pt 20 | 2/5344<br>**TOTAL**<br>**ADJ PER ENHANCEMENT EVAL.**<br>**NET DUE BY OWNER** | 152<br>119<br>21.7 | FT PVMT<br>FT WALK<br>SY DR(23'Wide) | $90.00<br>$9.43<br>$47.21 | $13,680.00<br>$1,122.17<br>$1,024.46<br>$15,826.63<br>$12,453.32 | **$3,373.31** |
| RICHARD WINCORN<br>10118 CAYUGA DR STE 1<br>DALLAS, TX 75228 | 3A<br>Acs. 6451 | 13/5357<br>**TOTAL**<br>**ADJ PER ENHANCEMENT EVAL.**<br>**NET DUE BY OWNER** | 160<br>135<br>25 | FT PVMT<br>FT WALK<br>FT DRIVE | $90.00<br>$9.43<br>No Cost | $14,400.00<br>$1,273.05<br>$0.00<br>$15,673.05<br>$6,606.52 | **$9,066.53** |

**PROJECT GROUP 12-3004**

**1. STEVENS STREET FROM CAYUGA DRIVE TO DAVILLA AVENUE AND DAVILLA AVENUE FROM STEVENS STREET TO DRAKE STREET**

| | | |
|---|---|---|
| TOTAL PROPERTY OWNERS' COST ASSESSMENTS | $61,901.49 | |
| ADJUSTMENTS PER ENHANCEMENT EVALUATION | $33,659.36 | |
| NET DUE BY OWNER | | $28,242.13 |
| TOTAL CITY OF DALLAS' COST - PAVING | $442,047.87 | |
| TOTAL CITY OF DALLAS' COST - DRAINAGE | $54,860.00 | |
| TOTAL DALLAS WATER UTILITIES COST WATER AND WASTEWATER MAIN CONSTRUCTION | $104,077.00 | |
| TOTAL CITY OF DALLAS' COST | | $600,984.87 |
| TOTAL COST OF IMPROVEMENTS | | $629,227.00 |

**PROJECT GROUP 12-3004**

**2. ALLEY SOUTHWEST AND PARALLEL TO SHOREVIEW ROAD FROM FOREST TRAIL TO EAGLE TRAIL TO NIMROD TRAIL SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT(S) | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT |
|---|---|---|---|---|---|---|
| **NORTHWEST SIDE OF ALLEY** | | | | | | |
| | | | ***WHITE ROCK NORTH 3RD INST*** | | | |
| MATTHEW HOPE & | 14 | A/5705 | 70 FT PVMNT | $18.24 | $1,276.80 | |
| JENNIE-LAURIE DEVANE | | | **TOTAL** | | $1,276.80 | |
| 9246 SHOREVIEW ROAD | | | **ADJ PER ENHANCEMENT EVAL.** | | $957.60 | |
| DALLAS, TX 75238 | | | **NET DUE BY OWNER** | | | **$319.20** |
| | | | ***LAKE RIDGE ESTATES*** | | | |
| GEORGE B DAVIS | 13 | A/5705 | 70 FT PVMT | $18.24 | $1,276.80 | |
| 9252 SHOREVIEW RD | | | **TOTAL** | | $1,276.80 | |
| DALLAS, TX 75238 | | | **ADJ PER ENHANCEMENT EVAL.** | | $957.60 | |
| | | | **NET DUE BY OWNER** | | | **$319.20** |
| SUZANNE BLACKNELL | 12 | A/5705 | 70 FT PMVT | $18.24 | $1,276.80 | |
| LARRY FLOURNOY JR | | | **TOTAL** | | $1,276.80 | |
| 9306 SHOREVIEW RD | | | **ADJ PER ENHANCEMENT EVAL.** | | $957.60 | |
| DALLAS, TX 75238 | | | **NET DUE BY OWNER** | | | **$319.20** |
| ERIC THOMAS BARNHART | 11 | A/5705 | 70 FT PMVT | $18.24 | $1,276.80 | |
| JENNIFER ADAY | | | **TOTAL** | | $1,276.80 | |
| 9310 SHOREVIEW RD | | | **ADJ PER ENHANCEMENT EVAL.** | | $957.60 | |
| DALLAS, TX 75238 | | | **NET DUE BY OWNER** | | | **$319.20** |
| BRIAN ANDERSON & | 10 | A/5705 | 70 FT PMVT | $18.24 | $1,276.80 | |
| STACIE ANDERSON | | | **TOTAL** | | $1,276.80 | |
| 9316 SHOREVIEW RD | | | **ADJ PER ENHANCEMENT EVAL.** | | $957.60 | |
| DALLAS, TX 75238 | | | **NET DUE BY OWNER** | | | **$319.20** |

**PROJECT GROUP 12-3004**

**2. ALLEY SOUTHWEST AND PARALLEL TO SHOREVIEW ROAD FROM FOREST TRAIL TO EAGLE TRAIL TO NIMROD TRAIL SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT(S) | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT |
|---|---|---|---|---|---|---|
| | | | ***LAKE RIDGE ESTATES*** | | | |
| SCOTT BREEDLOVE & JULIE BREEDLOVE<br>9320 SHOREVIEW RD<br>DALLAS, TX 75238 | 9 | A/5705 | 70 FT PMVT | $18.24 | $1,276.80 | |
| | | | **TOTAL** | | $1,276.80 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | $957.60 | |
| | | | **NET DUE BY OWNER** | | | **$319.20** |
| THOMAS LAMSON & ESTRELLA LAMSON<br>9326 SHOREVIEW RD<br>DALLAS, TX 75238 | 8 | A/5705 | 70 FT PMVT | $18.24 | $1,276.80 | |
| | | | **TOTAL** | | $1,276.80 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | $957.60 | |
| | | | **NET DUE BY OWNER** | | | **$319.20** |
| DAVID E HARNDEN & LYNN HARNDEN<br>9330 SHOREVIEW RD<br>DALLAS, TX 75238 | 7 | A/5705 | 80 FT PMVT | $18.24 | $1,459.20 | |
| | | | **TOTAL** | | $1,459.20 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | $1,094.40 | |
| | | | **NET DUE BY OWNER** | | | **$364.80** |
| THOMAS J HOWELL & JANE D HOWELL<br>9336 SHOREVIEW RD<br>DALLAS, TX 75238 | 6 | A/5705 | 80 FT PMVT | $18.24 | $1,459.20 | |
| | | | **TOTAL** | | $1,459.20 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | $1,094.40 | |
| | | | **NET DUE BY OWNER** | | | **$364.80** |
| TONI SCOTT REED & JOE REED<br>9342 SHOREVIEW RD<br>DALLAS, TX 75238 | 5 | A/5705 | 100 FT PMVT | $18.24 | $1,824.00 | |
| | | | **TOTAL** | | $1,824.00 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | $1,368.00 | |
| | | | **NET DUE BY OWNER** | | | **$456.00** |

**PROJECT GROUP 12-3004**

**2. ALLEY SOUTHWEST AND PARALLEL TO SHOREVIEW ROAD FROM FOREST TRAIL TO EAGLE TRAIL TO NIMROD TRAIL SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT(S) | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT |
|---|---|---|---|---|---|---|
| **SOUTHEAST SIDE OF ALLEY** | | | ***WHITE ROCK HIGHLANDS*** | | | |
| VIRGIL V POPE | 16 | 9/5445 | 50 FT PMVT | $18.24 | $912.00 | |
| 8061 FOREST TRL | | | **TOTAL** | | $912.00 | |
| DALLAS, TX 75238 | | | **ADJ PER ENHANCEMENT EVAL.** | | $684.00 | |
| | | | **NET DUE BY OWNER** | | | **$228.00** |
| VIRGIL V POPE | 15 | 9/5445 | 50 FT PMVT | $18.24 | $912.00 | |
| 8061 FOREST TRL | **8058** | | **TOTAL** | | $912.00 | |
| DALLAS, TX 75238 | **EAGLE TRL** | | **ADJ PER ENHANCEMENT EVAL.** | | $684.00 | |
| | | | **NET DUE BY OWNER** | | | **$228.00** |
| **EAGLE TRAIL INTERSECTS** | | | | | | |
| PHILLIP G POLITO | 14 | A/5445 | 50 FT PMVT | $18.24 | $912.00 | |
| 8057 EAGLE TRL | | | 17.5 SY DR(15'Wide) | $47.21 | $826.18 | |
| DALLAS, TX 75238 | | | 10 FT DRIVE | No Cost | $0.00 | |
| | | | **TOTAL** | | $1,738.18 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | $1,097.09 | |
| | | | **NET DUE BY OWNER** | | | **$641.09** |
| ROY C LIERMAN | 13 | 8/5445 | 50 FT PMVT | $18.24 | $912.00 | |
| 8051 NIMROD TRL | | | 10 FT DRIVE | No Cost | $0.00 | |
| DALLAS, TX 75238 | | | **TOTAL** | | $912.00 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | $684.00 | |
| | | | **NET DUE BY OWNER** | | | **$228.00** |

**PROJECT GROUP 12-3004**

**2. ALLEY SOUTHWEST AND PARALLEL TO SHOREVIEW ROAD FROM FOREST TRAIL TO EAGLE TRAIL TO NIMROD TRAIL**
**SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| | | |
|---|---|---|
| TOTAL PROPERTY OWNERS' COST ASSESSMENTS | $18,154.18 | |
| ADJUSTMENTS PER ENHANCEMENT EVALUATION | $13,409.09 | |
| NET DUE BY OWNER | | $4,745.09 |
| TOTAL CITY OF DALLAS' COST - PAVING | $182,714.91 | |
| TOTAL DALLAS WATER UTILITIES COST WATER MAIN CONSTRUCTION | $56,365.00 | |
| TOTAL CITY OF DALLAS' COST | | $239,079.91 |
| TOTAL COST OF IMPROVEMENTS | | $243,825.00 |

**Project Group 12-3004**

**Street:**

1. Stevens Street from Cayuga Drive to Davilla Avenue and Davilla Avenue from Stevens Street to Drake Street

**Alley:**

2. Alley southwest and parallel to Shoreview Road from Forest Trail to Eagle Trail to Nimrod Trail

| | | |
|---|---|---|
| Grand Total Property Owners' Cost - Assessments | $80,055.67 | |
| Adjustments Per Enhancement Evaluation | $47,068.45 | |
| Grand Net Due by Owner | | $32,987.22 |
| Grand Total City of Dallas' Cost - Paving | $624,762.78 | |
| Grand Total City of Dallas' Cost - Drainage | $54,860.00 | |
| Grand Total Water Utilities Department Cost Water and Wastewater Mains | $160,442.00 | |
| Grand Total City of Dallas' Cost | | $840,064.78 |
| Grand Total Cost of Improvements | | $873,052.00 |

**SECTION 3.** That where more than one person, firm or corporation owns an interest in any property above described, each said person, firm or corporation shall be personally liable for its, his or her pro rata of the total assessment against such property in proportion as its, his or her respective interest bears to the total ownership of such property, and its, his or her respective interest in such property may be released from the assessment lien upon payment of such proportionate sum.

**SECTION 4.** That the several sums above mentioned and assessed against the said parcels of property and the owners thereof, and interest thereon at the rate of eight per centum (8.00%) per annum, together with reasonable attorney's fees and costs of collection, if incurred, are hereby declared to be and are made a lien upon the respective parcels of property against which the same are assessed, and a personal liability and charge against the real and true owners of such property, whether such owners be named herein or not, and the said liens shall be and constitute the first enforceable lien and claim against the property on which such assessments are levied, and shall be a first paramount lien thereon, superior to all other liens and claims except State, County, School District and City ad valorem taxes.

That the cost shall be assessed against said owners and their property respectively, in accordance with what is known as the "Front-Foot Plan", in proportion as the frontage of the property of each owner is to the whole frontage improved and shall be payable in monthly installments not to exceed one hundred twenty (120) in number, the first of which shall be payable within thirty (30) days from the date of the completion of said improvements and their acceptance by the City of Dallas, and one installment each month thereafter until paid, together with interest thereon at the current rate established and adopted by the City Council applicable to Public Improvement Assessment Accounts being paid by installments and not to exceed the statutory rate, with the provision that any of said installments may be paid at any time before maturity by the payment of the principal and the accrued interest thereon. Any property owner against whom and whose property assessment has been levied may pay the whole assessment chargeable to him without interest within thirty (30) days after the acceptance and completion of said improvements.

**SECTION 5.** That if default be made in the payment of any of the said sums hereby assessed against said property owners and their property, collection thereof shall be enforced either by suit in any court having jurisdiction or by lien foreclosure.

**SECTION 6.** That for the purpose of evidencing the several sums payable by said property owners and the time and terms of payment, and to aid in the enforcement thereof, assignable certificates may be issued by the City of Dallas upon the completion and acceptance of the said work of improvement, which shall be executed by the Mayor, signing the same or by his facsimile signature impressed thereon, attested by the City Secretary, under the impress of the corporate seal, and shall be payable to the City of Dallas, or its assigns, which certificate shall declare the said amounts and the time and terms of payment thereof, and the said rate of interest payable thereof, and shall contain the name of the owner and the description of his property by Lot or Block Number of front feet thereof, or such description as may otherwise identify the same by reference to any other fact, and if said property shall be owned by an estate, then the description thereof as so owned shall be sufficient.

And that the said certificates shall further provide that if default shall be made in the payment of any installment of principal or interest thereon, when due then at the option of the said City of Dallas being the owner and holder thereof, the whole of the said assessment shall at once become due and payable and shall be collectible with reasonable attorney's fees and costs if incurred.

And that the said certificates shall further set forth and evidence the said personal liability of the owner and the lien upon his premises and shall provide that if default shall be made in the payment thereof, the same may be enforced as above provided.

And the said certificates shall further recite that the proceedings with reference to making said improvements have been regularly in compliance with the terms of the applicable law, and that all prerequisites to the fixing of the lien and claims of personal liability evidenced by such certificates have been performed, which recitals shall be prima facie evidence of the facts so recited and no further proof thereof shall be required.

That the said certificates shall also provide that the amounts payable thereunder shall be paid to the City Controller of the City of Dallas, who shall credit said payments upon the said certificates, and shall immediately deposit the amounts so collected with the City Treasurer of the City of Dallas, to be kept and held by him in a special fund, which is hereby designated as Capital Assessments Fund and which payments shall be by the Treasurer paid to the said City of Dallas or other holder of the said certificates, on presentation thereof to him, duly credited by the City Controller the said credit by said City Controller being the Treasurer's Warranty for making such payment and the said City of Dallas or other holder of said certificate, shall receipt in writing to said Treasurer when paid in full, together with all costs of collection.

**SECTION 6.** (Continued)

And that the said certificates shall further provide that the City of Dallas shall exercise all legal power, when requested so to do by the holder of said certificate, to aid in the collection thereof; but the City of Dallas shall in nowise be liable to the holder of said certificates in any manner for payment of the amount evidenced by the said certificates or for any costs or expense in the premises, or for any failure of the said City Council or any of its officers in connection therewith.

Full power to make and levy reassessments, and to correct mistakes, errors, invalidates or irregularities, either in the assessments or in the certificates issued in evidence thereof, is in accordance with the law in force in this City, vested in the City.

**SECTION 7.** That all assessments levied are a personal liability and charged against the real and true owners of the premises described, notwithstanding such owners may not be named, or may be incorrectly named.

**SECTION 8.** That the assessments herein levied are made and levied under and by virtue of the terms, powers and provisions of an Act passed at the First Called Session of the Fortieth Legislature of the State of Texas, known as Chapter 106 of the Acts of said Session, with amendments thereto, now shown as Texas Transportation Code Annotated Section 311 and 313 (Vernon's 1996), which said law has been adopted as an alternative method for the construction of street and alley improvements in the City of Dallas, Texas, by Chapter XX of the Charter of the City of Dallas.

**SECTION 9.** That the assessments so levied are for the improvements in the particular unit or district upon which the property described abuts, and the assessments for the improvements in one unit or district are in nowise related to or connected with the improvements in any other unit or district, and in making assessments and in holding said hearing, the amounts assessed for improvements in one unit or district have been in nowise affected by any fact in anywise connected with the improvements or the assessments therefore in any other unit or district.

**SECTION 10.** That the City Manager, or his designee, is hereby authorized to execute releases of any paving assessment liens herein levied and assessed against the parcels of property and owners thereof, if same are fully paid, such releases to be approved as to form by the City Attorney and attested by the City Secretary.

**SECTION 11.** That this Ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly ordained.

APPROVED AS TO FORM:
LARRY E. CASTO
City Attorney

BY _____
Assistant City Attorney

Prepared by _____
Project Coordinator

Approved by _____
Director, Mobility and Street Services Department

February 22, 2017

**WHEREAS,** on January 11, 2017, Resolution No. 17-0081 authorized improvements and the public hearing; and,

**WHEREAS,** bids were received on December 2, 2016, for street and alley paving, storm drainage, water and wastewater main improvements for Project Group 12-3004, as follows:

| **BIDDERS** | **BID AMOUNT** |
|---|---|
| MACVAL Associates LLC | $ 873,052.00 |
| Jeske Construction Co. | $ 911,793.00 |
| Axis Contracting, Inc. | $1,005,144.00 |
| Camino Construction, LP | $1,024,979.50 |
| ARK Contracting Services | $1,107,892.00 |

**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 a construction contract with MACVAL Associates, LLC for the construction of street and alley paving, storm drainage and water and wastewater main improvements for Project Group 12-3004, in an amount not to exceed $873,052.00, this being the lowest responsive bid received as indicated by the tabulation of bids, after it has been approved as to form by the City Attorney.

**Section 2.** That the Chief Financial Officer is hereby authorized to disburse funds in accordance with the terms and conditions of the contract from:

Street and Transportation Improvements Fund
Fund 3U22, Department STS, Unit S208, Act. APET
Obj. 4510, Program #PB12S208, CT STS12S208E1
Vendor # VS0000025999, in an amount not to exceed $187,460.00

Street and Transportation Improvements Fund
Fund 3U22, Department STS, Unit S426, Act. STPT
Obj. 4510, Program # PB12S426, CT STS12S208E1
Vendor # VS0000025999, in an amount not to exceed $525,150.00

| | |
|---|---|
| Water Construction Fund<br>Fund 0102, Department DWU, Unit CW42, Obj. 4550,<br>Program #717009, CT-PBW717009CP,<br>Vendor #VS0000025999, in an amount not to exceed | $86,971.00 |
| Water Construction Fund<br>Fund 0102, Department DWU, Unit CW42, Obj. 3221,<br>Program #717009X, CT-PBW717009EN,<br>Vendor #VS0000025999, in an amount not to exceed | $6,490.00 |
| Wastewater Construction Fund<br>Fund 0103, Department DWU, Unit CS42, Obj. 3222,<br>Program #717010X, CT-PBW717010EN,<br>Vendor #VS0000025999, in an amount not to exceed | $3,220.00 |
| Wastewater Capital Improvement Fund<br>Fund 3116, Department DWU, Unit PS42, Obj. 4560,<br>Program #717010, CT-PBW717010CP,<br>Vendor #VS0000025999, in an amount not to exceed | $63,761.00 |
| Total in an amount not to exceed | $873,052.00 |

**Section 3.** 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.

**AGENDA ITEMS # 91,92**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 3, 14

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 42 Z 45 K 45 L, Q

## SUBJECT

**The Neiman Marcus Group LLC**

* A public hearing to receive comments concerning the City of Dallas' participation in the Texas Enterprise Zone Program pursuant to the Texas Enterprise Zone Act, Chapter 2303 Texas Government Code as amended, in order to allow the nomination of The Neiman Marcus Group LLC, located at 4121 Pinnacle Point Drive, 1700 Pacific Avenue, 1201 Elm Street and 1618 Main Street in Dallas as an Enterprise Zone Project - Financing: No cost consideration to the City

* Authorize an ordinance to: **(1)** ordain the City of Dallas' participation in the Texas Enterprise Zone Program pursuant to the Texas Enterprise Zone Act, Chapter 2303 Texas Government Code as revised; and **(2)** nominate The Neiman Marcus Group LLC located at 4121 Pinnacle Point Drive, 1700 Pacific Avenue, 1201 Elm Street and 1618 Main Street in Dallas to receive designation as an Enterprise Project under the Texas Enterprise Zone Act, as amended (Government Code, Chapter 2303) to the Office of the Governor Economic Development and Tourism through the Economic Development Bank – Financing: No cost consideration to the City

## BACKGROUND

The City Council is asked to facilitate a public hearing for the purpose of receiving comments on the City's participation in the Texas Enterprise Zone Program as required by the Texas Enterprise Zone Act, Chapter 2303 Texas Government Code. Upon completing the public hearing, Council will then be asked to authorize an ordinance to: (1) ordain the City's participation in the Texas Enterprise Zone Program; and (2) nominate The Neiman Marcus Group LLC (located at 4121 Pinnacle Point Drive, 1700 Pacific Avenue, 1201 Elm Street and 1618 Main Street) to receive designation as an Enterprise Project to the Office of the Governor Economic Development and Tourism.

**BACKGROUND** (Continued)

The recent adoption of new guidelines and criteria for the Public/Private Partnership Program necessitates the new ordinance and public hearing.

The City of Dallas has been approached by The Neiman Marcus Group LLC (Neiman Marcus) to nominate its application for an Enterprise Project designation to the Governor's Office of Economic Development and Tourism. The designation will allow for a rebate of state sales and use tax refunds on qualified expenditures of up to $2,500 per job created or retained.

Four Neiman Marcus locations will be pertinent to the application. Neiman Marcus' Pinnacle Park facility, located at 4121 Pinnacle Point Drive, Dallas, Texas, is within an Enterprise Zone and serves chiefly as a fulfillment and consolidation center. The facility houses "ship alone" products for Neiman Marcus' direct and Horchow divisions. The Pinnacle Park facility also consolidates all shipments for Neiman Marcus business units that are shipped from vendors located within the state of Texas and has expanded its operations to include fulfillment and distribution services for the Last Call division and Neiman Marcus' new business offering branded, "off-price" merchandise. Neiman Marcus Downtown Headquarters (1618 Main Street), Renaissance Tower (1201 Elm Street) and the 1700 Pacific Avenue offices in downtown Dallas are not located within an Enterprise Zone. These three locations house the executives and buyers who manage the Last Call division, as well as other administrative personnel who provide the support functions for the Pinnacle Park facility.

Between October 2016 and December 2021, Neiman Marcus anticipates spending over $5 million in capital investments to renovate and update its Pinnacle Park, Downtown Headquarters, Renaissance Tower, and Pacific Avenue locations. These planned investments include, but may not be limited to, the following: upgraded elevator shuttles and conveying equipment for added comfort and employee mobility, HVAC System and its controls, sewer lines and related necessary plumbing renovations, and an emergency generator improving employee and facility safety. In addition, the offices of the Downtown Headquarters location, along with Pinnacle Park, will also receive substantial renovations.

Neiman Marcus currently employs over 1,100 full time jobs at the four Dallas facilities noted and plans to apply for the retention designation of the Enterprise Zone program, identifying 500 jobs to be retained for this State of Texas benefit.

This project has no cost consideration to the City of Dallas. The four Neiman Marcus locations are in non-target areas; however the proposal does conform with the Public Private Program Guidelines and Criteria in that it involves an investment of over $5 million and more than 100 jobs.

**BACKGROUND** (Continued)

**The Texas Enterprise Zone Program** is an economic development tool for local communities to partner with the State of Texas to promote job creation and significant private investment that will assist economically distressed areas of the state.

Approved projects are eligible to apply for state sales and use tax refunds on qualified expenditures. The level and amount of refund is related to the capital investment and jobs created at the qualified business site. The Enterprise Zone Program is administered through the Office of the Governor, Economic Development Bank.

The program allows for a 90-day period prior to the application being submitted, and a five-year window of benefit for a project. The 90-day window for this project started October 18, 2016 and the project designation will end March 1, 2022. This project involves 500 jobs allocated to the program and a maximum refund of $2,500 per job. The company anticipates receiving a maximum potential refund of $1,250,000 should it receive a designation.

Projects may be physically located in or outside of an Enterprise Zone to qualify for the program. If located within an Enterprise Zone, the company must commit that at least 25 percent of their retained employees will meet economically disadvantaged or enterprise zone residency requirements. If located outside of a zone, the company must commit that at least 35 percent of their new employees will meet economically disadvantaged or enterprise zone residency requirements.

**ESTIMATED SCHEDULE OF THE DESIGNATION**

| | |
|---|---|
| Began window for benefit | October 2016 |
| Benefit window ends | March 2022 |

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

Information about this item was provided to the Economic Development Committee on January 17, 2017.

The public hearing for this item was authorized on February 8, 2017.

**FISCAL INFORMATION**

No cost consideration to the City

**OWNER**

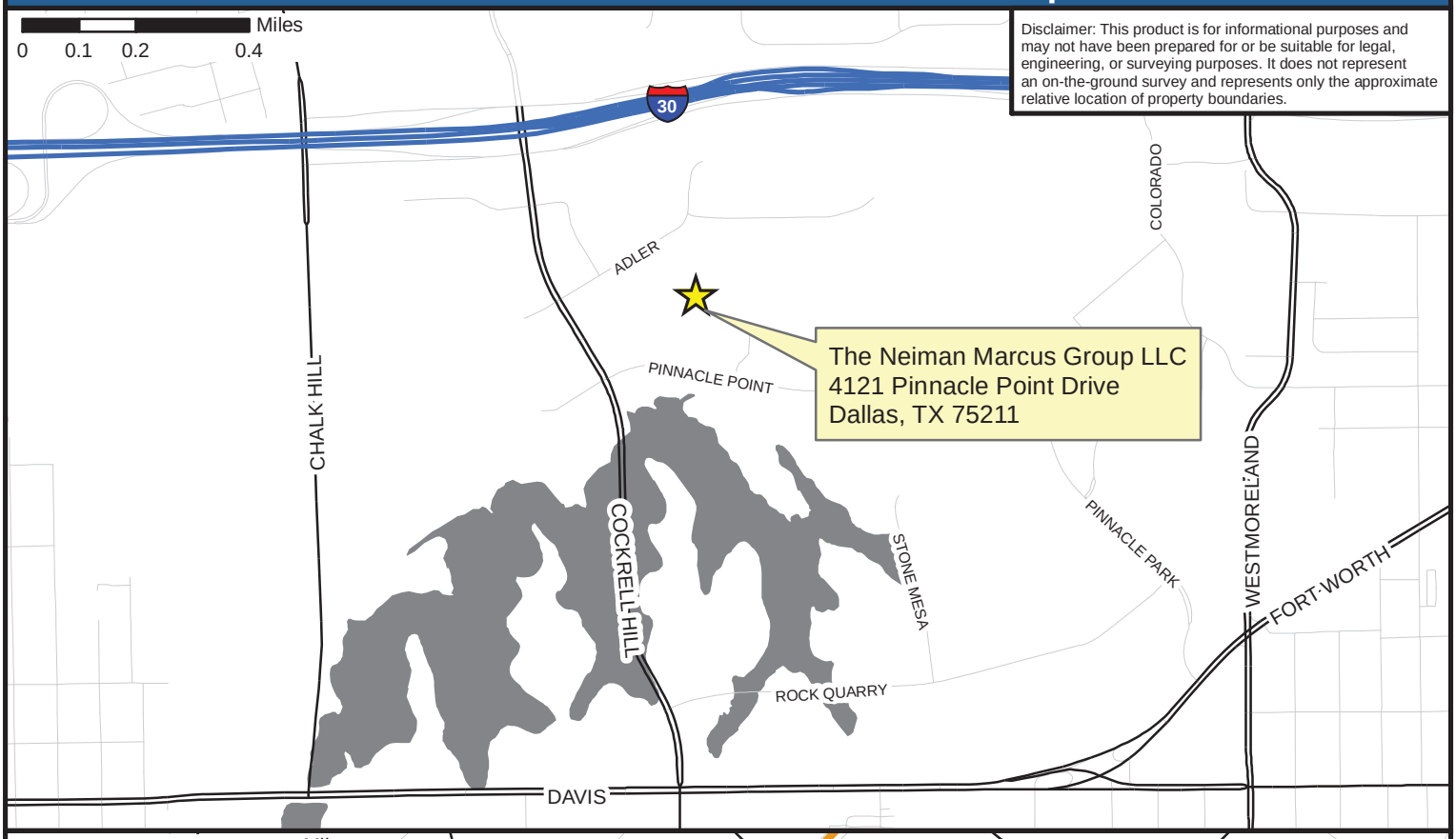
**The Neiman Marcus Group LLC**

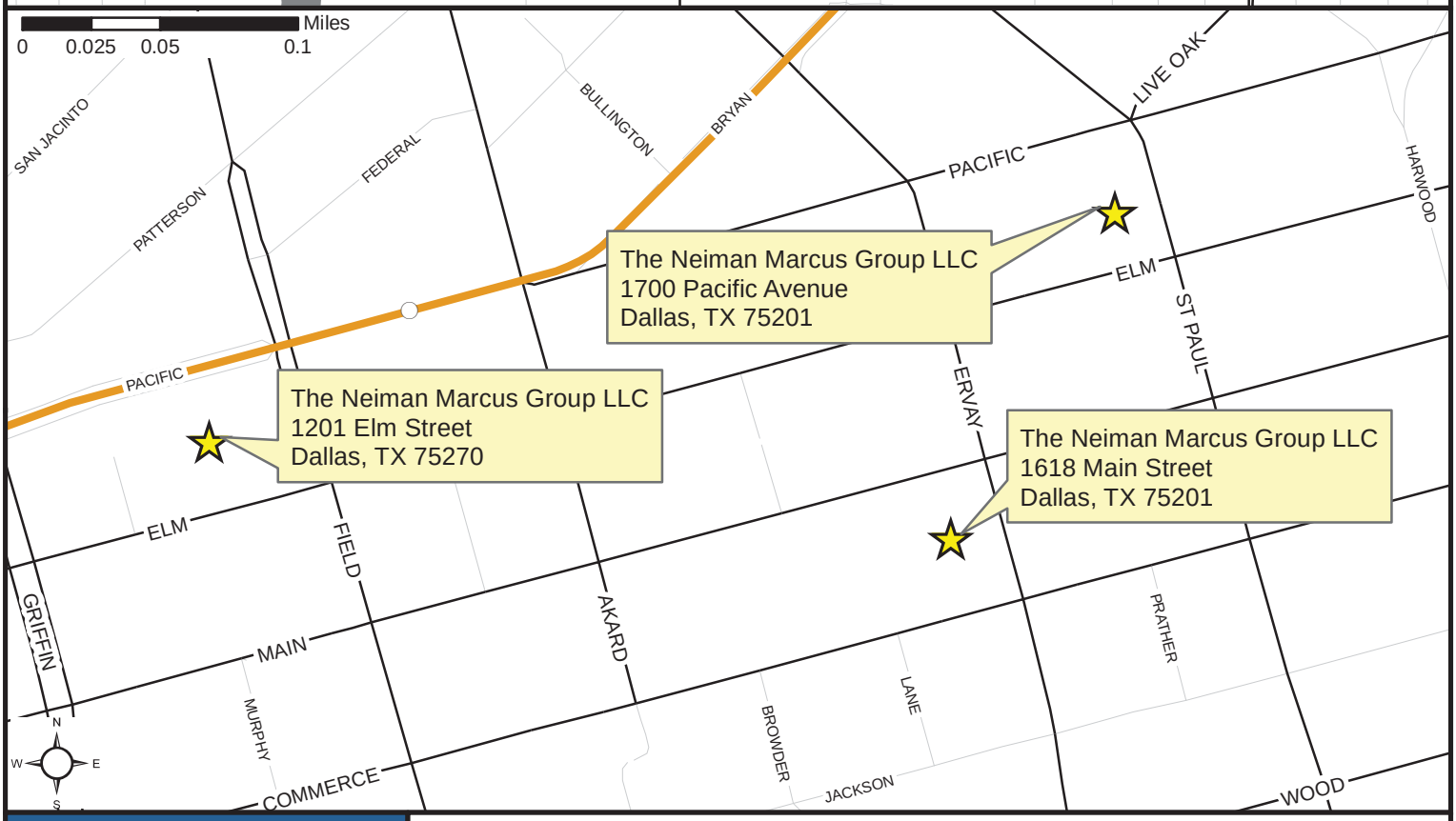
Dani Rizal, Manager, Sales/Use Tax and Property Tax

**MAP**

Attached.

# The Neiman Marcus Group LLC





DALLAS
**ECONOMIC DEVELOPMENT**

**Research & Information Division**
**214.670.1685**
**dallas-ecodev.org**


Created 1.3.2017 - 16-12-30 David Schleg.TCG

## Legend

- Rail Station
- DART Light Rail
- Freeway
- Arterial
- Local Road
- Escarpment

Source: City of Dallas, 2017

**ORDINANCE NO. _____**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DALLAS, TEXAS ORDAINING THE CITY'S PARTICIPATION IN THE TEXAS ENTERPRISE ZONE PROGRAM PURSUANT TO THE TEXAS ENTERPRISE ZONE ACT, CHAPTER 2303, TEXAS GOVERNMENT CODE (ACT), PROVIDING TAX INCENTIVES, DESIGNATING A LIAISON FOR COMMUNICATION WITH INTERESTED PARTIES, AND NOMINATING THE NEIMAN MARCUS GROUP LLC TO THE OFFICE OF THE GOVERNOR ECONOMIC DEVELOPMENT & TOURISM (EDT) THROUGH THE ECONOMIC DEVELOPMENT BANK (BANK) AS AN ENTERPRISE PROJECT (PROJECT).**

**WHEREAS,** the City Council of the City of Dallas, Texas (City) desires to create the proper economic and social environment to induce the investment of private resources in productive business enterprises located in severely distressed areas of the city and to provide employment to residents of such area; and

**WHEREAS,** pursuant to Chapter 2303, Subchapter F of the Act, The Neiman Marcus Group LLC has applied to the City for designation as an enterprise project; and

**WHEREAS,** the City finds that The Neiman Marcus Group LLC meets the criteria for tax relief and other incentives adopted by the City on the grounds that it will create or retain a higher level of employment, and create economic activity and stability; and

**WHEREAS,** a public hearing to consider this ordinance was held by the City Council on February 22, 2017.

**NOW, THEREFORE,**

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

**SECTION 1.** That the City nominates The Neiman Marcus Group LLC for enterprise project status.

**SECTION 2.** That the following local incentives, at the election of the governing body, are or will be made available to the nominated project or activity of the qualified business:

A. The City may abate taxes on the increase in value of real property improvements and eligible personal property that is located in a designated Enterprise Zone. The level of abatement shall be based upon the extent to which the business receiving the abatement creates jobs for qualified employees and with qualified employee being defined by the Act.

