

# Memorandum



CITY OF DALLAS

DATE April 7, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **April 12, 2023 City Council FINAL Agenda – Additions/Revisions/Deletions Memorandum**

On March 31, 2023, a DRAFT City Council Agenda for April 12, 2023, was provided for your review. This memorandum outlines any additions, revisions or deletions made to the FINAL agenda after the distribution of the DRAFT agenda. In addition, we have highlighted agenda items which have been briefed to the City Council and/or Committee by briefing memorandums.

Additional items and deletions to the DRAFT agenda are outlined below, including *revisions* to the FINAL agenda are underlined in blue and *deletions* are strikethrough in red. A brief explanation for revisions along with staff's contact information is provided.

## Additions:

71. 23-734 An ordinance authorizing **(1)** the issuance and sale of City of Dallas, Texas, General Obligation Refunding and Improvement Bonds, Series 2023 in an aggregate principal amount not to exceed \$455,880,000; **(2)** levying a tax in payment thereof; **(3)** awarding the sale thereof and approving execution of a Purchase Agreement, a Deposit Agreement and an Escrow Agreement; **(4)** approving the official statement; **(5)** enacting other provisions relating to the subject; and **(6)** declaring an effective date - Not to exceed \$1,040,000 - Financing: 2023 General Obligation Refunding and Improvement Bond Funds
72. 23-908 An ordinance authorizing **(1)** the issuance and sale of City of Dallas, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2023 in an aggregate principal amount not to exceed \$61,500,000; **(2)** levying a tax in payment thereof; **(3)** prescribing the form of said certificates; **(4)** approving and awarding the sale of the certificates and approving execution of a purchase agreement; **(5)** approving the official statement; and **(6)** enacting provisions incident and relating to the subject - Not to exceed \$235,000 - Financing: 2023 Certificates of Obligation Funds
73. 23-977 Authorize an economic development incentive agreement with Randall's Food & Drugs LP and/or its affiliates ("Grantee/BPP Owner"), doing business as Tom Thumb, to include **(1)** a Chapter 380 economic development grant in the amount not to exceed \$5,200,000.00; **(2)** a Chapter 380 sales tax grant in the amount not to exceed \$600,000.00 over ten years; and **(3)** a business personal property tax abatement for a period of five years in the amount equal to the City's taxes assessed on 75 percent of the added taxable value of Grantee/BPP Owner's business personal property investment during the first five years of operation in consideration of a new full-service grocery store

(“Project”) within City of Dallas Tax Increment Reinvestment Zone Number Twenty - Total not to exceed \$5,800,000.00 - Financing: ECO (I) Fund (2017 General Obligation Bond Fund) (\$2,000,000.00), Public/Private Partnership Fund (\$1,661,279.89), Economic Development Fund (2006 General Obligation Bond Funds) (\$1,538,720.11), and Project Sales Tax Agreement Fund (\$600,000.00); Estimated Revenue Foregone: \$208,849.00 for a five-year period

**Revisions:**

11. 23-627 Authorize **(1)** the approval and adoption of the Dallas Housing Policy 2033 attached as Exhibit A to replace the Comprehensive Housing Policy (CHP); ~~and~~ **(2)** the Department of Housing and Neighborhood Revitalization ([Housing](#)) to continue operating its current programs, previously adopted under the ~~CHP Comprehensive Housing Policy~~, now to be included in a new document known as the Dallas Housing Resource Catalog (to be adopted separately); **(3)** [Housing will have a 6-12 month implementation plan](#); **(4)** [Housing will establish an advisory Housing Task Force](#); and **(5)** [Housing will report on progress to City Council](#) - Financing: No cost consideration to the City  
**This item is being revised to edit the Subject and Resolution Please contact David Noguera, Director, Department of Housing & Neighborhood Revitalization, at 214-670-3619, for more information.**
35. 23-716 A resolution amending the Board of Adjustment’s Rules of Procedure by **(1)** adding a new quorum section; **(2)** amending the duties of the chair, presiding officer, board administrator, and board secretary; **(3)** amending the speaking time allotments; and **(4)** making other non-substantive changes - Financing: No cost consideration to the City  
**This item is being revised to update the Prior Action. Please contact Andres Espinoza, Director, Development Services, at 214-671-9148, for more information.**
42. 23-760 Authorize appointment of Drexell Owusu and Joel Triska as Directors to the Dallas Development Fund Board - Financing: No cost consideration to the City  
**This item is being revised to update the Prior Action. Please contact Robin Bentley, Director, Office of Economic Development, at 214-671-8958, for more information.**
66. 23-807 Authorize Supplemental Agreement No. 2 to the design-build contract with Phoenix I Restoration and Construction, LLC for additional construction services for pre-design and pre-construction services, an early construction package, and architectural and engineering services for the design and construction completion of the partially completed Paul Dyer Administration Building located at 10031 East Northwest Highway - Not to exceed \$2,294,766.00, from \$975,809.00 to \$3,270,575.00 - Financing: City Hall, City Service, and Maintenance Facilities (2006 General Obligation Bond Fund) (\$656,378.44), Park and Recreation Facilities (2006 General Obligation Bond

Fund) (\$486,636.56), ~~Fair Park Improvements (C) Fund (2017 General Obligation Bond Fund) (\$289,187.80)~~, and Park and Recreation Facilities (B) Fund (2017 General Obligation Bond Fund) (~~\$862,563.20~~ \$1,151,751.00)  
**This item is being revised to update the Financing. Please contact John Jenkins, Director, Park & Recreation Department, at 214-670-4073, for more information.**

- PH2. 23-742 A public hearing to receive comments on the Proposed 2022 Amended Community Development Block Grant Disaster Recovery (CDBG-DR) Budget and draft Action Plan to accept additional CDBG-DR funds in the amount of \$15,967,000, increasing the total amount to be received from the U.S. Department of Housing and Urban Development from \$24,433,000 to \$40,400,000; and, at the close of the public hearing, authorize final adoption of the 2022 Amended CDBG-DR Budget and Action Plan - Financing: This action has no cost consideration to the City (see Fiscal Information)  
**This item is being revised to update the Prior Action. Please contact Chan Williams, Assistant Director, Budget and Management Services, at 214-535-2442, for more information.**

**Deletions:**

5. 23-821 Authorize the **(1)** acceptance of a grant from the Federal Communications Commission for the Affordable Connectivity Program (ACP) Outreach Grant Program in the amount of \$700,000.00 to facilitate the promotion, awareness, and participation in the ACP among eligible household for a two-year contract period; **(2)** establishment of appropriations in an amount not to exceed \$700,000.00 in the ACP Outreach Grant Program Fund; **(3)** receipt and deposit of funds in an amount not to exceed \$700,000.00 in the ACP Outreach Grant Program Fund; and **(4)** execution of the contract and all terms, conditions, and documents required by the agreement - Not to exceed \$700,000.00 - Financing: Federal Communications Commission Grant Funds  
**This item is being deleted due to pending contract preparation. Please contact Genesis, Gavino, Chief of Staff, City Manager’s Office, at 214-670-4549, for more information.**
9. 23-842 Authorize **(1)** a development loan agreement and security documents with the City of Dallas Public Facility Corporation (DPFC), or an affiliate thereof in an amount not to exceed \$10,000,000.00 in Community Development Block Grant Funds to acquire and own the development of a mixed-income affordable multifamily complex known as The Park at Northpoint (Project), located at 9999 Technology Boulevard West, Dallas, Texas (Property); and **(2)** the DPFC to enter into a seventy-five-year ground lease with LDG The Park at Northpoint, LP (Developer) and/or its affiliate, for the development of Project pursuant to 24 CFR 570.204(a) and (b) - Not to exceed \$10,000,000.00 - Financing: Community Development Block Grant Funds

**This item is being deleted pending contract preparation. Please contact David Noguera, Director, Department of Housing & Neighborhood Revitalization, at 214-670-3619, for more information.**

10. 23-840 Authorize (1) a developer agreement with UCR Development Services, LLC, (Developer), or an affiliate thereof in an amount not to exceed \$5,957,631.00 with \$3,612,358.00 in American Rescue Plan Act Coronavirus Local Fiscal Recovery Fund and \$2,345,273.00 in Homeless Assistance (J) Fund (2017 General Obligation Bond Fund), of which \$100,000.00 will be eligible for reimbursement upon City Council approval of the Agenda item and prior to contract execution for pre-development expenses, design, and redevelopment of the Miramar Hotel located at 1950 Fort Worth Avenue, Dallas, Texas (Property), into supportive housing for formerly unsheltered individuals; and (2) a ground lease agreement with the Developer for the duration of the design and redevelopment of the Property in a total rent amount of \$5,000.00 to be paid by the Developer and conveyance back to the City upon acceptance of improvements pursuant to the lease - Total not to exceed \$5,957,631.00 - Financing: Homeless Assistance (J) Fund (2017 General Obligation Bond Fund) (\$2,345,273.00) and American Rescue Plan Act Coronavirus Local Fiscal Recovery Funds (\$3,612,358.00)

**This item is being deleted to allow additional time for preparation of the developer agreement and further review of agenda documents relating to the history of the Miramar Hotel by the City Attorney. Please contact David Noguera, Director, Department of Housing & Neighborhood Revitalization, at 214-670-3619, for more information.**

19. 23-460 Authorize (1) rescinding Resolution No. 22-1533, previously approved on October 12, 2022, for the extension of the Master Interlocal Agreement (ILA) prior to the City of Dallas receiving a copy of the new Master ILA from Dallas County; and (2) the first five-year renewal of the Master ILA with Dallas County, pertaining to the coordination of responsibilities for transportation-related maintenance on roadways and bridges within the City of Dallas, extending the period from December 30, 2022 to December 30, 2027 - Financing: No cost consideration

**This item is being deleted due to pending contract preparations. Please contact Ali Hatefi, Director, Department of Public Works, at 214-948-4688, for more information.**

### **Memorandums:**

A memorandum was previously provided to Committee and/or City Council regarding the following items. A link to the memorandums is attached for more information.

25. 23-933 A resolution adopting the Bachman Lake Area Planning Study on property generally bounded by Royal Lane on the north, Inwood Road on the east, Mockingbird Lane on the south, and Loop 12 on the west - Financing: No cost consideration to the City

[The Transportation and Infrastructure Committee was briefed by memorandum regarding this matter on March 20, 2023.](#)

35. 23-716 A resolution amending the Board of Adjustment’s Rules of Procedure by **(1)** adding a new quorum section; **(2)** amending the duties of the chair, presiding officer, board administrator, and board secretary; **(3)** amending the speaking time allotments; and **(4)** making other non-substantive changes - Financing: No cost consideration to the City

[The Economic Development Committee was briefed by memorandum regarding this matter on February 6, 2023.](#)

42. 23-760 Authorize appointment of Drexell Owusu and Joel Triska as Directors to the Dallas Development Fund Board - Financing: No cost consideration to the City

[The Economic Development Committee was briefed by memorandum regarding this matter on April 3, 2023.](#)

59. 23-989 A resolution authorizing amendments to the Dallas Fort Worth International Airport Master Bond Ordinance, the 65th and 66th Supplemental Concurrent Bond Ordinances - Financing: No cost consideration to the City

[The Government Performance and Financial Management Committee was briefed by memorandum regarding this matter on March 21, 2023.](#)

71. 23-734 An ordinance authorizing **(1)** the issuance and sale of City of Dallas, Texas, General Obligation Refunding and Improvement Bonds, Series 2023 in an aggregate principal amount not to exceed \$455,880,000; **(2)** levying a tax in payment thereof; **(3)** awarding the sale thereof and approving execution of a Purchase Agreement, a Deposit Agreement and an Escrow Agreement; **(4)** approving the official statement; **(5)** enacting other provisions relating to the subject; and **(6)** declaring an effective date - Not to exceed \$1,040,000 - Financing: 2023 General Obligation Refunding and Improvement Bond Funds

[The Government Performance and Financial Management Committee was briefed by memorandum regarding this matter on January 23, 2023.](#)

[The City Council was briefed by memorandum regarding this matter on April 7, 2023.](#)

72. 23-908 An ordinance authorizing **(1)** the issuance and sale of City of Dallas, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2023 in an aggregate principal amount not to exceed \$61,500,000; **(2)** levying a tax in payment thereof; **(3)** prescribing the form of said certificates; **(4)** approving and awarding the sale of the certificates and approving execution of a purchase agreement; **(5)** approving the official statement; and **(6)** enacting provisions incident and relating to the subject - Not to exceed \$235,000 - Financing: 2023 Certificates of Obligation Funds

[The Government Performance and Financial Management Committee was briefed by memorandum regarding this matter on January 23, 2023.](#)

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[The City Council was briefed by memorandum regarding this matter on April 7, 2023.](#)

PH2. 23-742 A public hearing to receive comments on the Proposed 2022 Amended Community Development Block Grant Disaster Recovery (CDBG-DR) Budget and draft Action Plan to accept additional CDBG-DR funds in the amount of \$15,967,000, increasing the total amount to be received from the U.S. Department of Housing and Urban Development from \$24,433,000 to \$40,400,000; and, at the close of the public hearing, authorize final adoption of the 2022 Amended CDBG-DR Budget and Action Plan - Financing: This action has no cost consideration to the City (see Fiscal Information)

[The City Council was briefed by memorandum on the Proposed 2022 CDBG-DR Budget on October 21, 2022.](#)

**The Community Development Commission was briefed by memorandum on the Proposed 2022 CDBG-DR Budget and draft Action Plan on October 24, 2022.**

[The City Council was briefed by memorandum on the Proposed 2022 Amended CDBG-DR Budget and draft Action Plan on February 10, 2023.](#)

[The City Council was briefed by memorandum regarding this matter on April 7, 2023.](#)

Please feel free to reach out to me or Kimberly Bizer Tolbert, Deputy City Manager if you have questions or should you require additional information at this time.



