

Memorandum



CITY OF DALLAS

DATE March 24, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **Update of DART Excess Sales Tax Revenues and Dallas North Tollway Closure Associated with the Silver Line Project**

Background

As previously briefed through memorandums to the Mayor and City Council and the Transportation and Infrastructure (TRNI) Committee, the City of Dallas had been considering uses of \$111.1M in excess sales tax revenues that would be allocated to the City of Dallas from the Dallas Area Rapid Transit (DART). On February 28, 2023, during a joint briefing to DART Board members and the TRNI Committee, permit review delays and approximately \$36.0M in betterments costs associated with the Silver Line Project, were discussed as possible deductions from the \$111.1M in excess sales tax revenues.

During the February 28, 2023, meeting, next steps, including coordination and mediation with the North Central Texas Council of Governments (NCTCOG), were discussed. Given that discussions between DART, the NCTCOG, and the City of Dallas have occurred over the last several weeks, the purpose of this memorandum is to provide updates on the \$36.0M in betterments and delay costs and to provide notification of upcoming closures on the Dallas North Tollway (DNT) associated with the Silver Line Project.

Discussions of Betterments and Permit Review Delays

As noted in this memorandum's background section, during the February 28, 2023, joint DART Board/TRNI Committee meeting, permit delay costs and approximately \$36.0M of betterments were discussed as possible deductions to the City of Dallas' \$111.1M excess sales tax allocations from DART. Following the February 28, 2023, meeting, DART, NCTCOG, and City of Dallas staff met on March 7, 2023, to discuss what would be considered project costs by DART and what would be considered betterment costs that should be funded by the City of Dallas.

During the March 7, 2023, meeting between the DART, NCTCOG, and City of Dallas teams, the discussed betterments were narrowed down to approximately \$33.4M worth of costs. Discussions of the betterments and permitting delays are ongoing but DART, the NCTCOG, and the City of Dallas are committed to developing a path to move forward with construction of the Silver Line Project.

Upcoming Closures on the Dallas North Tollway (DNT)

While betterments and permit review delay discussions are ongoing, Silver Line construction at the DNT (north of Arapaho) will begin on April 3, 2023. Silver Line construction at the DNT is anticipated to be one year in duration and will include night work and varying lane closures on both the DNT and the frontage roads. **While the**

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majority of the work at the DNT will result in varying lane closures, please note that during the latter half of work at the DNT, there will be a full closure of the DNT and the access roads for a period of no more than five days.

To notify the public of the coming closures on the DNT, the DART team placed electronic message boards on the DNT on March 21, 2023. Additionally, the DART team began hand-delivering notices to the area residents and businesses. Lastly, the DART team will begin e-blasts and the City of Dallas' Communications, Outreach, and Marketing team will be amplifying DART's communications.

Given these updates on the DART excess sales tax revenues and the upcoming closures on the DNT, should there be any follow-up questions, please do not hesitate to contact me by email at robert.perez@dallas.gov.



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Carl Simpson, Assistant City Manager
Jack Ireland, Chief Financial Officer
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