**SECTION 2.** (Continued)

B. The City may provide regulatory relief to businesses, including:

1. Zoning changes or variances;
2. Exemptions from unnecessary building code requirements, impact fees, or inspection fees; or
3. Streamlined permitting.

C. The City may provide enhanced municipal services to businesses, including:

1. Improved police and fire protection;
2. Institution of community crime prevention programs; or
3. Special public transportation routes or reduced fares.

D. The City may provide improvements in community facilities, including:

1. Capital improvements in water and sewer facilities;
2. Road repair; or
3. Creation or improvement of parks.

E. The City may provide business and industrial development services, including:

1. Low-interest loans for business;
2. Use of surplus or other underutilized publicly owned facilities as small business incubators;
3. Provision of publicly owned land for development purposes, including residential, commercial, or industrial development;
4. Creation of special one-stop permitting and problem resolution centers or ombudsmen; or
5. Promotion and marketing services.

F. The City may provide financing for businesses, including:

1. Tax Increment Financing (TIF)
2. Public Improvement District (PID) financing
3. Neighborhood Commercial/Retail Redevelopment Grant Program
4. City of Dallas Regional Center (CDRC) financing
5. Municipal Management District (MMD) financing
6. New Markets Tax Credit (NMTC) financing

**SECTION 2.** (Continued)

G. The City may provide job training and employment services to businesses, including:

1. Retraining programs;
2. Literacy and employment skills programs;
3. Vocational education; or
4. Customized job training.

H. The City may also authorize any other incentives not listed here as described in Exhibit A, Dallas's Public/Private Partnership Program Guidelines and Criteria.

**SECTION 3.** That the Enterprise Zone areas within the City are Reinvestment Zones in accordance with the Texas Tax Code, Chapter 312.

**SECTION 4.** That the City of Dallas City Council directs and designates its Assistant Director of the Office of Economic Development as the City's liaison to communicate and negotiate with the EDT through the Bank and enterprise project(s) and to oversee zone activities and communications with qualified businesses and other entities in an Enterprise Zone or affected by an enterprise project.

**SECTION 5.** That the City finds that The Neiman Marcus Group LLC meets the criteria for designation as an enterprise project under Chapter 2303, Subchapter F of the Act on the following grounds:

(a) The Neiman Marcus Group LLC is a "qualified business" under Section 2303.402 of the Act since it will be engaged in the active conduct of a trade or business at a qualified business site located in an Enterprise Zone in the governing body's jurisdiction and at least twenty-five percent (25%) of the business' new employees will be residents of an Enterprise Zone or economically disadvantaged individuals or veterans;

(b) There has been and will continue to be a high level of cooperation between public, private, and neighborhood entities in the area; and

(c) The designation of The Neiman Marcus Group LLC as an enterprise project will contribute significantly to the achievement of the plans of the City for development and revitalization of the area.

**SECTION 6.** That the City finds that it is in the best interest of the City to nominate The Neiman Marcus Group LLC as an Enterprise Project pursuant to the Act and hereby authorizes the Office of Economic Development to prepare and submit an application to the EDT through the Bank for designation as an Enterprise Project.

**SECTION 7.** That the enterprise project shall take effect on the date of designation of the enterprise project by EDT and terminate on that date in five years.

**SECTION 8.** That this ordinance 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 ordained.

APPROVED AS TO FORM

LARRY E. CASTO
CITY ATTORNEY

By:_____
Assistant City Attorney

Passed and correctly enrolled_____

DALLAS ECONOMIC DEVELOPMENT

# City of Dallas Public/Private Partnership Program Summary for Non-Residential Projects

## City of Dallas Public/Private Partnership Programs

It is the purpose of the following programs to provide assistance only for projects where such assistance is necessary to stimulate private investment and job creation. Accordingly, these programs are available when agreements between the City and private parties that are not tax-exempt are approved by City Council prior to private investment occurring. Projects seeking economic incentives must provide written assurance that 'but for' the incentives sought, the proposed project will not occur, or would otherwise be substantially altered so that the economic returns or other associated public purpose secured by the City's incentives would be reduced. Projects occurring in Target Areas are provided special consideration.

The information contained herein shall not be construed as implying or suggesting that the City of Dallas is offering or is under any obligation to provide tax abatement or other incentives to any applicant, and all applicants shall be considered on a case-by-case basis. The source of City funding for a particular incentive may require or impose certain limitations on the types of projects for which those funds may be used, which are not described herein. Pawnshops, sexually oriented businesses, bars, truck stops, and truck dealerships are excluded from consideration for incentives provided under this program.

## Eligibility Requirements

The City has established targeted project areas which set minimum project requirements in order to be considered for incentives:

- **Target Areas:** Projects must create/retain 25 jobs or provide $1 million of investment;
- **Non-target Areas:** Projects must create/retain 100 jobs or provide $5 million of investment; and
- **Non-Conforming Projects:** Projects not meeting these requirements that nevertheless significantly advance the public purpose of economic development will be considered on a case-by-case basis.

## Tax Abatement

Temporary abatement of either real estate or personal property taxes. Recipient firms must meet primary considerations of capital improvements and job creation/retention. City staff may consider secondary considerations such as Dallas resident employment, efforts to exceed minimum environmental regulations, wage rates, community activities, target industry projects, and M/WBE participation when negotiating this incentive. A firm's tax abatement percentage will be reduced by 25 percent for any single year of the tax abatement term in which secondary considerations included in the agreement are not met unless an alternative method is prescribed by City Council in a project specific resolution. Real property tax abatement is not available in TIF Districts. In limited cases, projects may be considered for a combination of both real and personal property tax abatement when the combined amount does not exceed 90 percent of the City taxes on total new improvement value. All tax abatements must begin by January 1 of the second calendar year following City Council authorization unless otherwise specified.

### Abatement Benefits:

- **Target Areas:** Real property tax abatement up to 90 percent for 10 years and/or a business personal property tax abatement of up to 50 percent for five years;
- **Non-Target Areas:** Real property tax abatement up to 50 percent for 10 years and/or a business personal property tax abatement of up to 50 percent for five years;

- **Non-Conforming Projects:** Projects not meeting these requirements that nevertheless significantly advance the public purpose of economic development will be considered on a case-by-case basis.

### Economic Development Chapter 380 Grant Program

Companies considering a relocation/expansion or new commercial development may be eligible for an economic development grant. Grants will be considered on a case-by-case basis based specifics such as project type, location, design, and fiscal impact to the City. Companies will be required to meet eligibility requirements of the Public/Private Partnership Program. Pursuant to this program the City may administer and accept resources from other political subdivision of the state to support this program, and may administer and accept resources from the Federal government to support developments. Bond funding utilized through the program may be subject to certain limitations in use.

### Economic Development GO Bond Program for Southern Dallas

General Obligation Bond funding may be used as described in this paragraph for private commercial, industrial, retail, residential, and mixed-use development in the Southern area of the city that promotes economic development. Funding may be provided as a catalyst to promote private economic development and may be used for planning, designing, extending, constructing and acquiring land for public streets, utilities and other related infrastructure facilities or uses consistent with this purpose and the bond proposition approved by the voters.

Private developments may be eligible for economic development grants and loans pursuant to Chapter 380 of the Texas Local Government Code. Grants and loans will be considered for infrastructure improvements and/or land acquisition consistent with the scope of funding and other uses described above. Grants or loans will be considered on a case-by-case basis subject to funding limitations and development agreements approved by City Council, which agreements will contain appropriate conditions, safeguards and benchmarks to ensure that the public purpose of economic development will be carried out.

Funding in support of mixed-use or residential development, including the acquisition of improved and unimproved properties and for the cost of demolition of existing structures for such projects are also subject to the City of Dallas Housing Policy, which requires a portion of residential units to be affordable.

### Target Industry Projects

Target Industry projects are provided special consideration for economic incentives and are generally defined as follows: Brownfields or recycling, information technology, building materials and furnishings, company headquarters, logistics, telecommunications, transportation manufacturing and assembly, film/television/media, advanced instruments and food processing/distribution. The City is also targeting high quality grocery store projects in underserved areas of the City. Due to the temporary nature of film/television production, projects in this industry are not required to meet minimum job or investment eligibility established for the Public/Private Partnership Program. Rather, these projects are considered on a case-by-case basis with consideration given to the positive economic returns projects bring to the City. Target Industry projects must be confirmed in advance by the City in order to receive consideration under this designation.

## Non-Conforming Projects

Non-Conforming projects are considered on a case-by-case basis for high impact projects, unique developments, and competitive situations where projects may receive competing offers of incentives. These projects require a simple majority vote of City Council in Target Areas and a 3/4 vote of City Council in Non-Target Areas. High Impact Project - Projects creating/retaining a minimum of 500 jobs with substantial capital investment. In addition, this status may be granted to major projects by Fortune 500, Manufacturers 400, or Global 500 listed firms. A mixed-use or residential development considered for support as a non-conforming project requires special circumstances and must ensure that a minimum of 20% of the residential units in the development meet affordable housing or mixed-income housing requirements for the location. Commercial aspects of predominately residential mixed-use projects providing affordable housing in "areas of opportunity" in collaboration with the Housing Department will be considered.

## Competitive and Retention Projects

In special cases, companies receiving competing offers of incentives or those currently located in the city of Dallas considering a relocation/expansion are eligible to apply for financial incentives with negotiable terms. Existing firms must expand job base by 25 percent to be eligible for consideration. Incentives may be offered in specific cases to 'match other offers.' Companies may be required to demonstrate competing cities, offers, land/lease costs, taxes at current rates, utility rates, relocation costs, other significant costs and 'gap' to be filled, etc.

## Other Sources of Financial Assistance

Public/Private Partnership Program grants and abatements may be used in combination with other sources of federal, state, or City funds where necessary to achieve the public purpose advanced by a project. The City is willing to partner with special entities, such as Local Government Corporations, and special districts to provide an advantageous structure for projects that advance economic development. Such entities and districts may issue revenue bonds as allowed by state law to finance projects.

## Tax Increment Finance Districts

Special districts funding public improvements (not services) with increased tax revenues resulting from new private development. Tax rates are the same as elsewhere in the City and no added cost to private parties is incurred.

## Public Improvement Districts

Special districts created by petition to privately fund public improvements or special supplemental services over and above those provided by City, when such services are supportive of related City investments in capital improvements.

## Neighborhood Commercial/Retail Redevelopment Grant Program

This Program is intended to provide financial assistance to existing retail shopping centers and other retail/commercial facilities within Target Areas that are at least 15 years old for improvements and/or redevelopment which will positively impact surrounding neighborhoods and residents. Contemplated improvements must improve the aesthetics, design, or architectural appeal of the property and may include enhanced landscaping, lighting, pedestrian and/or parking improvements, new signage and facades, and major renovations to the facility among other items. Each project is considered on a case by case basis. City

financial participation is on a matching and reimbursement basis. Phasing is permitted. Minimum total project investment is $250,000 and potential grants are subject to funding availability. An agreement must be in place with the City prior to work commencing.

### Small Business & Adaptive Reuse Incentives

The City of Dallas is committed to supporting growth of small businesses and fostering adaptive reuse of commercial buildings. Additional programs can be flexibly developed and linked to this policy as approved by the City Council.

### City of Dallas Regional Center - EB 5

The City of Dallas Regional Center (CDRC) is dedicated to assisting individuals and their families through the EB-5 immigration process via investment into businesses and development projects located within the Dallas city limits. The CDRC offers a variety of investments to foreign investors that meet or exceed requirements and offer investors features unique to the EB-5 community. Minimum foreign investment is $500,000 in Targeted Employment Areas or $1M in other areas. All opportunities supported by the CDRC must provide 10 full-time jobs (directly or indirectly) per investor.

### New Market Tax Credits

The City of Dallas participates in the New Market Tax Credit Program (NMTC), a federal program operated by the Department of Treasury, that provides opportunities for new development in traditionally underserved areas. The program provides NMTC investors with a 39% federal tax credit payable over seven years. These investments are partnered with additional funds for businesses and real estate development in Low Income Neighborhoods.

### Foreign Trade Zone

Allows duty-free importing of foreign-made components into the Zone, where they may be assembled, manufactured, processed or packaged. Duties are charged only when products are subsequently distributed into the U.S. market - if they are shipped to international markets, no duty is levied.

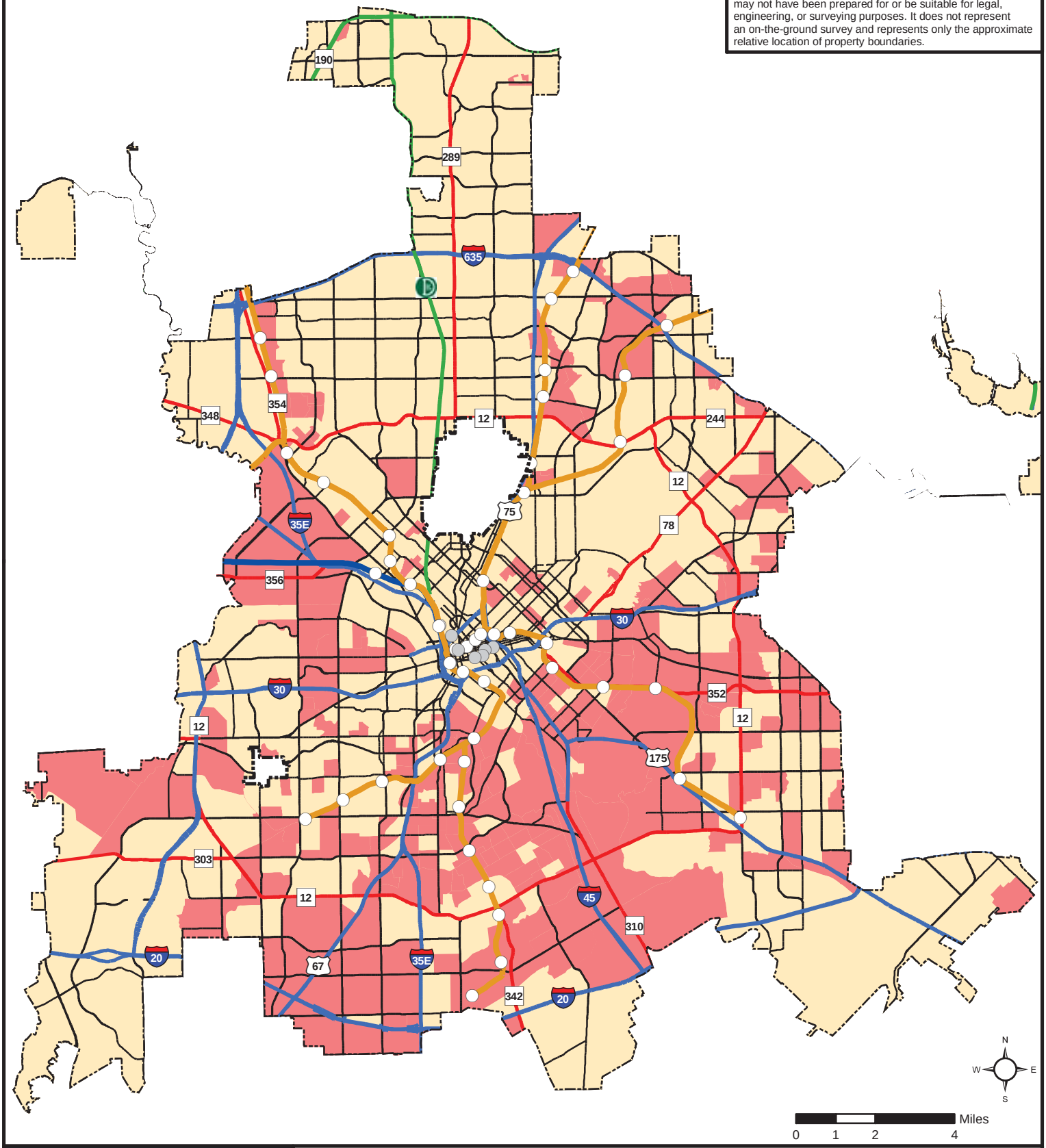
### State Incentives

The City of Dallas will facilitate applications for assistance from State programs including Enterprise Zone Projects, Texas Enterprise Fund, and the Texas Emerging Technology Fund.

To obtain more detail on these programs, or to inquire regarding other assistance, contact: Office of Economic Development, Dallas City Hall, Room 5CS, Dallas, Texas 75201, Phone: (214) 670-1685, Fax: (214) 670-0158.

# City of Dallas Public/Private Partnership Program: Area Map

Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.




DALLAS
**ECONOMIC DEVELOPMENT**

**Research & Information Division**
**214.670.1685**
**dallas-ecodev.org**

Created 12.2.2016 - PPP_Target_12_2_16.TCG

Legend

- Non-Target Area
- Target Area
- City of Dallas
- Rail Station
- Future Station
- DART Light Rail
- Commuter Rail
- Future DART Light Rail
- Freeway
- Tollway
- Highway
- Arterial
- Escarpment
- Flood Plain
- Lake

Source: Poverty Data - US Census Bureau American Community Survey, 2010-14 Five Year Estimates; All Other Data - City of Dallas, 2016

**AGENDA ITEM # 93**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 11

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 16 W

## SUBJECT

Authorize the nomination of Columbia Hospital at Medical City Dallas Subsidiary, L.P. located at 7777 Forest Lane, Dallas, Texas 75230 to receive designation as an Enterprise Project under the Texas Enterprise Zone Act, as amended (Government Code, Chapter 2303) to the Office of the Governor Economic Development and Tourism through the Economic Development Bank – Financing: No cost consideration to the City

## BACKGROUND

The City of Dallas has been approached by Columbia Hospital at Medical City Dallas Subsidiary, L.P. ("Medical City") to nominate by resolution its application for an Enterprise Project designation to the Economic Development Bank, part of the Governor's Office of Economic Development and Tourism. The designation will allow for a rebate of state sales and use tax refunds on qualified expenditures of up to $2,500 per job created or retained. This project has no cost consideration to the City of Dallas.

Medical City anticipates investing approximately $120,000,000 in capital funding to renovate and expand its facilities at 7777 Forest Lane in Dallas by approximately 120,000 square feet. Project expenditures will result in adding five new floors to an existing building, upgrades to four floors in another building, new equipment, and new information/communication systems.

Medical City offers full-service adult and pediatric hospitals, with separate adult and pediatric emergency rooms, as well as numerous outpatient clinics and diagnostic centers. Founded in 1974, the hospital operates as a 796-bed tertiary care center and offers nearly 100 specialties. Medical City presently maintains approximately 2,750 full and part-time jobs on site and anticipates adding an additional 100 new jobs with the project. Its medical team consists of more than 1,200 physicians.

**BACKGROUND** (Continued)

Section 2303.406(a)(4)(D) of the Texas Government Code allows a project or activity of a qualified business to be designated as an Enterprise Project and receive job benefits if "the business is able to employ individuals in accordance with Section 2303.402." To meet this requirement at a non-Enterprise Zone site, Medical City must ensure that at least 35 percent of new or retained personnel are residents of an enterprise zone, economically disadvantaged or veterans over the next five years.

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

Information about this item was provided to the Economic Development Committee on February 6, 2017.

**FISCAL INFORMATION**

No cost consideration to the City

**CORPORATE REPRESENTATIVE**

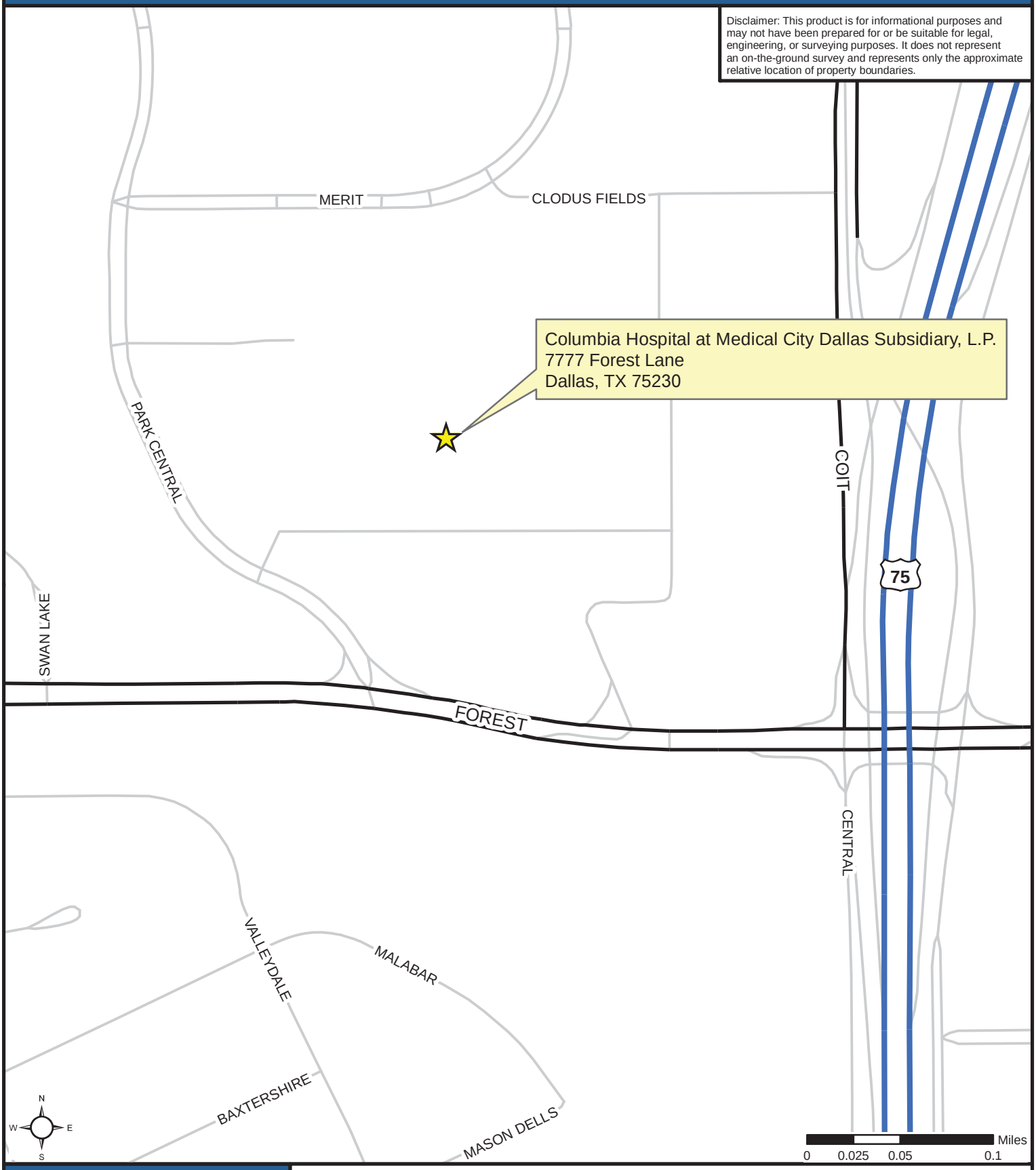
**Columbia Hospital at Medical City Dallas Subsidiary, L.P.**

Susan Shreeve, Chief Financial Officer

**MAP**

Attached.

# Columbia Hospital at Medical City Dallas Subsidiary, L.P.





DALLAS
**ECONOMIC DEVELOPMENT**

**Research & Information Division**
**214.670.1685**
**dallas-ecodev.org**


Created 2.2.2017 - 17-02-02 Hammond Perot.TCG

Legend

- Freeway
- Arterial
- Local Road

Source: City of Dallas, 2017

February 22, 2017

**WHEREAS,** the Dallas City Council has previously passed Ordinance No. _____ on February 22, 2017 electing to participate in the Texas Enterprise Zone Program; and

**WHEREAS,** the local incentives offered under this resolution are the same on this date as were outlined in Ordinance No. _____; and

**WHEREAS,** the Office of the Governor Economic Development and Tourism (OOGEDT), through the Economic Development Bank (the "Bank"), will consider Columbia Hospital at Medical City Dallas Subsidiary, L.P. as an enterprise zone project pursuant to a nomination and an application made by the City; and

**WHEREAS,** the City of Dallas ("City") desires to pursue the creation of the proper economic and social environment in order to induce the investment of private resources in productive business enterprises located in the City and to provide employment to residents of enterprise zones, economically disadvantaged individuals and veterans; and

**WHEREAS,** pursuant to Chapter 2303, Subchapter F of the Texas Enterprise Zone Act, Texas Government Code ("Act"), Columbia Hospital at Medical City Dallas Subsidiary, L.P. has applied to the City for designation as an enterprise zone project; and

**WHEREAS,** the City finds that Columbia Hospital at Medical City Dallas Subsidiary, L.P. meets the criteria for designation as an enterprise project under Chapter 2303, Subchapter F of the Act; and

**WHEREAS,** the City finds that Columbia Hospital at Medical City Dallas Subsidiary, L.P. meets the criteria for tax relief and other incentives adopted by the City; and

**WHEREAS,** the City finds that it is in the best interest of the City to nominate Columbia Hospital at Medical City Dallas Subsidiary, L.P. as an enterprise project pursuant to the Act.

**NOW, THEREFORE,**

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

**Section 1.** That the recitals above are true and correct.

**Section 2.** That Columbia Hospital at Medical City Dallas Subsidiary, L.P. is a qualified business and meets the criteria for designation as an Enterprise Project under Chapter 2303, Subchapter F of the Enterprise Zone Act on the following grounds:

**Section 2.** (Continued)

A. Columbia Hospital at Medical City Dallas Subsidiary, L.P. is a "qualified business" under Section 2303.402 of the Act since it will be engaged in the active conduct of a trade or business at a qualified business site within the governing body's jurisdiction located outside an enterprise zone and at least thirty-five percent (35.0%) of the business' new employees will be residents of an enterprise zone or economically disadvantaged individuals; and

B. There has been and will continue to be a high level of cooperation between public, private, and neighborhood entities within the area; and

C. The designation of Columbia Hospital at Medical City Dallas Subsidiary, L.P. as an enterprise project will contribute significantly to the achievement of the plans of the City for development and revitalization of the area.

**Section 3.** That the City finds that Columbia Hospital at Medical City Dallas Subsidiary, L.P. meets the criteria for incentives adopted by the City and nominates Columbia Hospital at Medical City Dallas Subsidiary, L.P. for Enterprise Zone project status on the grounds that it will create or retain a higher level of employment and create economic activity and stability.

**Section 4.** That the designation of Columbia Hospital at Medical City Dallas Subsidiary, L.P. will contribute significantly to the achievement of the plans of the City for development and revitalization.

**Section 5.** That the City finds that it is in the best interest of the City to nominate Columbia Hospital at Medical City Dallas Subsidiary, L.P as an Enterprise Project pursuant to the Act, and hereby authorizes the Assistant Director, Office of Economic Development to prepare and submit an application to the Office of the Governor, Economic Development and Tourism through the Economic Development Bank for designation of Columbia Hospital at Medical City Dallas Subsidiary, L.P. as an enterprise project.

**Section 6.** That the enterprise project shall take effect on the date of designation of the Enterprise Project by the Office of the Governor, Economic Development and Tourism through the Economic Development Bank and terminate 5 years after date of designation.

**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.

**AGENDA ITEM # 94**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 14

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 45 G

## SUBJECT

Authorize the nomination of EnLink Midstream Operating, LP located at 1722 Routh Street, Dallas, Texas 75201 to receive designation as an Enterprise Project under the Texas Enterprise Zone Act, as amended (Government Code, Chapter 2303) to the Office of the Governor Economic Development and Tourism through the Economic Development Bank – Financing: No cost consideration to the City

## BACKGROUND

The City of Dallas has been approached by EnLink Midstream Operating, LP ("Enlink") to nominate by resolution its application for an Enterprise Project designation to the Economic Development Bank, part of the Governor's Office of Economic Development and Tourism. The designation will allow for a rebate of state sales and use tax refunds on qualified expenditures of up to $2,500 per job created or retained. This project has no cost consideration to the City of Dallas.

EnLink is an integrated midstream energy services provider whose offerings include gathering, transmission, processing, fractionation, brine, and marketing services to producers of natural gas liquids, crude oil and condensate. The company is headquartered in Dallas, and recent growth necessitates a relocation of its operation from 2501 Cedar Springs Road to 1722 Routh Street in Dallas. EnLink anticipates investing approximately $20 million with its relocation with over $17 million of which anticipated for building and office space improvements, new technology, and equipment.

The company employs 1,500 persons globally and had global revenue of approximately $4 billion in 2016. EnLink maintains 285 full-time employees in Dallas and expects to add 10 new positions with its move.

**BACKGROUND** (Continued)

Section 2303.406(a)(4)(D) of the Texas Government Code allows a project or activity of a qualified business to be designated as an Enterprise Project and receive job benefits if "the business is able to employ individuals in accordance with Section 2303.402." To meet this requirement at a non-Enterprise Zone site, EnLink must ensure that at least 35 percent of new or retained personnel are residents of an enterprise zone, economically disadvantaged or veterans over the next five years.

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

Information about this item was provided to the Economic Development Committee on February 6, 2017.

**FISCAL INFORMATION**

No cost consideration to the City

**CORPORATE REPRESENTATIVE**

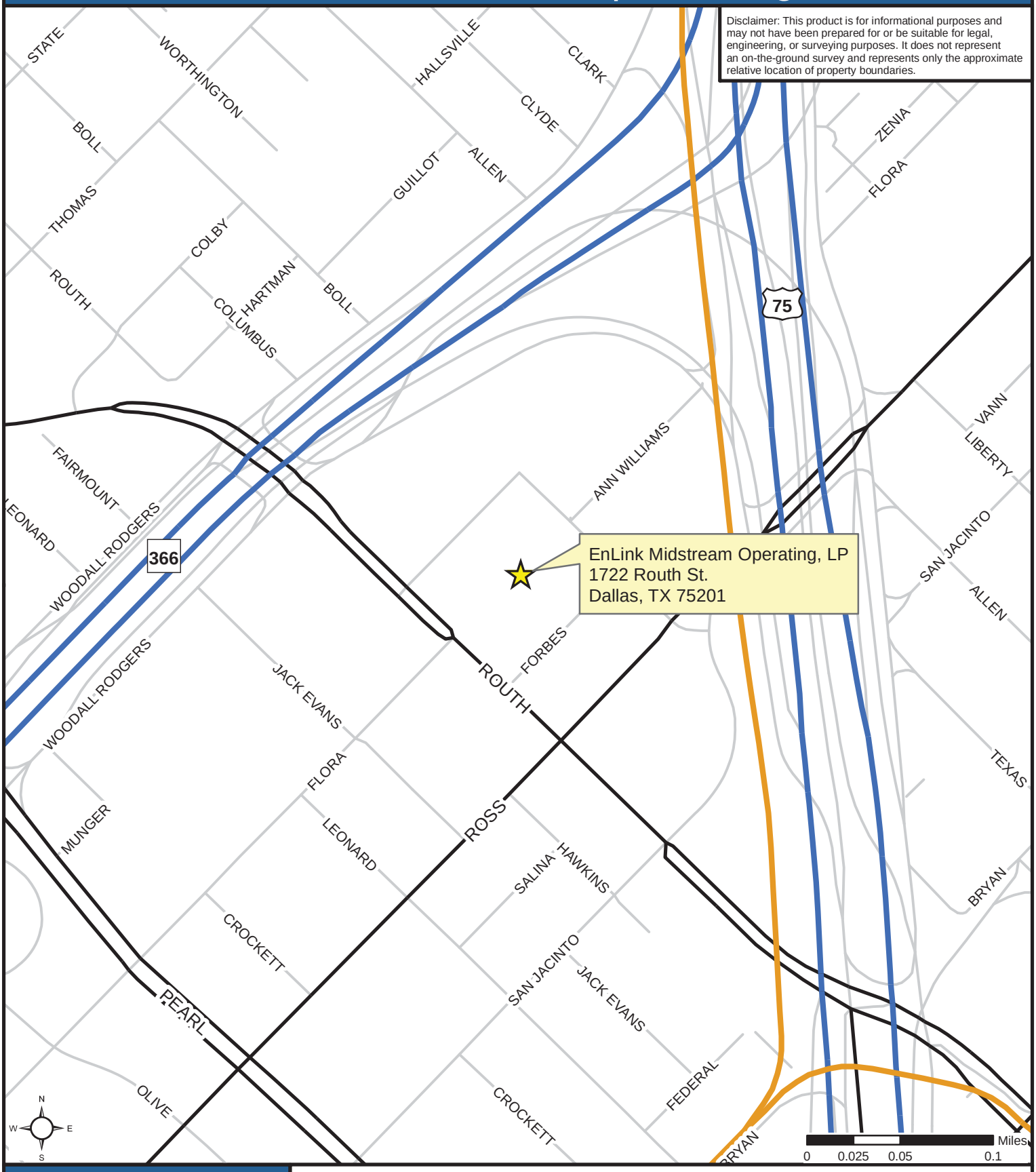
**EnLink Midstream Operating, LP**

Matthew Vorwald, Manager, Indirect Tax

**MAP**

Attached.

