



City of Dallas

Department of Public Works - Real Estate

**Government Performance &
Financial Management Committee
September 19, 2023**

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Department of Public Works
City of Dallas**



Presentation Overview

- Real Estate Overview
- Org Chart
- Budget/Revenue Overview
- Areas of Responsibility
- Opportunities
- Questions



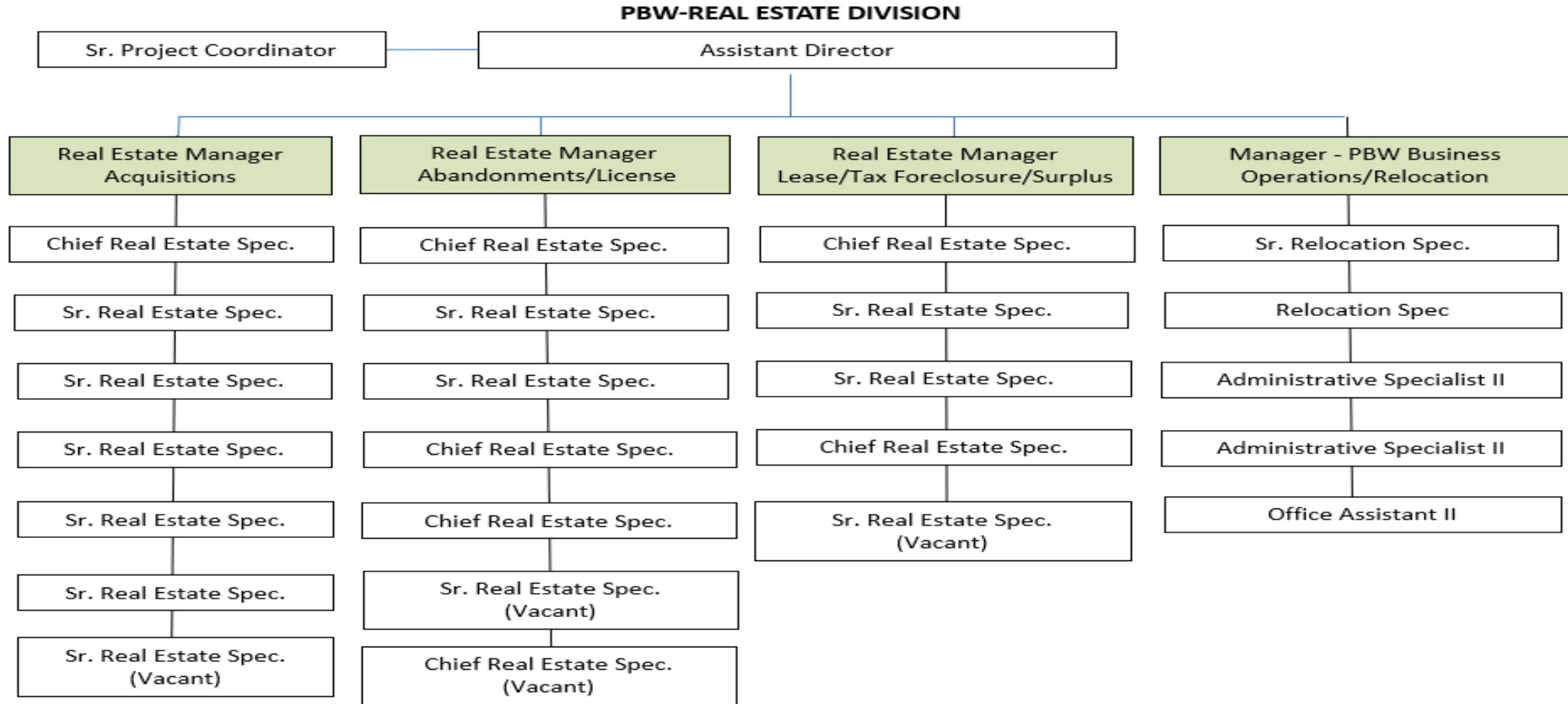


Real Estate Overview

- Section 2-49 of the Dallas City Code establishes certain duties and responsibilities of the Director of Public Works for the purchase, sale, lease and management of real property on behalf of the City.
- All transactions administered through PBW-Real Estate are in accordance with State law and the Dallas City Code.
- Areas of Responsibility:
 - Acquisitions
 - Relocation
 - Leasing
 - Tax Foreclosure Property
 - Surplus Property
 - Abandonments
 - Licenses