T. C. Broadnax  
City Manager

c: Tammy Palomino, Interim City Attorney  
Mark Swann, City Auditor  
Biliera Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Kimberly Bizer Tolbert, Deputy City Manager  
Jon Fortune, Deputy City Manager

Majed A. Al-Ghafry, Assistant City Manager  
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager  
Dr. Robert Perez, Assistant City Manager  
Carl Simpson, Assistant City Manager  
Jack Ireland, Chief Financial Officer  
Genesis D. Gavino, Chief of Staff to the City Manager  
Directors and Assistant Directors

# Memorandum



CITY OF DALLAS

DATE April 7, 2023

TO Honorable Mayor and Members of Council

SUBJECT **2023 Community Survey**

Budget & Management Services (BMS) is partnering with ETC Institute (ETC) for the Community Survey, which will launch April 17, 2023. The purpose of the Community Survey is to assess resident perceptions of Dallas and understand community priorities regarding City services.

The survey and its administration are standardized to ensure high-quality survey methods and results that are statistically significant. ETC selects participating households at random, and the household member who responds is selected without bias. Mailings and follow-up phone calls give each randomly selected household more than one chance to complete the survey. Materials are mailed in English, and assistance is available for Spanish speakers to complete the survey. All survey responses remain anonymous. Although the selected sample is reflective of the demographics of the City, certain groups (by age, race, or gender) may be over- or under-represented in the final results, depending on who chooses to respond. However, ETC will ensure at least 100 responses are collected from each City Council district.

The survey is customized for Dallas and developed in close cooperation with City staff to ensure comparability with previous Community Surveys (conducted in 2005, 2006, 2007, 2009, 2011, 2013, 2014, 2016, 2018 and 2020) and allow for trend analysis. ETC has also partnered with 24 of the 34 cities in the U.S. with populations greater than 500,000 and provides comparisons with those jurisdictions.

ETC will administer the survey and we plan to brief City Council on the results in June. Digital materials are attached for you to share with your constituents prior to the survey launch to encourage them to complete the survey if they are selected.

DATE April 7, 2023  
SUBJECT **2023 Community Survey**  
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Please contact me or Janette Weedon, Director of Budget & Management Services, if you have questions.



Jack Ireland  
Chief Financial Officer

c: T.C. Broadnax, City Manager  
Tammy Palomino, Interim City Attorney  
Mark Swann, City Auditor  
Billierae Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Kimberly Bizer Tolbert, Deputy City Manager  
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**YOUR OPINION MATTERS!**

# **Community Survey**

**April – May**

You're our most important customer.  
Check the mail to see if you were randomly selected  
to participate in the 2023 Community Survey.  
Let us know how we're doing!

**?** **Questions**

 [DallasMeasures@dallas.gov](mailto:DallasMeasures@dallas.gov)




**¡TU OPINIÓN IMPORTA!**

# **Encuesta sobre la comunidad**

**Abril - Mayo**

Eres nuestro cliente más importante.  
Revisa el correo para ver si fuiste  
seleccionado para participar en la encuesta  
sobre la comunidad de 2023.  
¡Déjanos saber cómo estamos haciendo  
nuestro trabajo!

**? Preguntas**

 [DallasMeasures@dallas.gov](mailto:DallasMeasures@dallas.gov)



# Memorandum



CITY OF DALLAS

DATE April 7, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **Fitch Ratings Affirmed 'AA' Rating and Stable Outlook for City of Dallas General Obligation Bonds – RATING ACTION**

On April 4, 2023, Fitch Ratings (Fitch) assigned its 'AA' credit rating and stable outlook to the anticipated General Obligation Refunding and Improvement Bonds, Series 2023A and Combination Tax and Revenue Certificates of Obligation, Series 2023, and affirmed the City's 'AA' credit rating and stable outlook on outstanding general obligation bonds. Fitch previously affirmed the City's rating on October 26, 2021.

According to the Fitch report, the City's affirmed rating continues to reflect, "strong revenue growth prospects, conservative budgeting practices, and solid reserve levels." In their analysis, Fitch notes that "the fiscal 2022 general fund results were positive as both revenues and expenditures outperformed budget," while "elevated debt and retiree benefit outlays will maintain a certain amount of pressure on the city's budget management practices." However, the City's 'aaa' resilience assessment reflects "Fitch's expectation that the city will make spending cuts and maintain a strong reserve cushion, maintaining the highest level of financial resilience through future business cycles." In the long-term, "Fitch expects the underlying strength, size and diversity of Dallas' economy will support strong operating performances through periodic futures economic downturns."

Fitch's affirmed rating reinforces the City's ability to navigate challenges and changes in the economy with prudent fiscal management and sound leadership. The rating is yet another credit positive for the City and supportive of market interest in the City ahead of the planned May 2023 bond issuance. Attached is the published rating report provided for your review.

Please let me know if you need additional information.

A handwritten signature in blue ink that reads "Jack Ireland".

Jack Ireland  
Chief Financial Officer

c: T.C. Broadnax, City Manager  
Chris Caso, City Attorney  
Mark Swann, City Auditor  
Biliera Johnson, City Secretary  
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## RATING ACTION COMMENTARY

# Fitch Rates Dallas, TX \$429MM Limited Tax Obligations 'AA'; Outlook Stable

Tue 04 Apr, 2023 - 4:14 PM ET

Fitch Ratings - Austin - 04 Apr 2023: Fitch Ratings has assigned a 'AA' rating to the following City of Dallas, TX limited tax (LT) obligations:

--\$373.87 million GO refunding and improvement bonds, series 2023A; and

--\$55.265 million combination tax and revenue certificates of obligation (COs), series 2023.

Both series are scheduled for a negotiated sale the week of May 1. The series 2023 GO bond proceeds will finance various infrastructure improvements and refund outstanding tax-supported debt and CP; series 2023 CO proceeds will finance certain transportation-related improvements.

Fitch also has affirmed the following ratings:

--Issuer Default Rating (IDR) at 'AA';

--\$2.3 billion of outstanding LT debt at 'AA'.

The Rating Outlook is Stable.

## RATING ACTIONS

ENTITY / DEBT ↕	RATING ↕		PRIOR ↕
Dallas (TX) [General Government]	LT IDR	AA Rating Outlook Stable	AA Rating Outlook Stable
	Affirmed		
Dallas (TX) /General Obligation - Limited Tax/1 LT	LT	AA Rating Outlook Stable	Affirmed AA Rating Outlook Stable

[VIEW ADDITIONAL RATING DETAILS](#)

### SECURITY

The GO bonds and COs are payable from a limited ad valorem tax levied against all taxable property in the city. The COs are further backed by a limited pledge (not to exceed \$1,000) of the city's drainage utility system.

### ANALYTICAL CONCLUSION

The city's 'AA' IDR and LT bond ratings reflect strong revenue growth prospects, conservative budgeting practices, and solid reserve levels. Recent operating performance has been positive despite increased spending on both pensions and public safety salaries. Budgeting pressure is likely to continue as the city attempts to build up police staffing levels and continues with increasing pension contributions; these pressures are expected to be manageable given the city's high degree of inherent budget flexibility.

### Economic Resource Base

Dallas is the anchor of the large and diverse Dallas-Fort Worth regional economy. The city is a center for technology, trade, finance and healthcare and it also ranks among the top visitor and leisure destinations in the state.

### KEY RATING DRIVERS

**Revenue Framework: 'aaa'**

Strong revenue growth prospects are based on expectations for continued economic expansion. The assessment also reflects the city's high independent legal ability to increase operating revenues.

### **Expenditure Framework: 'a'**

The city's pace of spending is expected to be marginally above revenue growth given ongoing service demands and inflationary pressures. Increased pension contributions will keep carrying costs at an elevated level; a rapid debt amortization rate also contributes to the elevated carrying costs.

### **Long-Term Liability Burden: 'aa'**

The long-term liability burden currently represents a moderate 12% of personal income. Recent pension reforms to both the civilian and uniform plans have reduced the combined total liability and, in conjunction with continued economic growth, are expected to keep the long-term liability burden within the current range.

### **Operating Performance: 'aaa'**

The city of Dallas' gap-closing capabilities and healthy reserves position it to maintain the highest financial resilience through future business downturns. Elevated debt and retiree benefit outlays will maintain a certain amount of pressure on the city's budget management practices.

## **RATING SENSITIVITIES**

Factors that could, individually or collectively, lead to positive rating action/upgrade:

--A sustained reduction in the long-term liability burden below 10% of personal income.

--An improvement in Fitch's assessment of the city's expenditure flexibility, due to moderation in fixed debt service and retiree benefit costs as a percentage of spending.

Factors that could, individually or collectively, lead to negative rating action/downgrade:

--Failure to close the gap between annual pension contributions and the actuarially determined contribution amounts.

--Longer term, poor operating performance and resulting material decline in operating reserves.

## **BEST/WORST CASE RATING SCENARIO**

International scale credit ratings of Sovereigns, Public Finance and Infrastructure issuers have a best-case rating upgrade scenario (defined as the 99th percentile of rating transitions, measured in a positive direction) of three notches over a three-year rating horizon; and a worst-case rating downgrade scenario (defined as the 99th percentile of rating transitions, measured in a negative direction) of three notches over three years. The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAA' to 'D'. Best- and worst-case scenario credit ratings are based on historical performance. For more information about the methodology used to determine sector-specific best- and worst-case scenario credit ratings, visit <https://www.fitchratings.com/site/re/10111579>.

## **CURRENT DEVELOPMENTS**

The fiscal 2022 general fund results were positive as both revenues and expenditures outperformed budget. Sales tax receipts totaled \$407 million versus the budgeted \$394 million and were up roughly 15% from the fiscal 2021 total. Property tax revenues totaled \$804 million versus \$775.5 million in fiscal 2021, a 3.7% increase aided by a nearly 5% increase in taxable assessed value (TAV). The general fund recorded a \$41.8 million surplus, increasing the unrestricted fund balance to nearly \$418 million or 27.6% of spending and transfers out.

The biennial fiscal 2023-2024 budget is balanced and highlights include a \$0.0275 reduction in the fiscal 2023 total property tax rate, an increase in the over 65/disabled property tax exemption to \$115,500 from \$107,000, an increase in the minimum hourly wage to \$18 and the hiring of 250 police officers. Management reports fiscal 2023 general fund revenues are trending positively compared to budget, led by an increase in sales tax receipts; the current fiscal year-end projection is for sales tax revenues to outperform budget by roughly \$11.7 million or nearly 3%. Total general fund revenues and outlays are expected to outpace the original budget totals, and the fiscal 2023 ending fund balance is projected to increase by roughly \$3.5 million.

## **CREDIT PROFILE**

Dallas is located in north central Texas and with a population of 1.3 million ranks among the top 10 U.S. cities by population. The city serves as corporate headquarters for AT&T,

Southwest Airlines, Texas Instruments, 7-Eleven, Inc., HollyFrontier Corp., Pizza Hut, Inc. and other large corporate concerns. Large employers in the education, government and health services sectors lend stability to the city's employment base.

The city's role as a wholesale and retail trade center is enabled by a strong transportation network of airports, rail and interstate highways. Dallas Area Rapid Transit (DART) provides major employers easy access to a highly skilled work force to support growing technology, finance, business and medical service sectors. Top taxpayers represent utility, air transportation, developers, real estate, manufacturing and retail industries, and the tax base has no significant concentration. Fitch expects the underlying strength, size and diversity of Dallas' economy will support strong operating performances through periodic futures economic downturns.

### **Revenue Framework**

General fund operations are supported by a diverse mix of revenues led by ad valorem tax revenues (53% of the fiscal 2022 total), sales tax revenues (27%), and franchise fees (9%).

The city's revenue growth prospects remain strong due to current and planned economic activity.

The city's fiscal 2023 total tax rate of \$0.7458 per \$100 of TAV is down \$0.0275 from the prior year and is well below the constitutional and city charter cap of \$2.50. Any increase in the operating tax rate which produces an annual operating levy increase of more than 3.5% (the voter approval tax rate) requires a ratification election. The revenue cap does not apply to debt service tax levies; the city's fiscal 2023 debt service tax rate is \$0.2055 out of the total rate.

The tax levy limitation excludes new additions to tax rolls and allows for banking of unused margin for up to three years. Dallas' remaining control over property taxes and other local revenues such as fines, fees and charges for services is still sufficient to maintain high revenue-raising flexibility.