# EnLink Midstream Operating, LP




DALLAS
**ECONOMIC DEVELOPMENT**

**Research & Information Division**
**214.670.1685**
**dallas-ecodev.org**

Created 2.2.2017 - 17-02-02 Hammond Perot SR.TCG

Legend

- DART Light Rail
- Freeway
- Arterial
- Local Road

Source: City of Dallas, 2017

February 22, 2017

**WHEREAS,** the Dallas City Council has previously passed Ordinance No. _____ on February 22, 2017 electing to participate in the Texas Enterprise Zone Program; and

**WHEREAS,** the local incentives offered under this resolution are the same on this date as were outlined in Ordinance No. _____; and

**WHEREAS,** the Office of the Governor Economic Development and Tourism (OOGEDT), through the Economic Development Bank (the "Bank"), will consider EnLink Midstream Operating, LP as an enterprise zone project pursuant to a nomination and an application made by the City; and

**WHEREAS,** the City of Dallas ("City") desires to pursue the creation of the proper economic and social environment in order to induce the investment of private resources in productive business enterprises located in the City and to provide employment to residents of enterprise zones, economically disadvantaged individuals and veterans; and

**WHEREAS,** pursuant to Chapter 2303, Subchapter F of the Texas Enterprise Zone Act, Texas Government Code ("Act"), EnLink Midstream Operating, LP has applied to the City for designation as an enterprise zone project; and

**WHEREAS**, the City finds that EnLink Midstream Operating, LP meets the criteria for designation as an enterprise project under Chapter 2303, Subchapter F of the Act; and

**WHEREAS,** the City finds that EnLink Midstream Operating, LP meets the criteria for tax relief and other incentives adopted by the City; and

**WHEREAS,** the City finds that it is in the best interest of the City to nominate EnLink Midstream Operating, LP as an enterprise project pursuant to the Act.

**NOW, THEREFORE,**

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

**Section 1.** That the recitals above are true and correct.

**Section 2.** That EnLink Midstream Operating, LP is a qualified business and meets the criteria for designation as an Enterprise Project under Chapter 2303, Subchapter F of the Enterprise Zone Act on the following grounds:

**Section 2.** (Continued)

A. EnLink Midstream Operating, LP is a "qualified business" under Section 2303.402 of the Act since it will be engaged in the active conduct of a trade or business at a qualified business site within the governing body's jurisdiction located outside an enterprise zone and at least thirty-five percent (35.0%) of the business' new employees will be residents of an enterprise zone or economically disadvantaged individuals; and

B. There has been and will continue to be a high level of cooperation between public, private, and neighborhood entities within the area; and

C. The designation of EnLink Midstream Operating, LP as an enterprise project will contribute significantly to the achievement of the plans of the City for development and revitalization of the area.

**Section 3.** That the City finds that EnLink Midstream Operating, LP meets the criteria for incentives adopted by the City and nominates EnLink Midstream Operating, LP for Enterprise Zone project status on the grounds that it will create or retain a higher level of employment and create economic activity and stability.

**Section 4.** That the designation of EnLink Midstream Operating, LP will contribute significantly to the achievement of the plans of the City for development and revitalization.

**Section 5.** That the City finds that it is in the best interest of the City to nominate EnLink Midstream Operating, LP as an Enterprise Project pursuant to the Act, and hereby authorizes the Assistant Director, Office of Economic Development to prepare and submit an application to the Office of the Governor, Economic Development and Tourism through the Economic Development Bank for designation of EnLink Midstream Operating, LP as an enterprise project.

**Section 6.** That the enterprise project shall take effect on the date of designation of the Enterprise Project by the Office of the Governor, Economic Development and Tourism through the Economic Development Bank and terminate 5 years after date of designation.

**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.

**FEBRUARY 22, 2017 CITY COUNCIL ADDENDUM**
**CERTIFICATION**

This certification is given pursuant to Chapter XI, Section 9 of the City Charter for the City Council Addendum dated February 22, 2017. We hereby certify, as to those contracts, agreements, or other obligations on this Agenda authorized by the City Council for which expenditures of money by the City are required, that all of the money required for those contracts, agreements, and other obligations is in the City treasury to the credit of the fund or funds from which the money is to be drawn, as required and permitted by the City Charter, and that the money is not appropriated for any other purpose.

T.C. Broadnax
City Manager

2/17/17
Date

M. Elizabeth Reich
Elizabeth Reich
Chief Financial Officer

2-17-17
Date

RECEIVED
2017 FEB 17 PM 2:37
CITY SECRETARY
DALLAS, TEXAS

**ADDENDUM**
**CITY COUNCIL MEETING**
**WEDNESDAY, FEBRUARY 22, 2017**
**CITY OF DALLAS**
**1500 MARILLA**
**COUNCIL CHAMBERS, CITY HALL**
**DALLAS, TX 75201**
**9:00 A.M.**

## REVISED ORDER OF BUSINESS

Agenda items for which individuals have registered to speak will be considered no earlier than the time indicated below:

| | | |
|---|---|---|
| 9:00 a.m. | **INVOCATION AND PLEDGE OF ALLEGIANCE** | |
| | **OPEN MICROPHONE** | |
| | **CLOSED SESSION** | |
| | **MINUTES** | Item 1 |
| | **CONSENT AGENDA** | Items 2 - 69 |
| | **CONSENT ADDENDUM** | Items 1 - 4 |

**ITEMS FOR INDIVIDUAL CONSIDERATION**

| | |
|---|---|
| No earlier | Items 70 - 77 |
| than 9:15 a.m. | Addendum Items 5 - 6 |

**PUBLIC HEARINGS AND RELATED ACTIONS**

| | |
|---|---|
| 1:00 p.m. | Items 78 - 94 |
| | Addendum Item 7 |

# Handgun Prohibition Notice for Meetings of Government 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 subcapitulo h, capitulo 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 subcapitulo h, capitulo 411, código del gobierno (ley sobre licencias para portar pistolas),* no *puede ingresar a esta propiedad con una pistola a la vista."*

**ADDENDUM**
**CITY COUNCIL MEETING**
**FEBRUARY 22, 2017**
**CITY OF DALLAS**
**1500 MARILLA**
**COUNCIL CHAMBERS, CITY HALL**
**DALLAS, TEXAS 75201**
**9:00 A. M.**

ADDITIONS:

Closed Session
Attorney Briefings (Sec. 551.071 T.O.M.A.)
- Legal issues related to the Dallas Police & Fire Pension System.

CONSENT ADDENDUM

**City Attorney's Office**

1. Authorize **(1)** Supplemental Agreement No. 1 to the professional services contract with MCKOOL SMITH A PROFESSIONAL CORPORATION for additional legal services necessary to continue representing Jennifer Staubach Gates, Erik Wilson, Philip T. Kingston, Scott Griggs in Michael S. Rawlings v. the Board of Trustees of the Dallas Police and Fire Pension System, et al., Cause No. DC-16-15431, and in the case styled LaDonna Degan, et al. v. The Board of Trustees of the Dallas Police and Fire Pension System, et al., Civil Action No. 4:17-cv-66, and for other legal services consistent with Resolution No. 17-0247 - Not to exceed $450,000, from $50,000 to $500,000; and **(2)** an increase in appropriations in the amount of $500,000, from $16,159,590 to $16,659,590 in the City Attorney's Office FY2016-17 budget - Not to exceed $500,000 - Financing: Contingency Reserve Funds

**Mobility and Street Services**

2. Authorize a construction contract with Texas Standard Construction, Ltd., lowest responsible bidder of four, for the reconstruction of street paving, storm drainage, traffic signal, landscaping, and water and wastewater main improvements along Gus Thomasson Road from San Medina Avenue to Ferguson Road - Not to exceed $4,216,722 - Financing: 2003 Bond Funds ($1,687,463), General Obligation Commercial Paper Funds ($1,350,395), 2012 Bond Funds ($290,644) and Water Utilities Capital Construction Funds ($888,220)

**ADDENDUM**
**CITY COUNCIL MEETING**
**FEBRUARY 22, 2017**

ADDITIONS: (Continued)

CONSENT ADDENDUM (Continued)

**Police**

3. Authorize an Interlocal Agreement with the Richardson Independent School District (RISD) for the provision of police services by the City in the RISD's Lake Highlands High School and junior high schools within the limit of both the City and RISD Schools - Estimated Revenue: $157,309

**Sustainable Development and Construction**

4. An ordinance amending Ordinance No. 30273, previously approved on December 14, 2016, which abandoned a portion of Quality Lane, located near the intersection of Abrams Road and Northwest Highway to Ainbinder Northwest Highway LLC to extend the dedication time requirement from 90 days to 180 days and delete Exhibit C and substitute a new Exhibit C - Revenue: $5,400, plus the $20 ordinance publication fee

ITEMS FOR INDIVIDUAL CONSIDERATION

DESIGNATED PUBLIC SUBSIDY MATTERS

**Economic Development**

5. Authorize an amendment to Resolution No. 16-1830, previously approved on November 9, 2016, to replace Exhibit A, the South Dallas/Fair Park Grantee List, to correct funding amounts and grantee names - Financing: No cost consideration to the City

**Housing/Community Services**

6. Authorize a housing development loan in an amount not to exceed $2,000,000 with St. Jude, Inc. for acquisition of a property at 2920 Forest Lane for development of a permanent supportive housing project for the homeless - Not to exceed $2,000,000 - Financing: 2016-17 HOME Investment Partnerships Program Grant Funds

**ADDENDUM**
**CITY COUNCIL MEETING**
**FEBRUARY 22, 2017**

PUBLIC HEARINGS AND RELATED ACTIONS

**Housing/Community Services**

7. A public hearing to receive comments regarding an application to the Texas Department of Housing and Community Affairs (TDHCA) for 2017 9% Low Income Housing Tax Credits for Wynnewood Senior Housing II, a 140-unit multifamily senior project, located at approximately 1805 South Zang Boulevard, in accordance with the requirements of Texas Government Code §2306.67071 and Texas Administrative Code §10.204(4); and at the close of the public hearing, authorize **(1)** a resolution in support of the Texas Department of Housing and Community Affair's (TDHCA) 9% low-income housing tax credit (LIHTC) application for Wynnewood Senior Housing II, located at approximately 1805 South Zang Boulevard for the construction of the proposed 140-unit multifamily residential development for low income seniors; **(2)** an amendment to and assumption by Wynnewood Senior Housing II, LP of an existing housing redevelopment loan provided to an affiliate of the developer by the City in 1993 for the The Parks at Wynnewood located at 1910 Argentia Drive with a remaining balance of $425,000.00; **(3)** subordination of the amended and assumed loan to the senior construction lender for the 140-unit multifamily seniors project; and **(4)** conditioned upon the award of 2017 9% Low Income Housing Tax Credit to Wynnewood Senior Housing II, LP, forgiveness of the remaining balance of the assumed loan upon completion of the project - Financing: No cost consideration to the City

CORRECTION:

**Mobility and Street Services**

90. A benefit assessment hearing to receive comments on street paving, drainage, water and wastewater main improvements, and alley paving for Project Group 12-3004; and at the close of the hearing, authorize an ordinance levying benefit assessments~~, and a construction contract with MACVAL Associates, LLC, lowest responsible bidder of five~~ (list attached)~~ - Not to exceed $873,052~~ - Financing: No cost consideration to the City ~~2012 Bond Funds ($712,610), Water Utilities Capital Construction Funds ($96,681) and Water Utilities Capital Improvement Funds ($63,761)~~

**ADDENDUM**
**CITY COUNCIL MEETING**
**FEBRUARY 22, 2017**

DELETIONS:

**Housing/Community Services**

38. Authorize the first amendment to the contract with the Department of State Health Services to accept additional grant funds for the Special Supplemental Nutrition Program for the Women, Infants, and Children Program for the Summer Food Service Program for the period October 1, 2016 through September 30, 2017 - Not to exceed $26,000, from $15,055,566 to $15,081,566 - Financing: Department of State Health Services Grant Funds

**Sustainable Development and Construction**

87. A public hearing to receive comments regarding an application for the renewal of Specific Use Permit No. 1813 for a recycling collection center for the collection of household metals, industrial metals and recyclable materials on property zoned an IR Industrial Research District on the northeast corner of Sylvan Avenue and Fabrication Street
Recommendation of Staff: Approval for an 18-month period, subject to conditions
Recommendation of CPC: Denial
Z156-332(PD)

## **ADDENDUM DATE** February 22, 2017

| ITEM # | OK | IND DEF | DISTRICT | TYPE | DEPT. | DOLLARS | LOCAL | MWBE | DESCRIPTION |
|---|---|---|---|---|---|---|---|---|---|
| 1 | | | N/A | C | ATT | $500,000.00 | NA | NA | Authorize (1) Supplemental Agreement No. 1 to the professional services contract with MCKOOL SMITH A PROFESSIONAL CORPORATION for additional legal services necessary to continue representing Jennifer Staubach Gates, Erik Wilson, Philip T. Kingston, Scott Griggs in Michael S. Rawlings v. the Board of Trustees of the Dallas Police and Fire Pension System, et al., Cause No. DC-16-15431, and in the case styled LaDonna Degan, et al. v. The Board of Trustees of the Dallas Police and Fire Pension System, et al., Civil Action No. 4:17-cv-66, and for other legal services consistent with Resolution No. 17-0247 - Not to exceed $450,000, from $50,000 to $500,000; and (2) an increase in appropriations in the amount of $500,000, from $16,159,590 to $16,659,590 in the City Attorney's Office FY2016-17 budget - Not to exceed $500,000 - Financing: Contingency Reserve Funds |
| 2 | | | 9 | C | STS, WTR | $4,216,721.95 | 100.00% | 26.20% | Authorize a construction contract with Texas Standard Construction, Ltd., lowest responsible bidder of four, for the reconstruction of street paving, storm drainage, traffic signal, landscaping, and water and wastewater main improvements along Gus Thomasson Road from San Medina Avenue to Ferguson Road - Not to exceed $4,216,722 - Financing: 2003 Bond Funds ($1,687,463), General Obligation Commercial Paper Funds ($1,350,395), 2012 Bond Funds ($290,644) and Water Utilities Capital Construction Funds ($888,220) |
| 3 | | | All | C | POL | REV $157,309 | NA | NA | Authorize an Interlocal Agreement with the Richardson Independent School District (RISD) for the provision of police services by the City in the RISD's Lake Highlands High School and junior high schools within the limit of both the City and RISD Schools - Estimated Revenue: $157,309 |
| 4 | | | 9 | C | DEV | REV $5,400 | NA | NA | An ordinance amending Ordinance No. 30273, previously approved on December 14, 2016, which abandoned a portion of Quality Lane, located near the intersection of Abrams Road and Northwest Highway to Ainbinder Northwest Highway LLC to extend the dedication time requirement from 90 days to 180 days and delete Exhibit C and substitute a new Exhibit C - Revenue: $5,400, plus the $20 ordinance publication fee |
| 5 | | | 7 | I | ECO | NC | NA | NA | Authorize an amendment to Resolution No. 16-1830, previously approved on November 9, 2016, to replace Exhibit A, the South Dallas/Fair Park Grantee List, to correct funding amounts and grantee names - Financing: No cost consideration to the City |
| 6 | | | 13 | I | HOU | GT | NA | NA | Authorize a housing development loan in an amount not to exceed $2,000,000 with St. Jude, Inc. for acquisition of a property at 2920 Forest Lane for development of a permanent supportive housing project for the homeless - Not to exceed $2,000,000 - Financing: 2016-17 HOME Investment Partnerships Program Grant Funds |
| 7 | | | 1 | PH | HOU | NC | NA | NA | A public hearing to receive comments regarding an application to the Texas Department of Housing and Community Affairs (TDHCA) for 2017 9% Low Income Housing Tax Credits for Wynnewood Senior Housing II, a 140-unit multifamily senior project, located at approximately 1805 South Zang Boulevard, in accordance with the requirements of Texas Government Code §2306.67071 and Texas Administrative Code §10.204(4); and at the close of the public hearing, authorize (1) a resolution in support of the Texas Department of Housing and Community Affair's (TDHCA) 9% low-income housing tax credit (LIHTC) application for Wynnewood Senior Housing II, located at approximately 1805 South Zang Boulevard for the construction of the proposed 140-unit multifamily residential development for low income seniors; (2) an amendment to and assumption by Wynnewood Senior Housing II, LP of an existing housing redevelopment loan provided to an affiliate of the developer by the City in 1993 for the The Parks at Wynnewood located at 1910 Argentia Drive with a remaining balance of $425,000.00; (3) subordination of the amended and assumed loan to the senior construction lender for the 140-unit multifamily seniors project; and (4) conditioned upon the award of 2017 9% Low Income Housing Tax Credit to Wynnewood Senior Housing II, LP, forgiveness of the remaining balance of the assumed loan upon completion of the project - Financing: No cost consideration to the City |

**TOTAL $4,716,721.95**

**ADDENDUM ITEM # 1**

**KEY FOCUS AREA:** E-Gov

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** City Attorney's Office

**CMO:** Larry Casto, 670-3491

**MAPSCO:** N/A

## SUBJECT

Authorize **(1)** Supplemental Agreement No. 1 to the professional services contract with MCKOOL SMITH A PROFESSIONAL CORPORATION for additional legal services necessary to continue representing Jennifer Staubach Gates, Erik Wilson, Philip T. Kingston, Scott Griggs in Michael S. Rawlings v. the Board of Trustees of the Dallas Police and Fire Pension System, et al., Cause No. DC-16-15431, and in the case styled LaDonna Degan, et al. v. The Board of Trustees of the Dallas Police and Fire Pension System, et al., Civil Action No. 4:17-cv-66, and for other legal services consistent with Resolution No. 17-0247 - Not to exceed $450,000, from $50,000 to $500,000; and **(2)** an increase in appropriations in the amount of $500,000, from $16,159,590 to $16,659,590 in the City Attorney's Office FY2016-17 budget - Not to exceed $500,000 - Financing: Contingency Reserve Funds

## BACKGROUND

By Resolution No. 17-0247, the City Council authorized the City to pay for the legal expenses of the Deputy Mayor Pro Tem Erik Wilson and Council Members Jennifer Staubach Gates, Philip T. Kingston, and Scott Griggs in actions involving the Dallas Police and Fire Pension System. Additionally, the City Council Trustees were named in the above-captioned lawsuit filed by participants of the Dallas Police and Fire Pension System. The law firm of MCKOOL SMITH A PROFESSIONAL CORPORATION was chosen to represent the four City Council Trustees in the above referenced lawsuits.

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

City Council authorized the City to pay for legal expenses for the four trustees of the Dallas Police and Fire Pension, on January 25, 2017, by Resolution No. 17-0247.

**FISCAL INFORMATION**

$500,000 - Contingency Reserve Funds

**OWNER**

**MCKOOL SMITH A PROFESSIONAL CORPORATION**

Steven D. Wolens, Partner

February 22, 2017

**WHEREAS,** on January 25, 2017, the City Council adopted Resolution No. 17-0247 authorizing the City to pay for the legal expenses of the City Council Trustees in actions involving the Dallas Police and Fire Pension System; and

**WHEREAS,** on February 6, 2017, pursuant to Administrative Action No. 17-5410, the City authorized a professional services contract with MCKOOL SMITH A PROFESSIONAL CORPORATION to represent Jennifer Staubach Gates, Erik Wilson, Philip T. Kingston, and Scott Griggs with regard to the Dallas Police and Fire Pension System, in an amount not to exceed $50,000.00; and

**WHEREAS,** the professional legal services of MCKOOL SMITH A PROFESSIONAL CORPORATION continue to be necessary in this matter; **Now, Therefore,**

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

**Section 1.** That, following approval as to form by the City Attorney, the City Manager is hereby authorized to enter into Supplemental Agreement No. 1 to the professional services contract with MCKOOL SMITH A PROFESSIONAL CORPORATION, for additional legal services necessary to continue representing Jennifer Staubach Gates, Erik Wilson, Philip T. Kingston, Scott Griggs and Michael S. Rawlings v. the Board of Trustees of the Dallas Police and Fire Pension System, et al., Cause No. DC-16-15431, in the case styled LaDonna Degan, et al. v. The Board of Trustees of the Dallas Police and Fire Pension System, et al., Civil Action No. 4:17-cv-66, and for other legal services consistent with Resolution No. 17-0247, in an amount not to exceed $450,000.00, increasing the original contract amount from $50,000.00 to $500,000.00.

**Section 2.** That the Chief Financial Officer is hereby authorized to transfer funds not to exceed $500,000 from Fund 0001, Dept. NBG, Unit 1000, Revenue Source RTRF, to Fund 0001, Dept. ATT, Unit 2049, Revenue Source 9229; and a clearing entry, in the same amount, to Fund 0001, Dept. BMS, BSA 0991 (Debit) and to Fund 0001, Dept. BMS, BSA 0950 (Credit).

**Section 3.** That the City Manager is hereby authorized to increase the City Attorney' s Office appropriations in an amount not to exceed $500,000.00 in Fund 0001, Dept. ATT, Unit 2049, Object 3033; increase total General Fund expenditure appropriations by $500,000.00 from $1,229,338,885 to $1,229,838,885; and increase total General Fund revenue appropriations by $500,000, from $1,229,338,885 to $1,229,838,885.

**Section 4.** That the Chief Financial Officer is hereby authorized to disburse, in periodic payments to MCKOOL SMITH A PROFESSIONAL CORPORATION, an amount not to exceed $450,000.00 from Fund 0001, Department ATT, Unit 2049, Obj. 3033, Encumbrance No. ATT20491701 Vendor No. VC16661.

**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.

**ADDENDUM ITEM # 2**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 9

**DEPARTMENT:** Mobility and Street Services
Water Utilities

**CMO:** Jill A. Jordan, P.E., 670-5299
Mark McDaniel, 670-3256

**MAPSCO:** 38 M

## SUBJECT

Authorize a construction contract with Texas Standard Construction, Ltd., lowest responsible bidder of four, for the reconstruction of street paving, storm drainage, traffic signal, landscaping, and water and wastewater main improvements along Gus Thomasson Road from San Medina Avenue to Ferguson Road - Not to exceed $4,216,722 - Financing: 2003 Bond Funds ($1,687,463), General Obligation Commercial Paper Funds ($1,350,395), 2012 Bond Funds ($290,644) and Water Utilities Capital Construction Funds ($888,220)

## BACKGROUND

This item is placed on the addendum in order to expedite construction and facilitate coordination with the planned adjacent private development, in conjunction with the Chapter 380 economic development grant agreement with Casa View II Ltd. and/ or its affiliates (Owners), in consideration of the Shopping Center located at 2331 and 2203 Gus Thomasson Road, pursuant to the Public/Private Partnership Program.

On February 10, 2016, Administrative Action No. 16-5470 authorized a professional services contract with Freese and Nichols, Inc. for a traffic study which entailed studying the feasibility of reducing the number of lanes on Gus Thomasson Road immediately east and west of Ferguson Road from the existing six lanes to four lanes. On May 25, 2016, Resolution No. 16-0871 authorized Supplemental Agreement No. 1 to the professional services contract with Freese and Nichols, Inc. for the engineering design of complete street improvements for Gus Thomasson Road from San Medina Avenue to Ferguson Road and Casa View Drive from Gus Thomasson Road to 330 feet south.

**BACKGROUND** (Continued)

On August 10, 2016, a public hearing was conducted and Resolution No. 16-1248 authorized a Thoroughfare Plan Amendment to change the dimensional classification of Gus Thomasson Road from Easton Road to Mesquite city limits, from an existing roadway designation (six-lane divided) to a special four-lane divided (SPCL 4D) roadway within 80 to 85 feet of right-of-way. On January 3, 2017, Administrative Action No. 17-5169 authorized Supplemental Agreement No. 2 to investigate potential soil contamination and provide additional design for storm drainage system improvements.

This action will authorize a construction contract with Texas Standard Construction, Ltd. for the reconstruction of street paving, storm drainage, traffic signal, landscaping, and water and wastewater main improvements along Gus Thomasson Road from San Medina Avenue to Ferguson Road. This action will also cancel the 2012 resurfacing projects of Gus Thomasson Road from Zacha Drive to Desdemona Drive, Easton Road from Garland Road to Gus Thomasson Road, Emerald Isle Drive from Garland Road to park entrance, and Ocalla Avenue from Garland Road to San Fernando Way and reprogram the funds to construct the complete street improvements along Gus Thomasson Road from San Medina Avenue to Ferguson Road.

The following chart shows Texas Standard Construction, Ltd. completed contractual activities for the past three years:

| | STS | WTR | PKR |
|---|---|---|---|
| Projects Completed | 10 | 0 | 0 |
| Change Orders | 20 | 0 | 0 |
| Projects Requiring Liquidated Damages | 0 | 0 | 0 |
| Projects Completed by Bonding Company | 0 | 0 | 0 |

**ESTIMATED SCHEDULE OF PROJECT**

| | |
|---|---|
| Began Design | May 2016 |
| Completed Design | January 2017 |
| Begin Construction | April 2017 |
| Complete Construction | March 2018 |

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

The City Plan Commission Transportation Committee acted on the proposed Thoroughfare Plan Amendment to change the dimensional classification of Gus Thomasson Road from Easton Road to Mesquite city limits from an existing roadway designation to a special four-lane divided (SPCL 4D) roadway within 80 to 85 feet of right-of-way on May 5, 2016, and followed staff recommendation of approval.

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

The City Plan Commission acted on the proposed Thoroughfare Plan Amendment to change the dimensional classification of Gus Thomasson Road from Easton Road to Mesquite city limits from an existing roadway designation to a special four-lane divided (SPCL 4D) roadway within 80 to 85 feet of right-of-way on May 19, 2016, and followed staff recommendation of approval.

Council authorized a professional services contract with Freese and Nichols, Inc. for engineering design services on May 25, 2016, by Resolution No. 16-0871.

On August 10, 2016, a public hearing was conducted and Resolution No. 16-1248 authorized a Thoroughfare Plan Amendment to change the dimensional classification of Gus Thomasson Road from Easton Road to Mesquite city limits from an existing roadway designation to a special four-lane divided (SPCL 4D) roadway within 80 to 85 feet of right-of-way.

On December 14, 2016, a public hearing to receive comments regarding consideration of a resolution to adopt the Greater Casa View Area Plan was approved, by Resolution No. 16-1978.

Information about this item was provided to the Economic Development Council Committee on February 21, 2017.

**FISCAL INFORMATION**

2003 Bond Funds - $1,687,463.36
General Obligation Commercial Paper Funds - $1,350,394.43
2012 Bond Funds - $290,644.16
Water Utilities Capital Construction Funds - $888,220.00

| | |
|---|---|
| Design | $ 38,573.14 |
| Supplemental Agreement No. 1 | $ 279,652.63 |
| Supplemental Agreement No. 2 | $ 49,975.00 |
| Construction (this action) | |
| Paving & Drainage - STS | $ 3,328,501.95 |
| Water & Wastewater - DWU | $ 888,220.00 |
| Total | $ 4,584,922.72 |

**M/WBE INFORMATION**

See attached.

**ETHNIC COMPOSITION**

Texas Standard Construction, Ltd.

| | | | |
|---|---|---|---|
| Hispanic Female | 3 | Hispanic Male | 87 |
| African-American Female | 0 | African-American Male | 3 |
| Other Female | 0 | Other Male | 0 |
| White Female | 4 | White Male | 8 |

**BID INFORMATION**

The following bids with quotes were received and opened on February 3, 2017:

*Denotes successful bidder(s)

| BIDDERS | BID AMOUNT |
|---|---|
| *Texas Standard Construction, Ltd.<br>P. O. Box 210768<br>Dallas, Texas 75211 | $4,216,721.95 |
| Gibson Associates, Inc. | $5,064,672.08 |
| Tiseo Paving Company | $5,077,063.80 |
| Ed Bell | $5,475,547.93 |

Engineer's estimate: STS - $3,000,000.00
DWU - $ 800,000.00

Total $3,800,000.00

**OWNER**

**Texas Standard Construction, Ltd.**

Ronald H. Dalton, President

**MAP**

Attached.

# BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a construction contract with Texas Standard Construction, Ltd., lowest responsible bidder of four, for the reconstruction of street paving, storm drainage, traffic signal, landscaping, and water and wastewater main improvements along Gus Thomasson Road from San Medina Avenue to Ferguson Road - Not to exceed $ 4,216,722 - Financing: 2003 Bond Funds ($1,687,463), General Obligation Commercial Paper Funds ($1,350,395), 2012 Bond Funds ($290,644) and Water Utilities Capital Construction Funds ($888,220)

Texas Standard Construction Ltd is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

PROJECT CATEGORY: Construction

---

## LOCAL/NON-LOCAL CONTRACT SUMMARY

| | Amount | Percent |
|---|---|---|
| Total local contracts | $4,216,721.95 | 100.00% |
| Total non-local contracts | $0.00 | 0.00% |
| **TOTAL CONTRACT** | $4,216,721.95 | 100.00% |

## LOCAL/NON-LOCAL M/WBE PARTICIPATION

### Local Contractors / Sub-Contractors

| Local | Certification | Amount | Percent |
|---|---|---|---|
| Kenyatta Sand and Gravel | BMDB63563Y0517 | $1,104,724.00 | 26.20% |
| **Total Minority - Local** | | $1,104,724.00 | 26.20% |

### Non-Local Contractors / Sub-Contractors

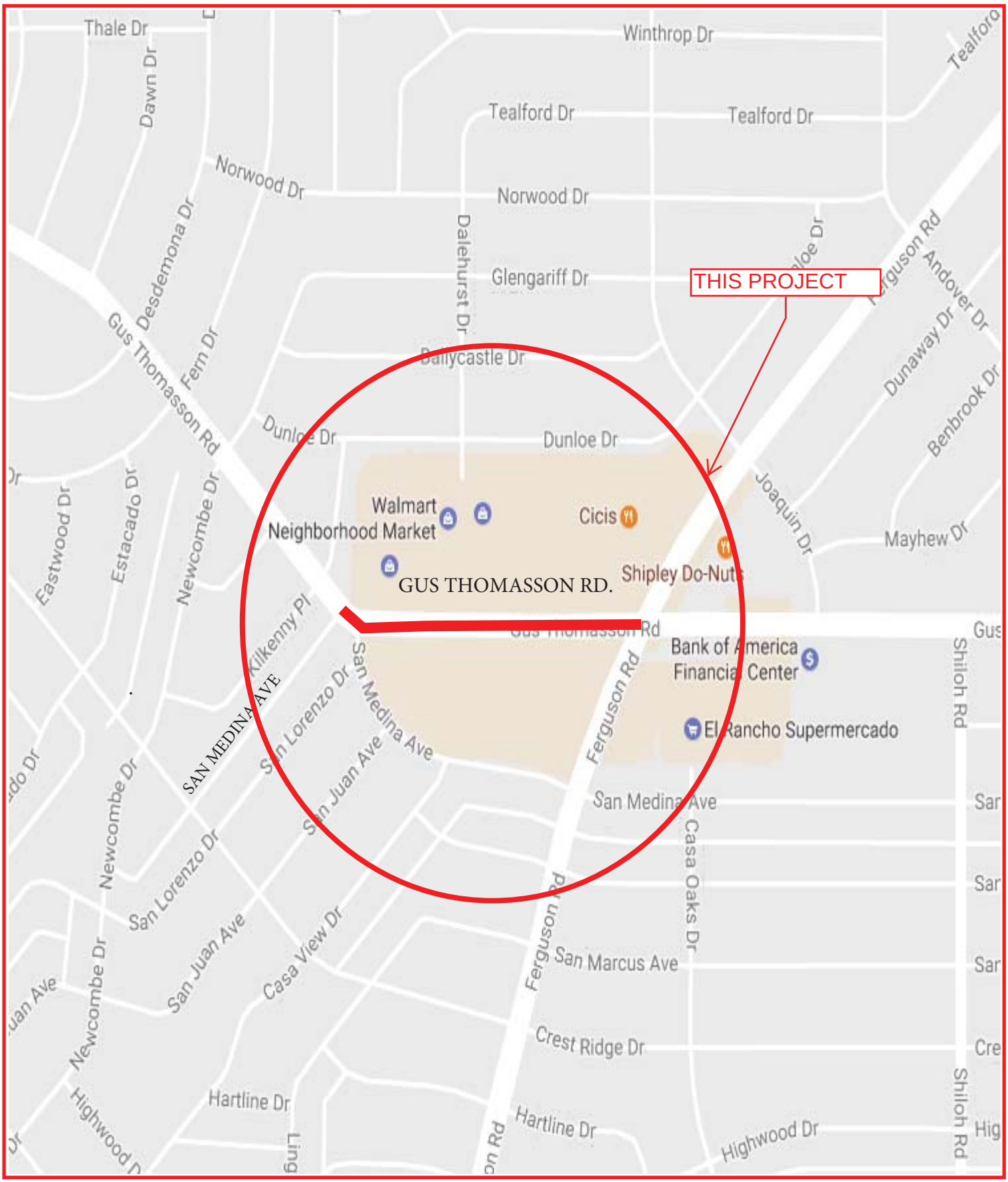
None

## TOTAL M/WBE CONTRACT PARTICIPATION

| | Local | Percent | Local & Non-Local | Percent |
|---|---|---|---|---|
| African American | $1,104,724.00 | 26.20% | $1,104,724.00 | 26.20% |
| Hispanic American | $0.00 | 0.00% | $0.00 | 0.00% |
| Asian American | $0.00 | 0.00% | $0.00 | 0.00% |
| Native American | $0.00 | 0.00% | $0.00 | 0.00% |
| WBE | $0.00 | 0.00% | $0.00 | 0.00% |
| Total | $1,104,724.00 | 0.00% | $1,104,724.00 | 26.20% |

# STREETSCAPE IMPROVEMENTS

## GUS THOMASSON ROAD FROM SAN MEDINA AVENUE TO FERGUSON ROAD




MAPSCO 38M

**WHEREAS,** on February 10, 2016, Administrative Action No. 16-5470 authorized a professional services contract with Freese and Nichols, Inc. for a traffic study for Gus Thomasson Road from Easton Road to the Mesquite city limits in the amount of $38,573.14; and,

**WHEREAS,** on May 25, 2016, Resolution No. 16-0871 authorized Supplemental Agreement No. 1 to the professional services contract with Freese and Nichols, Inc. for the engineering design of complete street improvements for Gus Thomasson Road from San Medina Avenue to Ferguson Road and Casa View Drive from Gus Thomasson Road to 330 feet south in the amount of $279,652.63, from $38,573.14 to $318,225.77, and authorized the reprogramming of the 2012 Bond Program street resurfacing project for Gus Thomasson Road from Materhorn Drive to Maylee Boulevard in the amount of $364,100 to Gus Thomasson Road from San Medina Avenue to Ferguson Road and Casa View Drive from Gus Thomasson Road to 330 feet south; and,

**WHEREAS,** on August 10, 2016, a public hearing was conducted and Resolution No. 16-1248 authorized a Thoroughfare Plan Amendment to change the dimensional classification of Gus Thomasson Road from Easton Road to Mesquite city limits from an existing roadway designation to a special four-lane divided (SPCL 4D) roadway within 80 to 85 feet of right-of-way; and,

**WHEREAS,** on December 14, 2016, a public hearing was conducted and Resolution No. 16-1978 authorized the adoption of the Greater Casa View Area Plan; and,

**WHEREAS,** on January 3, 2017, Administrative Action No. 17-5169 authorized Supplemental Agreement No. 2 to the professional services contract with Freese and Nichols, Inc. to investigate potential soil contamination and to provide additional drainage design needed for the project in the amount of $49,975.00; and,

**WHEREAS,** the City desires to reprogram the 2012 Bond Program street resurfacing projects for Gus Thomasson Road from Zacha Drive to Desdemona Drive - $401,600.00, Easton Road from Garland Road to Gus Thomasson Road - $451,800.00, Emerald Isle Drive from Garland Road to park entrance - $115,400.00, and Ocalla Avenue from Garland Road to San Fernando Way - $88,100.00; and,

**WHEREAS,** the City desires to use these project funds for the construction of the complete street improvements for Gus Thomasson Road from San Medina Avenue to Ferguson Road; and,

**WHEREAS,** bids were received on February 3, 2017, for the reconstruction of street paving, storm drainage, traffic signal, landscaping, and water and wastewater main improvements along Gus Thomasson Road from San Medina Avenue to Ferguson Road as follows:

February 22, 2017

| **BIDDERS** | **BID AMOUNT** |
|---|---|
| Texas Standard Construction, Ltd. | $4,216,721.95 |
| Gibson Associates, Inc. | $5,064,672.08 |
| Tiseo Paving Company | $5,077,063.80 |
| Ed Bell | $5,475,547.93 |

**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 a construction contract with Texas Standard Construction, Ltd. for the reconstruction of street paving, storm drainage, traffic signal, landscaping, and water and wastewater main improvements along Gus Thomasson Road from San Medina Avenue to Ferguson Road in the amount of $4,216,721.95 this being the lowest responsive bid received as indicated by the tabulation of bids, after it has been approved as to form by the City Attorney.

