

Memorandum



DATE April 10, 2020

TO Honorable Mayor and Members of the City Council

SUBJECT **Agreement with Dallas Independent School District (DISD) for Hogg Elementary School related improvements (Oak Cliff Gateway TIF District)**

On April 22, 2020, City Council will be asked to authorize a development agreement with Dallas Independent School District (“DISD”) for the dedication of TIF funding in an amount not to exceed \$785,000 in support of public improvements including but not limited to streetscape, ornamental fencing, and a pedestrian path on and adjacent to Hogg Elementary School at 1144 N. Madison Avenue in the Oak Cliff Gateway TIF District.

BACKGROUND

When the Oak Cliff Gateway TIF District (“TIF District”) was created in 1992, the Interlocal Agreement with DISD for financial participation in the TIF District included a provision to include approximately \$600,000 in the TIF Project Plan budget for educational or training facilities during the life of the TIF District. In the early years of the TIF District, initial development obligations took priority so there were no district-wide set-asides or available cash for general improvements such as a DISD school improvement request.

In 2018, DISD submitted a request for TIF funding for site improvements on and adjacent to Hogg Elementary School (“Project”). A sub-committee (“District-Wide Improvement Sub-Committee”) of the Oak Cliff Gateway TIF Board (“TIF Board”) reviewed the Project and the TIF funding request and recommended to focus the site improvements on items that benefited the neighborhood such as wider sidewalks, pedestrian lighting, and street trees. The District-Wide Improvement Sub-Committee also indicated support for an ornamental perimeter fence to replace the chain link fence as well as school entryway features.

Additionally, representatives from the Kidd Springs Neighborhood Association (“KSNA”) also provided comments to the TIF Board at multiple meetings, and staff has coordinated with KSNA representatives for input extensively over the last few years.

In July 2019, staff met with DISD executive staff to discuss the Project scope for TIF funding. DISD executive staff agreed to follow up with the principal of Hogg Elementary to confirm the desired site improvements and submit an updated Project scope.

In February 2020, a final Project scope was submitted by DISD. On March 2, 2020, the Oak Cliff Gateway TIF Board of Directors reviewed the proposed Project and recommended that, upon completion of the Project and satisfaction of all Project requirements, the Project be eligible for a total Tax Increment Financing subsidy (“TIF Subsidy”) in an amount not to exceed \$785,000 from Oak Cliff Gateway TIF District funds to pay for the cost of site improvements on the school property as well as for adjacent public streetscape improvements. The TIF Subsidy shall be payable as a reimbursement for eligible expenses actually incurred.

Based on the current TIF District total dollar budget, the TIF Subsidy up to \$785,000 is allocated as follows: \$742,369 from the Education/Training Facilities category and \$42,631 from the Oak Cliff Gateway Sub-district (public infrastructure and pedestrian linkages/lighting) category.

City Council’s approval of this item will authorize the City Manager to execute the agreement and related documents with DISD. Key terms of the agreement include the following:

- DISD will submit final construction drawings to the Office of Economic Development (“OED”) to coordinate review with the City’s Planning and Urban Design (“PUD”) staff. Allowable minor modifications may include those required for conformance with regulatory requirements of the permit process. Material design changes shall require review and approval by the OED Director and TIF Board.
- DISD shall comply with their own bidding and minority/women owned business (“M/WBE”) policies including a goal of 30 percent participation on biddable expenditures and procedures along with any additional reporting requirements from the City’s Office of Business Diversity.
- DISD shall provide written annual reports to OED on the progress of the Project until completion.
- Construction must begin by June 30, 2021 and be completed by December 31, 2023.
- DISD shall execute an operations and maintenance agreement (O&M) for the TIF funded improvements by December 31, 2023 or upon earlier completion for a period of twenty (20) years.
- The Director of the Office of Economic Development, after approval and recommendation of the Oak Cliff Gateway TIF District Board of Directors, may authorize minor modifications to the Project and/or an extension of the Project deadlines up to 12 months. Any material changes, other than design, to the agreement shall require review and approval by the OED Director, TIF Board, and City Council.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On November 11, 1992, City Council authorized the establishment of the Oak Cliff Gateway TIF District by Ordinance No. 21466, as amended.

On February 12, 1997, City Council authorized the Final Project Plan and Reinvestment Zone Financing Plan for the Oak Cliff Gateway TIF District by Ordinance No. 23033, as amended.