### **Expenditure Framework**

As is typical with U.S. cities, public safety is Dallas' largest operating spending category (62% of fiscal 2022 general fund outlays), followed by general government (13%) and culture and recreation (10%). General fund spending growth has generally kept pace with revenue gains in recent years.



Fitch expects the pace of spending growth to trend marginally above what is projected to be a strong revenue growth trend, as future service demands from a relatively mature residential base and increasing public safety and pension outlays should align with increasing operating receipts over the near to medium term.

Fitch expects actual carrying costs to remain elevated (25% to 27% of governmental spending), the result of both increased pension contributions to the police and fire plan and debt service associated with issuances from a 2017 \$1.05 billion GO bond authorization. Fitch's supplemental pension metric, which estimates the annual pension cost based on a level dollar payment for 20 years with a 5% interest rate, indicates that carrying costs are vulnerable to future increases.

The current carrying costs also reflect a rapid 73% debt amortization rate over the next 10 years; the city's ability to control headcount and salary costs is strong, providing additional operational flexibility.

### **Long-Term Liability Burden**

Dallas' long-term liability burden is moderate at roughly 12% of personal income, with about 42% of the total attributable to unfunded pension liabilities. The liability calculation is adjusted by Fitch to assume a more conservative 6% investment return. The city currently has roughly \$2.3 billion in GO debt outstanding (including these offerings), about 20% of the total long-term liability burden. Overlapping debt of \$4.8 billion comprises the remainder of the liability (38% of the total).

Dallas participates in three single employer defined benefit pension plans. The ERF covers non-uniformed employees. The DPFP (combined plan) and the smaller Supplemental Police and Fire Pension Plan of the city of Dallas (supplemental plan) cover police and firefighters. Recent plan changes to both the ERF and DPFP addressed retirement age and service retirement age, benefit multipliers and -- for the DPFP-- changes to the deferred retirement option program, elimination of the COLA benefit, and increases in both city and employee contributions. The reforms are expected to boost the long-term viability of both plans.

The combined net pension liability (NPL) for all three plans as reported in the city's fiscal 2022 audit totaled \$4.03 billion, with assets covering 61% of liabilities. The NPL increases to \$5.09 billion and the ratio of assets to liabilities declines to 55% when the 6% investment return assumption is used. The city's other post-employment benefit liability was recently

reduced by more than one-half (to \$221.6 million) through the elimination of the subsidy for retirees' Medicare Advantage plans.

## **Operating Performance**

The Fitch Analytical Stress Test (FAST) scenario analysis tool relates historical tax revenue volatility to GDP to support the assessment of operating performance under Fitch's criteria. FAST is not a forecast, but it represents Fitch's estimate of possible revenue behavior in a downturn, based on historical revenue performance. Hence, actual revenue will vary from FAST results, and Fitch expects the city will implement necessary corrective actions to offset them. FAST does provide a relative sense of the risk exposure of a particular local government compared to other U.S. local governments. FAST results indicate minimal pressure on the city's financial resilience in the medium term, even absent policy interventions.

The 'aaa' resilience assessment reflects Fitch's expectation that the city will make spending cuts and maintain a strong reserve cushion, maintaining the highest level of financial resilience through future business cycles.

The city has demonstrated positive budget management practices historically, and the recent positive operating results (that included steadily increasing pension contribution amounts) have continued that trend and enabled the city to maintain a strong financial cushion. However, increased annual pension contributions and public safety salary outlays will maintain a degree of pressure on the city's budget management practices for the foreseeable future.

In addition to the sources of information identified in Fitch's applicable criteria specified below, this action was informed by information from Lumesis.

## **REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING**

The principal sources of information used in the analysis are described in the Applicable Criteria.

## **ESG CONSIDERATIONS**

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[U.S. Public Finance Tax-Supported Rating Criteria \(pub. 04 May 2021\) \(including rating assumption sensitivity\)](#)

## APPLICABLE MODELS

Numbers in parentheses accompanying applicable model(s) contain hyperlinks to criteria providing description of model(s).

FAST Econometric API - Fitch Analytical Stress Test Model, v3.0.0 ([1](#))

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Dallas (TX)

EU Endorsed, UK Endorsed

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# Memorandum



CITY OF DALLAS

DATE April 7, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **S&P Global Ratings Affirmed 'AA-' Rating and Stable Outlook for City of Dallas General Obligation Bonds – RATING ACTION**

On April 3, 2023, S&P Global Ratings (S&P) assigned its 'AA-' credit rating and stable outlook to the anticipated General Obligation Refunding and Improvement Bonds, Series 2023A and Combination Tax and Revenue Certificates of Obligation, Series 2023. At the same time, S&P affirmed the City's 'AA-' (stable) rating on outstanding general obligation bonds and 'A' (stable) rating on outstanding Convention Center Hotel Development Corporation debt. S&P previously affirmed the City's rating on October 21, 2021.

S&P affirmed the rating based on the City's "strong economy with an anchoring broad, diverse Metropolitan Statistical Area [MSA]," as well as "very strong management with practices, policies focused on long-term planning, reserve maintenance," and a "strong institutional framework." In their report, S&P also details their assessment of the City's credit weaknesses, including budgetary performance and debt and pension liabilities. As S&P explains, "our view of budgetary performance incorporates pension plan contribution deficiencies, which we include as operating expenditures in budgetary-performance calculations," while noting, "however, reserves and liquidity have improved recently due to strong operating revenue growth." With an eye on the upcoming legislative pension funding deadline in 2025, S&P will be looking at the City's proposed plans for pension reform in their determination to raise or lower the rating.

The affirmed rating decision by S&P is a testament to the City's continued stability and credit strength in a volatile market, and a positive indicator ahead of the negotiated bond sale scheduled in May. Attached is the published report for your review.

A handwritten signature in blue ink that reads "Jack Ireland".

Jack Ireland  
Chief Financial Officer

c: T.C. Broadnax, City Manager  
Chris Caso, City Attorney  
Mark Swann, City Auditor  
Billierae Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Kimberly Bizer Tolbert, Deputy City Manager  
Jon Fortune, Deputy City Manager

Majed A. Al-Ghafry, Assistant City Manager  
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager  
Robert Perez, Assistant City Manager  
Carl Simpson, Assistant City Manager  
Genesis D. Gavino, Chief of Staff to the City Manager  
Directors and Assistant Directors



# RatingsDirect®

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## Summary:

# Dallas; Appropriations; General Obligation

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## Summary:

# Dallas; Appropriations; General Obligation

### Credit Profile

US\$373.87 mil GO rfdg and imp bnds ser 2023A dtd 05/17/2023 due 02/15/2043

<i>Long Term Rating</i>	AA-/Stable	New
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US\$55.265 mil comb tax and rev certs of oblig ser 2023 dtd 05/17/2023 due 02/15/2033

<i>Long Term Rating</i>	AA-/Stable	New
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#### **Dallas Convention Center Hotel Development Corp, Texas**

Dallas, Texas

Dallas Convtn Ctr Hotel Dev Corp (Dallas)

<i>Long Term Rating</i>	A/Stable	Affirmed
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Dallas Convtn Ctr Hotel Dev Corp (Dallas)

<i>Long Term Rating</i>	A/Stable	Affirmed
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### Credit Highlights

- S&P Global Ratings assigned its 'AA-' rating to Dallas, Texas' roughly \$373.8 million series 2023A general obligation (GO) and improvement bonds and roughly \$55.26 million series 2023 combination tax and revenue certificates of obligation.
- At the same time, S&P Global Ratings affirmed its 'AA-' rating on the city's existing GO debt and certificates of obligation and 'A' rating on Dallas Convention Center Hotel Development Corp., Texas' series 2009A and 2009B hotel revenue bonds, issued for Dallas.
- The outlook is stable.

### Security

The bonds and certificates are a direct obligation of the city, payable from, and secured by, a pledge of a direct and continuing ad valorem tax, within the limits prescribed by the law, on all taxable property within the city. The certificates are also payable from, and secured by, a limited pledge of the city's municipal drainage utility system in an amount not to exceed \$1,000; due to the pledge's limited nature, we rate the certificates to the strength of the ad valorem-tax pledge.

The maximum allowable ad valorem tax rate in Texas is \$2.50 per \$100 of assessed value with the portion dedicated to debt service limited to \$1.50. We view the limited-tax GO debt pledge on par with the city's general creditworthiness because ad valorem taxes are not levied on a narrower or distinctly different property tax base and there are no limitations on the fungibility of resources for debt-service payment.

Officials intend to use series 2023A bond proceeds to refund a portion of the city's debt outstanding and fund various capital projects, including street, park, library, city hall, and public-safety improvements and homeless facilities. Officials intend to use series 2023 certificate proceeds to fund various street-and-road-related projects.

We rate the 2009A and 2009B hotel revenue bonds based on the city's appropriation pledge, according to a city-council-adopted grant resolution, where the council will consider making grants or loans from the city's general fund to the issuer should pledged revenue be insufficient to service the corporation's debt.

### **Credit overview**

Dallas is the anchor of the Dallas-Fort Worth-Arlington metropolitan statistical area (MSA), one of the nation's fastest-growing metropolitan areas. This growth supports a recent trend of increasing taxable value, improving income, and growing property tax and sales tax revenue. However, a very weak debt-and-contingent-liability profile, particularly large unfunded pension liabilities, somewhat offsets these positive trends and credit strengths. Although economic and financial metrics are generally improving, if pension liabilities, which currently total more than \$4 billion as of Dec. 31, 2021, continue to grow, leading to further weakened plan funding statuses and increasing contribution costs that pressure the budget, we could lower the rating. City contributions have historically not met the actuarially determined contribution (ADC). According to state law, the city must present a funding-soundness-and-restoration plan to the Texas Pension Review Board by Sept. 1, 2025, showing an ability to fund pension liabilities within a 30-year period.

The rating reflects our assessment of the city's:

- Strong economy with an anchoring broad, diverse MSA;
- Very strong management with a strong Financial Management Assessment (FMA) methodology, with formal long-term planning and several council-approved policies guiding finances, and a strong Institutional Framework score;
- Weak budgetary performance that incorporates pension ADC shortfalls--However, reserves and liquidity have improved recently due to strong operating revenue growth; and
- Elevated debt and pension burden, not expected to decrease during the next few years due to additional debt plans and pension contributions below the ADC and our static- and minimum-funding-progress calculations.

### **Environmental, social, and governance**

We have assessed environmental, social, and governance (ESG) risks relative to Dallas' economy, financial management, fiscal performance, and debt-and-contingent-liability profile. In our opinion, Dallas has elevated long-term governance risk associated with high pension and other postemployment benefit (OPEB) expenditures and large unfunded liabilities because we think costs will likely increase over time and the city has a history of funding its plans below actuarially determined amounts.

We view environmental and social risks as neutral in our analysis. Despite the city's susceptibility to some significant weather events--such as heavy storms, tornados, high winds, and drought--we do not view these risks as outsized for the region.

The city is working with the G20 Global Smart Cities Alliance to develop and implement G20 policies for technology and cybersecurity. The city is also participating in development and construction of a Cyber Fusion Center, unifying security functions such as threat intelligence, security automation, threat response, security orchestration, and incident response across the Dallas-Fort Worth regional area.

## Outlook

The stable outlook reflects S&P Global Ratings' expectation that Dallas will likely maintain very strong reserves and liquidity, supported by a growing economy and strong financial-management practices and policies.

### Downside scenario

We could lower the rating if changes to pensions do not successfully address growing unfunded liabilities or if debt service, pension, and OPEB carrying charges were to increase to levels that negatively affect budgetary flexibility or further weaken performance.

### Upside scenario

Assuming all other credit factors remain stable or improve, we could raise the rating if unfunded pension liabilities were meaningfully reduced in a way that we view them as sustainable and that improve funding.

## Credit Opinion

### **A strong, growing economy with a sizable, diverse tax base in a broad, diverse MSA**

Dallas and the Dallas-Fort Worth-Arlington MSA benefit from consistent regional population and job growth. The local economy's diversity and depth remain a credit strength. Continued economic development citywide has contributed to 11 consecutive years of tax base growth. Most recently, for fiscal 2023, the tax base increased by more than 15% to more than \$179 billion, supported by rising property values and economic development. Newly announced economic developments, supported by the city, include a mixed-use development downtown, an expansion of a large corporate office downtown, and a housing development in north Dallas. Recent openings include two mixed-use developments downtown and two fulfillment-and-distribution centers in the city's inland port area southeast of downtown. We think ongoing development and population growth regionwide will likely continue to support positive economic trends for Dallas and provide credit strength.

### **Very strong management with practices, policies focused on long-term planning, reserve maintenance**

Dallas uses multiyear trends of certified property tax values, historical sales tax revenue trends, other economic and revenue data, and outside sources to formulate the budget. Management provides monthly reports to the city council and produces a year-end report that reflects expenditures, concurrent with publishing a comprehensive annual financial report. City staff prepares and presents long-range financial forecasts for the general and debt-service funds, presented to the council during the budget-development process or bond-program development.