**Section 2.** That the City Manager is hereby authorized to reprogram the 2012 Bond Program street resurfacing projects for Gus Thomasson Road from Zacha Drive to Desdemona Drive - $401,600.00, Easton Road from Garland Road to Gus Thomasson Road - $451,800.00, Emerald Isle Drive from Garland Road to park entrance - $115,400.00, and Ocalla Avenue from Garland Road to San Fernando Way - $88,100.00 to Gus Thomasson Road from San Medina Avenue to Ferguson Road.

**Section 3.** That the Chief Financial Officer is hereby authorized to disburse funds in accordance with the terms and conditions of the contract from:

Street and Transportation Improvements Fund
Fund 3U22, Department STS, Unit W053 Act. SSUD
Obj. 4510, Program #PB12W053, CT STS12W053E1
Vendor #508379, in an amount not to exceed $290,644.16

Street and Transportation Improvements Fund
Fund 4R22, Department STS, Unit W053 Act. SSUD
Obj. 4510, Program #PB12W053, CT STS12W053E1
Vendor #508379, in an amount not to exceed $287,214.15

Street and Transportation Improvements Fund
Fund 4U22, Department STS, Unit W053 Act. SSUD
Obj. 4510, Program #PB12W053, CT STS12W053E1
Vendor #508379, in an amount not to exceed $1,350,394.43

| | |
|---|---|
| Specified Street Projects Fund<br>Fund 3R21, Department STS, Unit W053 Act. SSUD<br>Obj. 4510, Program #PB12W053, CT STS12W053E1<br>Vendor #508379, in an amount not to exceed | $294,268.37 |
| Specified Street Projects Fund<br>Fund 4R21, Department STS, Unit W053 Act. SSUD<br>Obj. 4510, Program #PB12W053, CT STS12W053E1<br>Vendor #508379, in an amount not to exceed | $722,151.99 |
| Specified Street Projects Fund<br>Fund 5R21, Department STS, Unit W053 Act. SSUD<br>Obj. 4510, Program #PB12W053, CT STS12W053E1<br>Vendor #508379, in an amount not to exceed | $383,828.85 |
| Water Construction Fund<br>Fund 0102, Department DWU, Unit CW42<br>Obj. 4550, Program #717135, CT - PBW717135CP<br>Vendor #508379, in an amount not to exceed | $879,834.00 |
| Water Capital Construction Fund<br>Fund 0102, Department DWU, Unit CW42<br>Obj. 3221, Program #717135X, CT -PBW717135EN<br>Vendor #508379, in an amount not to exceed | $ 8,386.00 |
| Total amount not to exceed | $4,216,721.95 |

**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.

**ADDENDUM ITEM # 3**

**KEY FOCUS AREA:** Public Safety

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Police

**CMO:** Eric Campbell, 670-3255

**MAPSCO:** N/A

## SUBJECT

Authorize an Interlocal Agreement with the Richardson Independent School District (RISD) for the provision of police services by the City in the RISD's Lake Highlands High School and junior high schools within the limit of both the City and RISD Schools - Estimated Revenue: $157,309

## BACKGROUND

This item is placed on the addendum to coincide with the RISD Board approval which took place on February 6, 2017.

Currently, various off-duty officers provide police services to the RISD and are compensated directly by the school district. In an effort to foster greater consistency and recurring individual interaction, a proposal was set forth to have specific police officers assigned to RISD to include a partnership with the City. Under the agreement, RISD would pay the City for the salaries of two (2) dedicated police officers and the City would fund the salaries for the remaining two (2) dedicated officers.

The FY16-17 Adopted Budget included a Council Amendment to authorize the hiring of two (2) additional police officers to specifically act as School Resource Officers (SRO) within the RISD.

These officers, who are funded by the City of Dallas, will be responsible for responding to calls for service, crime prevention, law enforcement, enforcement of truancy and community engagement at the schools and surrounding community. Also, their duties shall include counseling students and parents in helping find solutions to attendance and behavioral problems.

**BACKGROUND** (Continued)

Under this Interlocal Agreement, RISD will be responsible for reimbursement of overtime performed by the two SROs funded by the City of Dallas along with the overtime of the two SRO's to be reimbursed to the City. RISD will also provide a private office and administrative equipment necessary to perform their duties. RISD shall not decrease the number of full-time SROs it funds in the City of Dallas because of the City's funding.

Either party may terminate this agreement anytime upon written notice to the other party at least 90 days prior to the date of termination or upon non-appropriation of funds by its governing body.

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

On September 28, 1988, Resolution No. 88-3110 authorized an Interlocal Agreement with Richardson Independent School District for the period October 1, 1988 through September 30, 1993.

On August 24, 1994, Resolution No. 94-3063 authorized an Interlocal Agreement with Richardson Independent School District for the period October 1, 1994 through September 30, 1999.

On December 8, 1999, Resolution No. 99-3894 authorized an Interlocal Agreement Richardson Independent School District for the period October 1, 1999 through September 30, 2004.

Information about this item was provided to the Public Safety Committee on February 13, 2017.

**FISCAL INFORMATION**

$157,309.00 - Estimated Revenue

February 22, 2017

**WHEREAS,** pursuant to the Interlocal Cooperation Act, Chapter 791, Texas Government Code, the City of Dallas, a Texas home-rule municipality (the "CITY"), and the Richardson Independent School District, ("RISD"), an independent school district located in Dallas County, Texas, may jointly exercise the power to provide governmental services for the public health, safety and general welfare; and

**WHEREAS,** the parties desire to enter into this Interlocal Agreement for the provision of police services by the CITY in the RISD's Lake Highlands High School and junior high schools within the limits of both the CITY and RISD ("SCHOOLS"); and

**WHEREAS,** all obligations of the parties will be funded from their respective current revenues; and

**WHEREAS,** it is in the best interest of the City of Dallas to enter in an Interlocal Agreement with RISD.

**Now, Therefore,**

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

**Section 1.** That the City Manager is hereby authorized to enter into an Interlocal Agreement with the Richardson Independent School District (RISD) for the provision of police services by the City in the RISD's Lake Highlands High School and junior high schools within the limit of both the City and RISD Schools.

**Section 2.** That the Chief Financial Officer is authorized to deposit reimbursement of funds from RISD for regular salaries and overtime expenditures related to police services provided to RISD, into Fund 0001, Department DPD, Unit 2125, and Revenue Source 6526.

**Section 3.** 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.

**ADDENDUM ITEM # 4**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 9

**DEPARTMENT:** Sustainable Development and Construction

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** 26Z

## SUBJECT

An ordinance amending Ordinance No. 30273, previously approved on December 14, 2016, which abandoned a portion of Quality Lane, located near the intersection of Abrams Road and Northwest Highway to Ainbinder Northwest Highway LLC to extend the dedication time requirement from 90 days to 180 days and delete Exhibit C and substitute a new Exhibit C - Revenue: $5,400, plus the $20 ordinance publication fee

## BACKGROUND

This item is on the addendum because additional review time was required.

This item authorizes the amendment of Ordinance No. 30273, which abandoned a portion of Quality Lane, previously approved on December 14, 2016, which will allow for the extension of the dedication time requirement from 90 days to 180 days and delete Exhibit C and substitute a new Exhibit C.

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

On October 26, 2016, this item was deferred by Councilmember Clayton.

On November 9, 2016, this item was deferred by Councilmember Clayton.

On December 14, 2016, this item was approved by Council in Ordinance No. 30273.

The Economic Development Committee will be briefed by memorandum regarding this item.

## FISCAL INFORMATION

Revenue - $5,400, plus the $20 ordinance publication fee

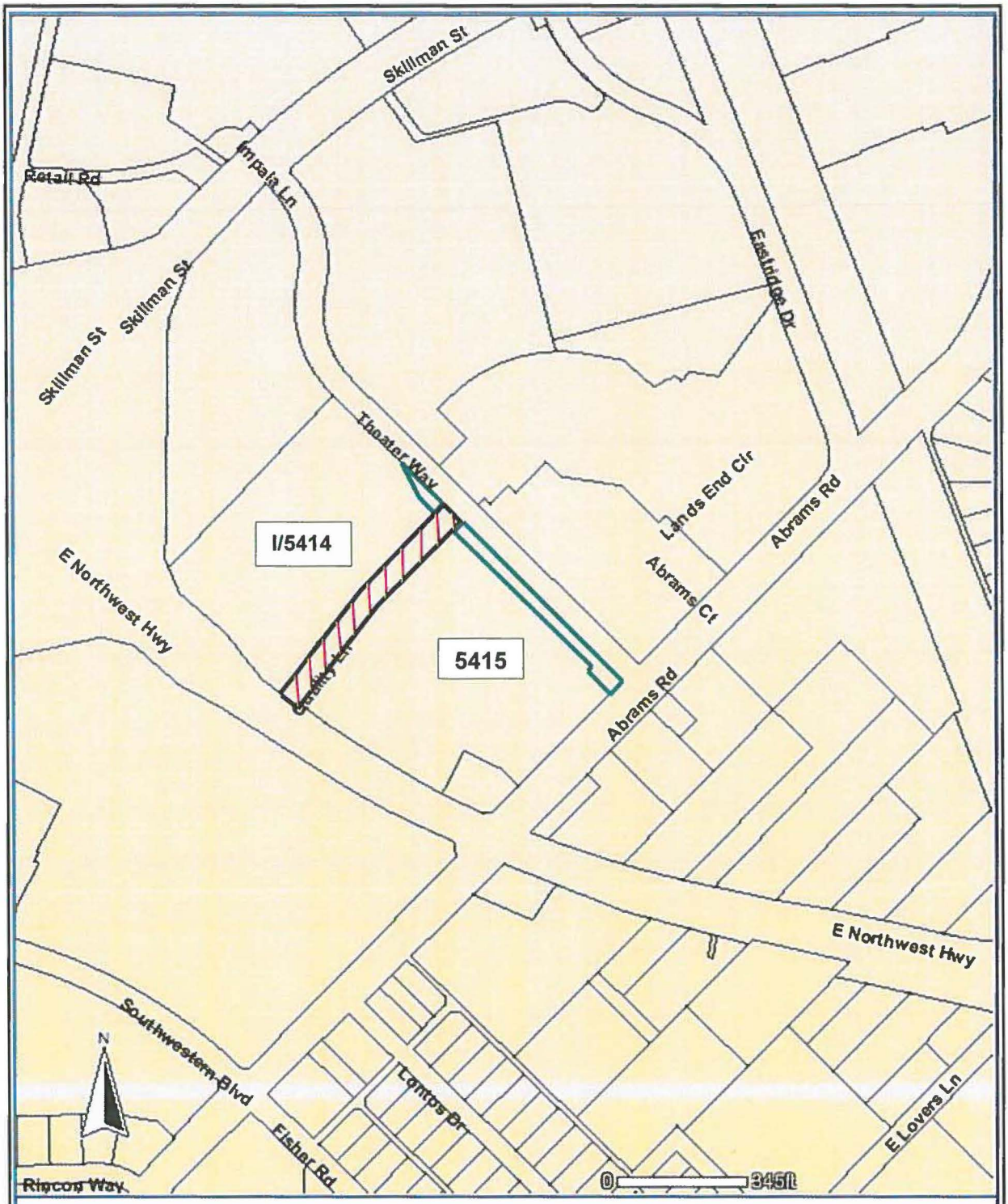
**OWNER**

**Ainbinder Northwest Highway LLC**

Barton L. Duckworth, Manager

**MAP**

Attached




**Dallas Central Appraisal District**
www.dallascad.org

DISCLAIMER
This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

**Abandonment Area**

**Dedication Area**

**ORDINANCE NO. _____**

An ordinance amending Ordinance No. 30273, by altering Section 10 to extend the 90 day deadline for dedication, deleting Exhibit C thereof and substituting a new Exhibit C thereto; providing for consideration to be paid to the City of Dallas; providing for payment of the publication fee; providing a savings clause; and providing an effective date.

**oooOooo**

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

**SECTION 1.** That Ordinance No. 30273 adopted by the City Council of the City of Dallas on December 14, 2016, be and the same is hereby amended by altering Section 10 to read as follows:

"**SECTION ~~12~~ 10.** That as a condition of this abandonment and as a part of the consideration for the quitclaim made herein, **GRANTEE** shall convey by separate instrument ~~an~~ two easements for vehicular and pedestrian access, respectively, to the City of Dallas, within ~~90~~ 180 days of the effective date of this ordinance, subject to only those title exceptions approved by the City Attorney, and insured by an owner's policy of title insurance approved as to form by the City Attorney, to certain properties located in City Block 5415, containing ~~approximately~~ no less than 17,023 square feet of land for the vehicular easement, a description of which is attached hereto and made a part hereof as Exhibit C, and sufficient land is dedicated as approved by the Director of Department of Sustainable Development and Construction or designee for the vehicular easement and pedestrian easement. This abandonment shall not be effective unless and until this dedication is completed as herein provided and failure to convey the above described property as set forth shall render this ordinance null and void and of no further effect.

**SECTION 2.** That, as consideration for amending Ordinance No. 30273, Ainbinder Northwest Highway LLC agrees to pay monetary consideration in the sum of **FIVE THOUSAND FOUR HUNDRED AND NO/100 ($5,400.00) DOLLARS** to the City of Dallas, and, by its tender thereof, accepts the terms and conditions of this ordinance.

**SECTION 3.** That the Chief Financial Officer is authorized to deposit the sum paid by **GRANTEE** pursuant to Section 2 above in the General Fund 0001, Department DEV, Balance Sheet 0519 and Department of Sustainable Development and Construction – Real Estate Division shall be reimbursed for the cost of obtaining the legal description, appraisal and other administrative costs incurred. The reimbursement proceeds shall be deposited in General FUND 0001, Department DEV, Unit 1183, Object 5011 and any remaining proceeds shall be transferred to the General Capital Reserve Fund 0625, Department BMS, Unit 8888, Revenue Source 8416.

**SECTION 4.** That Ordinance No. 30273 adopted by the City Council of the City of Dallas on December 14, 2016, be and the same is hereby amended by deleting Exhibit C and substituting a new Exhibit C, attached hereto and made a part hereof.

**SECTION 5.** That the terms and conditions of Ordinance No. 30273 shall remain in full force and effect except as amended hereby.

**SECTION 6.** That the City Secretary is hereby authorized and directed to certify a copy of this ordinance for recordation in the official real property records of the county in which the abandonment area is located, which certified copy shall be delivered to the Director of Department of Sustainable Development and Construction, or designee. Upon receipt of the monetary consideration set forth in Section 2 and 15, plus the fee for the publishing of this ordinance, which **GRANTEE** shall likewise pay, and the filing of and completion of the dedications set forth in Sections 10 and 16, the Director of Department of Sustainable Development and Construction, or designee shall deliver to **GRANTEE** the certified copy of this ordinance. The Director of Department of Sustainable Development and Construction, or designee, shall be the sole source for receiving certified copies of this ordinance for one (1) year after its passage.

**SECTION 7.** That this ordinance shall take effect immediately from and after its passage and publication in accordance with the provision of the Charter of the City of Dallas and it is accordingly so ordained.

**APPROVED AS TO FORM:**
**LARRY E. CASTO**
**City Attorney**

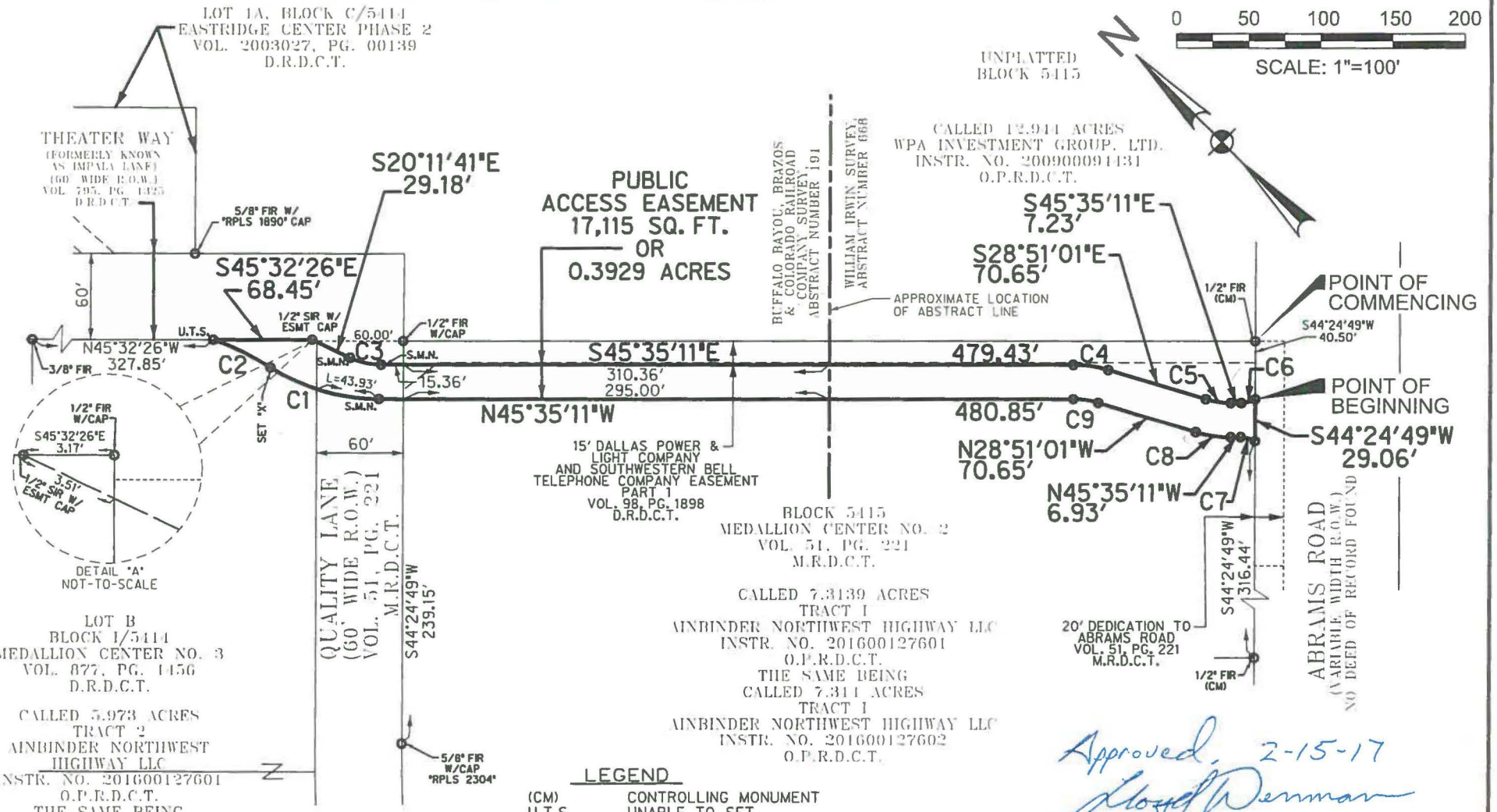
**BY** _____
**Assistant City Attorney**

**DAVID COSSUM**
**Director of Department of Sustainable Development and Construction**

**BY** _____
**Assistant Director**

**Passed** _____.

EXHIBIT C




CURVE TABLE

| C# | Delta | Radius | Length | Ch. Bearing | Ch. Length |
|---|---|---|---|---|---|
| C1 | 32°30'34" RT | 140.00' | 79.44' | N29°19'54"W | 78.37' |
| C2 | 12°39'50" LT | 200.00' | 44.21' | N19°24'32"W | 44.12' |
| C3 | 25°23'30" LT | 50.00' | 22.16' | S32°53'26"E | 21.98' |
| C4 | 16°44'10" RT | 84.00' | 24.54' | S 37°13'06" E | 24.45' |
| C5 | 16°44'10" LT | 60.00' | 17.53' | S 37°13'06" E | 17.46' |
| C6 | 28°37'54" LT | 20.00' | 9.99' | S 59°54'08" E | 9.89' |
| C7 | 29°37'26" LT | 20.00' | 10.34' | N 30°46'28" W | 10.23' |
| C8 | 16°44'10" RT | 84.00' | 24.54' | N 37°13'06" W | 24.45' |
| C9 | 16°44'10" LT | 60.00' | 17.53' | N 37°13'06" W | 17.46' |

LEGEND

| | |
|---|---|
| (CM) | CONTROLLING MONUMENT |
| U.T.S. | UNABLE TO SET |
| R.O.W. | RIGHT-OF-WAY |
| M.R.D.C.T. | MAP RECORDS OF DALLAS COUNTY, TEXAS |
| D.R.D.C.T. | DEED RECORDS OF DALLAS COUNTY, TEXAS |
| O.P.R.D.C.T. | OFFICIAL PUBLIC RECORDS OF DALLAS COUNTY, TEXAS |
| 1/2" SIR W/ ESMT CAP | 1/2-INCH SET IRON ROD WITH A PLASTIC CAP STAMPED "HALFF ESMT" |
| 1/2" FIR W/CAP | 1/2-INCH FOUND IRON ROD WITH A PLASTIC CAP STAMPED "HALFF" |
| S.M.N. | SET MAG NAIL WITH WASHER STAMPED "HALFF" |
| FIR | FOUND IRON ROD |
| INSTR. NO. | INSTRUMENT NUMBER |
| VOL. | VOLUME |
| PG. | PAGE |

The Basis of Bearing is the State Plane Coordinate System, Texas North Central Zone 4202, North American Datum of 1983. Adjustment Realization 2011.

Approved, 2-15-17
Lloyd Wenman
Assistant Director Engineering

PUBLIC ACCESS EASEMENT
MEDALLION CENTER NO. 2, BLOCK 5415
MEDALLION CENTER NO. 3, LOT B, BLOCK I/5414
BUFFALO BAYOU, BRAZOS & COLORADO RAILROAD COMPANY SURVEY, ABSTRACT NO. 191 AND WILLIAM IRWIN SURVEY, ABSTRACT NO. 668
CITY OF DALLAS, DALLAS COUNTY, TEXAS

HALFF
1201 NORTH BOWSER ROAD
RICHARDSON, TEXAS 75081-2275
TEL (214) 346-6200
FAX (214) 739-0095
TBPLS FIRM NO. 10029600

SCALE: 1" = 100' FEBRUARY, 2017 AVO: 31546

**ADDENDUM ITEM # 5**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 7

**DEPARTMENT:** Office of Economic Development

**CMO:** Mark McDaniel, 670-3256

**MAPSCO:** N/A

## SUBJECT

Authorize an amendment to Resolution No. 16-1830, previously approved on November 9, 2016, to replace Exhibit A, the South Dallas/Fair Park Grantee List, to correct funding amounts and grantee names - Financing: No cost consideration to the City

## BACKGROUND

This item is placed on the addendum to allow staff and the City Attorney's Office additional time to make the necessary amendments. Grantee requests were submitted over a period of several months in anticipation of execution of all documents and payment. Grantees are strapped for reimbursements and would be put at considerable hardship if item is moved to next regular Agenda.

On July 27, 2016, the South Dallas/Fair Park Trust Fund (Trust Fund) Advisory Board recommended for approval by the City Manager a list of grantees for funding. This list (Exhibit A) was attached to Resolution No. 16-1830. Subsequent to Council approval of the resolution, it was discovered that some funding amounts contained in Exhibit A were misstated and some names were not legally correct. In order to correct these inaccuracies, City Council approval is required.

The South Dallas/Fair Park Trust Fund (Trust Fund) was authorized in 1987 when City Council adopted the South Dallas Fair Park Neighborhood Preservation and Economic Development Plan. Commencing operations in FY94, the Trust Fund's goals were established and remain to facilitate community and neighborhood development through grants and loans that support: (1) community programs that assist human service needs as well as (2) promote business and economic development activity. The most recent Mayor's Fair Park Task Force recommended maintaining the current South Dallas/Fair Park Trust Fund and its structure.

**BACKGROUND** (Continued)

The Trust Fund's Advisory Board, appointed by City Council, reviews and recommends all loan and grant transactions to the City. Transactions greater than $70,000 require Council approval in accordance with City policy. In the past 10 years, the Trust Fund has made 250 grants totaling $3.6M and $660K in loans, for approval by the City Manager a list of grantees for funding. This list (Exhibit A) was attached to Resolution No. 16-1830 which in itself, did not relate to funding issues. Subsequent to Council approval of the resolution it was discovered that some funding amounts contained in Exhibit A were incorrect.

All loans originated since 2007 are current or paid in full, with no anticipated loan loss issues.

City Council Resolution No. 89-3605 established funding for the Trust Fund and set a minimum annual funding target of $500,000.

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

On February 18, 1987, City Council authorized the adoption of the South Dallas/Fair Park Neighborhood Preservation and Economic Development Plan to establish the South Dallas/Fair Park Trust Fund by Resolution No. 87-0632.

On November 8, 1989, City Council, acting on certain recommendations put forth by the Fair Park Task Force authorized the creation of guidelines and projects concerning the Trust Fund by Resolution No. 89-3605.

On August 26, 1992, City Council affirmed its commitment to the Trust Fund and directed the City Manager and South Dallas/Fair Park Trust Fund Board to submit recommendations for a long-range plan for the Trust Fund.

On March 24, 1993, City Council authorized certain recommendations contained in the long-range plan submitted for the Trust Fund by Resolution No. 93-1145.

On October 27, 1999, City Council authorized to replace Resolution No. 93-1145 regarding the programs and administration of the Trust Fund by Resolution No. 99–3439.

On February 25, 2004, City Council authorized to clarify that unused Trust Fund monies under certain conditions may be used in subsequent fiscal years by Resolution No. 04-0801.

On June 28, 2006, pursuant to Resolution No. 06-1833, City Council authorized the replacement of Resolution No. 99-3439 and modified certain policies, procedures and guidelines for operating the South Dallas/Fair Park Trust Fund.

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

On October 10, 2007, pursuant to Resolution No. 07-2962, City Council authorized amendments to Resolution No. 06-1833, policies, procedures and guidelines for operating the South Dallas/Fair Park Trust Fund.

On June 17, 2015, pursuant to Resolution No. 15-1264, City Council established funding sources to total a minimum $500,000 annually for operating the South Dallas Fair Park Trust Fund.

On November 9, 2016, pursuant to Resolution No. 16-1830, City Council authorized a start date of June 1, 2016 for eligible expenses and reimbursements for FY 15/16 Grants, and amended Resolution No. 15-1264 to distinguish social services grants from economic development grants under Chapter 380 of the Texas Local Government Code and separate eligible programs.

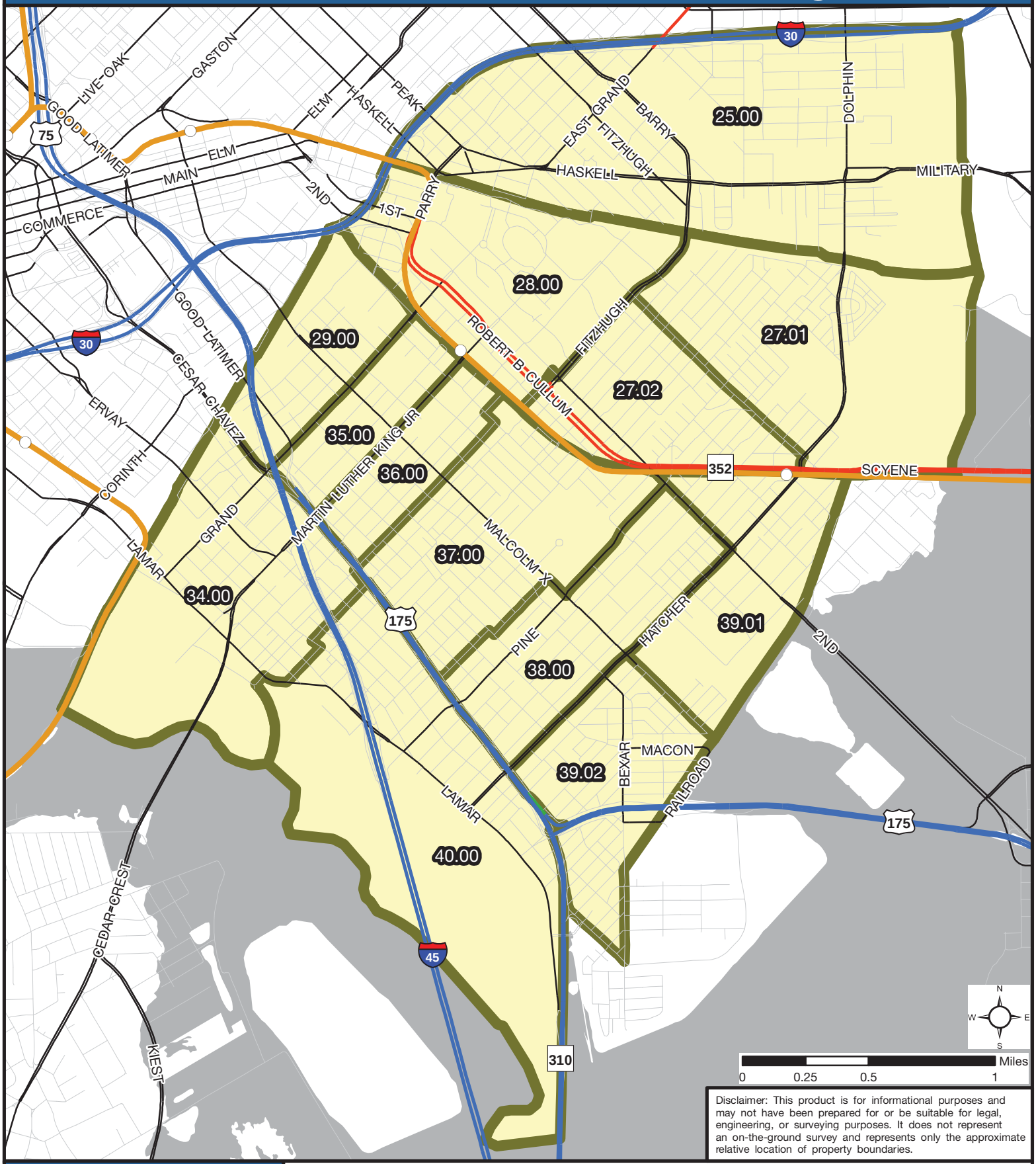
**FISCAL INFORMATION**

No cost consideration to the City

**MAP**

Attached.

# South Dallas / Fair Park Trust Fund Eligible Area




Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.