Org Chart





Budget/Revenue Overview

- Total Budget for FY23 \$3,399,054
- Total Reimbursement for FY23 (\$2,017,548)
- FY23 Completed Transactions - 697 (Projected)
- Total Budget for FY24 \$3,472,640
- Total Reimbursement for FY24 (\$1,871,909)
- Revenues: (Includes Abandonments, Licenses, Small Cells, Leases, Surplus and Tax)
 - FY23 (Projected): \$15.9M
 - General Fund: \$6.8M (\$2.2M GCR, \$4.6M GF)
 - Non-General Fund: \$6.5M (Surplus/Leases - Parks, DWU, CES)
 - Other: \$2.6M (Distribution pursuant to Tax Code)





Acquisitions

- Negotiating and acquiring property interests pursuant to the Dallas City Code and Texas Property Code on behalf of City Departments
 - Private development transactions (i.e. Water, Wastewater, Drainage, Sidewalk & Utility Easements, etc.)
 - Capital Improvement and other City projects (i.e. Right-of-way, Parks/Trails, DWU Property/Pipelines, etc.)
- City Council authorization
 - Acquisition transaction exceeding \$10K
 - Eminent Domain (2-Step Process)



Relocation



- Relocation Assistance is available to individuals, and businesses displaced as a direct result of acquisition activities related to a City project, code enforcement, rehabilitation, or demolition activities as provided in:
 - Dallas City Code, Chapter 39A “Relocation Assistance-Eminent Domain”
 - Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended
- Relocation Assistance includes:
 - Moving Expenses
 - Replacement Housing Payments for a 90-day homeowner
 - Rental Assistance Payments for a 90-day tenant
 - Re-establishment Costs for businesses, farms and non-profit organizations
 - Technical assistance with application and required forms
 - Referral to Social Services
- City Council authorization required on relocation expenses exceeding \$100K





Leasing

- Types of Leases:
 - Income Leases (Leasing of City-owned property)
 - Texas Fire Museum
 - Hensley Field
 - Prism Building
 - Fair Park (Cell Towers)
 - Acquisition Leases (City leases from private sector)
 - WIC Clinics
 - BI District Offices
 - DPD Police Academy
 - City Store
- City Council authorization
 - Leases exceeding \$10K in consideration
 - Long-Term Agreements





Tax Foreclosure Property

- The City of Dallas is Trustee of tax foreclosed, and seizure warrant properties for the County of Dallas and the Dallas Independent School District.
- The law firm of Linebarger, Goggan, Blair & Sampson, LLP., forecloses on delinquent tax properties on behalf of the taxing entities. These properties are subsequently placed in a Sheriff's Sale held on the first Tuesday of each month.
- Properties not sold through the Sheriff's Sale and within the City limits of Dallas are "struck off" to the City as Trustee
 - Properties not needed for a public purpose will be offered for re-sale via a public auction process
 - City Council, County Commissioners and DISD Board Authorization obtained to sale to highest bidder



City/Surplus Property



- Administrative Directive 6-17
 - Establishes a repository system of the City's Real property and improvements (Land and Building Management System "LBMS")
 - GIS Mapping Tool (available to public)
 - Provides for each Department Director to assign a Property Liaison to oversee its property portfolio
- Identifying Surplus property
 - Private Sector Requests
 - Annual Review Process
- Council authorization to declare property as Surplus and sold in accordance with state law.
- Primary methods to sale property:
 - If Independently developable, land is sold by public auction or by sealed bid
 - Land that cannot be developed independently due to its small or irregularly shape can be sold to the abutting property owner



Abandonments



- A property owner may apply to the City to abandon the City's interest in a utility easement, street or alley right-of-way or floodplain management area
- City Council authorization required on all abandonments
- Application and Abandonment fees are assessed and calculated, pursuant to Dallas City Code 2-26.1.





Licenses

- A property owner or a tenant, may apply to the city to use the public right-of-way for a private use for an annual or one-time fee
 - Most Common Types of Uses:
 - Sidewalk Café
 - Sign
 - Canopy/Awning
 - Streetscape Elements (landscaping, bollards, planters, etc)
- City Council authorization, if applicable, required on all long-term license agreements (i.e Bishop Arts Area – permit program, Temporary License Agreements)
- Application and license fees are assessed and determined based upon the intended use or the tax assessed value of the land abutting the public right-of-way, as required by the City Code, Chapter 43-115.



Opportunities



- **Current Opportunities:**

- CBRE Brokerage Contract – 2019
 - One-year renewal option remaining
 - Initially contracted to assist with a new Development Center
 - Currently use to augment real estate services when needed (i.e Acquisition Leasing)
 - Have consulted with Departments on specialized projects
 - Current Fee Structure :
 - Disposition/Acquisitions: \$0-\$2M 3% commission
 - Project Management: \$0-\$100M 1.5-2% commission
 - Feasibility Study: (Ex. Est \$175K)

- **Future Opportunities:**

- Challenge Departments further during Annual Property Review Process
- Establish a committee/task force to work with Departments to identify underutilized property and/or define a master plan for development.



QUESTIONS





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