Dallas maintains an inventory of capital needs that it updates annually. It has historically used a multiyear capital-bond program to fund infrastructure improvements. Management also reports investment-management results quarterly to the council, and it reviews the investment-management policy annually. Financial-management-performance criteria (FMPC) establish guidelines and targets for operating programs and cash and debt management, including minimum reserves, debt ratios, and debt use-and-issuance restrictions. The FMPC is part of the budget-development process at fiscal year-end and GO-bond-program development. The city adheres to a reserve policy of maintaining no less than 50 days' expenditures.

The Institutional Framework score for Texas municipalities is strong.

**A consistently weak budgetary performance when incorporating pension underfunding, though reserves are increasing**

Dallas' budgetary performance is weak, in our opinion. Our view of budgetary performance incorporates pension plan contribution deficiencies, which we include as operating expenditures in budgetary-performance calculations. If the city cannot address contribution deficiencies and operating performance remains negative after adjustments, we could lower the rating.

For fiscal years 2021 and 2022, combined contributions toward the Employees' Retirement Fund of the City of Dallas (ERF) and Dallas Police & Fire Pension (DPFP) plans were \$97.4 million below ADCs. However, outside of contribution shortfalls, finances have been consistently positive with consistent increases in available reserves. Prior to the adjustment to operating expenditures, Dallas reported a more than \$40 million general fund surplus in fiscal 2022. Budgetary performance benefits from growing operating revenue and strong financial-management practices. Available reserves have increased in each of the past three fiscal years, maintaining levels we consider very strong during this period. The city adheres to its formal fund-balance policy that calls for maintaining, at least, 50 days' operations in reserve.

For fiscal 2023, Dallas expects reserves will likely remain stable; however, due to positive revenue variances to date, a general fund surplus and additions to reserves are possible depending on final expenditures. The fiscal 2023 budget includes funding for several prioritized initiatives, including its economic development, environmental-and-sustainability outreach and projects, racial equity, technological improvements for certain city services, homeless-and-housing solutions, public safety, and transportation. Preliminary budget planning for fiscal 2024 shows a balanced budget with continued property and sales tax growth supporting growing personnel costs and ongoing budget priorities.

**Very weak debt with ongoing debt needs**

We expect Dallas will likely continue to issue bonds for general infrastructure improvements, according to its capital plan. The debt profile incorporates contingent liabilities, making up any shortfalls in debt service coverage for both Dallas Convention Center hotel revenue bonds and Downtown Dallas Development Authority tax-increment revenue bonds. The city also has a commercial paper program through JPMorgan Chase Bank N.A.: The notes have a total program authorization of \$350 million. JPMorgan Chase Bank provides liquidity support through a revolving-credit agreement.

**Pension, OPEB liabilities remain a significant credit weakness**

Dallas continues to underfund single-employer pension plans and does not consistently meet the ADC, which we view as a credit weakness. Combined pension and OPEB contributions, as of fiscal 2022, are 14.1% of total governmental funds expenditures with 13.7% from pensions alone. Dallas provides benefits to employees primarily through two defined-benefit retirement plans: ERF, which is 80% funded, and DPFP, which is 41% funded. Combined unfunded pension liabilities total slightly more than \$4 billion as of Dec. 31, 2021.

Pension contribution rates are fixed by statute and are insufficient based on ADC rates. In 2022, the city paid 63% and 74% of the ADCs for TERF and DPFP. These contributions were not only well below our minimum-funding-progress

metric but also below static funding, indicating increasing unfunded liabilities if all assumptions are met. Furthermore, the combined DPFP's supplemental contributions should expire by fiscal 2025; however, this could change as the city proposes reforms during the next two years. We view the city's funding discipline as weak, which is likely to lead to funding deterioration during the next few years unless it enacts effective reforms.

Dallas closed OPEB to new participants as of Jan. 1, 2010, representing a comparatively smaller liability of just \$221 million with pay-as-you-go funding. We expect the overall liability to continue to decrease slowly over time.

Dallas made significant changes to pension plans in 2017 to reduce benefits; however, unfunded liabilities remain substantial. The city has until 2025 to submit a plan to the state that demonstrates an ability to fully fund pension liabilities within 30 years. City management expects to present an outline of this plan in 2024. While reforms or changes could be come in many different forms, they will likely require additional city contributions, which could pressure budgetary performance or require offsetting expenditure reductions.

Dallas--Key Credit Metrics				
	Most recent	Historical information		
		2022	2021	2020
<b>Strong economy</b>				
Projected per capita EBI % of U.S.	99			
Market value per capita (\$)	131,998			
Population		1,359,296	1,365,075	
County unemployment rate(%)		5.5		
Market value (\$000)	179,424,000	155,938,192	147,443,517	
Ten largest taxpayers % of taxable value	3.7			
<b>Weak budgetary performance</b>				
Operating fund result % of expenditures		(3.5)	(2.5)	(1.1)
Total governmental fund result % of expenditures		(6.1)	(3.8)	0.9
<b>Very strong budgetary flexibility</b>				
Available reserves % of operating expenditures		26.1	25.1	23.1
Total available reserves (\$000)		414,935	375,865	318,522
<b>Very strong liquidity</b>				
Total government cash % of governmental fund expenditures		78	66	65
Total government cash % of governmental fund debt service		394	330	436
<b>Very strong management</b>				
Financial Management Assessment	Strong			
<b>Very weak debt &amp; long-term liabilities</b>				
Debt service % of governmental fund expenditures		19.7	20.0	15.0
Net direct debt % of governmental fund revenue	140			
Overall net debt % of market value	4.3			
Direct debt 10-year amortization (%)	52			
Required pension contribution % of governmental fund expenditures		13.7		
OPEB actual contribution % of governmental fund expenditures		0.4		

## Dallas--Key Credit Metrics (cont.)

	Most recent	Historical information		
		2022	2021	2020
<b>Strong institutional framework</b>				

EBI--Effective buying income. OPEB--Other postemployment benefits.  
Data points and ratios may reflect analytical adjustments.

## Related Research

- S&P Public Finance Local GO Criteria: How We Adjust Data For Analytic Consistency, Sept. 12, 2013
- Incorporating GASB 67 And 68: Evaluating Pension/OPEB Obligations Under Standard & Poor's U.S. Local Government GO Criteria, Sept. 2, 2015
- Criteria Guidance: Assessing U.S. Public Finance Pension And Other Postemployment Obligations For GO Debt, Local Government GO Ratings, And State Ratings, Oct. 7, 2019
- 2022 Update Of Institutional Framework For U.S. Local Governments
- Through The ESG Lens 3.0: The Intersection Of ESG Credit Factors And U.S. Public Finance Credit Factors, March 2, 2022

## Ratings Detail (As Of March 31, 2023)

Dallas GO		
<i>Long Term Rating</i>	AA-/Stable	Affirmed
Dallas GO		
<i>Long Term Rating</i>	AA-/Stable	Affirmed
Dallas GO		
<i>Long Term Rating</i>	AA-/Stable	Affirmed
Dallas GO		
<i>Long Term Rating</i>	AA-/Stable	Affirmed
Dallas GO (AGM)		
<i>Unenhanced Rating</i>	AA-(SPUR)/Stable	Affirmed
Dallas GO (AGM)		
<i>Unenhanced Rating</i>	AA-(SPUR)/Stable	Affirmed
Dallas GO (AGM)		
<i>Unenhanced Rating</i>	AA-(SPUR)/Stable	Affirmed
Dallas GO (AGM) (SEC MKT)		
<i>Unenhanced Rating</i>	AA-(SPUR)/Stable	Affirmed
Dallas GO (BAM) (SECMKT)		
<i>Unenhanced Rating</i>	AA-(SPUR)/Stable	Affirmed
Dallas GO (BAM) (SECMKT)		
<i>Unenhanced Rating</i>	AA-(SPUR)/Stable	Affirmed

**Ratings Detail (As Of March 31, 2023) (cont.)**

Dallas GO (BAM) (SECMKT)		
<i>Unenhanced Rating</i>	AA-(SPUR)/Stable	Affirmed
Dallas GO (BAM) (SECMKT)		
<i>Unenhanced Rating</i>	AA-(SPUR)/Stable	Affirmed
Dallas GO (BAM) (SECMKT)		
<i>Unenhanced Rating</i>	AA-(SPUR)/Stable	Affirmed
Dallas GO (BAM) (SEC MKT)		
<i>Unenhanced Rating</i>	AA-(SPUR)/Stable	Affirmed

Many issues are enhanced by bond insurance.

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# Memorandum



CITY OF DALLAS

DATE April 7, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **Upcoming Agenda Items No. 71 (23-734) and No. 72 (23-908) for April 12, 2023: Parameters Ordinances Authorizing City of Dallas, Texas General Obligation Refunding and Improvement Bonds, Series 2023 and Certificates of Obligation, Series 2023**

The April 12, 2023 City Council agenda includes two parameters ordinance items authorizing the issuance and sale of City of Dallas, Texas General Obligation Refunding and Improvement Bonds, Series 2023 in an amount not to exceed \$455,880,000, and Combination Tax and Revenue Certificates of Obligation, Series 2023 in an amount not to exceed \$61,500,000 (collectively, the "Bonds"). On February 8, 2022, City Council approved a resolution authorizing the preparation of plans for the issuance of the Bonds for the purpose of funding capital improvements, refunding outstanding obligations for savings, and repairing structural damage to the City.

At the advisement of the City's Co-Financial Advisors, PFM Financial Advisors LLC, the bonds will be issued via a negotiated sale. The underwriter syndicate for the negotiated sale is in the process of being selected and will be presented to City Council prior to the bond pricing, tentatively scheduled the first week of May 2023. The City continues to maintain a favorable credit profile and rating agencies affirmed the 'AA-' (S&P) and 'AA' (Fitch) ratings for the Bonds, the outlook for each is stable.

The ordinances, subject to parameters, authorize City staff and financial advisors to negotiate the sale and issuance of the Bonds with the selected underwriting syndicate. Payment of fees and expenses is contingent upon the issuance and sale of the Bonds.

Please let me know if you need any additional information.



Jack Ireland  
Chief Financial Officer

c: Honorable Mayor and Members of the City Council

T.C. Broadnax, City Manager  
Tammy Palomino, City Attorney  
Mark Swann, City Auditor  
Biliera Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Kimberly Bizzor Tolbert, Deputy City Manager

Jon Fortune, Deputy City Manager  
Majed A. Al-Ghafry, Assistant City Manager  
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager  
Robert Perez, Assistant City Manager  
Carl Simpson, Assistant City Manager  
Genesis D. Gavino, Chief of Staff to the City Manager  
Directors and Assistant Directors

# Memorandum



CITY OF DALLAS

DATE April 7, 2023

Members of the Government Performance and Financial Management Committee  
TO Cara Mendelsohn (Chair), Gay Donnell Willis (Vice Chair), Adam Bazaldua, Adam McGough, Paul Ridley, Chad West

SUBJECT **Follow-up to Questions from March 21 GPFM Meeting**

On March 21, Weaver and Tidwell, L.L.P briefed the Government Performance and Financial Management Committee (GPFM) on the 2022 External Audit and the Annual Comprehensive Financial Report (ACFR). Attached are follow-up responses to questions asked during the meeting.

Please contact me or Sheri Kowalski, City Controller, if you have additional questions.

A handwritten signature in blue ink that reads "Jack Ireland".

Jack Ireland  
Chief Financial Officer

Attachment

c: T.C. Broadnax, City Manager  
Tammy Palomino, Interim City Attorney  
Mark Swann, City Auditor  
Billerae Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Kimberly Bizer Tolbert, Deputy City Manager  
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Dr. Robert Perez, Assistant City Manager  
Carl Simpson, Assistant City Manager  
Genesis D. Gavino, Chief of Staff to the City Manager  
Directors and Assistant Directors

**Memorandum**

Date March 21, 2023

To Honorable Members of the Government Performance and Financial Management Committee: Cara Mendelsohn (Chair), Gay Donnell Willis (Vice Chair), Tennell Atkins, Adam Bazaldua, Adam McGough, Paul Ridley, Chad West

Subject Responses from Weaver and Tidwell, L.L.P., in regards to their presentation to the Government Performance and Financial Management Committee on March 21, 2023.

**Question No. 1- Re: DWU, what caused the increase in Income (before transfers and contributions) to go from \$55.1 million in fiscal year 2021 to \$161.6 million in fiscal year 2022, as shown on slide 17?**

Dallas Water Utilities operating revenues increased \$100.4 million from increased consumption of 10 percent combined with a 9.6 percent increase in wholesale rates and a 1.5 percent increase in retail rates.

The Dallas Water Utilities contractual services expenses decreased \$24.4 million. There was an \$11.8 million decrease in bad debt expense as a result of increased collection efforts at the end of the COVID-19 pandemic. Disposal fees decreased \$12.2 million, related to the cleaning of Bachman Lake in fiscal year 2021, and this expense did not occur in fiscal year 2022. The removal of wastewater at the Elm Fork water treatment plant and other repairs and maintenance in fiscal year 2021 in the amount of \$16.5 million did not occur in fiscal year 2022. These decreases were offset by increases of \$5.8 million for street rental and \$11.5 million for maintenance and operation expenses for the integrated pipeline. Supplies and materials expense increased \$15 million, primarily due to increases in chemical costs of \$11.5 million and water supplies of \$3.9 million. Personnel expenses decreased \$17.9 million, due to a \$3.4 million increase in salaries and a \$24.3 million increase in other post-employment benefits, offset by a \$45.5 million decrease in pension expense.