DALLAS
**ECONOMIC DEVELOPMENT**

Research & Information Division
214.670.1685
dallas-ecodev.org


Created 8.6.2012 - SDFP_TrustFund.TCG

## Legend

- South Dallas / Fair Park Trust Fund Eligible Census Tract
- Rail Station
- DART Light Rail
- Freeway
- Highway
- Arterial
- Local Road
- Flood Plain

Source: City of Dallas, 2012

February 22, 2017

**WHEREAS,** on February 18, 1987, City Council authorized the adoption of the South Dallas/Fair Park Neighborhood Preservation and Economic Development Plan which established the South Dallas/Fair Park Trust Fund (sometimes herein called the "Trust Fund") by Resolution No. 87-0632; and

**WHEREAS,** on November 8, 1989, City Council, acting on certain recommendations put forth by the Fair Park Task Force, authorized Resolution No. 89-3605 which created guidelines and projects concerning the Trust Fund; and

**WHEREAS,** on August 26, 1992, City Council affirmed its commitment to the Trust Fund and directed the City Manager and South Dallas/Fair Park Trust Fund Board (Board) to submit recommendations for a long-range plan for the Trust Fund; and

**WHEREAS,** on March 24, 1993, City Council authorized the adoption of certain recommendations contained in the long-range plan submitted for the Trust Fund by Resolution No. 93-1145; and

**WHEREAS,** on October 27, 1999, City Council authorized Resolution No. 99–3439 to replace and rescind Resolution No. 93-1145 regarding the programs and administration of the Trust Fund; and

**WHEREAS,** on February 25, 2004, City Council authorized that unused Trust Fund monies under certain conditions may be used in subsequent fiscal years by Resolution No. 04-0801; and

**WHEREAS,** on June 28, 2006, City Council authorized Resolution No. 06-1833 to replace and rescind Resolution No. 99-3439; and

**WHEREAS,** on October 10, 2007, pursuant to Resolution No. 07-2962, City Council authorized amendments to Resolution No. 06-1833 providing modifications to certain policies, procedures and guidelines for funding sources, administrative cost and name change for operating the South Dallas/Fair Park Trust Fund; and

**WHEREAS,** it has been determined that, in part, due to its complexity, the visitors' formula intended to be established in Resolution No. 87-0632 in order to provide revenues for the South Dallas/Fair Park Trust Fund was never implemented and monies from this source of revenue was not appropriated by previous City Councils; and

**WHEREAS,** monies have now been identified to provide the South Dallas/Fair Park Trust Fund with funds to restore the money that would have been set aside for the Trust Fund under the visitors' formula, but not appropriated by the City; and

**WHEREAS,** additional programs for the Trust Fund have been identified for which monies may be appropriated on an annual basis in order to assist the purpose of the Trust Fund; and

**WHEREAS,** additional revisions to South Dallas Fair Park Trust Fund programs and operations have been proposed and the City now desires to implement; and

**WHEREAS,** on June 17, 2015, pursuant to Resolution No. 15-1264 the City replaced Resolutions No. 06-1833 and No. 07-2962 and re-established certain policies, programs, procedures and guidelines for the South Dallas Fair Park Trust Fund; and

**WHEREAS,** on November 9, 2016 pursuant to Resolution No. 16-1830, City Council authorized (1) a start date of June 1, 2016, for grants recommended by the South Dallas/Fair Park Trust Fund Board Grant Committee to the South Dallas Fair Park Trust Fund Advisory Board and approved for recommendation to the City Manager by the South Dallas/Fair Park Trust Fund Advisory Board on July 27, 2016 (Exhibit A); (2) amendments to the South Dallas/Fair Park Trust Fund Grant Program to distinguish community and human services grants from economic development grants funded under the authority of Chapter 380 of the Texas Local Government Code (Chapter 380); and (3) amendments to Resolution No. 15-1264, Section 2.A.b. to separate the eligible programs; and

**WHEREAS,** that corrections to Exhibit A of Resolution No. 16-1830 are being made to accurately reflect amounts and names of Grantees.

**NOW THEREFORE**,

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

**Section 1.** That the City Manager, upon approval as to form by the City Attorney, is hereby authorized to execute amendments to Resolution No. 16-1830, previously approved on November 9, 2016, to replace **Exhibit A**, (the South Dallas/Fair Park Grantee List), to correct funding amounts and grantee names.

**Section 2.** That with the exception of Section 1 above, Resolution No. 16-1830 will remain in full force and effect.

**Section 3.** 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.

**Exhibit A**
**South Dallas Fair Trust Fund**
**2015/16 Grants**
**November 9, 2016**

## Community Based Non Profit Grants

**Advocates for Community Transformation.** Grant Amount $34,000. Project: Program to Eliminate Crime and Urban Blight in Frazier/Mill City Neighborhoods.

The program is intended to encourage development and enhance the quality of life for residents by eliminating drug houses and other unoccupied structures through legal advocacy among residents with pro bono legal support. Funds will be used for neighborhood meetings and to contract with Caruth Police Institute and SMU Center on Research and Evaluation to establish a baseline in order to determine progress and success. Program period extends over 3 years. Funding is requested for 6/1/16 – 6/1/17.

**Alley's House.** Grant Amount ~~$35,000~~. $34,000 Program/Project: Outreach and Pathways Program
The program will provide counselling, innovative learning, workforce development modules and a stable environment for at least 180 teen age mothers. The program will be offered at two (2) SD/FP community locations (Madison and Lincoln High Schools). The series of 5 five week curriculums will be ongoing from 8/1/16 – 7/31/17 Funding will be used for curriculum, contract instructors and meeting expenses.

~~**African American Museum**~~ **Museum of African American Life and Culture:** Grant Amount ~~$16,000~~ $20,000 Increase $4,000 Program/Project: South Dallas Literacy Program.

The program is intended to enlighten SD/FP residents about issues and conditions facing their community and encouraging them to actively participate in activities that impact their quality of life. Efforts to recruit residents to engage have fallen short and decisions are being developed by those from outside of the community. The Museum will provide workshops, presentations and lectures as well as assist with forming Book Clubs to peak interest. The program will take place from September 2016 through June 2017 and expects to engage at least 1,200 community residents. Funding will be used for contract speakers and meeting expenses.

~~**Business Assistance Center**~~ **Business Assistance Center, Inc.:** Grant Amount ~~$26,175~~. $29,083.50 Increase $2,908.50 Program/Project: Project 3E: Educate, Empower, Employ.

The Grantee will partner with Inspiring Greatness Consulting to provide soft skills, life skills, professional development and job readiness training for employment in the field of construction management. Training will be for six weeks, 9/6/16 – 10/12/16 for 25 people who will be placed in jobs within 1 week of completing the course. Funding will be used for contract instructors and curriculums.

**Exhibit A**
**South Dallas Fair Trust Fund**
**2015/16 Grants**
**November 9, 2016**

## Community Based Non Profit Grants

~~**Circle of Support**~~ **Circle of Support, Inc.:** Grant Amount ~~$22,400~~. $28,000 Increase $5,600 Project/Program: Girls S.M.A.R.T. (Science, Math, Art, Reading, Technology) Summer Learning Program.

The program provides academic and enrichment learning, leadership development and life skills to at risk females pre K – 9th grade who live in the SD/FP community. This Summer program helps girls to believe that they can achieve at higher levels and embark upon careers that will increase their chances of escaping poverty through higher paying jobs. Funding will be used for transportation, food and contract instructors. The program will run for six weeks, June 10, 2016 – July 22, 2016.

**On the Road Lending:** Grant Amount ~~$35,000~~**.** $31,500 Project/Program First Step Provisional Transportation

The program helps low/moderate income working people obtain loans to buy reliable, affordable, transportation so that they can acquire and keep jobs. The program includes financial literacy that teaches participants to manage their finances and avoid predatory lenders. The program expects to provide 12 to 15 clients with dependable transportation in 2016. Funds will be used for contract instructors. The program is ongoing.

**North Texas Capacity Builders (NTCB):** Grant Amount $34,000. Program/Project: Capacity Building Self Sufficiency Construction and Business Program.

The program enhances the capacity, knowledge, growth and sustainability of non-profit and for profit programs. NTCB will be working with non-profit North Texas Fatherhood Initiative program enrollees to grow their capacity by providing small business technical assistance to graduates who are small business owners and sub – contractors**.** The program will work with 6 – 10 business owners**.** Funds will be used for contract personnel. Training will be provided at various locations in the SD/FP community, 6/21/16 – 9/22/16.

~~Skill Quest~~ **Skill Quest, Inc.:** Grant Amount ~~$28,350~~**.** $31,500 Increase $2,150. **Project/Program:** High School to Careers Program

The program provides a workforce development program that removes barriers to completing a career Certification, case management to coach students through the curriculum, places participants in jobs paying family living wages and follows their progress for one year after placement. The Skill Quest High School to Careers Program will have participants from Madison and Lincoln High Schools. Certifications will be offered in automotive, construction, health care, info tech, logistics and para legal. Program period is 6/18/16 – 5/3/17. The goal is to have 75% enrolled in Comm. College by 12/31/16 and 40 participants placed in job by 6/30/17

**Exhibit A**
**South Dallas Fair Trust Fund**
**2015/16 Grants**
**November 9, 2016**

## Community Based Non Profit Grants

**Transformance Inc.** Grant Amount $35,000. Project/Program: Pocket Change KIDS and AIM (accountable, inspirational, motivational) Financial Capability for Parents

The program promotes sound financial management for parents and children through curriculums that helps participants to understand credit, how to decrease debt and establish savings. The program empowers participants to achieve financial freedom through financial management that will lead to economic independence. Independence. The program is targeting 500 youth and 100 adults. The program will start 8/17/16 and end 8/17/17. Funds will be used for meeting expenses and contract personnel.

~~**North Texas Conference of the United Methodist Church, ZIP Code Connection**~~ **North Texas Conference of the UMC:** In collaboration with Communities Foundation. Grant Amount $35,000. Program/Project: Zip Code Connection Boots on the Ground.

The program addresses poverty by convening stakeholders (residents, churches and other organizations to learn about the issues and best practices in collaboration with partners and levering local and external financial and decision assets to support positive transformation. It will connect residents to resources such as Workforce Development programs and transportation options and other resources to remove barriers to getting a job and keeping it. Program duration 6/21/16 – 5/16/17. Funds will be used for community meeting expenses and professional and contract support.

~~**Zan Holmes Community Outreach Center**~~**: Zan Wesley Holmes Jr. Community Outreach Center** Grant Amount $35,000. Program/Project: Dream Academy

The Academy provides instruction to 25 students in writing, social studies, math, science and reading, enhancing their literacy and likelihood of successful higher education that will prepare them for upper income employment. Program duration 10/4/16 – 2/13/17. Funds will be used for contract personnel

## Challenge Grants

**Dallas Black Dance Theatre:** Grant Amount $5,000. Project/Program: In School and Outreach Residency

The program will provide dance training and arts education activities for SDFP students seeking careers in the fine arts. 80 students. 9/2016 – 5/2017. Post program survey for progress and skills development Funds will be used for transportation and contract personnel.

**Exhibit A**
**South Dallas Fair Trust Fund**
**2015/16 Grants**
**November 9, 2016**

## Community Based Non Profit Grants

~~**EDGE Education Group**~~ **EDGE Education Group, Institute, Inc.:** Grant Amount $5,000. Program/Project: Community Financial Literacy Program

The program provides financial literacy for Freshman (and others who can attend) students at Madison High School. Program time: weekly for 2 hours on Thursday afternoon. Program will be provided 9/1/16 – 10/20/16 Funds will be used for curriculum and materials

~~**Education**~~ **Educational First Step:** Grant Amount $5,000. Project/Program: Braswell Education and Enrolment Initiative

The Grantee works to improve the quality and availability of early childhood education for economically disadvantaged children by keeping small daycare businesses operating, growing and profitable in low income neighborhoods. The initiative will assist a quality day care center in the SDFP community, with teacher certification, facility attractiveness and student enrollment growth. The program will run from 6/1/16 to 5/31/17. The goal is 98% of teachers accredited and re accredited. Web site traffic up 25%. Funds will be used for materials and staff development fees.

**Generation to Generation Ministries, Inc.:** Grant Amount $5,000. Project/Program: Social Skills for Success

The Grantee teaches critical life skills to at risk youth. The program teaches soft skills to SDFP students grades K – 6, enhancing their social and emotional maturity. Classes will be provided 2 times weekly at the T.R. Hoover Center from 9/16/16 – 5/ 2017. 60 students. will be given Pre Evaluation / Post Evaluation in conversational skills, problem solving, managing emotional distress and positive social behavior. Funds will be used for snacks, materials and facility usage and contract instructors.

**National Kidney Foundation Serving Texas:** Grant Amount $5,000. Program/Project: KEEP – Healthy Kidney Screenings

The program helps to prevent kidney and urinary tract diseases, improve the health and well-being of individuals and families affected by kidney disease and increase the availability of all organs for transplant. Kidney failure is prevalent in low income communities and communities of color. Screenings reduce health issues that prevent residents from participating in the work force. Program duration: 1,000 SDFP screenings from 8/1/16 - 4/2017. Funds will be used for screening materials.

**Exhibit A**
**South Dallas Fair Trust Fund**
**2015/16 Grants**
**November 9, 2016**

## Community Based Non Profit Grants

**St. Philips School and Community Center:** Grant Amount $5,000. Program/Project: Senior Citizens Education and Enrichment Program

The program provides education and community services to low/moderate income families in the Trust Fund area. The enrichment program is focused on updating skills for older workers**.** The program also provides other resources such as legal clinics, transportation for meds, and food pantry. 50 – 150 people weekly on Tuesday and Thursday, June 1, 2016 – June 1, 2017. Funds will be used for Program expenses.

**Victory Baptist Church of Dallas:** Grant Amount $5,000. Program/Project Victory SOAR Program

The Victory SOAR Program provides reading and educational services to 24 students, to improve literacy and educational attainment. Program period 4/10/16 – 9/11/16. Formal diagnostic assessments will be used to track progress in reading fluency and comprehension (March and November) post and pre. Ages 3 – 7. Funds will be used for curriculum, snacks and testing materials.

## Public Safety Grants

**Abounding Prosperity:** Grant Amount $10,000. Program/Project: No Shade Peer Mentoring

The Grantee provides services to address the health, social and economic disparities affecting African American men with an emphasis on the LGBT community. The grant will help to reduce street prostitution that offends residents, deters development in the community and increases incarceration which reduces employment opportunities for offenders. Peer mentors who are former sex workers, will build individual relationships to reduce recidivism for 20 -50 men. Meet monthly. Ongoing from June 1, 2016 – June 1, 2017. Funds will be used for meeting expenses, curriculum, and contract personnel.

**Jubilee Park & Community ~~Center~~ Ctr.:** Grant Amount $10,000. Program/Project: Public Safety Initiative

The program aims to empower residents to help with crime reduction to encourage economic development in the community. Residents learn how to assist with video surveillance and how to improve community relations with DPD. The goal is to engage 3,000 residents and 20 business, and hold a National Night Out activity. Funds will be used for community meetings, a DPD Appreciation event and National Night Out. Activities planned for July, 2016 through July, 2017.

**ADDENDUM ITEM # 6**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 13

**DEPARTMENT:** Housing/Community Services

**CMO:** Alan Sims, Chief of Neighborhood Plus, 670-1611

**MAPSCO:** 13X

## SUBJECT

Authorize a housing development loan in an amount not to exceed $2,000,000 with St. Jude, Inc. for acquisition of a property at 2920 Forest Lane for development of a permanent supportive housing project for the homeless - Not to exceed $2,000,000 - Financing: 2016-17 HOME Investment Partnerships Program Grant Funds

## BACKGROUND

This item was placed on the addendum due to legal deadlines before the next available agenda.

On November 11, 2016, the City posted a Notice of Funding Availability (NOFA) for Multifamily Rental Housing Development Projects in the amount of $5.5M requesting developers to submit proposals to build multifamily rental units in the city limits of Dallas. St. Jude, Inc. submitted a proposal to the City of Dallas for the acquisition and rehabilitation of a 100-unit existing apartment complex for homeless. They will work with various agencies such as Catholic Charities of Dallas, CitySquare and Family Gateway for referrals and client services. They have obtained private interim construction financing for the construction of the units. Estimated private leverage will be $1,650,000.

Joseph W. Dingman, the President of St. Jude, Inc., has developed senior housing with the City as Notre Dame Place, Inc. They completed construction and rented 8 units to households at various income limits. They currently are under contract with the City to develop 9 owner occupied mixed income townhomes in Oak Cliff.

The project will receive FY 2016-17 HOME Investment Partnerships Program Grant Funds from the U.S. Department of Housing and Urban Development (HUD). The City of Dallas will provide a portion of the property acquisition financing for the existing apartment complex at 2920 Forest Lane. The developer will utilize private financing for the remaining acquisition costs and rehabilitation of the units.

## BACKGROUND (Continued)

The units will be efficiencies with approximately 375 sq. ft. and have open living areas. The construction work and occupancy will be completed within two years. The lien and deed restrictions will remain on the property for 10 years.

City Council approval of this item will authorize the City Manager to execute the loan documents with St. Jude, Inc. for these funds, subject to environmental clearance by the City of Dallas and HUD.

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

On June 22, 2016, City Council approved the City of Dallas FY 2016-17 Consolidated Plan Budget for federal funds which included the HOME Investment Partnerships Program Funds, by Resolution No. 16-1066.

On December 14, 2016, the City Council approved the criteria for multifamily projects including Housing Tax Credit financing to include the Housing Placement Policy and affirmatively furthering fair housing, by Resolution No. 16-1989.

On January 17, 2017 and February 6, 2017, the Housing Committee was briefed on the Multifamily Rental Housing Development Program NOFA projects and supported this project.

## FISCAL INFORMATION

2016-17 HOME Investment Partnerships Program Grant Funds - $2,000,000

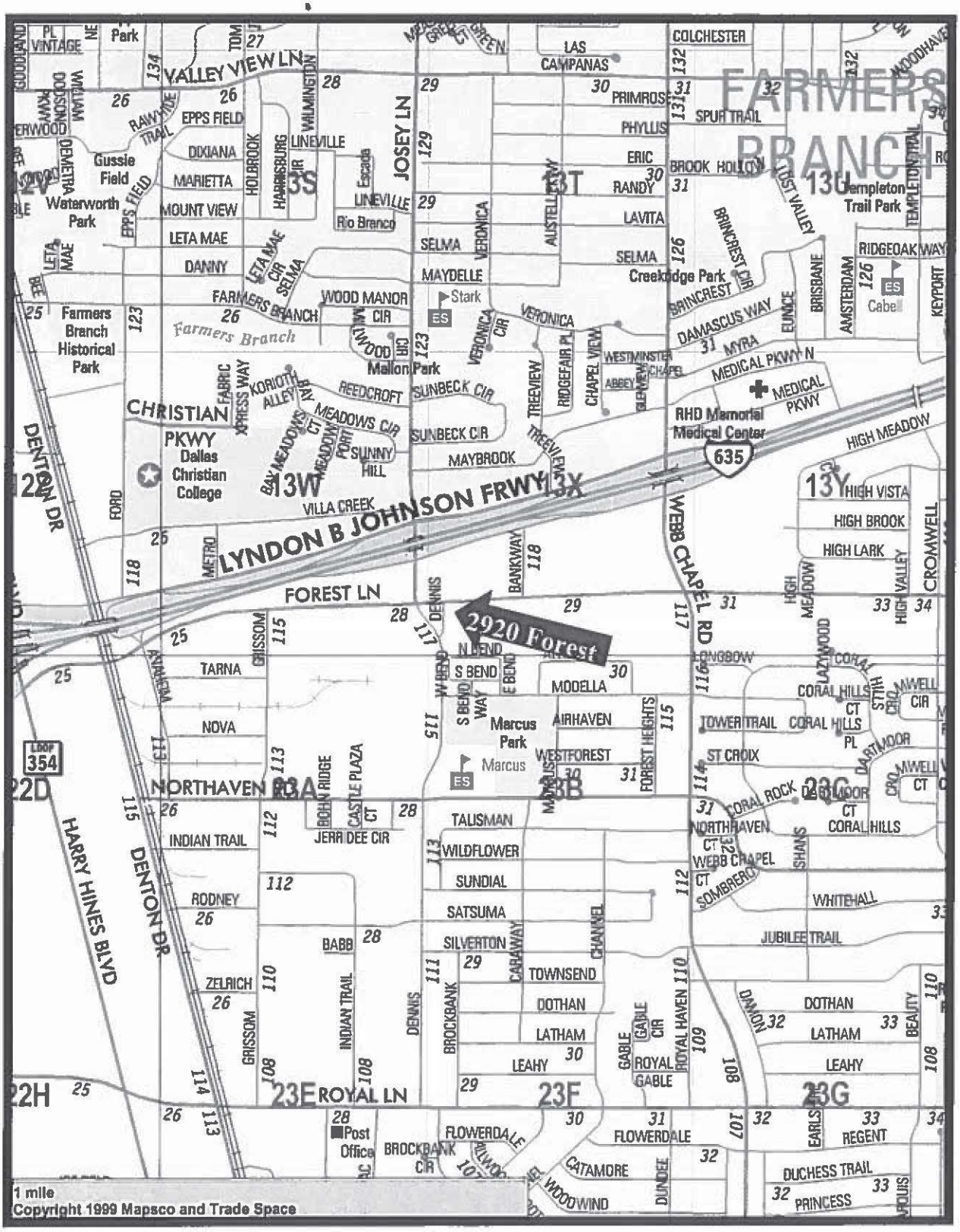
## OWNER/DEVELOPER

**St. Jude, Inc.**

Joseph W. Dingman, President

## MAP

Attached


VALLEY VIEW LN
FARMERS BRANCH
LAS CAMPANAS
COLCHESTER
PRIMROSE
SPUR TRAIL
PHYLLIS
ERIC
RANDY
LAVITA
SELMA
MAYDELLE
JOSEY LN
EPPS FIELD
DIXIANA
LINEVILLE
MARIETTA
MOUNT VIEW
LETA MAE
DANNY
FARMERS BRANCH
WOOD MANOR CIR
Stark ES
Gussie Field
Waterworth Park
Rio Branco
Escada
Farmers Branch Historical Park
Farmers Branch
Mallon Park
Creekridge Park
Templeton Trail Park
Cabell ES
RIDGEOAK WAY
KEYPORT
AMSTERDAM
BRISBANE
EUNICE
BRINCREST
DAMASCUS WAY
MYRA
MEDICAL PKWY N
MEDICAL PKWY
RHD Memorial Medical Center
635
HIGH MEADOW
HIGH VISTA
HIGH BROOK
HIGH LARK
CROMWELL
HIGH VALLEY
HIGH MEADOW
LAZYWOOD
CORAL HILLS CT
CORAL HILLS PL
TOWER TRAIL
ST CROIX
DARTMOOR
CORAL ROCK
NORTHHAVEN CT
WEBB CHAPEL CT
SOMBRERO
WHITEHALL
JUBILEE TRAIL
DOTHAN
LATHAM
LEAHY
BEAUTY
DAMON
SHANS
EARLS
REGENT
DUCHESS TRAIL
PRINCESS
LOUIS
CHRISTIAN PKWY
Dallas Christian College
REEDCROFT
SUNBECK CIR
MAYBROOK
SUNNY HILL
MEADOWS CIR
MEADOWVIEW PORT
BAY MEADOWS CT
KORIOTH ALLEY
FABRIC XPRESS WAY
VILLA CREEK
LYNDON B JOHNSON FRWY
DENTON DR
FORD
METRO
FOREST LN
2920 Forest
DENNIS
BANKWAY
TREEVIEW
RIDGEFAIR PL
CHAPEL VIEW
WESTMINSTER ABBEY
CHAPEL
WEBB CHAPEL RD
N BEND
S BEND
S BEND WAY
E BEND
MODELLA
AIRHAVEN
Marcus Park
Marcus ES
WESTFOREST
FOREST HEIGHTS
MARCUS
TARNA
NOVA
GRISSOM
CARVER
LOOP 354
HARRY HINES BLVD
NORTHAVEN
BOHN RIDGE
CASTLE PLAZA
JERRI DEE CIR
INDIAN TRAIL
RODNEY
ZELRICH
BABB
TALISMAN
WILDFLOWER
SUNDIAL
SATSUMA
SILVERTON
TOWNSEND
BROCKBANK
CARAWAY
CHANNEL
GABLE
GABLE CIR
ROYAL GABLE
ROYAL HAVEN
ROYAL LN
Post Office
FLOWERDALE
BROCKBANK CIR
CATAMORE
WOODWIND
DUNDEE
1 mile
Copyright 1999 Mapsco and Trade Space

**MAPSCO 13X**

**WHEREAS,** the development of permanent supportive housing units for homeless is a high priority of the City of Dallas; and

**WHEREAS,** on June 22, 2016, City Council approved the City of Dallas FY 2016-17 Consolidated Plan Budget for federal funds which included the HOME Investment Partnerships Program Grant Funds, by Resolution No. 16-1066; and

**WHEREAS,** on December 14, 2016, the City Council approved the criteria for multifamily projects including Housing Tax Credit financing to include the Housing Placement Policy and affirmatively furthering fair housing, by Resolution No. 16-1989; and

**WHEREAS,** on January 17, 2017 and February 6, 2017, the Housing Committee was briefed on the Multifamily Rental Housing Development Program NOFA projects and supported this project; and

**WHEREAS,** St. Jude, Inc. proposes to work with the City of Dallas to undertake the development of 100 permanent supportive housing units for homeless at 2920 Forest Lane; **NOW, THEREFORE,**

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

**Section 1.** That following approval as to form by the City Attorney, the City Manager is authorized to execute a housing development loan in an amount not to exceed $2,000,000 with St. Jude, Inc. for acquisition of a property at 2920 Forest Lane for development of a permanent supportive housing project for the homeless.

**Section 2.** The terms of the loan agreement include:

(a) St. Jude, Inc. must execute a note payable for $2,000,000 to the City of Dallas for the loan.
(b) St. Jude, Inc. will execute a lien through a Deed of Trust and deed restriction for a 10-year term for the units.
(c) St. Jude, Inc. will use the funds to gap the acquisition costs for the purchase of the existing apartment complex at 2920 Forest Lane.
(d) St. Jude, Inc. will have two years to fully complete the project.
(e) The City will subordinate its lien to the approved construction lender.

**Section 3.** That the City Manager, upon approval as to form by the City Attorney, is authorized to execute releases of liens and terminate deed restrictions on the property upon compliance with the loan terms and deed restrictions.

**Section 4.** That the Chief Financial Officer is authorized to disburse funds in accordance with this resolution as follows:

St. Jude, Inc. # VS93926

| Fund | Dept | Unit | Object Code | Program # | Encumbrance | Amount |
|---|---|---|---|---|---|---|
| HM16 | HOU | 545A | 3015 | HM16FOREST | HOU545AD1369 | $2,000,000 |

**Section 5.** That the City Controller is hereby authorized to record notes receivable - developers loan in balance sheet account (033F) and an allowance for uncollectible debt (022D) in fund HM16 for the amount of the loan.

**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 loans, until such time as the loan documents 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.

**ADDENDUM ITEM # 7**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 1

**DEPARTMENT:** Housing/Community Services

**CMO:** Alan Sims, Chief of Neighborhood Plus, 670-1611

**MAPSCO:** 54Q

## SUBJECT

A public hearing to receive comments regarding an application to the Texas Department of Housing and Community Affairs (TDHCA) for 2017 9% Low Income Housing Tax Credits for Wynnewood Senior Housing II, a 140-unit multifamily senior project, located at approximately 1805 South Zang Boulevard, in accordance with the requirements of Texas Government Code §2306.67071 and Texas Administrative Code §10.204(4); and at the close of the public hearing, authorize **(1)** a resolution in support of the Texas Department of Housing and Community Affair's (TDHCA) 9% low-income housing tax credit (LIHTC) application for Wynnewood Senior Housing II, located at approximately 1805 South Zang Boulevard for the construction of the proposed 140-unit multifamily residential development for low income seniors; **(2)** an amendment to and assumption by Wynnewood Senior Housing II, LP of an existing housing redevelopment loan provided to an affiliate of the developer by the City in 1993 for the The Parks at Wynnewood located at 1910 Argentia Drive with a remaining balance of $425,000.00; **(3)** subordination of the amended and assumed loan to the senior construction lender for the 140-unit multifamily seniors project; and **(4)** conditioned upon the award of 2017 9% Low Income Housing Tax Credit to Wynnewood Senior Housing II, LP, forgiveness of the remaining balance of the assumed loan upon completion of the project - Financing: No cost consideration to the City

## BACKGROUND

This item was placed on the addendum because the City's agenda timetable does not coincide with the State's timeline for submission of support documentation.

On November 11, 2016, the City of Dallas (the "City") issued a Notice of Funding Availability (NOFA) for multifamily projects utilizing the Texas Department of Housing & Community Affairs (TDHCA) Low Income Housing Tax Credit (LIHTC) Program to all known developers and posted it to the City's website. On December 12, 2016, the proposals were due back to the City. On December 22, 2016, the Loan Review Committee met with each applicant and evaluated each NOFA application.

**BACKGROUND (Continued)**

On December 12, 2016, John Greenan, Executive Director of Central Dallas Community Development Corporation, submitted an application to the City of Dallas on behalf of Wynnewood Senior Housing II, LP ("Applicant"), for support of their application to TDHCA for the 2017 Low Income Housing Tax Credit Program.

The project includes 140 multifamily units for seniors, 107 one-bedroom and 33 two-bedroom units (with 1 unit for property management). This would be the 3rd Phase of the Wynnewood redevelopment with Phase I and Phase II complete.

The Applicant has proposed renting 139 units or 99% of the units to tenants with household incomes capped at 60% or below the area median family income (AMFI) with rents affordable to tenants and 1 unit or 1% of the units as an Employee Occupied Unit.

As a new requirement for applicants applying for Housing Tax Credits after September 1, 2013, the Governing Body must adhere to the new notification and hearing requirements of the Texas Government Code §2306.67071 and Texas Administrative Code §10.204(4). More specifically, those notices are as follows: notice has been provided to the Governing Body in accordance with Texas Government Code, §2306.67071 (a); the Governing Body has had sufficient opportunity to obtain a response from the Applicant regarding any questions or concerns about the proposed Development; the Governing Body has held a hearing at which public comment may be made on the proposed Development in accordance with Texas Government Code, §2306.67071(b); and after due consideration of the information provided by the Applicant and public comment, the Governing Body does not object to the proposed Application.

This project is not located within one mile of another LIHTC multifamily project that serves the same type of household as the proposed Development. The project is not located in a census tract that has more than 20 percent housing tax credit units per total households as established by the 5-year American Community Survey.

The project is located in the Wynnewood Village Community Revitalization Plan. The State will award additional points to a particular application under §11.9(d)(7)(A)(ii)(II) of the 2017 Housing Tax Credit Qualified Allocation Plan if a city explicitly identifies the project as contributing most significantly to the concerted revitalization efforts of the city. The City may only identify one single project for these additional points during each application round.

## BACKGROUND (Continued)

The applicant has submitted a request to assume the remaining $425,000.00 balance of a loan made in 1993 to an affiliate of the developer, to subordinate the assumed loan to the senior construction lender for the project, and to forgive the balance of the loan contingent upon award of 2017 9% low income housing tax credits and completion of the project on or before September, 2019.

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

On February 10, 2010, the City Council approved a modification to the policy for the acceptance of applications seeking City of Dallas support for low income housing tax credit financing, when the State of Texas does not require direct City of Dallas approval by Resolution No. 10-0498.

On February 5, 2015 and April 8, 2015, the City Council approved the Wynnewood Community Revitalization Plan (aka The Wynnewood Urban Design Guide).

On December 14, 2016, the City Council approved a modification to the policy for multifamily project applications seeking City of Dallas support for Housing Tax Credit financing to include the Housing Placement Policy and to ensure the projects affirmatively further fair housing by Resolution No. 16-1989.

On January 17, 2017 and February 6, 2017 the Housing Committee was briefed on the Multifamily Rental Housing Development Program NOFA and supported the project.

## FISCAL INFORMATION

No cost consideration to the City

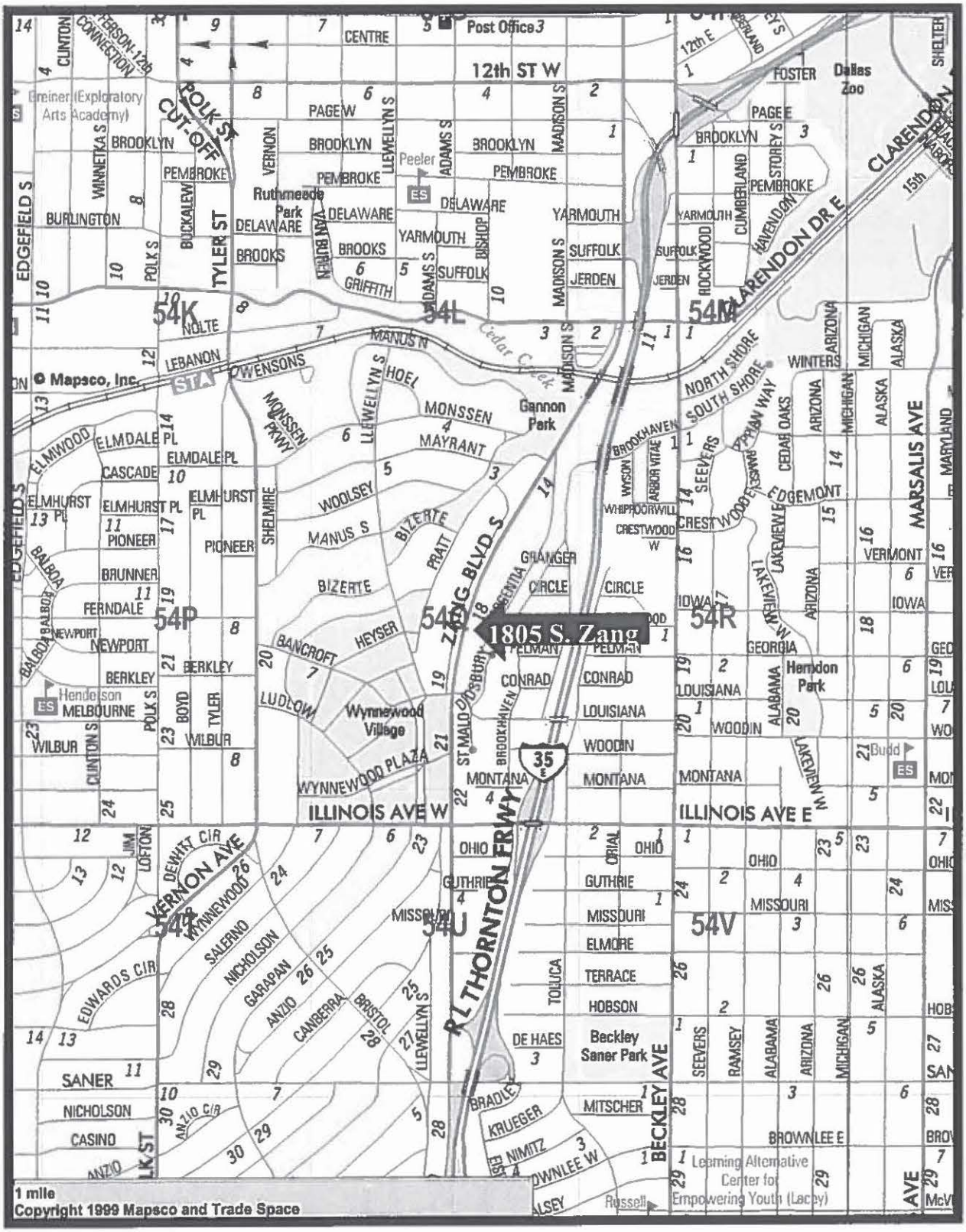
| OWNER(S) | DEVELOPER |
|---|---|
| **Wynnewood Seniors Housing II, LP** | **Bank of America CDC**<br>Brian L. Roop, Senior Vice President |

**Central Dallas CDC, Sole Member of General Partner**
John Greenan, Executive Director

**Bank of America CDC, Special Limited Partner**
Brian L. Roop, Senior Vice President

## MAP

Attached


1805 S. Zang
54K
54L
54M
54N
54P
54Q
54R
54S
54T
54U
54V
12th ST W
ILLINOIS AVE W
ILLINOIS AVE E
R L THORNTON FRWY
ZANG BLVD S
MARSALIS AVE
BECKLEY AVE
VERNON AVE
TYLER ST
POLK ST
CLARENDON DR E
Dallas Zoo
Gannon Park
Ruthmeede Park
Beckley Saner Park
Herndon Park
Wynnewood Village
Peeler
Hendelson
Budd
Greiner (Exploratory Arts Academy)
Learning Alternative Center for Empowering Youth (Lacey)
Post Office
Cedar Creek
1 mile
Copyright 1999 Mapsco and Trade Space
© Mapsco, Inc.