On March 3, 2020, the Oak Cliff Gateway TIF District Board of Directors reviewed the proposed Hogg Elementary School Project and recommended City Council authorization of a development agreement with DISD for a TIF Subsidy in an amount not to exceed \$785,000 for TIF-eligible improvements.

FISCAL INFORMATION

Oak Cliff Gateway TIF District Fund - \$785,000 (subject to current and future appropriations from tax increments)

OWNER/APPLICANT

Dallas Independent School District

Michael Hinojosa
Superintendent

Should you have any questions, please contact Kevin Spath, Assistant Director, Office of Economic Development at (214) 670-1691.

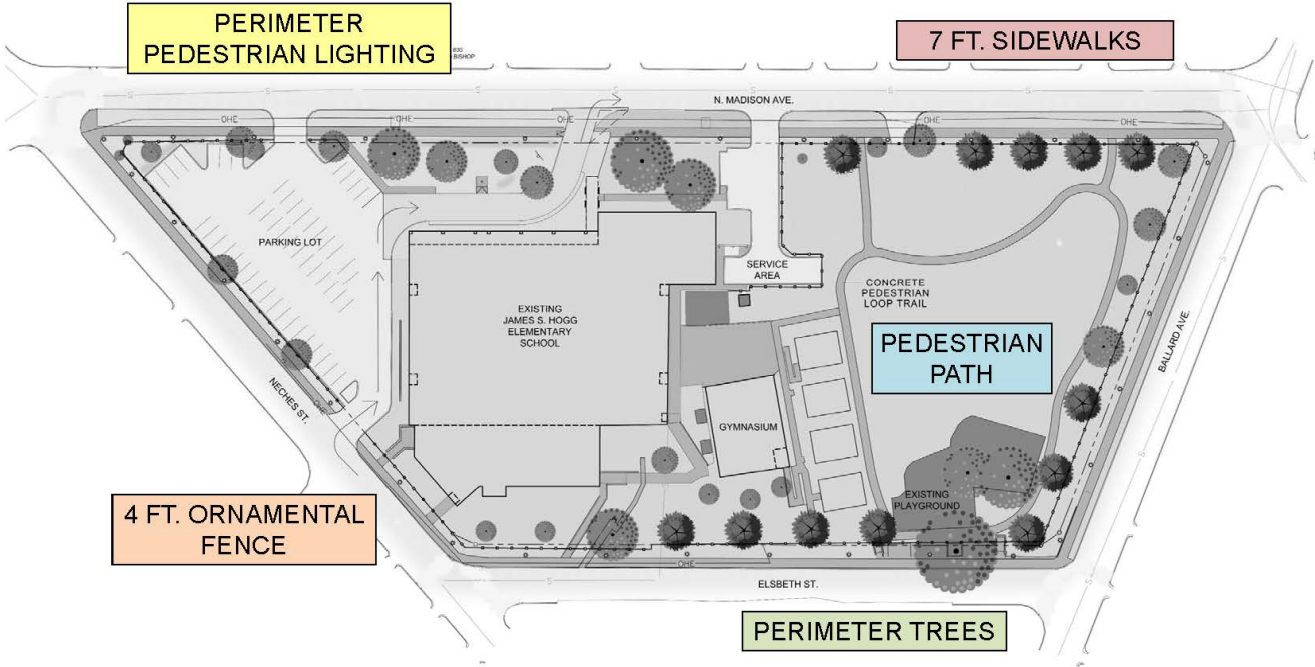


Courtney Pogue, Director
Office of Economic Development

- c: Chris Caso, City Attorney
- Mark Swann, City Auditor
- Biliera Johnson, City Secretary
- Preston Robinson, Administrative Judge
- Kimberly Bizer Tolbert, Chief of Staff to the City Manager
- Majed A. Al-Ghafry, Assistant City Manager
- Jon Fortune, Assistant City Manager

- Joey Zapata, Assistant City Manager
- Nadia Chandler Hardy, Assistant City Manager
- Dr. Eric A. Johnson, Chief of Economic Development and Neighborhood Services
- M. Elizabeth Reich, Chief Financial Officer
- Laila Alequresh, Chief Innovation Officer
- M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion Directors and Assistant Directors

Attachment
Hogg Elementary School Project - Site Plan



JAMES HOGG ELEMENTARY – PROPOSED CAMPUS ENHANCEMENTS AND OPTIONS