In addition, investment income decreased approximately \$11.2 million, mainly due to declines in the fair value of fixed income investments in the City’s investment pool. Interest expense increased approximately \$5.5 million.

**Question No. 2- Re: Sanitation, what caused the increase in Income (before transfers and contributions) to go from \$6.2 million in fiscal year 2021 to \$11.8 million in fiscal year 2022, as shown on slide 17?**

Sanitation customer charges increased \$12.4 million, or 9.4 percent, due to rate increases in the sanitation residential rates of approximately 12.4 percent, offset by a decrease in user fees related to debris collection from a major winter storm that occurred in fiscal year 2021.

Sanitation expenses increased \$4.7 million. This was due primarily to an increase of \$6.5 million in contractual services related to the use of contracted services during a nation-wide labor shortage, combined with overall increases in operational costs. Additionally, there was a \$2.6 million increase in supplies and materials, mainly due to increases in fuel prices.

These increases were offset by a decrease of \$5.6 million in personnel expenses, due primarily to a \$17.7 million decrease in pension expense, offset by increases in other post-employment benefits and salaries and benefits of \$8.7 million and \$3.2 million, respectively.

In addition, investment income decreased approximately \$819 thousand and interest expense increased approximately \$1.3 million.

**Question No. 3- The General Fund had a net transfer out of \$7.4 million. What makes up the transfers in and out of the General Fund in fiscal year 2022, as shown on slide 15?**

Please See Attachment A.

We appreciate the opportunity to provide clarification to our presentation and are available for any additional questions you may have.

Sincerely,

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.  
March 21, 2023

Attachment A

**CITY OF DALLAS, TEXAS  
SCHEDULE OF TRANSFERS OUT/IN GENERAL FUND  
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2022**

<b><i>TRANSFERS OUT OF GENERAL FUND TO:</i></b>	
CAPITAL CONSTRUCTION FUND	(1,000,000.00)
BIKE LANE FUND	(1,700,955.00)
DALLAS STREETCAR SYSTEM FUND	(1,000,000.00)
STREET AND ALLEY IMPROVEMENT FUND	(8,499,999.96)
EQUITY FUND	(20,000,000.00)
DISASTER RESPONSE FUND	(200,000.00)
TAX AGREEMENT FUND	(611,312.00)
INFORMATION TECHNOLOGY EQUIPMENT FUND	(5,456,054.00)
DEBT SERVICE FUND	(42,950.58)
LIABILITY RESERVE FUND	(548,450.00)
TOTAL TRANSFERS OUT	<u>(39,059,721.54)</u>
<b><i>TRANSFERS TO GENERAL FUND FROM:</i></b>	
DALLAS WATER UTILITIES	18,741,962.00
SANITATION	4,443,873.56
COMMUNICATION SERVICES	4,859,229.58
INFORMATION SERVICES	3,649,968.06
TOTAL TRANSFERS IN	<u>31,695,033.20</u>
NET TRANSFERS OUT	<u><u>(7,364,688.34)</u></u>

# Memorandum



CITY OF DALLAS

DATE April 7, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **City License Applications**

Attached is a list of the most recent Dance Hall, Sexual Oriented Business, Billiard Hall, and/or Amusement Center license applications received for the week of March 27, 2023 – March 31, 2023 by the Tactical and Special Operations Bureau Licensing Squad of the Dallas Police Department.

Please have your staff contact Sergeant Corey Barnes, at (214) 470-6805 and/or by email at [corey.barnes@dallaspolice.gov](mailto:corey.barnes@dallaspolice.gov) should you need further information.

A handwritten signature in blue ink that reads "Jon Fortune".

Jon Fortune  
Deputy City Manager  
**[Attachment]**

c: T.C. Broadnax, City Manager  
Tammy Palomino, Interim City Attorney  
Mark Swann, City Auditor  
Biliera Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Kimberly Bizer Tolbert, Deputy City Manager

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Carl Simpson, Assistant City Manager  
Jack Ireland, Chief Financial Officer  
Genesis D. Gavino, Chief of Staff to the City Manager  
Directors and Assistant Directors

WEEKLY APPLICATION LOG REPORT

DISTRICT	NAME OF BUSINESS	STREET ADDRESS	TYPE OF LICENSE	DATE OF APPLICATION	STATUS (RENEWAL/NEW)	APPLICANT NAME
D6	24-hour adult Theater & Megastore	910 W. Mockingbird Lane	SOB	3/29/2023	Renewal	Amyreon D. Taylor
D5	Farwest	400 S. Buckner Blvd	DH	3/29/2023	Renewal	Gabriela rodriguez

**License Definitions**

- DH - Class "A" Dance Hall - Dancing Permitted Three Days or more a Week*
- DH - Class "B" Dance Hall - Dancing Permitted Less Than Three Days a Week*
- DH - Class "C" Dance Hall - Dancing Scheduled One Day At A Time*
- DH - Class "E" Dance Hall - Dancing Permitted Seven Days A Week for Persons Age 14 through Age 18 Only*
- LH - Late Hours Permit - Can Operate A Dance Hall Until 4:00*
- BH - Billiard Hall - Billiards Are Played*
- SOB - Sexually Oriented Business - Adult Arcade / Adult Book/Video Store / Adult Cabaret / Adult Adult Theater / Escort Agency / Nude Model Studio*
- AC - Amusement Center*



# Memorandum



CITY OF DALLAS

DATE April 7, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **Economic Development Incentives Informational Monthly Meetings**

To enhance awareness of the new Economic Development Policy and Incentive Policy, the Office of Economic Development (OED) will be hosting virtual Incentives Informational Meetings the third Thursday of each month at 3 p.m. The first meeting will be held on April 20, 2023.

Attendees will learn about the new incentive programs and which programs may work best for their projects. Staff will be on hand to answer specific questions and assist with incentive applications, as well. Attendees are encouraged to visit OED's [Incentives Programs](#) page to learn more about the City's incentives before the meeting.

Learn more about the meetings by visiting [bit.ly/EcoDevMTG](https://bit.ly/EcoDevMTG). Please join OED staff in promoting these monthly virtual meetings by sharing this information with your constituents.

Should you have any questions, please contact Robin Bentley, Director, Office of Economic Development at (214) 671-9942 or [robin.bentley@dallas.gov](mailto:robin.bentley@dallas.gov).

Sincerely,

A handwritten signature in blue ink, appearing to read 'Majed A. Al-Ghafry'.

Majed A. Al-Ghafry, P.E.  
Assistant City Manager

c: T.C. Broadnax, City Manager  
Tammy Palomino, Interim City Attorney  
Mark Swann, City Auditor  
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Jack Ireland, Chief Financial Officer  
Genesis D. Gavino, Chief of Staff to the City Manager  
Directors and Assistant Directors

# DID YOU KNOW?

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**The City of Dallas has a new Economic Development Policy & Incentives Policy.**

Learn more during informational meetings to be held virtually the third Thursday of every month.

Learn more about the new programs and how to determine the best incentive program for your project!



**The first meeting will be on April 20 at 3 p.m.**

**Join Virtual Meeting | [bit.ly/EcoDevMTG](https://bit.ly/EcoDevMTG)**

*See below for a complete schedule:*

- April 20, 2023
- May 18, 2023
- June 15, 2023
- July 20, 2023
- Aug. 17, 2023
- Sept. 21, 2023
- Oct. 19, 2023
- Nov. 16, 2023
- Dec. 21, 2023



**MORE INFO:**

**[bit.ly/CODECODEV](https://bit.ly/CODECODEV)**

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**Economic  
Development**

# ¿SABÍAS QUÉ?

**La Ciudad de Dallas cuenta con una nueva Política de Desarrollo Económico e Incentivos.**

Obtén más información durante las reuniones informativas que se realizarán virtualmente el tercer jueves de cada mes. ¡Aprende sobre los nuevos programas y cómo determinar el mejor programa de incentivos para tu proyecto!



**La primera reunión será el 20 de abril a las 3 p.m.**

**Únete a la reunión virtual | [bit.ly/EcoDevMTG](https://bit.ly/EcoDevMTG)**

*Ve a continuación el calendario completo:*

- 20 de abril de 2023
- 18 de mayo de 2023
- 15 de junio de 2023
- 20 de julio de 2023
- 17 de agosto de 2023
- 21 de septiembre de 2023
- 19 de octubre de 2023
- 16 de noviembre de 2023
- 21 de diciembre de 2023



**MÁS INFO:**

**[bit.ly/CODECODEV](https://bit.ly/CODECODEV)**



City of Dallas

**Economic  
Development**

# DID YOU KNOW?

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City of Dallas

**Economic  
Development**

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- 21 de diciembre de 2023



Economic  
Development

# Memorandum



CITY OF DALLAS

DATE April 7, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **M/WBE Participation for April 26, 2023 Council Agenda**

The policy of the City of Dallas is to engage certified Minority and Women-owned Business Enterprises (M/WBEs) to the greatest extent feasible on the City’s architecture & engineering, construction, goods, and professional services contracts. The City’s Business Inclusion and Development Policy (BID Policy) is overseen by the Business Inclusion and Development (BID) division of the Small Business Center, which is providing this summary of M/WBE participation for the April 26, 2023 City Council Agenda.

As a reminder, the M/WBE goals that became effective on October 1, 2020 are:

<b>Architecture &amp; Engineering</b>	<b>Construction</b>	<b>Professional Services</b>	<b>Other Services</b>	<b>Goods</b>
34.00%	32.00%	38.00%	N/A	32.00%

For this agenda, BID reviewed **28** agenda items; **15** items on this agenda include an M/WBE goal. Of those **15** items, **3** met the goal, **3** exceeded the goal, **9** did not meet the goal, but complied with the BID policy. This agenda includes **13** items that did not have an applicable M/WBE goal. The table below provides a summary of M/WBE participation for this agenda.

#	Contract Amount	Procurement Category	M/WBE Goal	M/WBE Subcontracting %	M/WBE Overall Participation %	M/WBE Overall \$	Status
9	\$77,684,264.00	Construction	32.00%	32.00%	32.00%	\$24,858,964.48	Meets Goal
10	\$4,830,631.00	Construction	32.00%	32.00%	32.00%	\$1,545,801.92	Meets Goal
15	\$2,767,017.00	Construction	32.00%	32.00%	32.00%	\$885,445.00	Meets Goal
23	\$184,100.00	Construction	32.00%	60.17%	60.17%	\$110,781.00	Exceeds Goal
24	\$146,613.98	Other Services	N/A	N/A	N/A	N/A	M/WBE NA Other Services
30	\$2,500,000.00	Other Services	N/A	N/A	N/A	N/A	M/WBE NA Other Services
33	\$472,578.00	Professional Services	4.5%**	34.89%	34.89%	\$165,235.00	Exceeds DBE goal
34	\$898,638.00	Construction	32.00%	1.41%	100.00%	\$898,638.00	Does not meet goal but complies with BID Policy
44	\$1,000,000.00	Other Services	N/A	5.60%	5.60%	\$56,000.00	M/WBE NA Other Services; Vendor is using a M/WBE subcontractor
45	\$2,173,000.00	Other Services	N/A	0.00%	100.00%	\$2,173,000.00	M/WBE N/A CO-OP; Vendor is a certified WBE

#	Contract Amount	Procurement Category	M/WBE Goal	M/WBE Subcontracting %	M/WBE Overall Participation %	M/WBE Overall \$	Status
46	\$12,583,720.40	Other Services	N/A	N/A	100.00%	\$12,583,720.40	M/WBE N/A CO-OP; Vendor is a certified WBE
47	\$671,337.50	Goods	32.00%	0.00%	0.00%	\$0.00	Does not meet goal but complies with BID Policy
48	\$700,032.65	Goods	32.00%	0.00%	0.00%	\$0.00	Does not meet goal but complies with BID Policy
49	\$305,243.60	Goods	32.00%	0.00%	0.00%	\$0.00	Does not meet goal but complies with BID Policy
50	\$14,148,271.62	Goods	32.00%	1.52%	2.65%	\$375,142.23	Does not meet goal but complies with BID Policy
51	\$437,294.63	Goods	N/A	N/A	N/A	N/A	Sole Source
52	\$2,750,000.00	Other Services	N/A	N/A	N/A	N/A	M/WBE NA Other Services
53	\$214,950.00	Other Services	N/A	N/A	N/A	N/A	M/WBE NA Other Services
55	\$292,502.00	Other Services	N/A	N/A	N/A	N/A	M/WBE NA Other Services
56	\$1,539,825.00	Other Services	N/A	N/A	100.00%	\$1,539,825.00	M/WBE N/A Other Services; Vendor is a certified MBE
57	\$1,262,395.30	Other Services	N/A	N/A	N/A	N/A	M/WBE NA Other Services
62	\$256,205.00	Architecture & Engineering	34.00%	33.96%	33.96%	\$87,000.00	Does not meet goal but complies with BID Policy
63	\$2,261,939.47	Construction	32.00%	33.97%	33.97%	\$768,272.15	Exceeds Goal
64	\$135,565.52	Construction	N/A	21.89%	21.89%	\$29,669.45	M/WBE N/A CO-OP
65	\$172,618.00	Professional Services	38.00%	0.00%	0.00%	\$0.00	Does not meet goal but complies with BID Policy
66	\$2,294,766.00	Construction	32.00%	38.26%	38.26%	\$877,969.00	Exceeds Goal
68	\$499,605.67	Construction	25.66%*	10.78%	10.78%	\$53,875.00	Does not meet goal but complies with BID Policy
70	\$249,708.00	Architecture & Engineering	34.00%	29.31%	29.31%	\$103,097.00	Does not meet goal but complies with BID Policy

\*This item reflects the previous BID Policy goal.