**MAPSCO 54Q**

February 22, 2017

**WHEREAS,** John Greenan, Executive Director of Central Dallas Community Development Corporation, on behalf of Wynnewood Senior Housing II, LP ("Applicant"), has proposed a development for affordable rental housing at approximately 1805 South Zang Boulevard named Wynnewood Senior Housing II in the city of Dallas and has advised that it intends to submit an application to the Texas Department of Housing & Community Affairs (TDHCA) for 2017 9% Housing Tax Credits for Wynnewood Senior Housing II; and

**WHEREAS,** on January 17, 2017 and February 6, 2017, the Wynnewood Senior Housing II Tax Credit multifamily project was briefed and supported by the Housing Committee; and

**WHEREAS,** as a condition for being considered for the award of the 9% tax credit, the Applicant has proposed renting 139 units or 99% of the units to tenants with household incomes capped at 60% or below the area median family income (AMFI) with rents affordable to tenants and 1 unit or 1% of the units as an Employee Occupied Unit; and

**WHEREAS,** the City of Dallas provides support of the TDHCA 2017 9% LIHTC application for the Wynnewood Senior Housing II project located at approximately 1805 South Zang Boulevard; **NOW, THEREFORE,**

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

**SECTION 1.** That the City of Dallas hereby: (1) supports the Texas Department of Housing and Community Affair's (TDHCA) 9% low-income housing tax credit (LIHTC) application and allocation for Wynnewood Senior Housing II, LP (aka Highpoint Seniors Phase II) located at approximately 1805 South Zang Boulevard for the construction of the proposed 140-unit multifamily residential development for low income seniors; (2) authorizes an amendment to and assumption by Wynnewood Senior Housing II, LP of an existing housing redevelopment loan provided to an affiliate of the developer by the City in 1993 for development of The Parks at Wynnewood located at 1910 Argentia Drive with a remaining balance of $425,000.00; (3) subordination of the amended and assumed loan to the senior construction lender for the 140-unit multifamily seniors project; and (4) conditioned on the award of 2017 9% Low Income Housing Tax Credit to Wynnewood Senior Housing II, LP, forgiveness of the remaining balance of the assumed loan upon completion of the project.

**SECTION 2.** That in accordance with the requirements of Texas Government Code §2306.67071 and Texas Administrative Code §10.204(4), it is hereby found that:

1. Notice has been provided to the Governing Body in accordance with Texas Government Code, §2306.67071 (a); and
2. The Governing Body has had sufficient opportunity to obtain a response from the Applicant regarding any questions or concerns about the proposed Development; and
3. The Governing Body has held a hearing at which public comment may be made on the proposed Development in accordance with Texas Government Code, §2306.67071(b); and
4. After due consideration of the information provided by the Applicant and public comment, the Governing Body supports the proposed Application.

**SECTION 3.** That the City of Dallas, acting through its governing body, hereby confirms that it supports the proposed Wynnewood Senior Housing II project and allocation of 2017 9% Housing Tax Credits for the construction of the apartments located at approximately 1805 South Zang Boulevard.

**SECTION 4.** That this formal action has been taken to put on record the opinion expressed by the City of Dallas on February 22, 2017 and that for and on behalf of the Governing Body, the City Manager, or his designee, is hereby authorized, empowered, and directed to certify this resolution to the Texas Department of Housing and Community Affairs.

**SECTION 5.** That as provided for in 10 TAC §11.3(c), it is hereby acknowledged that the Wynnewood Senior Housing II project will not be located one linear mile or less from a Development that serves the same type of household as the proposed Development and has received an allocation of Housing Tax Credits for New Construction since January 5, 2014; however, if data changes or if another Development that serves the same type of household is approved for Housing Tax Credits, the City of Dallas continues to support and specifically allows the Wynnewood Senior Housing II project to receive an allocation of Housing Tax Credit.

**SECTION 6.** That as provided for in 10 TAC §11.3(b), it is expressly acknowledged that the City of Dallas is not a municipality that has more than twice the state average of units per capita supported by LIHTC; however, if data changes occur, the City of Dallas would continue to support the Wynnewood Senior Housing II.

**SECTION 7.** That as provided for in 10 TAC §11.3(d) and §11.4(c)(1), it is hereby acknowledged that the proposed Wynnewood Senior Housing II project will not be located in a census tract that has more than 20% Housing Tax Credit Units per total household in the census tract; however, if data changes occur, the City of Dallas would continue to support the Wynnewood Senior Housing II project and its obligation to affirmatively further fair housing.

**SECTION 8.** That the project is located in Wynnewood Community Revitalization Plan (CRP) and located at approximately 1805 South Zang Boulevard and is explicitly identified as contributing most significantly to the concerted revitalization efforts of the City of Dallas, pursuant to §11.9(d)(7)(A)(ii)(II) of the 2017 Housing Tax Credit Qualified Allocation Plan.

**SECTION 9**. That the City Manager or his designee, upon approval as to form by the City Attorney, is hereby authorized to (1) amend and allow assumption by Wynnewood Senior Housing II, LP of an existing housing redevelopment loan provided to an affiliate of the developer by the City in 1993 for development of The Parks at Wynnewood located at 1910 Argentia Drive with a remaining balance of $425,000.00; (2) subordinate the amended and assumed loan to the senior construction lender for the 140-unit multifamily seniors project; and (3) conditioned on the award of 2017 9% Low Income Housing Tax Credit to Wynnewood Senior Housing II, LP, forgive the remaining balance of the assumed loan upon completion of the project.

**SECTION 10.** That prior to receiving a conditional City of Dallas building permit required by TDHCA prior to closing on the tax credits, the Project Developer will consult with the City of Dallas Sustainable Development and Construction Department with regard to security related design standards.

**SECTION 11.** 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.

**REVISED AGENDA ITEM # 90**

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 9, 10

**DEPARTMENT:** Mobility and Street Services
Water Utilities

**CMO:** Jill A. Jordan, P.E., 670-5299
Mark McDaniel, 670-3256

**MAPSCO:** 27T U 38L

---

## SUBJECT

A benefit assessment hearing to receive comments on street paving, drainage, water and wastewater main improvements, and alley paving for Project Group 12-3004; and at the close of the hearing, authorize an ordinance levying benefit assessments~~, and a construction contract with MACVAL Associates, LLC, lowest responsible bidder of five~~ (list attached)~~ – Not to exceed $873,052~~ - Financing: No cost consideration to the City ~~2012 Bond Funds ($712,610), Water Utilities Capital Construction Funds ($96,681) and Water Utilities Capital Improvement Funds ($63,761)~~

## BACKGROUND

Stevens Street from Cayuga Drive to Davilla Avenue and Davilla Avenue from Stevens Street to Drake Street was requested by property owner petition and accepted on August 9, 2010. The alley southwest and parallel to Shoreview Road from Forest Trail to Eagle Trail to Nimrod Trail was requested by property owner petition and accepted on January 22, 2009. These projects were subsequently funded in the 2012 Bond Program. A professional services contract for the design was authorized by City Council on January 22, 2014, by Resolution No. 14-0190. This action will allow the public hearing to be held and will authorize the levying of assessments ~~and contract for construction~~. The street improvements will consist of upgrading the existing unimproved two-lane asphalt street with 26-foot wide concrete pavement with curbs, sidewalks, drive approaches, drainage installation system, water and wastewater main improvements. The alley improvements will consist of upgrading the unimproved gravel and dirt alleys with 10-foot wide concrete pavement.

**BACKGROUND** (Continued)

The paving assessment process requires the following three steps:

1. Authorize paving improvements
2. Authorize a benefit assessment hearing
3. Benefit assessment hearing, ordinance levying assessments ~~and authorize contract for construction~~

This is the 3rd ~~and final~~ step in the process. An item to authorize the construction contract will be scheduled for City Council consideration at a later date.

~~The following chart shows MACVAL Associates, LLC completed contractual activities for the past three years.~~

| | ~~STS~~ | ~~WTR~~ | ~~PKR~~ |
|---|---|---|---|
| ~~Projects Completed~~ | ~~0~~ | ~~0~~ | ~~0~~ |
| ~~Change Orders~~ | ~~0~~ | ~~0~~ | ~~5~~ |
| ~~Projects Requiring Liquidated Damages~~ | ~~0~~ | ~~0~~ | ~~0~~ |
| ~~Projects Completed by Bonding Company~~ | ~~0~~ | ~~0~~ | ~~0~~ |

**~~ESTIMATED SCHEDULE OF PROJECT~~**

| | |
|---|---|
| ~~Began Design~~ | ~~March 2014~~ |
| ~~Completed Design~~ | ~~October 2016~~ |
| ~~Begin Construction~~ | ~~May 2017~~ |
| ~~Complete Construction~~ | ~~May 2018~~ |

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

Authorized a professional services contract for engineering services on January 22, 2014, by Resolution No. 14-0190.

Authorized street paving improvements and a benefit assessment hearing on January 11, 2017, by Resolution No. 17-0081.

Information about this item will be provided to the Transportation and Trinity River Project Committee on February 13, 2017.

**~~FISCAL INFORMATION~~**

~~2012 Bond Funds - $712,610.00~~
~~Water Utilities Capital Construction Funds - $96,681.00~~
~~Water Utilities Capital Improvement Funds - $63,761.00~~

**FISCAL INFORMATION** (Continued)

| | |
|---|---|
| Design | $ 61,069.75 |
| Construction | |
| Paving (STS) (this action) | $712,610.00 |
| Water & Wastewater (DWU) (this action) | $160,442.00 |
| Total Project Cost | $934,121.75 |

| Council District | Amount |
|---|---|
| 9 | $629,227.00 |
| 10 | $243,825.00 |
| Total | $873,052.00 |

This project does involve assessments.

**M/WBE INFORMATION**

See attached.

**ETHNIC COMPOSITION**

MACVAL Associates, LLC

| | | | |
|---|---|---|---|
| Hispanic Female | 0 | Hispanic Male | 6 |
| African-American Female | 1 | African-American Male | 6 |
| Other Female | 0 | Other Male | 0 |
| White Female | 0 | White Male | 0 |

**BID INFORMATION**

The following bids with quotes were received and opened on December 2, 2016.

*Denotes successful bidder

| BIDDERS | BID AMOUNT |
|---|---|
| *MACVAL Associates, LLC<br>8500 N. Stemmons Frwy., Suite 5060<br>Dallas, TX 75247 | $ 873,052.00 |
| Jeske Construction Co. | $ 911,793.00 |
| Axis Contracting, Inc. | $1,005,144.00 |
| Camino Construction, LP | $1,024,979.50 |
| ARK Contracting Services | $1,107,892.00 |

**~~BID INFORMATION~~** ~~(Continued)~~

| | | |
|---|---|---|
| ~~Original estimate:~~ | ~~STS~~ | ~~$733,805.00~~ |
| | ~~WTR~~ | ~~$152,923.76~~ |
| ~~Total Project~~ | | ~~$886,728.76~~ |

**~~OWNER~~**

**~~MACVAL Associates, LLC~~**

~~Al A. Attah, President~~

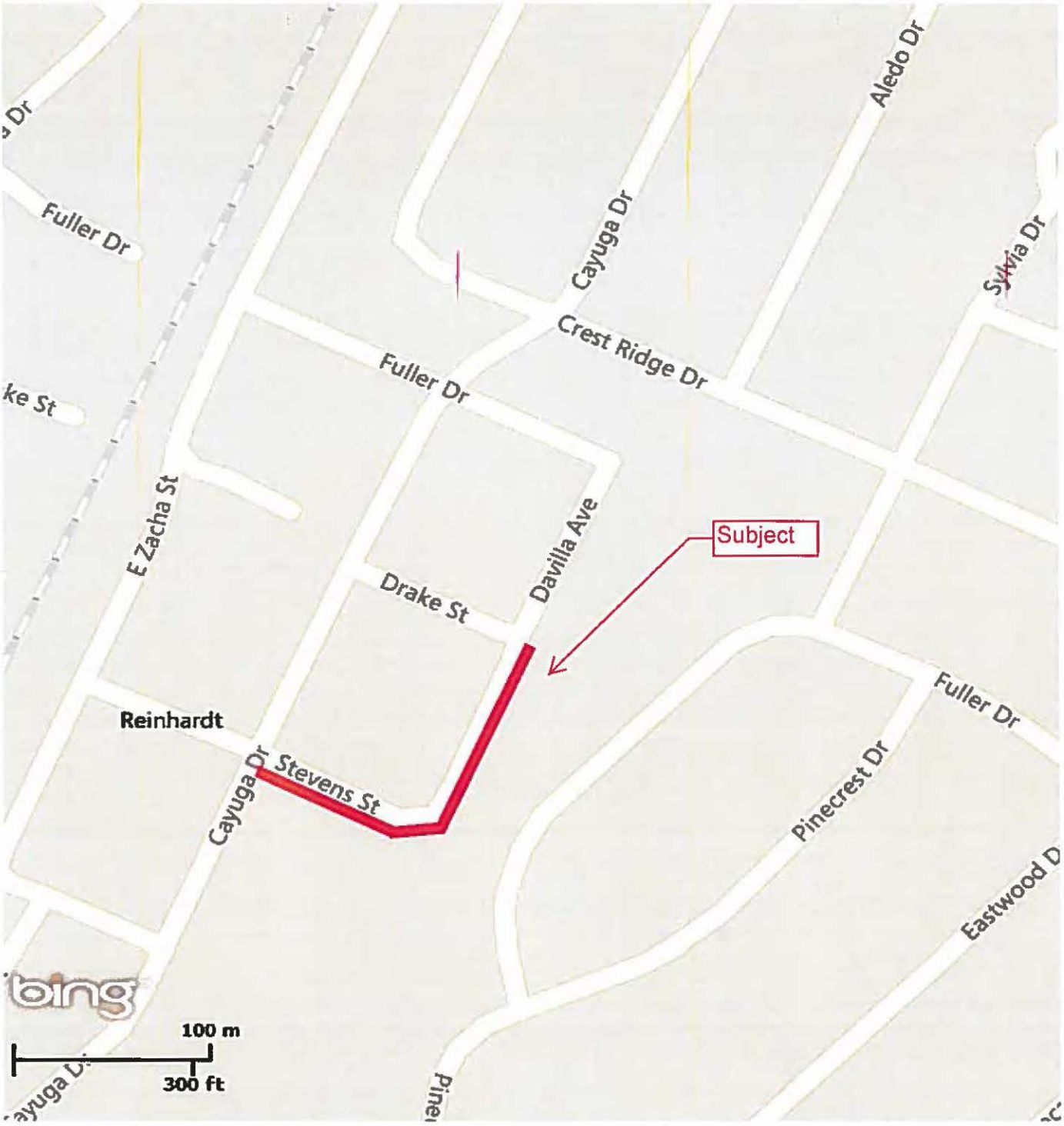
**MAPS**

Attached.

**Project Group 12-3004**

| **Project** | **Limits** | **Council District** |
|---|---|---|
| Stevens Street | from Cayuga Drive to Davilla Avenue and Davilla Avenue from Stevens Street to Drake Street | 9 |
| Alley southwest and parallel to Shoreview Road | from Forest Trail to Eagle Trail to Nimrod Trail | 10 |

# PROJECT GROUP 12-3004




# MAPSCO 38L

# PROJECT GROUP 12-3004




## MAPSCO 27T, U

N

February 22, 2017

**WHEREAS,** heretofore, a resolution was duly adopted by the City Council of the City of Dallas for the improvement of the following street and alley between the limits set forth, out of materials specified, ordering that bids be taken for the construction, and ordering that an estimate of the cost of such improvements be prepared, to wit:

**Project Group 12-3004**

**Street:**

1. Stevens Street from Cayuga Drive to Davilla Avenue and Davilla Avenue from Stevens Street to Drake Street

**Alley:**

2. Alley southwest and parallel to Shoreview Road from Forest Trail to Eagle Trail to Nimrod Trail; and

**WHEREAS,** by resolution such estimate and specifications were duly adopted therefore, and the Purchasing Agent was authorized to advertise for bids for such construction; and,

**WHEREAS,** by resolution the City Council determined the necessity for assessing a portion of the cost of such improvements against the property abutting such improvements, and the owners thereof, and duly and legally set a time and place for a public hearing thereon, and provided for notice to be given to such owners, as provided by law; and,

**WHEREAS,** the said hearing was duly held at said time and place; and,

**WHEREAS,** the City Council, after fully considering said proposed assessments, and fully considering the benefits that each property owner and his property receive from making said improvements, is of the opinion that the said proposed assessments determined to be levied are fair and equitable, and in accordance with the enhancement report submitted by Con-Real, LP, an independent appraiser, representing the benefits that the said property receives in enhanced values from the making of the said improvements, and that the said assessments should be made; and,

**WHEREAS,** the Council having no further protest, remonstrance, or objection before it, is of the opinion that the said hearing should be closed.

**Now, Therefore,**

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

**SECTION 1.** That the said hearing held on the 22nd day of February A.D. 2017 be and the same is hereby ordered closed.

**SECTION 2.** That the City Attorney is hereby directed to prepare an ordinance assessing against the several owners of the abutting property, and against their property abutting upon the street and alley hereinabove mentioned, the proportionate part of said cost herein adjudged against the said respective owners and their property, such assessments to be in accordance with the attached enhancement report. That the said ordinance shall fix a lien upon said property, and shall declare said respective owners thereof to be respectively liable for the amounts so adjudged against them. Said ordinance shall in all respects comply with the applicable law in such cases made and provided.

**SECTION 3.** 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.

Enhancement Evaluation Study

# Enhancement Evaluation Study
# Project Group #12-3004
# Report #16-19

Prepared for:
Mobility and Street Services Dept
Petition/Assessment Section
Lisa Williams
Oak Cliff Municipal Center
320 E. Jefferson Blvd, Room 307, Dallas, TX 75203



Con-Real, LP
Troy C. Alley Jr., MAI
8150 N. Central Expressway
Suite M1120
Dallas, Texas 75206

con-real, lp.

# SUMMARY OF SALIENT FACTS AND CONCLUSIONS

| | |
|---|---|
| **Date of Inspection:** | November 11, 2016 |
| **Effective Date of Study:** | November 16, 2016 |
| **Date of Transmittal:** | November 16, 2016 |
| **Subject Property:** | Various Residential |
| **Location:** | **Street:** Stevens Street-Cayuga Drive to Davilla Avenue & Davilla Avenue from Stevens Street to Drake Street, Dallas County, Texas<br><br>**Alleys:** Alley southwest and parallel to Shoreview Road from Forest Trail to Nimrod Trail, Dallas County, Texas |
| **Zoning Classifications:** | Single Family |
| **Current Use:** | Single Family Dwellings |
| **Highest & Best Use:** | Residential Uses |
| **Flood Zone:** | Based only on a cursory inspection, the properties appear to **not** be in a flood plain. |
| **Purpose of Study:** | The purpose of this study is to estimate the value of the enhancement, if any, to the properties in the defined enhancement study area based on the completion of the proposed street, sidewalk, driveway, and alley improvements that affect the subject properties as of November 16, 2016 |
| **Function of Study:** | The function of this enhancement study is to assist the City of Dallas in estimating a fair and reasonable amount of the actual costs of the street, sidewalk, alleyway, and driveway improvements that the subject property owners should be levied based on the estimated market value enhancement to each property due to the proposed improvements by the City of Dallas |
| **Scope of Study:** | The scope of this study encompasses the inspection of the subject properties, neighborhood and comparable properties. Further, the analysis of the data is undertaken in order to support a conclusion of estimated value for the enhancement, if any, to the subject properties |

# PROPERTY ANALYSIS

The streets include Stevens Street-Cayuga Drive to Davilla Avenue & Davilla Avenue from Stevens Street to Drake Street in Dallas Texas and consists of 11 parcels. The properties located on the streets are similar in area size ranging from 952 to 4,991 square feet, majority are one story houses. They are located along Stevens Street and Davilla Avenue which consists of two lanes. The immediate area is a mix of residential and small commercial development.

## PROPERTY HIGHLIGHTS

**Description for Street Group 12-3004 Project:**

Street: Stevens Street-Cayuga Drive to Davilla Avenue & Davilla Avenue from Stevens Street to Drake Street, Dallas, Dallas County, Texas (Mapsco – **Dallas 38 K-L**).

**Property Owners:** Varied (see tables pages 40-42)

**Street Group Including Streets:** Stevens Street-Cayuga Drive to Davilla Avenue & Davilla Avenue from Stevens Street to Drake Street

**Area Description:** The area of Dallas; a mix of residential and small commercial developments; Hwy 635, Loop 12, and Peavy Road are the major roadways

**Area Boundaries:** Gus Thomasson Road (North), Peavy Road (South), E Zacha Drive (West), and Ferguson Road (East)

**Neighborhood Description:** The residential neighborhood with schools, industrial, and commercial businesses; level to rolling terrain

**Property Values:** $69,080-205,000

**Demand/Supply:** Stable/Adequate

**Neighborhood Land Use:** 90% residential; 3% commercial, 2% industrial and 5% churches and schools

**Neighborhood Trend & Probable Changes:** Neighborhood is stable; no anticipated changes

**Factors Affecting the Neighborhood:** No adverse factors noted

**Zoning Classification of Project Area:** Single Family Residences

**Highest and Best Use:** Residential Uses

**Utilities:** All available

**Pictures:** The photos can be found on the following pages numbered as S1 & S2

## PROPERTY CHALLENGES & SOLUTIONS

*Street: Stevens Street-Cayuga Drive to Davilla Avenue & Davilla Avenue from Stevens Street to Drake Street, Dallas, Dallas County, Tex*as

Driveways- various homeowners are without paved driveways and have to park on gravel. This effects the attractiveness of the property and overall neighborhood. There is a lack of consistency in the neighborhood's uniformed attractiveness.

- The proposed improvements are expected to increase the neighborhood curb appeal and may enhance the properties attractiveness.

Sidewalks- there is a lack of sidewalks within the neighborhood which is a possible safety hazard for residents and children within the community.

- The improvement of sidewalks in the area will provide a safe route to walk for pedestrians; especially, children. The sidewalks also increase the neighborhood's overall attractiveness.

Curbs/Gutters- the neighborhood has a scarcity of curbs and street gutters. The lack of gutters effects the water flow throughout the neighborhood and can become a hazard.

- The projected improved gutters will alleviate water buildup on the street allowing pedestrians to pass without walking through puddles and reducing the risk of hydroplaning by road vehicles.

# PROPERTY ANALYSIS

The alley southwest and parallel to Shoreview Road from Forest Trail to Nimrod Trail located in Dallas, Texas consist of 14 parcels. The properties were majority built during the 1950s, they are one and two story with similarity in housing sizes ranging from 1,826 to 4,560 square feet. They are within an area that caters to residential, small commercial, and industrial properties. The neighborhood has two way streets to support the traffic flow.

## PROPERTY HIGHLIGHTS

**THE ALLEY GROUP INCLUDING:**

1.Alley southwest and parallel to Shoreview Road from Forest Trail to Nimrod Trail, Dallas, Dallas County, Texas. (Mapsco – **Dallas 27 T** )

**Property Owners:** Varied (see tables pages 43-45)

**Area Description:** This area of Dallas; majority residential with small commercial; Northwest Highway (Loop 12), Walnut Hill Lane, Audelia Road are the major roadways

**Area Boundaries:** Walnut Hill Lane (North), Northwest Highway, Loop 12 (South), Skillman Street (West), and Audelia Road (East).

**Neighborhood Description:** The residential neighborhood with schools, and commercial businesses surrounding; level to rolling terrain

**Property Values:** $334,320- $981,890 Residential (typical)

**Demand/Supply:** Stable/Adequate

**Neighborhood Land Use:** 90% residential; 5% commercial and 5% schools and parks

**Neighborhood Trend & Probable Changes:** Neighborhood is stable; no anticipated changes

**Factors Affecting the Neighborhood:** No adverse factors noted

**Zoning Classification of Project Area:** Single Family Residences

**Highest and Best Use:** Residential Uses

**Utilities:** All available

**Pictures:** The photos can be found on the following pages numbered as A1 & A2

## PROPERTY CHALLENGES & SOLUTIONS

***Alleyway:*** *Alley southwest and parallel to Shoreview Road from Forest Trail to Nimrod Trail, Dallas County, Texas*

Alley Ways- the various groups of properties are in need of improved alley ways because of lack of proper drainage system.

- Improved alley ways address the concerns of safety and environment problems that arrive since there isn't a proper drainage system within the neighborhood. They will eliminate the amount of stand still water and property damage due to the amount of rain fall in various seasons.

- The proposed improvements are expected to increase the ease and accessibility of parking, enhance the street appeal for homeowners, and lessen the constant vehicle weight on the main neighborhood streets which deteriorates the pavement over time.

# SCOPE OF WORK

In preparing this study, we completed the research and analysis below:

- Conducted an inspection of the group of subject properties and the surrounding areas to determine the impact the improved driveways, sidewalks, curbs and gutters, and alley ways will have on the neighborhood

- Gathered and analyzed property, neighborhood, and community information pertaining to the group of subject properties

- Determined the approaches (Sales Approach and Assessment Valuation Method) which are deemed reasonable for estimating an equitable assessment to the property owners for any enhancements they might receive from the improvements

- Interviewed reputable sources to receive opinions on the benefits of the improvements of alley ways

- Provided a recommendation for the proposed improvements

# EVALUATION ANALYSIS

The improvements proposed by the City of Dallas are to include new concrete paving of the streets which includes concrete curbs and gutters, concrete sidewalks, concrete drives (approaches), concrete alleyways where necessary. In the assessment prepared by the City of Dallas, the City calculated a Linear Foot, Square Foot or Square Yard price in order to estimate the actual cost for each property for the proposed improvements. A summary of the assessment values presented in the study are as follows:

The assessed value of the improvements was enhanced by a range between $18.24 to $90.00 per linear foot for the concrete paving including alley ways, $4.71 to $9.43 per linear foot for the concrete sidewalks and $47.21 per square yard for the concrete drives. Properties that have existing sidewalks and drives are not being assessed for the new improvements that take the place of the current improvements. This is one method of estimating the value the improvements provide to the subject, however, there are other ways to analyze the value the sidewalk improvements enhances the property.

We have reviewed the study performed by the City of Dallas pertaining to the subject properties regarding assessments to the property owners for the construction of the sidewalk improvements. In addition to that study, we have tested two other approaches that we deem reasonable for estimating an equitable assessment to the property owners for any enhancements they might receive from the improvements. They include the Sales Comparison Method and Assessment Valuation Method. The most suitable is the Sales Comparison Method that exhibits the comparison between improved vs unimproved properties and improved properties without alley ways vs. improved properties with alley ways for purposes of comparing the prices paid for properties. The Assessment Valuation Method is utilized to determine a reasonable assessed rate for every property in regards to street improvements, sidewalks, alleyways, and driveways.

# SALES COMPARISON METHOD

This method involves comparing the sales prices of recent sales properties with & without existing curbs/gutters/sidewalks/alleyways and forming an opinion as to how much, if any, a purchaser is willing to pay for a property that has existing curbs/gutters/sidewalks/alleyways improvements over a property that does not have those improvements.

The subject's area was searched for recent sales of a variety of residential properties that were similar in size and location to the subject properties so that a comparative analysis of each type could be performed. This search provided very few sales of properties that did not have curbs/gutters/sidewalks due to the fact that most of the streets in the area have these features. As such, the search was expanded to areas outside of the subject's immediate area in order to locate a sufficient number of sales of residential properties with and without curbs/gutters/sidewalks. Numerous sales were located and examined and from this vast number of sales only a few were found that could be used for comparative analysis purposes. The subject properties employed in the analysis include both improved and unimproved streets, and while the structures and areas employed in this analysis may not be truly comparable to the properties involved with this project, they do provide a basis for comparison between the properties with curbs/gutters/sidewalks/alleyways and properties that don't have these features.

Adjustment grids for the following types of properties are located on the following pages:

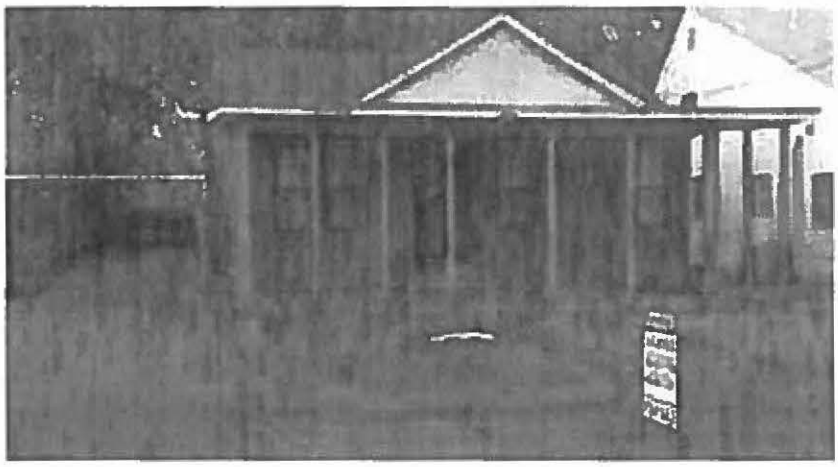
1) **Residential Sales – Improved Street vs. Unimproved Streets**

   - Representing the Group of Streets: Stevens Street-Cayuga Drive to Davilla Avenue & Davilla Avenue from Stevens Street to Drake Street (11 parcels)

2) **Residential Sales- Unimproved Alley Way vs. Improved Alley Ways**

   a. Alley southwest and parallel to Shoreview Road from Forest Trail to Nimrod Trail (14 parcels)

**RESIDENTIAL PROPERTY "Representation Of Subject Property" (will be employed as the subject lot)**



| | |
|---|---|
| **Mapsco:** | 53 N Dallas |
| **Location:** | 4027 Falls Drive, Dallas, Texas |
| **Grantor:** | Mari Neli Ortiz |
| **Grantee:** | Abelino Alvarez Murrugarra |
| **Date of Sale:** | April 21, 2016 |
| **Recording Data:** | 201600109813 |
| **County:** | Dallas |
| **Size:** | 950 SF |
| **Shape:** | Rectangular |
| **Zoning:** | Single Family District |
| **Utilities:** | City Sewer, City Water |
| **Topography:** | Basically Level |
| **Consideration:** | $85,000 |
| **Per SF:** | $89.47 |
| **Terms:** | Cash to Seller |
| **Cash Equivalent Consideration:** | $85,000 |
| **Per SF:** | $89.47 |
| **Source:** | MLS/Deed Records |
| **Comments:** | This site is located on a two-lane interior street which is improved with curbs and gutters, drives, and sidewalks. |

Every effort has been made to verify this information, including researching deed records, tax information, appraisal district information, zoning restrictions, flood plain maps, etc. However, the State of Texas does not require disclosure of real estate sale prices or terms, therefore we are dependant upon information obtained from parties with knowledge of the transaction. This information has been obtained from reliable sources and is assumed to be correct, but is in no way guaranteed by us to be accurate. Con-Real, LP reserves the right to revise any information regarding this comparable, should more accurate data become available.