\*\*This item contains a DBE Goal.

**The following items do not meet the M/WBE goal, but comply with the BID Policy:**

**Agenda Item No. 34** Authorize a construction services contract for Warranted Traffic Signal Installations - November 2022 to reconstruct traffic signals at the intersections of Hillcrest Road at Hillcrest Plaza Drive. Total award is not to exceed \$898,638.00. Roadway Solutions, Inc. is awarded as lower bidder following the Request For Bid process. This vendor performed a Good Faith Effort and selected a M/WBE subcontractor. Total M/WBE participation will be 100.00%

**Agenda Item No. 47** Authorize a three-year master agreement for the purchase of lamps and light bulbs for citywide use. Elliott Electric Supply, Inc. awarded as lowest bidder after the RFB process. Award amount is not to exceed \$671,337.50. This vendor performed a Good Faith Effort in compliance with the BID policy.

**Agenda Item No. 48** Authorize a three-year master agreement for the purchase of service pins, medals, and award bars from Premier Uniform, Inc. and J. Brandt Recognition, Ltd. Total award amount is \$700,032.65. These goods were procured through the RFB process, and the lower responsive bidders were selected. The 2 vendors are also the manufacturers of the items being purchased resulting in no M/WBE participation.

**Agenda Item No. 49** Authorize a three-year master agreement for animal bedding for the Police Department. S-4 Quality Shavings, LLC, was the only bidder during the RFB process. Award amount will be \$305,243.60. This vendor is also the manufacturer and supplier of the animal bedding being purchased. This results in no opportunity for M/WBE subcontractors to join this contract.

**Agenda Item No. 50** Authorize a two-year master agreement for the purchase of hot mix asphalt and cold patch materials from Texas Materials Group, Inc. dba TexasBit, Unique Paving Materials Corp., and Estrada Concrete Co. LLC. These 3 firms are manufacturers of these goods and were the lowest responsible bidders of the RFB process. Total award amount will be \$14,148,271.62. Estrada Concrete is a registered M/WBE firm. Total M/WBE participation is 2.65% consisting of one M/WBE subcontractor and one M/WBE prime vendor.

**Agenda Item No. 62** Authorize a professional services contract with Dunaway Associates, LLC to update and consolidate various master plans, studies, design standards and guidelines, and previous park improvement plans for the White Rock Lake Master Plan Update at White Rock Lake Park. Award amount will not exceed \$256,205.00. This contract has 33.96% M/WBE participation against a 34.00% M/WBE goal. Three M/WBE subcontractors have been selected to work on this contract.

**Agenda Item No. 65** Authorize Supplemental Agreement No. 1 to the professional services contract with Freese and Nichols, Inc. for the design and engineering of the Mockingbird Pedestrian Bridge Repair Project. Increase will not exceed \$172,618.00, which brings the total award from \$201,980.00 up to \$374,598.00. The vendor for this contract documented their Good Faith Effort to find M/WBE subcontractors for this contract increase.

**Agenda Item No. 68** Authorize an increase in the construction services contract with Energy Resources, Inc., for additional work associated with the dredging of the pond located within Watercrest Park at Lake Highlands Town Center. Award amount will not exceed \$499,605.67, raising the total award from \$2,800,700.00 to \$3,300,305.67. This vendor documented their Good Faith Effort and secured 10.78% M/WBE participation for this increase. M/WBE participation over the length of the contract is 66.28%. The M/WBE goal is 25.66%.



**Agenda Item No. 70** Authorize an architectural services contract with exp US Services, Inc. to provide design services for the Airport Emergency Operation Center/Airport Operation Center and bid phase services at Dallas Love Field. Award amount will not exceed \$249,708.00. This vendor documented their Good Faith Effort and secured 29.31% M/WBE participation against a 34.00% goal. Two M/WBE firms have been selected to subcontract on this project.

**Local Businesses**

The table below provides the count of businesses by location for prime contractors and M/WBE subcontractors. There are a total of 31 prime contractors considered in this agenda. The local status for each prime contractor and the percentage of local workforce is also included in the agenda information sheet.

Vendor	Local		Non-Local		Total
<b>Prime</b>	13	61.90%	18	58.06%	<b>31</b>
<b>M/WBE Sub</b>	10	45.45%	12	54.54%	<b>22</b>

Please feel free to contact me or Joyce Williams, Director, Small Business Center at [joyce.williams@dallas.gov](mailto:joyce.williams@dallas.gov), if you have any questions or should you require additional information.



Kimberly Bizer Tolbert  
 Deputy City Manager

- c: T.C. Broadnax, City Manager
- Tammy Palomino, Interim City Attorney
- Mark Swann, City Auditor
- Biliera Johnson, City Secretary
- Preston Robinson, Administrative Judge
- Jon Fortune, Deputy City Manager

- Majed A. Al-Ghafry, Assistant City Manager
- M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
- Dr. Robert Perez, Assistant City Manager
- Carl Simpson, Assistant City Manager
- Jack Ireland, Chief Financial Officer
- Genesis D. Gavino, Chief of Staff to the City Manager
- Directors and Assistant Directors



**M/WBE Agenda Item Matrix**  
**April 12, 2023 City Council Agenda**

<b>Agenda Item #</b>	<b>Contract Amount</b>	<b>Procurement Category</b>	<b>M/WBE Goal</b>
23-8429	\$77,684,264.00	Construction	32.00%
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	32.00%	32.00%	\$24,858,964.48
<b>Subject:</b>	Authorize (1) a development loan agreement and security documents with the City of Dallas Public Facility Corporation (DPFC), or an affiliate thereof in an amount not to exceed \$10,000,000.00 in Community Development Block Grant Funds to acquire and own the development of a mixed-income affordable multifamily complex known as The Park at Northpoint (Project), located at 9999 Technology Boulevard West, Dallas, Texas (Property); and (2) the DPFC to enter into a seventy-five-year ground lease with LDG The Park at Northpoint, LP (Developer) and/or its affiliate, for the development of Project pursuant to 24 CFR 570.204(a) and (b) - Not to exceed \$10,000,000.00 - Financing: Community Development Block Grant Funds		
<b>This contract meets the M/WBE goal.</b>			
LDG The Park at Northpoint, LP – Non-local; Workforce – 0.00% Local			

<b>Agenda Item #</b>	<b>Contract Amount</b>	<b>Procurement Category</b>	<b>M/WBE Goal</b>
23-84010	\$4,830,631.00	Construction	32.00%
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	32.00%	32.00%	\$1,545,801.92
<b>Subject:</b>	Authorize (1) a developer agreement with UCR Development Services, LLC, (Developer), or an affiliate thereof in an amount not to exceed \$5,957,631.00 with \$3,612,358.00 in American Rescue Plan Act Coronavirus Local Fiscal Recovery Fund and \$2,345,273.00 in Homeless Assistance (J) Fund (2017 General Obligation Bond Fund), of which \$100,000.00 will be eligible for reimbursement upon City Council approval of the Agenda item and prior to contract execution for pre-development expenses, design, and redevelopment of the Miramar Hotel located at 1950 Fort Worth Avenue, Dallas, Texas (Property), into supportive housing for formerly unsheltered individuals; and (2) a ground lease agreement with the Developer for the duration of the design and redevelopment of the Property in a total rent amount of \$5,000.00 to be paid by the Developer and conveyance back to the City upon acceptance of improvements pursuant to the lease - Total not to exceed \$5,957,631.00 - Financing: Homeless Assistance (J) Fund (2017 General Obligation Bond Fund) (\$2,345,273.00) and American Rescue Plan Act Coronavirus Local Fiscal Recovery Funds (\$3,612,358.00)		



**M/WBE Agenda Item Matrix**  
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**This contract meets the M/WBE goal.**  
 UCR Development Services, LLC – Local; Workforce – 50.00% Local

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-646 15	\$2,767,017.00	Construction	32.00%
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	32.00%	32.00%	\$885,445.00

**Subject:** Authorize (1) the sale of one Land Transfer Program lot to Fair Park Central, LLC, and/or its affiliates (Developer) subject to restrictive covenants, a right of reverter, and execution and recording of all necessary documents, pursuant to the City's Land Transfer Program; (2) the release of lien for all non-tax City liens, notices, or orders that were filed on one Land Transfer Program lot sold to Developer prior to or subsequent to the deed transferring the lot to the City of Dallas; and (3) execution of a development agreement with Developer for the construction of a 21 unit multi-family development on the Land Transfer Program lot - Financing: Estimated Revenue: General Fund \$3,460.50 (see Fiscal Information)

**This contract meets the M/WBE goal.**  
 Fair Park Central, LLC - Local; Workforce - 100.00% Local

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-755 23	\$184,100.00	Construction	32.00%
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	60.17%	This Item 60.17% HM Overall Item 10.50% HM, WF	\$110,781.00

**Subject:** Authorize (1) an increase in the construction services contract with Tiseo Paving Company to add funding in order to provide additional safety related modifications and make related adjustments in the field caused by unforeseeable right-of-way acquisitions necessary to complete the Dolphin Road Project - Dolphin Road from Spring Avenue to north of Haskell Avenue/Military Parkway; and (2) extending the contract term a total of 180 calendar days - Not to exceed \$184,100.00, from \$6,933,288.50 to \$7,117,388.50 - Financing: Street and Transportation (A) Fund (2017 General Obligation Bond Funds) (\$92,050.00), Water Capital Improvement F Fund (\$46,025.00), and Wastewater Capital Improvement G Fund (\$46,025.00)

**This contract exceeds the M/WBE goal.**



**M/WBE Agenda Item Matrix**  
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<p><b>Change Order No 1 – 10.50% Overall Participation</b>          Coronado R Construction, Non-Local, HM, 1.20% - Milling          Texas SWPPP Services, Non-Local, WF, 0.34% - Erosion Control          Stenson Landscaping, Non-Local, WF, Landscaping          Axis Contracting, Local, WF, 7.32% - Flatwork          JTS Asphalt &amp; Concrete, Local, HM, 1.11% - HMAc  <b>This Item – 60.17% MWBE Participation</b>          JTS Asphalt &amp; Concrete, Local, HM, 43.02% - HMAc          Coronado R Construction, Non-Local, HM, 17.15% - Milling          Tiseo Paving Co– Local; Workforce – 42.10% Local</p>
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Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-744 24	\$146,613.98	Other Services	N/A
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	N/A	N/A	N/A
<b>Subject:</b>	Authorize (1) Supplemental Agreement No. 2 to the Master Interlocal Purchasing Agreement with North Central Texas Council of Governments for the North Texas Share Cooperative Purchasing Program extending the term for five years with an expiration date of October 18, 2028; and (2) a two-year service contract with U.S. Intelliwake, LLC to provide electronic invoicing and reporting resources to local governments, through the North Texas Share Cooperative Purchasing Program in an amount not to exceed \$146,613.98, to include the software invoicing capabilities for 2023 Improved Alley Maintenance Projects, 2023 Annual Street Maintenance Contract and 2023 Annual Street Resurfacing Contract - Not to exceed \$146,613.98, from \$171,800.00 to \$318,413.98 - Financing: Bond Program Administration Fund (subject to annual appropriations)		
<b>The Business Inclusion and Development Policy does not apply to Interlocal Purchasing Agreements.</b>			
US Intelliwake LC– Non-local; Workforce – 0.00% Local			



**M/WBE Agenda Item Matrix**  
**April 12, 2023 City Council Agenda**

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-888 30	\$2,500,000.00	Other Services	N/A
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	N/A	N/A	N/A
<b>Subject:</b>	Authorize a two-year cooperative purchasing service price agreement for maintenance and repairs of pedestrian and roadway lighting for the Department of Transportation with Highway Intelligent Traffic Solutions, LLC through an interlocal agreement with the State of Texas - Estimated amount of \$2,500,000.00 - Financing: General Fund		
<b>The Business Inclusion and Development Policy does not apply to Interlocal Purchasing Agreements.</b>			
Highway Intelligent Traffic Solutions, Inc. – Local; Workforce – 36.80%% Local			

Agenda Item #	Contract Amount	Procurement Category	DBE Goal
23-542 33	\$472,578.00	Professional Services	4.5%
	<b>DBE Subcontracting %</b>	<b>DBE Overall %</b>	<b>DBE Overall Participation \$</b>
	34.89%	34.89% HF, WF	\$165,235.00
<b>Subject:</b>	Authorize a professional engineering services contract with Kimley-Horn and Associates, Inc., to provide preliminary engineering services for pedestrian improvements within the boundaries of U.S. 75 on the west, Lovers Lane on the north, Greenville Avenue on the east, and Mockingbird Lane on the south - Not to exceed \$473,578.00 - Financing: Mockingbird/US-75 Project Grant Fund (see Fiscal Information)		
<b>This contract exceeds the DBE goal.</b>			
Criado & Associates, Inc., Local, HF, 14.78% - SUE/Survey			
Public Information Associates, Inc., Non-Local, WF, 14.62% - Public Involvement			
Integrated Environmental Solutions, Non-Local, WF, 5.28% - Environmental			
CJ Hensch Hensch & Associates, Inc., Non-Local, WF, 0.21% - Traffic Counts			
Kimley-Horn and Associates, Inc. – Local; Workforce – 18.97% Local			



**M/WBE Agenda Item Matrix**  
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Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-764 34	\$898,638.00	Construction	32.00%
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	1.41%	100.00% HM, WF	\$898,638.00
<b>Subject:</b>	Authorize a construction services contract for Warranted Traffic Signal Installations - November 2022 to reconstruct traffic signals at the intersections of Hillcrest Road at Hillcrest Plaza Drive and West Ledbetter Drive at Woodhollow Drive - Roadway Solutions, Inc., lowest responsible bidder of four - Not to exceed \$898,638.00 - Financing: Coronavirus State and Local Fiscal Recovery Fund (\$449,319.00), Street and Transportation (A) Fund (2017 General Obligation Bond Fund) (\$399,319.00), and Transportation Special Projects Fund (\$50,000.00)		
<b>This contract does not meet the M/WBE goal, but complies with good faith efforts.</b>			
Road Master Striping, LLC, Local, HM, 1.41% - Striping			
Roadway Solutions, Inc., Local, WF, 98.59% - Signal Installation			
Roadway Solutions, Inc. – Local; Workforce – 12.50% Local			

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-749 44	\$1,000,000.00	Other Services	N/A
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	5.60%	5.60% BF	\$56,000.00
<b>Subject:</b>	Authorize the City Manager to execute an agreement for a term of one year with a one-year renewal option with Dallas AfterSchool Network for the administration of a grant program for eligible Early Childhood Providers and Afterschool/Out of School Time Providers in the city of Dallas in the amount of \$500,000 per year, for a total not to exceed amount of \$1,000,000 - Total amount not to exceed \$1,000,000 - Financing: Coronavirus State and Local Fiscal Recovery Fund (\$1,000,000) (subject to annual appropriations)		
<b>This item is Other Services which does not have an availability and disparity participation goal.</b>			
Strategic focus, Local, BF, 5.60% - early childhood programs			
Dallas Afterschool Network - Local; Workforce - 52.94% Local			



**M/WBE Agenda Item Matrix**  
**April 12, 2023 City Council Agenda**

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-804 45	\$2,173,000.00	Other Services	N/A
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	N/A	100.00% HF	\$2,173,000.00
<b>Subject:</b>	Authorize a five-year cooperative purchasing agreement for the acquisition and service maintenance and support of a backup and recovery system for the Department of Information and Technology Services with Netsync Network Solutions through the Texas Department of Information Resources cooperative agreement - Not to exceed \$2,173,000 - Financing: Data Services Fund (subject to annual appropriations)		
<b>The Business Inclusion and Development Policy does not apply to Cooperative Purchasing Agreements, however, the prime contractor is a certified M/WBE.</b>			
Netsync Network Solutions, Local, HF, 100% - IT Solutions			
Netsync Network Solutions – Local; Workforce – 6.78% Local			

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-805 46	\$12,583,720.40	Other Services	N/A
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	N/A	100.00% PM	\$12,583,720.40
<b>Subject:</b>	Authorize a five-year cooperative purchasing agreement for the purchase, installation, hardware monitoring, and support for a secondary backup circuits for the Department of Information and Technology Services with 22nd Century Technologies, Inc. through the Sourcewell cooperative agreement - Not to exceed \$12,583,720.40 - Financing: Data Services Fund (subject to annual appropriations)		
<b>The Business Inclusion and Development Policy does not apply to Cooperative Purchasing Agreements.</b>			
22nd Century Technologies, Inc., Non-Local, PM, 100.00% - Hardware Monitoring			
22nd Century Technologies, Inc. – Non-local; Workforce – 0.00% Local			



**M/WBE Agenda Item Matrix**  
**April 12, 2023 City Council Agenda**

<b>Agenda Item #</b>	<b>Contract Amount</b>	<b>Procurement Category</b>	<b>M/WBE Goal</b>
23-798 47	\$671,337.50	Goods	32.00%
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	0.00%	\$0.00%	\$0.00
<b>Subject:</b>	Authorize a three-year master agreement for the purchase of lamps and light bulbs for citywide use - Elliott Electric Supply, Inc., lowest responsible bidder of four - Estimated amount of \$671,337.50 - Financing: General Fund (\$225,337.50), Aviation Fund (\$223,000.00), Dallas Water Utilities Fund (\$216,788.00), and Storm Drainage Management Fund (\$6,212.00)		
<b>This contract does not meet the M/WBE goal, but complies with good faith efforts.</b>			
Elliott Electric Supply, Inc. – Non-local; Workforce – 22.89% Local			

<b>Agenda Item #</b>	<b>Contract Amount</b>	<b>Procurement Category</b>	<b>M/WBE Goal</b>
23-795 48	\$700,032.65	Goods	32.00%
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	0.00%	0.00%	\$0.00
<b>Subject:</b>	Authorize a three-year master agreement for the purchase of service pins, metals, and award bars for the Fire-Rescue Department and the Police Department - Premier Uniform, Inc. in the estimated amount of \$614,400.25 and J. Brandt Recognition, Ltd. in the estimated amount of \$85,632.40, lowest responsible bidders of three - Total estimated amount of \$700,032.65 - Financing: General Fund		
<b>This contract does not meet the M/WBE goal, but complies with good faith efforts.</b>			
Premier Uniform, Inc. – Non-local; Workforce – 0.00% Local J. Brandt Recognition, Ltd. – Non-local; Workforce – 0.00% Local			





**M/WBE Agenda Item Matrix**  
**April 12, 2023 City Council Agenda**

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-797 49	\$305,243.60	Goods	32.00%
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	\$0.00	\$0.00	\$0.00
<b>Subject:</b>	Authorize a three-year master agreement for animal bedding for the Police Department - S-4 Quality Shavings, LLC, only bidder - Estimated amount of \$305,243.60 - Financing: General Fund		
<b>This contract does not meet the M/WBE goal, but complies with good faith efforts.</b>			
S-4 Quality Shaving, LLC – Non-local; Workforce – 0.00% Local			

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-802 50	\$14,148,271.62	Goods	32.00%
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	1.52%	2.65% HM	\$375,142.23
<b>Subject:</b>	Authorize a two-year master agreement for the purchase of hot mix asphalt and cold patch materials for the Department of Public Works - Texas Materials Group, Inc. dba TexasBit, a CRH Company in an estimated amount of \$12,638,982.50, Unique Paving Materials Corp. in an estimated amount of \$1,349,289.12, and Estrada Concrete Co. LLC in an estimated amount of \$160,000.00, lowest responsible bidders of five - Total estimated amount of \$14,148,271.62 - Financing: General Fund (\$12,798,982.50) and Dallas Water Utilities Fund (\$1,349,289.12)		
<b>The Request for Bid method of procurement resulted in the lowest responsive bidders being selected, however one of the prime contractors is a certified M/WBE.</b>			
Statewide Trucking, Non-Local, HM, 1.52% - Trucking Estrada Concrete, Non-Local, HM, 1.13% - Concrete			
Texas Materials Group dba TexasBit a CRH Company – Non-local; Workforce – 0.00% Local Unique Paving Materials – Non-local; Workforce – 0.00% Local Estrada Concrete Co. LLC – Non-local; Workforce – 67.00%			

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
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**M/WBE Agenda Item Matrix**  
**April 12, 2023 City Council Agenda**

23-831 51	\$437,294.63	Sole Source	N/A
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	N/A	N/A	N/A
<b>Subject:</b>	Authorize a three-year master agreement for the purchase of laboratory supplies for the Water Utilities Department - IDEXX Distribution, Inc., sole source - Estimated amount of \$437,294.63 - Financing: Dallas Water Utilities Fund (\$401,468.80) and Stormwater Drainage Management - Operations Fund (\$35,825.83)		
<b>This Business Inclusion and Development Policy does not apply to Sole Source agreements.</b>			
IDEXX Distribution, Inc. – Non-local; Workforce – 0.00% Local			

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-829 52	\$2,750,000.00	Other Services	N/A
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	N/A	N/A	N/A
<b>Subject:</b>	Authorize a one-year service contract in the amount of \$1,375,000, with one one-year renewal option in the amount of \$1,375,000, as detailed in the Fiscal Information section, for the administration of a benefits navigation program for the Office of Community Care - Benefits Data Trust, only proposer - Not to exceed \$2,750,000 - Financing: Coronavirus State and Local Fiscal Recovery Fund (subject to annual appropriations)		
<b>This item is Other Services which does not have an availability and disparity participation goal.</b>			
Benefits Data Trust – Non-local; Workforce – 0.00% Local			

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-801 53	\$214,950.00	Other Services	N/A
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	N/A	N/A	N/A
<b>Subject:</b>	Authorize a three-year service contract for cathodic protection system surveys and inspections for the Water Utilities Department - Lockwood, Andrews & Newman, Inc., most advantageous proposer of fourteen - Not to exceed \$214,950 - Financing: Dallas Water Utilities Fund (subject to annual appropriations)		



**M/WBE Agenda Item Matrix**  
**April 12, 2023 City Council Agenda**

**This item is Other Services which does not have an availability and disparity participation goal.**  
 Lockwood Andrews & Newman, Inc. – Local; Workforce – 100.00% Local

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-800 55	\$292,502.00	Other Services	N/A
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	N/A	N/A	N/A

**Subject:** Authorize a three-year service price agreement for barricading services for the Water Utilities Department - Site Partners, LLC dba Site Barricades, lowest responsible bidder of seven - Estimated amount of \$292,502 - Financing: Dallas Water Utilities Fund (\$267,920) and Stormwater Drainage Management - Operations Fund (\$24,582) (subject to annual appropriations)

**This item is Other Services which does not have an availability and disparity participation goal.**  
 Site Partners LLC dba Site Barricades – Non-local; Workforce – 1.49% Local

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-803 56	\$1,539,825.00	Other Services	N/A
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	N/A	100.00% HM	\$1,539,825.00

**Subject:** Authorize a three-year service price agreement for removal and disposal of excavated materials for the Water Utilities Department - Herdez Trucking Co., lowest responsible bidder of three - Estimated amount of \$1,539,825 - Financing: Dallas Water Utilities Fund (subject to annual appropriations)

**This item is Other Services which does not have an availability and disparity participation goal, however the prime is a certified MBE.**  
 Herdez Trucking Co., Non-Local, HM, 100.00% - Trucking  
 Herdez Trucking Co.– Non-Local; Workforce - 100.00% Local



**M/WBE Agenda Item Matrix**  
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Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-35 57	\$1,262,395.30	Other Services	N/A
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	N/A	N/A	N/A
<b>Subject:</b>	Authorize a five-year service price agreement for acquisition and distribution of replacement toilets as part of the Water Conservation Strategic Plan for the Office of Environmental Quality and Sustainability - Ferguson Enterprises, Inc., most advantageous proposer of two - Estimated amount of \$1,262,395.30 - Financing: General Fund (subject to annual appropriations)		
<b>The Business Inclusion and Development Policy does not apply to Other Service contracts.</b>			
Ferguson Enterprises, LLC. - Non-local; Workforce - 0.00% Local			

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-791 62	\$256,205.00	Architecture & Engineering	34.00%
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	33.96%	33.96% BF, PM, HM	\$87,000.00
<b>Subject:</b>	Authorize a professional services contract with Dunaway Associates, LLC to update and consolidate various master plans, studies, design standards and guidelines, and previous park improvement plans for the White Rock Lake Master Plan Update at White Rock Lake Park located at 8300 Garland Road - Not to exceed \$256,205.00 - Financing: Operating Carryover Fund and Park and Recreation Facilities - \$147,300.00 and Park and Recreation Facilities (2006 Bond) - \$108,905.00		
<b>This contract does not meet the M/WBE goal, but complies with good faith efforts.</b>			
Metropolitan Infrastructure, Non-Local, HM, 15.61% - Civil Engineering Services			
K Strategies, Local, BF, 11.71% - Community outreach and Input			
Lim & Associates, Local, PM, 6.64% - Survey and Civil Engineering Services			
Dunaway Associates, LLC dba Dunaway Associates – Local; Workforce – 0.00% Local			

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
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**M/WBE Agenda Item Matrix**  
**April 12, 2023 City Council Agenda**