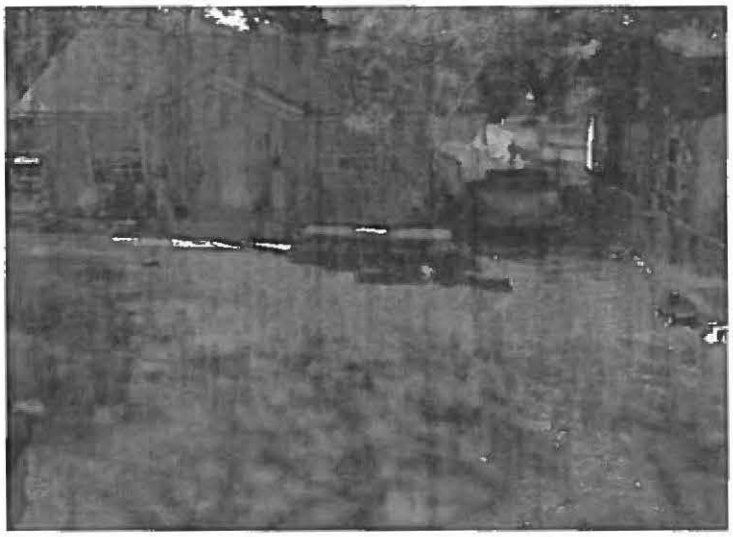
## RESIDENTIAL SALE NO. 1



| | |
|---|---|
| **Mapsco:** | 44 P Dallas |
| **Location:** | 913 Walkway Street, Dallas, Texas |
| **Grantor:** | Eva M Attaway |
| **Grantee:** | China Anderson |
| **Date of Sale:** | September 26, 2016 |
| **Recording Data:** | 201600273067 |
| **County:** | Dallas |
| **Size:** | 880 SF |
| **Shape:** | Irregular |
| **Zoning:** | Single Family District |
| **Utilities:** | City Sewer, City Water |
| **Topography:** | Basically Level |
| **Consideration:** | $86,000 |
| **Per SF:** | $97.73 |
| **Terms:** | Cash to Seller |
| **Cash Equivalent Consideration:** | $86,000 |
| **Per SF:** | $97.73 |
| **Source:** | MLS/Deed Records |
| **Comments:** | This site is located on a two-lane interior street which **is not** improved with curbs and gutters, drives, and sidewalks. |

Every effort has been made to verify this information, including researching deed records, tax information, appraisal district information, zoning restrictions, flood plain maps, etc. However, the State of Texas does not require disclosure of real estate sale prices or terms, therefore we are dependant upon information obtained from parties with knowledge of the transaction. This information has been obtained from reliable sources and is assumed to be correct, but is in no way guaranteed by us to be accurate. Con-Real, LP reserves the right to revise any information regarding this comparable, should more accurate data become available.

## RESIDENTIAL SALE NO. 2



| | |
|---|---|
| **Mapsco:** | 52 G Dallas |
| **Location:** | 411 S Dwight Avenue, Dallas, Texas |
| **Grantor:** | Elegant Investment Group Inc. |
| **Grantee:** | Jesus Moreno & Godinez |
| **Date of Sale:** | June 28, 2016 |
| **Recording Data:** | 201600191198 |
| **County:** | Dallas |
| **Size:** | 896 SF |
| **Shape:** | Basically Rectangular |
| **Zoning:** | Single Family District |
| **Utilities:** | City Sewer, City Water |
| **Topography:** | Basically Level |
| **Consideration:** | $89,000 |
| **Per SF:** | $99.33 |
| **Terms:** | Cash to Seller |
| **Cash Equivalent Consideration:** | $89,000 |
| **Per SF:** | $99.33 |
| **Source:** | MLS/Deed Records |
| **Comments:** | This site is located on a two-lane interior street which **is not** improved with curbs and gutters, drives, and sidewalks. |

Every effort has been made to verify this information, including researching deed records, tax information, appraisal district information, zoning restrictions, flood plain maps, etc. However, the State of Texas does not require disclosure of real estate sale prices or terms, therefore we are dependant upon information obtained from parties with knowledge of the transaction. This information has been obtained from reliable sources and is assumed to be correct, but is in no way guaranteed by us to be accurate. Con-Real, LP reserves the right to revise any information regarding this comparable, should more accurate data become available.

**Residential Lot Sales**
**Improved Street vs. Unimproved Streets**

| |  |  |  |
|---|---|---|---|
| **Location** | **Representation of Subject Property**<br>4027 Falls Drive<br>Dallas, Texas | **Sale 1**<br>913 Walkway Street<br>Dallas, Texas | **Sale 2**<br>411 South Dwight Avenue<br>Dallas, Texas |
| **Sales Price/ Per Square Foot** | **$89.47** | **$97.73** | **$99.33** |
| **Eff. Sale Price** | **$89.47** | **$97.73** | **$99.33** |
| **Size/SF** | **950** | 880<br>-10% | 896<br>-7% |
| **Bedrooms** | **2** | 2<br>-0- | 3<br>-5% |
| **Driveways** | **Yes** | **No** | **No** |
| **Sidewalks** | **Yes** | **No** | **No** |
| **Curbs/Gutters** | **Yes** | **No** | **No** |
| **Location** | **Average** | **Inferior**<br>+2% | **Similar** |
| **Condition** | **Average** | **Similar** | **Similar** |
| **Percentage Adjustment** | | (-8%) | (-12%) |
| **Net Adjustment** | | ($8.00) | ($12.00) |
| **Adjusted Sale Price** | **$89.47** | **$89.73** | **$87.33** |

The lack of credible sales available within the immediate market area required the analyst to utilized sales within a similar neighborhood for this analysis.

The Representation of the (Subject's Property), at 4027 Falls Drive is a 950 square foot property that **did** have curbs/gutters, sidewalks, or driveways and sold for $89.47 per square foot. The sales **did not** have curbs/gutters, sidewalks, or driveways on their sites and sold at prices ranging from $97.73 to $99.33 per square foot. The sales are located within a five-mile radius and each have similar locational characteristics in regards to surrounding developments, type of homes and assessed lot and dwelling values. Sales 1 and 2 are smaller in size compared to the Representation of the Subject Property (4027 Falls Drive) and an upward adjustment for size was made to compensate for the difference in its price on a per square foot basis. Sales 2 was adjusted downward

for its number of bedrooms per square footage in comparison to the Representation of the Subject Property. Sale 2 and the Representation of Subject Property are similar in location. They are both located within an area that has a fair amount of residential and retail properties that caters to its residential neighborhood along Loop 12 and Highway Spur 408. However, Sale 1 was adjusted upward because of its location that is within a residential neighborhood adjacent to a railroad surrounded by commercial, industrial, and retail properties. Sale 1 and 2 conditions are similar to the Representation of the Subject Property and an adjusted wasn't needed for condition.

After making warranted adjustments to the sales comparables, a range of values of $87.33 to $89.73 per square foot was derived from Sale 1 & 2. Based on the sales comparables in comparison to the subject property the variance between the subject property and comparables is less than 2%, which leads to the conclusion that there isn't a significant difference in pricing by not having curbs/gutters, driveways, and sidewalks.

**2. RESIDENTIAL SALE-UNIMPROVED ALLEY WAY "Representation Of Subject Property" (will be employed as the subject lot)**



| | |
|---|---|
| **Mapsco:** | 27 Q Dallas |
| **Location:** | 9412 Northpoint Drive, Dallas, Texas |
| **Grantor:** | Robert Earl Darwin |
| **Grantee:** | Chris R & Emilie Sano |
| **Date of Sale:** | July 19,2016 |
| **Recording Data:** | 201600198869 |
| **County:** | Dallas |
| **Size:** | 1,887 SF |
| **Shape:** | Rectangular |
| **Zoning:** | Single Family District |
| **Utilities:** | City Sewer, City Water |
| **Topography:** | Basically Level |
| **Consideration:** | $400,000 |
| **Per SF:** | $211.98 |
| **Terms:** | Cash to Seller |
| **Cash Equivalent Consideration:** | $400,000 |
| **Per SF:** | $211.98 |
| **Source:** | MLS/Deed Records |
| **Comments:** | This site is located on a two-lane interior street which **is not** improved with alleyways. |

Every effort has been made to verify this information, including researching deed records, tax information, appraisal district information, zoning restrictions, flood plain maps, etc. However, the State of Texas does not require disclosure of real estate sale prices or terms, therefore we are dependant upon information obtained from parties with knowledge of the transaction. This information has been obtained from reliable sources and is assumed to be correct, but is in no way guaranteed by us to be accurate. Con-Real, LP reserves the right to revise any information regarding this comparable, should more accurate data become available.

## RESIDENTIAL ALLEY WAY SALE NO. 1



| | |
|---|---|
| **Mapsco:** | 27 L Dallas |
| **Location:** | 9627 Estate Lane, Dallas, Texas |
| **Grantor:** | Ryan Burkhardt |
| **Grantee:** | Scott C Carr |
| **Date of Sale:** | May 27, 2016 |
| **Recording Data:** | 21600146177 |
| **County:** | Dallas |
| **Size:** | 2,386 SF |
| **Shape:** | Irregular |
| **Zoning:** | Single Family District |
| **Utilities:** | City Sewer, City Water |
| **Topography:** | Basically Level |
| **Consideration:** | $494,700 |
| **Per SF:** | $207.33 |
| **Terms:** | Cash to Seller |
| **Cash Equivalent Consideration:** | $494,700 |
| **Per SF:** | $207.33 |
| **Source:** | MLS/Deed Records |
| **Comments:** | This site is located on a two-lane interior street **which is** improved with alleyways. |

Every effort has been made to verify this information, including researching deed records, tax information, appraisal district information, zoning restrictions, flood plain maps, etc. However, the State of Texas does not require disclosure of real estate sale prices or terms, therefore we are dependant upon information obtained from parties with knowledge of the transaction. This information has been obtained from reliable sources and is assumed to be correct, but is in no way guaranteed by us to be accurate. Con-Real, LP reserves the right to revise any information regarding this comparable, should more accurate data become available.

## RESIDENTIAL ALLEY WAY SALE NO. 2



| | |
|---|---|
| **Mapsco:** | 27 P Dallas |
| **Location:** | 9628 Trailview Drive, Dallas, Texas |
| **Grantor:** | Billy, Leehy, & Mary Johnson |
| **Grantee:** | Clinton Todd & Williamson |
| **Date of Sale:** | September 14, 2016 |
| **Recording Data:** | 201600257695 |
| **County:** | Dallas |
| **Size:** | 2,017 SF |
| **Shape:** | Irregular |
| **Zoning:** | Single Family District |
| **Utilities:** | City Sewer, City Water |
| **Topography:** | Basically Level |
| **Consideration:** | $425,000 |
| **Per SF:** | $210.01 |
| **Terms:** | Cash to Seller |
| **Cash Equivalent Consideration:** | $425,000 |
| **Per SF:** | $210.01 |
| **Source:** | MLS/Deed Records |
| **Comments:** | This site is located on a two-lane interior street **which is** improved alleyways. |

Every effort has been made to verify this information, including researching deed records, tax information, appraisal district information, zoning restrictions, flood plain maps, etc. However, the State of Texas does not require disclosure of real estate sale prices or terms, therefore we are dependant upon information obtained from parties with knowledge of the transaction. This information has been obtained from reliable sources and is assumed to be correct, but is in no way guaranteed by us to be accurate. Con-Real, LP reserves the right to revise any information regarding this comparable, should more accurate data become available.

## RESIDENTIAL ALLEY WAY SALE NO. 3



| | |
|---|---|
| **Mapsco:** | 27 Y Dallas |
| **Location:** | 9817 Shoreview Road, Dallas, Texas |
| **Grantor:** | John T Schalekamp |
| **Grantee:** | Daniel B & Lauren L Rich |
| **Date of Sale:** | August 12, 2016 |
| **Recording Data:** | 201600225070 |
| **County:** | Dallas |
| **Size:** | 1,828 SF |
| **Shape:** | Basically Rectangular |
| **Zoning:** | Single Family District |
| **Utilities:** | City Sewer, City Water |
| **Topography:** | Basically Level |
| **Consideration:** | $395,000 |
| **Per SF:** | $216.08 |
| **Terms:** | Cash to Seller |
| **Cash Equivalent Consideration:** | $395,000 |
| **Per SF:** | $216.08 |
| **Source:** | MLS/Deed Records |
| **Comments:** | This site is located on a two-lane interior street **which is** improved with alleyways. |

Every effort has been made to verify this information, including researching deed records, tax information, appraisal district information, zoning restrictions, flood plain maps, etc. However, the State of Texas does not require disclosure of real estate sale prices or terms, therefore we are dependant upon information obtained from parties with knowledge of the transaction. This information has been obtained from reliable sources and is assumed to be correct, but is in no way guaranteed by us to be accurate. Con-Real, LP reserves the right to revise any information regarding this comparable, should more accurate data become available.

## Improved Residential Alley Way Sales
## Unimproved Alleyway vs. Improved Alleyways

| |  |  |  |  |
|---|---|---|---|---|
| **Location** | **Representation of Subject Property** 9412 Northpoint Drive, Dallas, Texas | **Sale 1** 9627 Estate Lane, Dallas, Texas | **Sale 2** 9628 Trailview Drive, Dallas, Texas | **Sale 3** 9817 Shoreview Road, Dallas, Texas |
| **Sales Price/ Per Square Foot** | $211.98 | $207.33 | $210.71 | $216.08 |
| **Eff. Sale Price** | $211.98 | $207.33 | $210.71 | $216.08 |
| **Size/SF** | 1,887<br>-0- | 2,386<br>+3% | 2,017<br>+2% | 1,828<br>-0- |
| **Curbs/Gutters** | **Yes** | **Yes** | **Yes** | **Yes** |
| **Alley Way** | **No** | **Yes** | **Yes** | **Yes** |
| **Location** | Average<br>-0- | Similiar<br>-0- | Similiar<br>-0- | Similiar<br>-0- |
| **Condition** | Average<br>-0- | Similar<br>-0- | Similar<br>-0- | Similar<br>-0- |
| **Percentage Adjustment** | | 3% | 2% | 0% |
| **Net Adjustment** | | $6.22 | $4.21 | $0.00 |
| **Adjusted Sale Price** | **$211.98** | **$213.55** | **$214.92** | **$216.08** |

The Representation of the Subject, at 9412 Northpoint Drive is a 1,887 square foot property that **did not** have **an alleyway** and sold for $211.98 per square foot. The sales comparables **did have alleyways** on their sites and sold at prices ranging from $207.33 to $216.08 per square foot. All of the sales are similar in locational characteristics in regards to surrounding developments, type of homes and assessed lot and dwelling values. Sales 1 and 2 are different from the Representation of Subject Property (9412 Northpoint Drive) by their respective sizes. Sales 1 and 2 were adjusted upward for their larger size in comparison to the Representation of the Subject Property to compensate for the difference in its price on a per square foot. There weren't any adjustments needed for location or condition since the sales comparables are located within the same neighborhood area of the Representation of the Subject, they are less than a mile away with similar conditions.

After making warranted adjustments to the sales comparables, a range of values of $213.55 to $216.08 per square foot was derived from Sale 1, 2, & 3. Based on the sales comparables in comparison to the subject property the variance between the subject property and comparables is less than 2%, which leads to the conclusion that there isn't a significant difference in pricing by not having alleyways.

# ASSESSMENT VALUATION PROCESS

The analyst acknowledges that the new street improvements will provide some enhancement to the overall value of the subject properties, but the improvements will not increase the value of the subject properties at the same rate the City is proposing to assess the property owners. As with all home improvements, the value of the enhancement is very rarely equal to or greater than the actual cost of the improvement. Samples of these types of improvements are: new roofs, replaced fencing, updating of flooring, kitchens, bathrooms, etc. Generally speaking, these type of repairs, renovations or enhancements cost more to replace/construct than they will ever return should the property be sold. A good example is the addition of a swimming pool. A typical swimming pool can cost $25,000 to install, but upon resale rarely yields $10,000 more than a similar property without a swimming pool. The same goes for a new roof. While a new roof may be a selling feature in trying to market the property, very rarely does the property owner ever realize a return on the sale of the property equal to the cost to install the new roof. The same is true with the proposed street improvements and accompanying sidewalks and drives. **Based on the market data gathered and examined by the analyst, it is my opinion that the market value of the subject properties will only experience a slight increase in value because of the proposed improvements.**

In an effort to be equitable to the property owners, given that all of the property owners are supposedly paying their fair share, it is our opinion that the property owners be assessed at a rate of 10% of the assessed value of the lot for the street improvements (concrete paving, curbs/gutters). The property owners are assessed at a rate of 25% of the construction cost of the alleyway pavement improvements and assessed at a rate of 50% of the estimated construction cost of the sidewalk and concrete drive improvements. The reason for the percentages of the construction costs for the alleyways, sidewalks, and concrete drives, is that the improvements do not provide a dramatic increase to the overall property, but offer additional benefit for the property owners. Some of the properties in the project areas already have sidewalks and drives. Those property owners should not be compelled to pay additional money for improvements that they already have in place. In some instances, particularly on the subject parcels with large tracts of land, 10% of the assessed land value is greater than the total estimated cost of the proposed improvements. This is due to the fact that these properties typically have a large amount of road frontage and benefit from greater exposure from the street, and in those instances the estimated cost of the improvements as proposed by the City of Dallas is the recommended amount.

**The Tables on the following pages in the Addenda identifies each of the subject properties, the assessment process employed by the City of Dallas, and finally, my estimation of a fair and reasonable value for the assessment.**

# ASSESSMENT VALUATION PROCESS (TABLES)

**PROJECT GROUP 12-3004**

**1. STEVENS STREET FROM CAYUGA DRIVE TO DAVILLA AVENUE AND DAVILLA AVENUE FROM STEVENS STREET TO DRAKE STREET SHALL BE PAVED FROM CURB TO CURB WITH 6-INCH THICK 4000-POUNDS PER SQUARE INCH REINFORCED CONCRETE PAVEMENT; WITH 8-INCH LIME STABILIZED BASE; WITH 6-INCH HEIGHT INTEGRAL CURBS; WITH 6-INCH THICKNESS REINFORCED CONCRETE DRIVE APPROACH; WITH 4-INCH THICKNESS REINFORCED CONCRETE SIDEWALKS 4 OR 5 FEET WIDE WHERE SPECIFIED; SO THAT THE ROADWAY SHALL BE 26 AND 36 FEET IN WIDTH**

**WEST SIDE OF STREET**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | ASSESSMENT | TOTAL ASSESSMENT VALUE- LAND | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| ***REINHART TOWN OF*** | | | | | | | | |
| RICHARD WINCORN<br>10118 CAYUGA ST STE 1<br>DALLAS, TX 75228 | 1 &<br>S 1/2 Lt 2<br>**10202**<br>**Cayuga Dr** | 14/5358 | 130 FT PVMT<br>108 FT WALK<br>17 SY DR(12'Wide) | $18.82<br>$4.71<br>$47.21 | $2,446.60<br>$508.68<br>$802.57 | **$3,757.85** | $2,300 (10% of lot value $23,000) | **$2,300.00**<br>**$254.34**<br>**$401.29**<br>**$2,955.63** |
| KENNETH W OCHS<br>1212 ELMWOOD DR<br>RICHARDSON, TX 75080 | 12 &<br>S 1/2 Lt 11<br>**1638**<br>**Stevens St** | 14/5358 | 67 FT PVMT<br>47 FT WALK<br>15 SY DR(10'Wide) | $90.00<br>$9.43<br>$47.21 | $6,030.00<br>$443.21<br>$708.15 | **$7,181.36** | $2,300 (10% of lot value $23,000) | **$2,300.00**<br>**$221.61**<br>**$354.08**<br>**$2,875.69** |
| ***EASTWOOD PARK*** | | | | | | | | |
| KENNETH W OCHS<br>1212 ELMWOOD DR<br>RICHARDSON, TX 75080 | 21<br>**1600**<br>**Stevens St** | 2/5344 | 58 FT PVMT<br>58 FT WALK | $90.00<br>$9.43 | $5,220.00<br>$546.94 | **$5,766.94** | $345 (10% of lot value $3,450) | **$345.00**<br>**$273.47**<br>**$618.47** |

1. **STEVENS STREET FROM CAYUGA DRIVE TO DAVILLA AVENUE AND DAVILLA AVENUE FROM STEVENS STREET TO DRAKE STREET SHALL BE PAVED FROM CURB TO CURB WITH 6-INCH THICK 4000-POUNDS PER SQUARE INCH REINFORCED CONCRETE PAVEMENT; WITH 8-INCH LIME STABILIZED BASE; WITH 6-INCH HEIGHT INTEGRAL CURBS; WITH 6-INCH THICKNESS REINFORCED CONCRETE DRIVE APPROACH; WITH 4-INCH THICKNESS REINFORCED CONCRETE SIDEWALKS 4 OR 5 FEET WIDE WHERE SPECIFIED; SO THAT THE ROADWAY SHALL BE 26 AND 36 FEET IN WIDTH**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | ASSESSMENT | TOTAL ASSESSMENT VALUE- LAND | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| | | | ***REINHARDT*** | | | | | |
| ARNULFO LOPEZ<br>10215 DAVILLA AVE<br>DALLAS, TX 75228 | 9 | 14/5358 | 35 FT PVMT<br>23 FT WALK<br>12 FT DRIVE | $90.00<br>$9.43<br>No Cost | $3,150.00<br>$216.89<br>$0.00 | **$3,366.89** | $2,300 (10% of lot value $23,000) | **$2,300.00**<br>**$108.45**<br>**$0.00**<br>**$2,408.45** |
| ESTATE OF<br>FAUSTO RODRIGUEZ<br>10219 DAVILLA AVE<br>DALLAS, TX 75228 | 8 | 14/5358 | 50 FT PVMT<br>38 FT WALK<br>12 FT DRIVE | $90.00<br>$9.43<br>No Cost | $4,500.00<br>$358.34<br>$0.00 | **$4,858.34** | $2,300 (10% of lot value $23,000) | **$2,300.00**<br>**$179.17**<br>**$0.00**<br>**$2,479.17** |
| | | | ***REINHART TOWN OF*** | | | | | |
| JESUS RODRIGUEZ<br>1641 DRAKE ST<br>DALLAS, TX 75228 | 7 | 14/5358 | 50 FT PVMT<br>30 FT WALK<br>18.3 SY DR(10'Wide) | $18.82<br>$4.71<br>$47.21 | $941.00<br>$141.30<br>$863.94 | **$1,946.24** | $2,300 (10% of lot value $23,000) | **$941.00**<br>**$70.65**<br>**$431.97**<br>**$1,443.62** |

**EAST SIDE OF STREET**

| | | | | |
|---|---|---|---|---|
| | | ***EASTWOOD PARK*** | | |
| NEVILLE CROWELL &<br>ANN R CROWELL<br>1122 CORDOVA ST<br>DALLAS, TX 75223 | 11<br>**10243**<br>**Sylvia Dr** | 2/5344 | NO ASSESSMENT<br>EASEMENT INTERVENING | |
| NICHOLAS J BALTHROP<br>10239 SYLVIA DR<br>DALLAS, TX 75228 | 10 | 2/5344 | 60 FT PVMT<br>19.4 SY DR(20'Wide) | $18.24<br>$47.21 | $1,094.40<br>$915.87 | **$2,010.27** | $2,300 (10% of lot value $23,000) | **$1,094.40**<br>**$457.94**<br>**$1,552.34** |
| DAVID CLEMENTS<br>5505 ANGLEBLUFF PL<br>PLANO, TX 75093 | 9<br>**10233**<br>**Sylvia Dr** | 2/5344 | 51 FT PVMT | $18.24 | $930.24 | **$930.24** | $2,300 (10% of lot value $23,000) | **$930.24**<br>**$930.24** |

1. **STEVENS STREET FROM CAYUGA DRIVE TO DAVILLA AVENUE AND DAVILLA AVENUE FROM STEVENS STREET TO DRAKE STREET SHALL BE PAVED FROM CURB TO CURB WITH 6-INCH THICK 4000-POUNDS PER SQUARE INCH REINFORCED CONCRETE PAVEMENT; WITH 8-INCH LIME STABILIZED BASE; WITH 6-INCH HEIGHT INTEGRAL CURBS; WITH 6-INCH THICKNESS REINFORCED CONCRETE DRIVE APPROACH; WITH 4-INCH THICKNESS REINFORCED CONCRETE SIDEWALKS 4 OR 5 FEET WIDE WHERE SPECIFIED; SO THAT THE ROADWAY SHALL BE 26 AND 36 FEET IN WIDTH**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | ASSESSMENT | TOTAL ASSESSMENT VALUE- LAND | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| HAWKINS WILLIE &<br>ANITA WILLIE<br>10227 SYLVIA DR<br>DALLAS, TX 75228 | 8 | 2/5344 | 32 FT PVMT | $18.24 | $583.68 | $583.68 | $2,300 (10% of lot value $23,000) | $583.68<br>$538.68 |
| ***EASTWOOD PARK*** | | | | | | | | |
| JESUS ALVAREZ &<br>PATRICIA C ALVAREZ<br>1651 STEVENS ST<br>DALLAS, TX 75228 | Pt 20 | 2/5344 | 152 FT PVMT<br>119 FT WALK<br>21.7 SY DR(23'Wide) | $90.00<br>$9.43<br>$47.21 | $13,680.00<br>$1,122.17<br>$1,024.46 | $15,826.63 | $2,300 (10% of lot value $23,000) | $2,300.00<br>$561.09<br>$512.23<br>$3,373.31 |
| RICHARD WINCORN<br>10118 CAYUGA DR STE 1<br>DALLAS, TX 75228 | 3A<br>Acs. 6451 | 13/5357 | 160 FT PVMT<br>135 FT WALK<br>25 FT DRIVE | $90.00<br>$9.43<br>No Cost | $14,400.00<br>$1,273.05<br>$0.00 | $15,673.05 | $8,430 (10% of lot value $84,300) | $8,430.00<br>$636.53<br>$0.00<br>$9,066.53 |

**PROJECT GROUP 12-3004**

**2. ALLEY SOUTHWEST AND PARALLEL TO SHOREVIEW ROAD FROM FOREST TRAIL TO EAGLE TRAIL TO NIMROD TRAIL SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT | TOTAL ASSESSMENT VALUE- ALLEY | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| **NORTHWEST SIDE OF ALLEY** | | | | | | | | |
| | | | ***WHITE ROCK NORTH 3RD INST*** | | | | | |
| MATTHEW HOPE & JENNIE-LAURIE DEVANE 9246 SHOREVIEW ROAD DALLAS, TX 75238 | 14 | A/5705 | 70 FT PVMNT | $18.24 | $1,276.80 | **$1,276.80** | $319.20 (25% of total assessment $1,276.80) | **$319.20** |
| | | | ***LAKE RIDGE ESTATES*** | | | | | |
| GEORGE B DAVIS 9252 SHOREVIEW RD DALLAS, TX 75238 | 13 | A/5705 | 70 FT PVMT | $18.24 | $1,276.80 | **$1,276.80** | $319.20 (25% of total assessment $1,276.80) | **$319.20** |
| SUZANNE BLACKNELL LARRY FLOURNOY JR 9306 SHOREVIEW RD DALLAS, TX 75238 | 12 | A/5705 | 70 FT PMVT | $18.24 | $1,276.80 | **$1,276.80** | $319.20 (25% of total assessment $1,276.80) | **$319.20** |
| ERIC THOMAS BARNHART JENNIFER ADAY 9310 SHOREVIEW RD DALLAS, TX 75238 | 11 | A/5705 | 70 FT PMVT | $18.24 | $1,276.80 | **$1,276.80** | $319.20 (25% of total assessment $1,276.80) | **$319.20** |
| BRIAN ANDERSON & STACIE ANDERSON 9316 SHOREVIEW RD DALLAS, TX 75238 | 10 | A/5705 | 70 FT PMVT | $18.24 | $1,276.80 | **$1,276.80** | $319.20 (25% of total assessment $1,276.80) | **$319.20** |

**2. ALLEY SOUTHWEST AND PARALLEL TO SHOREVIEW ROAD FROM FOREST TRAIL TO EAGLE TRAIL TO NIMROD TRAIL SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT | TOTAL ASSESSMENT VALUE- ALLEY | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| | | | *LAKE RIDGE ESTATES* | | | | | |
| SCOTT BREEDLOVE & JULIE BREEDLOVE 9320 SHOREVIEW RD DALLAS, TX 75238 | 9 | A/5705 | 70 FT PMVT | $18.24 | $1,276.80 | $1,276.80 | $319.20 (25% of total assessment $1,276.80) | $319.20 |
| | | | *SHORE CREST TERRACE* | | | | | |
| THOMAS LAMSON & ESTRELLA LAMSON 9326 SHOREVIEW RD DALLAS, TX 75238 | 8 | A/5705 | 70 FT PMVT | $18.24 | $1,276.80 | $1,276.80 | $319.20 (25% of total assessment $1,276.80) | $319.20 |
| DAVID E HARNDEN & LYNN HARNDEN 9330 SHOREVIEW RD DALLAS, TX 75238 | 7 | A/5705 | 80 FT PMVT | $18.24 | $1,459.20 | $1,459.20 | $364.80 (25% of total assessment $1,459.20) | $364.80 |
| THOMAS J HOWELL & JANE D HOWELL 9336 SHOREVIEW RD DALLAS, TX 75238 | 6 | A/5705 | 80 FT PMVT | $18.24 | $1,459.20 | $1,459.20 | $364.80 (25% of total assessment $1,459.20) | $364.80 |
| TONI SCOTT REED & JOE REED 9342 SHOREVIEW RD DALLAS, TX 75238 | 5 | A/5705 | 100 FT PMVT | $18.24 | $1,824.00 | $1,824.00 | $456.00 (25% of total assessment $1,824.00) | $456.00 |

2. **ALLEY SOUTHWEST AND PARALLEL TO SHOREVIEW ROAD FROM FOREST TRAIL TO EAGLE TRAIL TO NIMROD TRAIL SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT | TOTAL ASSESSMENT VALUE- ALLEY | RECOMMENDED ASSESSMENT |
|---|---|---|---|---|---|---|---|---|
| **SOUTHEAST SIDE OF ALLEY** | | | | | | | | |
| | | | ***WHITE ROCK HIGHLANDS*** | | | | | |
| VIRGIL V POPE<br>8061 FOREST TRL<br>DALLAS, TX 75238 | 16 | 9/5445 | 50 FT PMVT | $18.24 | $912.00 | **$912.00** | $228.00 (25% of total assessment $912.00) | **$228.00** |
| VIRGIL V POPE<br>8061 FOREST TRL<br>DALLAS, TX 75238 | 15<br>**8058**<br>**EAGLE TRL** | 9/5445 | 50 FT PMVT | $18.24 | $912.00 | **$912.00** | $228.00 (25% of total assessment $912.00) | **$228.00** |
| **EAGLE TRAIL INTERSECTS** | | | | | | | | |
| PHILLIP G POLITO<br>8057 EAGLE TRL<br>DALLAS, TX 75238 | 14 | A/5445 | 50 FT PMVT<br>17.5 SY DR(15'Wide)<br>10 FT DRIVE | $18.24<br>$47.21<br>No Cost | $912.00<br>$826.18 | **$1,738.18** | $228.00 (25% of total assessment $912.00) | **$228.00**<br>**$413.09**<br>**$0.00**<br>**$641.09** |
| ROY C LIERMAN<br>8051 NIMROD TRL<br>DALLAS, TX 75238 | 13 | 8/5445 | 50 FT PMVT<br>10 FT DRIVE | $18.24<br>No Cost | $912.00 | **$912.00** | $228.00 (25% of total assessment $912.00) | **$228.00** |

## RECOMMENDATION:

The Sales Comparison Method was conducted for both the Street and Alley Group of properties. The Street Group showed a comparison between improved residential properties with and without curbs and gutters, sidewalks, or driveways. The Alley Group compared the improved residential properties with and without alleyways.

The Street Group: Stevens Street-Cayuga Drive to Davilla Avenue & Davilla Avenue from Stevens Street to Drake Street which encumbers 11 parcels, were represented within the Sales Comparison Method by a similar improved residential property "4027 Falls Drive, Dallas, Texas" which shared similar features as the group. The lack of credible sales available within the immediate market area required the analyst to utilize sales within a similar neighborhood for this analysis. Recent improved residential properties without improved driveways, sidewalks, and curbs/gutters were able to be obtain to show a similar comparison.

The Alley Group: The Alley southwest and parallel to Shoreview Road from Forest Trail to Nimrod Trail encumbers14 parcels, were represented within the Sales Comparison Method by a similar improved residential property without an alleyway "9412 Northpoint Drive, Dallas, Texas" which shared resembling attributes as the groups. Recent improved residential properties with alley ways were obtain to be compared to the above represented property.

The Street Group comparison method concluded that there isn't a significant increase in sales price for properties with curbs/gutters, driveways, and sidewalks when compared to sales of similar type of properties that did not possess those features. That does not necessarily mean that a property is not more marketable or attractive to a potential purchaser, it only means that based on the data we were able to gather and verify, we could not positively prove that a difference existed in the marketplace.

Despite the distance between the subject sites and the sales, we were able to gather enough data to perform a comparative analysis for The Alley Group properties. The comparison approach did not indicate that a premium was being paid for properties that possessed an alleyway when compared to sales of similar type properties that did not possess those features. Based on our market analysis in which information from various sources were obtained, we can conclude that an alleyway may be an attractive feature for a property based on the purchaser's preference.

However, the lack of an alley may not affect the desirability of the property within the real estate market. While it is true that the property owners will receive a nominal benefit from having a new concrete street improvement, sidewalks and drives, and alleyways the benefit received from these new items will only provide a minimal amount of enhanced value to the properties when compared to the largest portion of the value of the lot. As such, it is our contention that the subject properties will increase in value from the street and sidewalk improvements proposed by the City of Dallas, but not by the actual cost of the improvements. It is our opinion that the property owners should be assessed at a rate of 10% of the assessed value of the lot for the street improvements (concrete paving, curbs/gutters), the property owners be assessed at a rate of 50% of the estimated construction cost of the sidewalk and concrete drive improvements, and the property owners are assessed at a rate of 25% of the construction cost of the alleyway pavement improvements.

# CERTIFICATE

We do hereby certify that, except as otherwise noted in this report:

1. The statements of fact contained in this report are true and correct.

2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions.

3. We have no present or prospective interest in the property which is the subject of this report and we have no personal interest or bias with respect to the parties involved.

4. Our compensation is not contingent upon an action or event resulting from the analyses, opinions or conclusions in, or the use of, our report. This assignment was not based on a requested minimum valuation, a specific valuation, or approval of a loan.

5. Ownership and site data was obtained from information appearing on the Tax Rolls and from data provided by the client.

6. Troy Alley, Jr. has made a personal inspection of the property which is the subject of this report. Kristen Alley has also made a personal inspection of the property.

7. Kristen Alley provided significant professional assistance to the person signing this report.

8. The analyst(s) is not an employee, officer or appointed board or commission member of the City of Dallas. We did not consider race, color, religion, sex, national origin, handicap or familial status in determining the value of the Subject Property.

9. **THIS IS NOT AN OPINION OF VALUE, IT IS A ENHANCEMENT STUDY AND SHOULD NOT BE CONSIDERED AN APPRAISAL. In making any decision that relies upon our work, you should know that we have NOT followed the guidelines for development of an appraisal or analysis contained in the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation.**

**Con-Real, LP**

Troy C. Alley, Jr.
Sr. Analyst

Kristen Alley
Analyst

ORDINANCE NO._____

AN ORDINANCE LEVYING ASSESSMENTS AGAINST VARIOUS PERSONS AND THEIR PROPERTY FOR THE PAYMENT OF A PART OF THE COST OF IMPROVING AND PAVING PORTIONS OF THE FOLLOWING STREET AND ALLEY IN THE CITY OF DALLAS, TEXAS, TO WIT:

**Project Group 12-3004**

**Street:**

1. Stevens Street from Cayuga Drive to Davilla Avenue and Davilla Avenue from Stevens Street to Drake Street

**Alley:**

2. Alley southwest and parallel to Shoreview Road from Forest Trail to Eagle Trail to Nimrod Trail

PROVIDING FOR THE TIME WHEN SUCH ASSESSMENTS BECOME DUE AND PAYABLE, THE RATE OF INTEREST, AND FIXING A CHARGE AND LIEN AGAINST SAID PROPERTY AND MAKING SAID CHARGE A PERSONAL LIABILITY OF THE PROPERTY OWNERS OWNING PROPERTY ABUTTING ON SAID STREET AND ALLEY, AND PROVIDING FOR THE COLLECTION THEREOF; AND DECLARING AN EMERGENCY.

**WHEREAS,** heretofore a resolution was duly adopted by the City Council ordering the improvements of

**Project Group 12-3004**

**Street:**

1. Stevens Street from Cayuga Drive to Davilla Avenue and Davilla Avenue from Stevens Street to Drake Street

**Alley:**

2. Alley southwest and parallel to Shoreview Road from Forest Trail to Eagle Trail to Nimrod Trail

by filling, raising, grading, and paving same; and,

**WHEREAS,** pursuant to said resolution, specifications and an estimate of the cost of such improvements were prepared for said work by the Director of Mobility and Street Services (City Engineer), filed with said Council, examined, approved, and adopted by it, all as required by applicable law; and,

**WHEREAS,** in compliance with the law the City Engineer prepared his statements or lists showing the names of property owners upon said street and alley the description of their property, the total cost of the said improvements, the cost there of per front foot and cost to each property owner, said statements possessing all the other requisites required by law; and,

**WHEREAS,** thereafter the said statements were filed with the City Council and by them examined and approved and a resolution was passed by said Council determining the necessity of making an assessment for part of the cost of said pavement against property owners and their property, and fixing a time and providing for a hearing to such property owners, all in accordance with the terms of applicable law, at which hearing to such property owners were to be heard as to the benefits of the said improvements to their property, as to any error or invalidity in said proceedings, or to any matter or thing connected with the said improvements; and,

**WHEREAS,** the said resolution in connection with the improvement of said street and alley was duly adopted in compliance with the law on the 11th day of January, 2017; and,

**WHEREAS,** in accordance with the terms of the law, the City of Dallas gave notice to the property owners on said street and alleys of said hearing, by publishing a copy of said notice in the Dallas Morning News, a daily paper of general circulation in the City of Dallas, for three successive days prior to the days set for the hearing, to wit, the 22nd day of February, 2017; and the City also gave notice of said hearing by mailing letters containing the same to said property owners at least fourteen (14) days before the said hearing; provided, however, that any failure of the property owners to receive said notices shall not invalidate these proceedings; and,

**WHEREAS,** said hearing was held at the time and place mentioned in the said resolution and notice, to wit, on the 22nd day of February, 2017 at 1:00 o'clock P.M. at the Council Chamber in the City Hall of the City of Dallas, Texas, which hearing was then closed; and,

**WHEREAS,** at said hearing, all desiring to contest the said assessments, correct the same, or in any manner be heard concerning the benefits thereof, or in any related matter, were heard, and errors and all matters of error or mistake or inequalities or other matters requiring rectification which were called to the attention of the Council were rectified and corrected.

**Now, Therefore,**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS, TEXAS:**

**SECTION 1.** That the action of the City Council closing the hearing and overruling the protests at the public hearing on the 22nd day of February, 2017, in these proceedings is hereby ratified and confirmed by this ordinance. That the City Council, from the evidence, finds that the assessments herein levied should be made and levied against the respective parcels of property abutting upon the street and alley herein below mentioned and against the owners thereof; that such assessments and charges are right and proper, and are substantially in proportion to the benefits to the respective parcels of property by means of the improvement in the unit or district for which such assessments are levied, and establish substantial justice, equality, and uniformity between the respective owners of the respective properties between all parties concerned, considering the benefits received and burdens imposed. The Council further finds that in each case the abutting property assessed is specially benefited in enhanced value to the said properties by means of the said improvements in the unit or district upon which the particular property abuts, and for which assessment is levied and charge made, in a sum in excess of the said assessment and charge made against the same by this ordinance. The Council further finds that the apportionment of the cost of the improvements is in accordance with the law in force in this City and that the proceedings of the City heretofore had with reference to said improvements are in all respects valid and regular.

**SECTION 2.** That there shall be and is hereby levied and assessed against the parcels of property hereinbelow mentioned, and against the real and true owners thereof (whether such owners be correctly named herein or not), the sums of money below mentioned and itemized shown opposite the description of the respective parcels of property, and the several amounts assessed against the same and the owners thereof, as far as such owners are known, being as follows:

**PROJECT GROUP 12-3004**

**1. STEVENS STREET FROM CAYUGA DRIVE TO DAVILLA AVENUE AND DAVILLA AVENUE FROM STEVENS STREET TO DRAKE STREET SHALL BE PAVED FROM CURB TO CURB WITH 6-INCH THICK 4000-POUNDS PER SQUARE INCH REINFORCED CONCRETE PAVEMENT; WITH 8-INCH LIME STABILIZED BASE; WITH 6-INCH HEIGHT INTEGRAL CURBS; WITH 6-INCH THICKNESS REINFORCED CONCRETE DRIVE APPROACH; WITH 4-INCH THICKNESS REINFORCED CONCRETE SIDEWALKS 4 OR 5 FEET WIDE WHERE SPECIFIED; SO THAT THE ROADWAY SHALL BE 26 AND 36 FEET IN WIDTH**

| OWNER | LOT | BLOCK | FRONTAGE | | RATE | AMOUNT | TOTAL ASSESSMENT |
|---|---|---|---|---|---|---|---|
| **WEST SIDE OF STREET** | | | | | | | |
| | | | ***REINHART TOWN OF*** | | | | |
| RICHARD WINCORN | 1 & | 14/5358 | 130 | FT PVMT | $18.82 | $2,446.60 | |
| 10118 CAYUGA ST STE 1 | S 1/2 Lt 2 | | 108 | FT WALK | $4.71 | $508.68 | |
| DALLAS, TX 75228 | **10202** | | 17 | SY DR(12'Wide) | $47.21 | $802.57 | |
| | **Cayuga Dr** | | **TOTAL** | | | $3,757.85 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | | $802.22 | |
| | | | **NET DUE BY OWNER** | | | | **$2,955.63** |
| KENNETH W OCHS | 12 & | 14/5358 | 67 | FT PVMT | $90.00 | $6,030.00 | |
| 1212 ELMWOOD DR | S 1/2 Lt 11 | | 47 | FT WALK | $9.43 | $443.21 | |
| RICHARDSON, TX 75080 | **1638** | | 15 | SY DR(10'Wide) | $47.21 | $708.15 | |
| | **Stevens St** | | **TOTAL** | | | $7,181.36 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | | $4,305.67 | |
| | | | **NET DUE BY OWNER** | | | | **$2,875.69** |
| | | | ***EASTWOOD PARK*** | | | | |
| KENNETH W OCHS | 21 | 2/5344 | 58 | FT PVMT | $90.00 | $5,220.00 | |
| 1212 ELMWOOD DR | **1600** | | 58 | FT WALK | $9.43 | $546.94 | |
| RICHARDSON, TX 75080 | **Stevens St** | | **TOTAL** | | | $5,766.94 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | | $5,148.47 | |
| | | | **NET DUE BY OWNER** | | | | **$618.47** |
| | | | ***REINHARDT*** | | | | |
| ARNULFO LOPEZ | 9 | 14/5358 | 35 | FT PVMT | $90.00 | $3,150.00 | |
| 10215 DAVILLA AVE | | | 23 | FT WALK | $9.43 | $216.89 | |
| DALLAS, TX 75228 | | | 12 | FT DRIVE | No Cost | $0.00 | |
| | | | **TOTAL** | | | $3,366.89 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | | $958.44 | |
| | | | **NET DUE BY OWNER** | | | | **$2,408.45** |

**PROJECT GROUP 12-3004**

**1. STEVENS STREET FROM CAYUGA DRIVE TO DAVILLA AVENUE AND DAVILLA AVENUE FROM STEVENS STREET TO DRAKE STREET SHALL BE PAVED FROM CURB TO CURB WITH 6-INCH THICK 4000-POUNDS PER SQUARE INCH REINFORCED CONCRETE PAVEMENT; WITH 8-INCH LIME STABILIZED BASE; WITH 6-INCH HEIGHT INTEGRAL CURBS; WITH 6-INCH THICKNESS REINFORCED CONCRETE DRIVE APPROACH; WITH 4-INCH THICKNESS REINFORCED CONCRETE SIDEWALKS 4 OR 5 FEET WIDE WHERE SPECIFIED; SO THAT THE ROADWAY SHALL BE 26 AND 36 FEET IN WIDTH**

| OWNER | LOT | BLOCK | FRONTAGE | | RATE | AMOUNT | TOTAL ASSESSMENT |
|---|---|---|---|---|---|---|---|
| | | | | ***REINHARDT*** | | | |
| ESTATE OF | 8 | 14/5358 | 50 | FT PVMT | $90.00 | $4,500.00 | |
| FAUSTO RODRIGUEZ | | | 38 | FT WALK | $9.43 | $358.34 | |
| 10219 DAVILLA AVE | | | 12 | FT DRIVE | No Cost | $0.00 | |
| DALLAS, TX 75228 | | | **TOTAL** | | | $4,858.34 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | | $2,379.17 | |
| | | | **NET DUE BY OWNER** | | | | **$2,479.17** |
| | | | | ***REINHART TOWN OF*** | | | |
| JESUS RODRIGUEZ | 7 | 14/5358 | 50 | FT PVMT | $18.82 | $941.00 | |
| 1641 DRAKE ST | | | 30 | FT WALK | $4.71 | $141.30 | |
| DALLAS, TX 75228 | | | 18.3 | SY DR(10'Wide) | $47.21 | $863.94 | |
| | | | **TOTAL** | | | $1,946.24 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | | $502.62 | |
| **EAST SIDE OF STREET** | | | **NET DUE BY OWNER** | | | | **$1,443.62** |
| | | | | ***EASTWOOD PARK*** | | | |
| NEVILLE CROWELL & | 11 | 2/5344 | | NO ASSESSMENT | | | |
| ANN R CROWELL | **10243** | | | EASEMENT INTERVENING | | | |
| 1122 CORDOVA ST | **Sylvia Dr** | | | | | | |
| DALLAS, TX 75223 | | | | | | | |
| NICHOLAS J BALTHROP | 10 | 2/5344 | 60 | FT PVMT | $18.24 | $1,094.40 | |
| 10239 SYLVIA DR | | | 19.4 | SY DR(20'Wide) | $47.21 | $915.87 | |
| DALLAS, TX 75228 | | | **TOTAL** | | | $2,010.27 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | | $457.93 | |
| | | | **NET DUE BY OWNER** | | | | **$1,552.34** |

**PROJECT GROUP 12-3004**

**1. STEVENS STREET FROM CAYUGA DRIVE TO DAVILLA AVENUE AND DAVILLA AVENUE FROM STEVENS STREET TO DRAKE STREET SHALL BE PAVED FROM CURB TO CURB WITH 6-INCH THICK 4000-POUNDS PER SQUARE INCH REINFORCED CONCRETE PAVEMENT; WITH 8-INCH LIME STABILIZED BASE; WITH 6-INCH HEIGHT INTEGRAL CURBS; WITH 6-INCH THICKNESS REINFORCED CONCRETE DRIVE APPROACH; WITH 4-INCH THICKNESS REINFORCED CONCRETE SIDEWALKS 4 OR 5 FEET WIDE WHERE SPECIFIED; SO THAT THE ROADWAY SHALL BE 26 AND 36 FEET IN WIDTH**

| OWNER | LOT | BLOCK | FRONTAGE | | RATE | AMOUNT | TOTAL ASSESSMENT |
|---|---|---|---|---|---|---|---|
| | | | ***EASTWOOD PARK*** | | | | |
| DAVID CLEMENTS<br>5505 ANGLEBLUFF PL<br>PLANO, TX 75093 | 9<br>**10233**<br>**Sylvia Dr** | 2/5344 | 51 | FT PVMT | $18.24 | $930.24 | **$930.24** |
| HAWKINS WILLIE &<br>ANITA WILLIE<br>10227 SYLVIA DR<br>DALLAS, TX 75228 | 8 | 2/5344<br>**TOTAL**<br>**ADJ PER ENHANCEMENT EVAL.**<br>**NET DUE BY OWNER** | 32 | FT PVMT | $18.24 | $583.68<br>$583.68<br>$45.00 | **$538.68** |
| JESUS ALVAREZ &<br>PATRICIA C ALVAREZ<br>1651 STEVENS ST<br>DALLAS, TX 75228 | Pt 20 | 2/5344 | 152<br>119<br>21.7<br>**TOTAL**<br>**ADJ PER ENHANCEMENT EVAL.**<br>**NET DUE BY OWNER** | FT PVMT<br>FT WALK<br>SY DR(23'Wide) | $90.00<br>$9.43<br>$47.21 | $13,680.00<br>$1,122.17<br>$1,024.46<br>$15,826.63<br>$12,453.32 | **$3,373.31** |
| RICHARD WINCORN<br>10118 CAYUGA DR STE 1<br>DALLAS, TX 75228 | 3A<br>Acs. 6451 | 13/5357 | 160<br>135<br>25<br>**TOTAL**<br>**ADJ PER ENHANCEMENT EVAL.**<br>**NET DUE BY OWNER** | FT PVMT<br>FT WALK<br>FT DRIVE | $90.00<br>$9.43<br>No Cost | $14,400.00<br>$1,273.05<br>$0.00<br>$15,673.05<br>$6,606.52 | **$9,066.53** |

**PROJECT GROUP 12-3004**

**1. STEVENS STREET FROM CAYUGA DRIVE TO DAVILLA AVENUE AND DAVILLA AVENUE FROM STEVENS STREET TO DRAKE STREET**

| | | |
|---|---|---|
| TOTAL PROPERTY OWNERS' COST ASSESSMENTS | $61,901.49 | |
| ADJUSTMENTS PER ENHANCEMENT EVALUATION | $33,659.36 | |
| NET DUE BY OWNER | | $28,242.13 |
| ~~TOTAL CITY OF DALLAS' COST - PAVING~~ | ~~$442,047.87~~ | |
| ~~TOTAL CITY OF DALLAS' COST - DRAINAGE~~ | ~~$54,860.00~~ | |
| ~~TOTAL DALLAS WATER UTILITIES COST WATER AND WASTEWATER MAIN CONSTRUCTION~~ | ~~$104,077.00~~ | |
| ~~TOTAL CITY OF DALLAS' COST~~ | | ~~$600,984.87~~ |
| ~~TOTAL COST OF IMPROVEMENTS~~ | | ~~$629,227.00~~ |

**PROJECT GROUP 12-3004**

**2. ALLEY SOUTHWEST AND PARALLEL TO SHOREVIEW ROAD FROM FOREST TRAIL TO EAGLE TRAIL TO NIMROD TRAIL**
**SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT(S) | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT |
|---|---|---|---|---|---|---|
| **NORTHWEST SIDE OF ALLEY** | | | | | | |
| | | | ***WHITE ROCK NORTH 3RD INST*** | | | |
| MATTHEW HOPE & | 14 | A/5705 | 70 FT PVMNT | $18.24 | $1,276.80 | |
| JENNIE-LAURIE DEVANE | | | **TOTAL** | | $1,276.80 | |
| 9246 SHOREVIEW ROAD | | | **ADJ PER ENHANCEMENT EVAL.** | | $957.60 | |
| DALLAS, TX 75238 | | | **NET DUE BY OWNER** | | | **$319.20** |
| | | | ***LAKE RIDGE ESTATES*** | | | |
| GEORGE B DAVIS | 13 | A/5705 | 70 FT PVMT | $18.24 | $1,276.80 | |
| 9252 SHOREVIEW RD | | | **TOTAL** | | $1,276.80 | |
| DALLAS, TX 75238 | | | **ADJ PER ENHANCEMENT EVAL.** | | $957.60 | |
| | | | **NET DUE BY OWNER** | | | **$319.20** |
| SUZANNE BLACKNELL | 12 | A/5705 | 70 FT PMVT | $18.24 | $1,276.80 | |
| LARRY FLOURNOY JR | | | **TOTAL** | | $1,276.80 | |
| 9306 SHOREVIEW RD | | | **ADJ PER ENHANCEMENT EVAL.** | | $957.60 | |
| DALLAS, TX 75238 | | | **NET DUE BY OWNER** | | | **$319.20** |
| ERIC THOMAS BARNHART | 11 | A/5705 | 70 FT PMVT | $18.24 | $1,276.80 | |
| JENNIFER ADAY | | | **TOTAL** | | $1,276.80 | |
| 9310 SHOREVIEW RD | | | **ADJ PER ENHANCEMENT EVAL.** | | $957.60 | |
| DALLAS, TX 75238 | | | **NET DUE BY OWNER** | | | **$319.20** |
| BRIAN ANDERSON & | 10 | A/5705 | 70 FT PMVT | $18.24 | $1,276.80 | |
| STACIE ANDERSON | | | **TOTAL** | | $1,276.80 | |
| 9316 SHOREVIEW RD | | | **ADJ PER ENHANCEMENT EVAL.** | | $957.60 | |
| DALLAS, TX 75238 | | | **NET DUE BY OWNER** | | | **$319.20** |

**PROJECT GROUP 12-3004**

**2. ALLEY SOUTHWEST AND PARALLEL TO SHOREVIEW ROAD FROM FOREST TRAIL TO EAGLE TRAIL TO NIMROD TRAIL SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT(S) | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT |
|---|---|---|---|---|---|---|
| | | | ***LAKE RIDGE ESTATES*** | | | |
| SCOTT BREEDLOVE & JULIE BREEDLOVE 9320 SHOREVIEW RD DALLAS, TX 75238 | 9 | A/5705 | 70 FT PMVT | $18.24 | $1,276.80 | |
| | | | **TOTAL** | | $1,276.80 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | $957.60 | |
| | | | **NET DUE BY OWNER** | | | **$319.20** |
| THOMAS LAMSON & ESTRELLA LAMSON 9326 SHOREVIEW RD DALLAS, TX 75238 | 8 | A/5705 | 70 FT PMVT | $18.24 | $1,276.80 | |
| | | | **TOTAL** | | $1,276.80 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | $957.60 | |
| | | | **NET DUE BY OWNER** | | | **$319.20** |
| DAVID E HARNDEN & LYNN HARNDEN 9330 SHOREVIEW RD DALLAS, TX 75238 | 7 | A/5705 | 80 FT PMVT | $18.24 | $1,459.20 | |
| | | | **TOTAL** | | $1,459.20 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | $1,094.40 | |
| | | | **NET DUE BY OWNER** | | | **$364.80** |
| THOMAS J HOWELL & JANE D HOWELL 9336 SHOREVIEW RD DALLAS, TX 75238 | 6 | A/5705 | 80 FT PMVT | $18.24 | $1,459.20 | |
| | | | **TOTAL** | | $1,459.20 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | $1,094.40 | |
| | | | **NET DUE BY OWNER** | | | **$364.80** |
| TONI SCOTT REED & JOE REED 9342 SHOREVIEW RD DALLAS, TX 75238 | 5 | A/5705 | 100 FT PMVT | $18.24 | $1,824.00 | |
| | | | **TOTAL** | | $1,824.00 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | $1,368.00 | |
| | | | **NET DUE BY OWNER** | | | **$456.00** |

**PROJECT GROUP 12-3004**

**2. ALLEY SOUTHWEST AND PARALLEL TO SHOREVIEW ROAD FROM FOREST TRAIL TO EAGLE TRAIL TO NIMROD TRAIL SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| OWNER | LOT(S) | BLOCK | FRONTAGE | RATE | AMOUNT | TOTAL ASSESSMENT |
|---|---|---|---|---|---|---|
| **SOUTHEAST SIDE OF ALLEY** | | | | | | |
| | | | ***WHITE ROCK HIGHLANDS*** | | | |
| VIRGIL V POPE | 16 | 9/5445 | 50 FT PMVT | $18.24 | $912.00 | |
| 8061 FOREST TRL | | | **TOTAL** | | $912.00 | |
| DALLAS, TX 75238 | | | **ADJ PER ENHANCEMENT EVAL.** | | $684.00 | |
| | | | **NET DUE BY OWNER** | | | **$228.00** |
| VIRGIL V POPE | 15 | 9/5445 | 50 FT PMVT | $18.24 | $912.00 | |
| 8061 FOREST TRL | **8058** | | **TOTAL** | | $912.00 | |
| DALLAS, TX 75238 | **EAGLE TRL** | | **ADJ PER ENHANCEMENT EVAL.** | | $684.00 | |
| | | | **NET DUE BY OWNER** | | | **$228.00** |
| **EAGLE TRAIL INTERSECTS** | | | | | | |
| PHILLIP G POLITO | 14 | A/5445 | 50 FT PMVT | $18.24 | $912.00 | |
| 8057 EAGLE TRL | | | 17.5 SY DR(15'Wide) | $47.21 | $826.18 | |
| DALLAS, TX 75238 | | | 10 FT DRIVE | No Cost | $0.00 | |
| | | | **TOTAL** | | $1,738.18 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | $1,097.09 | |
| | | | **NET DUE BY OWNER** | | | **$641.09** |
| ROY C LIERMAN | 13 | 8/5445 | 50 FT PMVT | $18.24 | $912.00 | |
| 8051 NIMROD TRL | | | 10 FT DRIVE | No Cost | $0.00 | |
| DALLAS, TX 75238 | | | **TOTAL** | | $912.00 | |
| | | | **ADJ PER ENHANCEMENT EVAL.** | | $684.00 | |
| | | | **NET DUE BY OWNER** | | | **$228.00** |

**PROJECT GROUP 12-3004**

**2. ALLEY SOUTHWEST AND PARALLEL TO SHOREVIEW ROAD FROM FOREST TRAIL TO EAGLE TRAIL TO NIMROD TRAIL**
**SHALL BE PAVED WITH 6-INCH THICKNESS 4500-POUNDS PER SQUARE INCH REINFORCED CONCRETE 10 FEET WIDE**

| | | |
|---|---|---|
| TOTAL PROPERTY OWNERS' COST ASSESSMENTS | $18,154.18 | |
| ADJUSTMENTS PER ENHANCEMENT EVALUATION | $13,409.09 | |
| NET DUE BY OWNER | | $4,745.09 |
| ~~TOTAL CITY OF DALLAS' COST - PAVING~~ | ~~$182,714.91~~ | |
| ~~TOTAL DALLAS WATER UTILITIES COST WATER MAIN CONSTRUCTION~~ | ~~$56,365.00~~ | |
| ~~TOTAL CITY OF DALLAS' COST~~ | | ~~$239,079.91~~ |
| ~~TOTAL COST OF IMPROVEMENTS~~ | | ~~$243,825.00~~ |

**Project Group 12-3004**

**Street:**

1. Stevens Street from Cayuga Drive to Davilla Avenue and Davilla Avenue from Stevens Street to Drake Street

**Alley:**

2. Alley southwest and parallel to Shoreview Road from Forest Trail to Eagle Trail to Nimrod Trail

| | | |
|---|---|---|
| Grand Total Property Owners' Cost - Assessments | $80,055.67 | |
| Adjustments Per Enhancement Evaluation | $47,068.45 | |
| Grand Net Due by Owner | | $32,987.22 |
| ~~Grand Total City of Dallas' Cost - Paving~~ | ~~$624,762.78~~ | |
| ~~Grand Total City of Dallas' Cost - Drainage~~ | ~~$54,860.00~~ | |
| ~~Grand Total Water Utilities Department Cost — Water and Wastewater Mains~~ | ~~$160,442.00~~ | |
| ~~Grand Total City of Dallas' Cost~~ | | ~~$840,064.78~~ |
| ~~Grand Total Cost of Improvements~~ | | ~~$873,052.00~~ |

**SECTION 3.** That where more than one person, firm or corporation owns an interest in any property above described, each said person, firm or corporation shall be personally liable for its, his or her pro rata of the total assessment against such property in proportion as its, his or her respective interest bears to the total ownership of such property, and its, his or her respective interest in such property may be released from the assessment lien upon payment of such proportionate sum.

**SECTION 4.** That the several sums above mentioned and assessed against the said parcels of property and the owners thereof, and interest thereon at the rate of eight per centum (8.00%) per annum, together with reasonable attorney's fees and costs of collection, if incurred, are hereby declared to be and are made a lien upon the respective parcels of property against which the same are assessed, and a personal liability and charge against the real and true owners of such property, whether such owners be named herein or not, and the said liens shall be and constitute the first enforceable lien and claim against the property on which such assessments are levied, and shall be a first paramount lien thereon, superior to all other liens and claims except State, County, School District and City ad valorem taxes.

That the cost shall be assessed against said owners and their property respectively, in accordance with what is known as the "Front-Foot Plan", in proportion as the frontage of the property of each owner is to the whole frontage improved and shall be payable in monthly installments not to exceed one hundred twenty (120) in number, the first of which shall be payable within thirty (30) days from the date of the completion of said improvements and their acceptance by the City of Dallas, and one installment each month thereafter until paid, together with interest thereon at the current rate established and adopted by the City Council applicable to Public Improvement Assessment Accounts being paid by installments and not to exceed the statutory rate, with the provision that any of said installments may be paid at any time before maturity by the payment of the principal and the accrued interest thereon. Any property owner against whom and whose property assessment has been levied may pay the whole assessment chargeable to him without interest within thirty (30) days after the acceptance and completion of said improvements.

**SECTION 5.** That if default be made in the payment of any of the said sums hereby assessed against said property owners and their property, collection thereof shall be enforced either by suit in any court having jurisdiction or by lien foreclosure.

**SECTION 6.** That for the purpose of evidencing the several sums payable by said property owners and the time and terms of payment, and to aid in the enforcement thereof, assignable certificates may be issued by the City of Dallas upon the completion and acceptance of the said work of improvement, which shall be executed by the Mayor, signing the same or by his facsimile signature impressed thereon, attested by the City Secretary, under the impress of the corporate seal, and shall be payable to the City of Dallas, or its assigns, which certificate shall declare the said amounts and the time and terms of payment thereof, and the said rate of interest payable thereof, and shall contain the name of the owner and the description of his property by Lot or Block Number of front feet thereof, or such description as may otherwise identify the same by reference to any other fact, and if said property shall be owned by an estate, then the description thereof as so owned shall be sufficient.

And that the said certificates shall further provide that if default shall be made in the payment of any installment of principal or interest thereon, when due then at the option of the said City of Dallas being the owner and holder thereof, the whole of the said assessment shall at once become due and payable and shall be collectible with reasonable attorney's fees and costs if incurred.

And that the said certificates shall further set forth and evidence the said personal liability of the owner and the lien upon his premises and shall provide that if default shall be made in the payment thereof, the same may be enforced as above provided.

And the said certificates shall further recite that the proceedings with reference to making said improvements have been regularly in compliance with the terms of the applicable law, and that all prerequisites to the fixing of the lien and claims of personal liability evidenced by such certificates have been performed, which recitals shall be prima facie evidence of the facts so recited and no further proof thereof shall be required.

That the said certificates shall also provide that the amounts payable thereunder shall be paid to the City Controller of the City of Dallas, who shall credit said payments upon the said certificates, and shall immediately deposit the amounts so collected with the City Treasurer of the City of Dallas, to be kept and held by him in a special fund, which is hereby designated as Capital Assessments Fund and which payments shall be by the Treasurer paid to the said City of Dallas or other holder of the said certificates, on presentation thereof to him, duly credited by the City Controller the said credit by said City Controller being the Treasurer's Warranty for making such payment and the said City of Dallas or other holder of said certificate, shall receipt in writing to said Treasurer when paid in full, together with all costs of collection.

**SECTION 6.** (Continued)

And that the said certificates shall further provide that the City of Dallas shall exercise all legal power, when requested so to do by the holder of said certificate, to aid in the collection thereof; but the City of Dallas shall in nowise be liable to the holder of said certificates in any manner for payment of the amount evidenced by the said certificates or for any costs or expense in the premises, or for any failure of the said City Council or any of its officers in connection therewith.

Full power to make and levy reassessments, and to correct mistakes, errors, invalidates or irregularities, either in the assessments or in the certificates issued in evidence thereof, is in accordance with the law in force in this City, vested in the City.

**SECTION 7.** That all assessments levied are a personal liability and charged against the real and true owners of the premises described, notwithstanding such owners may not be named, or may be incorrectly named.

**SECTION 8.** That the assessments herein levied are made and levied under and by virtue of the terms, powers and provisions of an Act passed at the First Called Session of the Fortieth Legislature of the State of Texas, known as Chapter 106 of the Acts of said Session, with amendments thereto, now shown as Texas Transportation Code Annotated Section 311 and 313 (Vernon's 1996), which said law has been adopted as an alternative method for the construction of street and alley improvements in the City of Dallas, Texas, by Chapter XX of the Charter of the City of Dallas.

**SECTION 9.** That the assessments so levied are for the improvements in the particular unit or district upon which the property described abuts, and the assessments for the improvements in one unit or district are in nowise related to or connected with the improvements in any other unit or district, and in making assessments and in holding said hearing, the amounts assessed for improvements in one unit or district have been in nowise affected by any fact in anywise connected with the improvements or the assessments therefore in any other unit or district.

**SECTION 10.** That the City Manager, or his designee, is hereby authorized to execute releases of any paving assessment liens herein levied and assessed against the parcels of property and owners thereof, if same are fully paid, such releases to be approved as to form by the City Attorney and attested by the City Secretary.

**SECTION 11.** That this Ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly ordained.

APPROVED AS TO FORM:
LARRY E. CASTO
City Attorney

BY _____
Assistant City Attorney

Prepared by _____
Project Coordinator

Approved by _____
Director, Mobility and Street Services Department

February 22, 2017

**WHEREAS,** on January 11, 2017, Resolution No. 17-0081 authorized improvements and the public hearing; and,

**WHEREAS,** bids were received on December 2, 2016, for street and alley paving, storm drainage, water and wastewater main improvements for Project Group 12-3004, as follows:

| **BIDDERS** | **BID AMOUNT** |
|---|---|
| MACVAL Associates LLC | $ 873,052.00 |
| Jeske Construction Co. | $ 911,793.00 |
| Axis Contracting, Inc. | $1,005,144.00 |
| Camino Construction, LP | $1,024,979.50 |
| ARK Contracting Services | $1,107,892.00 |

**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 a construction contract with MACVAL Associates, LLC for the construction of street and alley paving, storm drainage and water and wastewater main improvements for Project Group 12-3004, in an amount not to exceed $873,052.00, this being the lowest responsive bid received as indicated by the tabulation of bids, after it has been approved as to form by the City Attorney.

**Section 2.** That the Chief Financial Officer is hereby authorized to disburse funds in accordance with the terms and conditions of the contract from:

Street and Transportation Improvements Fund
Fund 3U22, Department STS, Unit S208, Act. APET
Obj. 4510, Program #PB12S208, CT STS12S208E1
Vendor # VS0000025999, in an amount not to exceed $187,460.00

Street and Transportation Improvements Fund
Fund 3U22, Department STS, Unit S426, Act. STPT
Obj. 4510, Program # PB12S426, CT STS12S208E1
Vendor # VS0000025999, in an amount not to exceed $525,150.00

| | |
|---|---|
| Water Construction Fund<br>Fund 0102, Department DWU, Unit CW42, Obj. 4550,<br>Program #717009, CT-PBW717009CP,<br>Vendor #VS0000025999, in an amount not to exceed | $86,971.00 |
| Water Construction Fund<br>Fund 0102, Department DWU, Unit CW42, Obj. 3221,<br>Program #717009X, CT-PBW717009EN,<br>Vendor #VS0000025999, in an amount not to exceed | $6,490.00 |
| Wastewater Construction Fund<br>Fund 0103, Department DWU, Unit CS42, Obj. 3222,<br>Program #717010X, CT-PBW717010EN,<br>Vendor #VS0000025999, in an amount not to exceed | $3,220.00 |
| Wastewater Capital Improvement Fund<br>Fund 3116, Department DWU, Unit PS42, Obj. 4560,<br>Program #717010, CT-PBW717010CP,<br>Vendor #VS0000025999, in an amount not to exceed | $63,761.00 |
| Total in an amount not to exceed | $873,052.00 |

**Section 3.** 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.