23-796 63	\$2,261,939.47	Construction	32.00%
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	33.97%	33.97% WF, HF	\$768,272.15
<b>Subject:</b>	Authorize a construction services contract for the construction of the Wheatland Park Football Complex located at 2115 West Wheatland Road - North Rock Construction, LLC, lowest responsible bidder of four - Not to exceed \$2,261,939.47 - Financing: Park and Recreation Facilities (B) Fund (2017 General Obligation Bond Fund)		
<b>This contract exceeds the M/WBE goal.</b>			
Grand Landscapes & Athletics, Non-Local, HF, 13.32% - Landscape			
Bleu Star Electric, LLC, Non-Local, WF, 12.25% - Electrical			
Big D Ready Mix Concrete, Local, WF, 8.39% - Redi-Mix Concrete			
North Rock Construction, LLC – Non-local; Workforce – 0.00% Local			

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-794 64	\$135,565.52	Construction	N/A
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	21.89%	21.89% WF	\$29,669.45
<b>Subject:</b>	Authorize a construction contract with Whirlix Design, LLC through the Texas Association of School Boards (BuyBoard) for installation of playground equipment and replacement of a curb ramp for the Willie Mae Butler Playground Renovation located at 3700 Dixon Avenue- Not to exceed \$135,565.52 - Financing: Park and Recreation Facilities (B) Fund (2017 General Obligation Bond Funds)		
<b>The Business Inclusion and Development Policy does not apply to Cooperative Purchasing Agreements, however, the prime contractor is subcontracting with a certified M/WBE.</b>			
Henneberger Construction, Local, WF, 21.89% - Playground Installation			
Whirlix Design, LLC – Non-local; Workforce – 11.11% Local			

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-790	\$172,618.00	Professional Services	38.00%



**M/WBE Agenda Item Matrix**  
**April 12, 2023 City Council Agenda**

65	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	0.00%	0.00%	\$0.00
<b>Subject:</b>	Authorize Supplemental Agreement No. 1 to the professional services contract with Freese and Nichols, Inc. for the design and engineering of the Mockingbird Pedestrian Bridge Repair Project - Not to exceed \$172,618.00, from \$201,980.00 to \$374,598.00 - Financing: General Fund		
<b>This contract does not meet the M/WBE goal, but complies with good faith efforts.</b>			
<b>Supplemental Agreement No 1 – 0.00% Overall Participation</b>			
<b>This Item – 0.00% MWBE Participation</b>			
Freese and Nichols, Inc. - Local; Workforce - 68.75% Local			

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
	\$2,294,766.00	Construction	32.00%
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
23-807 66	38.26%	This Item 38.26% WF Overall Item 35.25% WF, BM, IM	\$877,969.00
<b>Subject:</b>	Authorize Supplemental Agreement No. 2 to the design-build contract with Phoenix I Restoration and Construction, LLC for additional construction services for pre-design and pre-construction services, an early construction package, and architectural and engineering services for the design and construction completion of the partially completed Paul Dyer Administration Building located at 10031 East Northwest Highway - Not to exceed \$2,294,766.00, from \$975,809.00 to \$3,270,575.00 - Financing: City Hall, City Service, and Maintenance Facilities (2006 General Obligation Bond Fund) (\$656,378.44), Park and Recreation Facilities (2006 General Obligation Bond Fund) (\$486,636.56), Fair Park Improvements (C) Fund (2017 General Obligation Bond Fund) (\$289,187.80), and Park and Recreation Facilities (B) Fund (2017 General Obligation Bond Fund) (\$862,563.20)		
<b>This contract exceeds the M/WBE goal.</b>			



**M/WBE Agenda Item Matrix**  
**April 12, 2023 City Council Agenda**

<p><b>Change Order No 1 – 35.25% Overall Participation</b>          NTD Mechanical, Local, WF, 16.75% - HVAC/Plumbing          Slaughter Services, Local, WF, 10.10% - Flooring          Integrus Electric, Local, WF, 6.87% - Electric          JMA Johnson Architects, Local, BM, 0.76% - Architect          JQ Engineering, Local, IM, 0.76% - Structural Engineering  <b>This Item – 38.26% MWBE Participation</b>          NTD Mechanical, Local, WF, 23.88% - HVAC/Plumbing          Slaughter Services, Local, WF, 14.39% - Flooring          Phoenix I Restoration and Construction, LLC – Local; Workforce – 60.89% Local</p>
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Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-541 68	\$499,605.67	Construction	25.66%*
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	10.78%	This Item 10.78% WF, BM Overall Item 66.28% WF, BM	\$53,875.00
<b>Subject:</b>	Authorize an increase in the construction services contract with Energy Resources, Inc., for additional work associated with the dredging of the pond located within Watercrest Park at Lake Highlands Town Center - Not to exceed \$499,605.67, from \$2,800,700.00 to \$3,300,305.67 - Financing: Flood Control (D) Fund (2017 General Obligation Bond Fund) (\$100,305.67) and Skillman Corridor TIF District Fund (\$399,300.00)		

\*This item reflects previous Business Inclusion and Development Policy M/WBE goal.

**This contract does not meet the M/WBE goal, but complies with good faith efforts.**

<p><b>Change Order No. 2 – 66.28% Overall M/WBE participation</b>          Champion Fuel Solutions, LLC, Non-Local, WF, 3.16% - Fuel Delivery          Q. Roberts Trucking Inc, Local, BM, 14.93% - Hauling of sediment          Energy Resources, Inc, Non-Local, WF, 48.17% - Hydraulic Dredging, Sediment Dewatering, Sediment Handling  <b>This Item – 10.78% M/WBE participation</b>          Champion Fuel Solutions, LLC, Non-Local, WF, 7.01% - Fuel Delivery          Q. Roberts Trucking Inc, Local, BM, 3.78% - Hauling of sediment          Energy Resources, Inc – Non-local; Workforce – 0.00% Local</p>
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**M/WBE Agenda Item Matrix**  
**April 12, 2023 City Council Agenda**

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-757 70	\$249,708.00	Architecture & Engineering	34.00%
	<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
	29.31%	29.31% HM, PF	\$103,097.00
<b>Subject:</b>	Authorize an architectural services contract with exp US Services, Inc. to provide design services for the Airport Emergency Operation Center/Airport Operation Center and bid phase services at Dallas Love Field - Not to exceed \$249,708.00 - Financing: Aviation Fund (This item was deferred on March 8, 2023)		
<b>This contract does not meet the M/WBE goal, but complies with good faith efforts.</b>			
Campos Engineering Inc, Local, HM, 15.66% – MEP/FA/FP			
RM Chin & Associates Inc, Local, PF, 13.65% - Organizational Design Mgmt			
Exp US Services, Inc – Local; Workforce – 0.6% Local			



# Memorandum



CITY OF DALLAS

DATE April 7, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **Community Development Block Grants – Disaster Recovery Funds – Housing Type**

At the March 8, 2023 City Council meeting, staff were requested to provide a briefing on the use of CDBG-Disaster Recovery Funds (CDBG-DR) and the feasibility of a Pallet Homes or Tiny Homes Project to house unsheltered residents. Staff presented their findings at the April 4, 2023 City Council Briefing, and due to loss of a quorum, were unable to answer questions from City Councilmembers at that time. To recap and add additional clarity to the presentation, the following overview of the Community Development Block Grants – Disaster Recovery Funds and Tiny Homes findings are outlined below.

## Funding Available

Currently, there is \$27.9M proposed for Housing in the proposed CDBG-DR budget.

- This funding can be used for:
  - Disaster Recovery
  - Restoration of Infrastructure
  - Housing
    - Permanent structures (those that comply with CDBG-DR construction requirements) are eligible, regardless of whether the permanent structure provides emergency shelter, transitional, or permanent supportive housing
    - Temporary construction (a structure that does not meet all construction requirements) is not eligible
  - Economic Revitalization
  - Mitigation

## Staff Recommendation

Staff **recommends that** funding be used to continue supporting the increase of permanent supportive housing through adaptive reuse projects, such as hotel or commercial facility conversions. This recommendation is guided by the homelessness response system, via the Continuum of Care and Federal best practices. The City has existing projects with financial needs that could be met with these CDBG-DR funds. Staff evaluated the feasibility of developing Tiny Homes and determined that it is not in the best interest of the City of Dallas. Below is a summary of questions and answers taken into consideration by staff concerning the development of Tiny Homes.

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SUBJECT **Community Development Block Grants – Disaster Recovery Funds -Housing Type**

### What is a Tiny Home?

- Tiny Homes are often confused with Pallet homes
- Tiny homes are 400 sq ft+ or less with a kitchen and bathroom and can be used for permanent housing
- Pallet homes are smaller, often ranging from 64 – 100 sq ft with communal facilities, meant for temporary housing

### Are Tiny Homes the right approach for Dallas to solve its permanent supportive housing needs at scale?

- While tiny homes are a tool in the larger housing toolbox, they are not the right sized response to the current need for 500 – 1,000 units of permanent supportive housing
- Addressing the larger housing need of the unsheltered population requires a larger scale up of affordable, permanent supportive housing

### Are Tiny Home projects comparable to other permanent supportive housing projects like St Jude Center Park Central?

Dallas Tiny Homes (The Cottages, CitySquare)	
\$12M for the land acquisition and renovation budget <ul style="list-style-type: none"><li>• The construction of 50, 430 sq ft units at that range is \$240,000 per unit</li></ul>	Construction/land acquisition at \$12M + annual maintenance at \$200K = roughly \$12.2M for 50 units
The annual cost for maintenance and upkeep of the 50 Tiny Homes at the Cottages is roughly \$200,000 <ul style="list-style-type: none"><li>• This does not include annual resident services, such as programmatic support, staff, security, or property management</li></ul>	
Tiny Homes, on average cost between \$50,000 - \$70,000 per unit without taking land acquisition into account	
Permanent supportive housing (PSH) in a multi-family unit (St Jude Center Park Central)	
\$14M for the building acquisition and renovation budget <ul style="list-style-type: none"><li>• The construction of 180, 320 sq ft units at that range is roughly \$78,000 per unit</li></ul>	Construction plus annual maintenance equals an estimated total of \$14.3M for 180 units
The annual cost for maintenance and upkeep of 180 units is roughly \$300,000 <ul style="list-style-type: none"><li>• This does not include annual resident services, such as programmatic support, staff, security, or property management</li></ul>	

St Jude Center Park Central at \$14.3M cost \$2M more than the Dallas Tiny Home project at \$12.2M for an additional 130 units. The St Jude model utilizing adaptive reuse also allowed for additional space for reception, offices, community rooms, and case management spaces.

Next steps include the upcoming public hearing and proposed CDBG – DR budget adoption by City Council on April 12, 2023 and ongoing updates on current and new

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SUBJECT **Community Development Block Grants – Disaster Recovery Funds -Housing Type**

housing projects to support the homelessness response system via the City Council Housing and Homelessness Solutions Committee.

Attached you will find the presentation in full. Should you have any questions or concerns, please contact me or Christine Crossley, Director of the Office of Homeless Solutions.

Service First,



Kimberly Bizer Tolbert  
Deputy City Manager

c: T.C. Broadnax, City Manager  
Tammy Palomino, Interim City Attorney  
Mark Swann, City Auditor  
Billerae Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Jon Fortune, Deputy City Manager

Majed A. Al-Ghafry, Assistant City Manager  
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager  
Dr. Robert Perez, Assistant City Manager  
Carl Simpson, Assistant City Manager  
Jack Ireland, Chief Financial Officer  
Genesis D. Gavino, Chief of Staff to the City Manager  
Directors and Assistant Directors

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SUBJECT **Community Development Block Grants – Disaster Recovery Funds -Housing Type**

# Memorandum



CITY OF DALLAS

DATE April 7, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **Agenda Items 8 and 31, April 12, 2023, City Council Agenda – Advance Funding Agreements with TxDOT for Design of Two Deck Caps Over IH-30**

During the April 12, 2023 City Council Agenda meeting, City Council will consider agenda items 8 and 31. These items are for Advanced Funding Agreements with the Texas Department of Transportation (TxDOT) for the preparation of plans, specifications and estimates, and final engineering of the bridge abutment foundations to accommodate future deck caps over Interstate Highway (IH) 30 in the vicinity of Lamar Street and Old City Park from East Ervay Street to Hardwood Street (“Projects”).

Both Projects are related to TxDOT’s redesign of IH-30 from IH-35 East to IH-45, known as the IH-30 Canyon, and align with the City’s guiding principles for the IH-30 redesign as well as the implementation of the Kay Bailey Hutchison Convention Center Master Plan. The deck caps are intended to reconnect communities that have been separated years ago by the construction of the original freeway. The reconnected communities will include the Dallas Downtown Historic District, the Dallas Farmers Market, the Cedars Area, Dallas Heritage Park, and several other residential and commercial areas.

If you have any questions or concerns, please contact Ghassan “Gus” Khankarli, Ph.D. P.E., PMP, CLTD, Director of the Department of Transportation, at [ghassan.khankarli@dallas.gov](mailto:ghassan.khankarli@dallas.gov), or Rosa Fleming, Director of the Office of Convention and Event Services, at [rosa.fleming@dallas.gov](mailto:rosa.fleming@dallas.gov).

A handwritten signature in black ink, appearing to read 'Rob Perez'.

Robert M. Perez, Ph.D.  
Assistant City Manager

c: T.C. Broadnax, City Manager  
Tammy Palomino, Interim City Attorney  
Mark Swann, City Auditor  
Biliera Johnson, City Secretary  
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