

Memorandum

RECEIVED

2014 JAN 30 PM 2:39



CITY OF DALLAS

CITY SECRETARY
DALLAS, TEXAS

DATE January 31, 2014

TO Members of the Economic Development Committee:
Rick Callahan, (Vice-Chair), Jerry R. Allen, Scott Griggs, Adam Medrano, Lee Kleinman

SUBJECT **Economic Development Committee**
Monday, February 3 2014, 9:00 – 10:30 a.m.
1500 Marilla Street, City Hall, Room 6ES, Dallas, Texas 75201

AGENDA

1. Approval of January 6, 2013 Minutes of the Economic Development Committee
2. Dallas Executive Airport Seeking Flight Into the Future
Lana Furra, Assistant Director
Department of Aviation
(Estimated time 20 minutes)
3. Potential "Project C3PO"
Closed Session (Sec. 551.071 T.O.M.A.)
Deliberations Regarding Economic Development Negotiations Section 551.087 of the Texas Open Meetings Act;
Deliberation of the Purchase, Exchange, Lease, or Value of Real Property Where the Deliberation in an Open Meeting Would Have a Detrimental Effect on the Position of the City in Negotiations with a Third Party, Section 551.072 of the Texas Open Meetings Act
J. Hammond Perot, Assistant Director
Office of Economic Development
(Estimated time 20 minutes)
4. Upcoming Agenda Items
 - Two Podner's Retail Eateries, LLC
 - Authorize a Third Amendment to the Development Agreement with GFD Opportunity II, LLC for the Hillside West Project (Davis Garden TIF District)


Tennell Atkins, Chair
Economic Development Committee

C: The Honorable Mayor and Members of the City Council
A. C. Gonzalez, Interim City Manager
Rosa Rios, City Secretary
Warren M.S. Ernst, City Attorney
Judge Daniel Solis, Administrative Judge Municipal Court
Craig Kinton, City Auditor
Frank Libro, Public Information Officer
Ryan S. Evans, Interim 1st Assistant City Manager
Forest Turner, Assistant City Manager

Jill A. Jordan, P.E., Assistant City Manager
Joey Zapata, Assistant City Manager
Charles M. Cato, Interim Assistant City Manager
Theresa O'Donnell, Interim Assistant City Mgr.
Jeanne Chipperfield, CFO, OFS
Karl Zavitkovsky, Director, OED
J. Hammond Perot, Assistant Director, OED
Elsa Cantu, Assistant to the CMO

Note: A quorum of the Dallas City Council may attend this Council Committee meeting.

A closed session may be held if the discussion on any of the above agenda items concerns one of the following:

1. Contemplated or pending litigation, or matters where legal advice is requested to the City Attorney. Section 551.071 of the Texas Open Meetings Act.
2. The Purchase, exchange, lease or value of real property, if the deliberation in an Open Meeting would have a detrimental affect on the position of the City in negotiations with a third person. Section 551.072 of the Texas Open Meetings Act.
3. A contract for a prospective gift or donation to the City, if deliberation in an Open Meeting would have a detrimental affect on the position of the City in negotiations with a third person. Section 551.073 of the Texas Open Meetings Act.
4. Personnel matters involving appointments, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear a complaint against an officer or employee. Section 551.074 of the Texas Open Meetings Act.
5. The deployment or specific occasions for implementation of security personnel or device. Section 551.076 of the Texas Open Meetings Act.
6. Deliberations regarding Economic Development negotiations. Section 551.087 of the Texas Open Meeting Act.

Economic Development Committee **DRAFT**

Meeting Record January 6, 2014

The Economic Development Committee meetings are recorded. Agenda materials and audiotapes may be reviewed/copied by contacting the Office of Economic Development, Staff Coordinator at 214-670-1686.

Meeting Date: January 6, 2014 **Meeting Start time:** 9:03 AM

Committee Members Present:

Tennell Atkins
Rick Callahan
Jerry R. Allen
Adam Medrano
Scott Griggs

Other Council Members Present:

Dwaine R. Caraway

Staff Present:

Ryan Evans, Interim First Assistant City Manager, City Managers Office
Karl Zavitkovsky, Director, Office of Economic Development
Karl Stundins, Manager Office of Economic Development
John Rogers, Assistant City Attorney, City Attorney's Office
David Cossam, Interim Director, Sustainable Development & Construction
J. Hammond Perot, Assistant Director, Office of Economic Development
Tamara Leak, Senior Coordinator, Office of Economic Development

Other Presenters:

Graham Greene, President, METROarts Corporation

1. Approval of December 2 Minutes of the Economic Development Committee

Presenter(s):

Action Taken/Committee Recommendation(s): Motion made to approve the minutes.

Motion made by: Mr. Allen

Motion seconded by: Mr. Medrano

Item passed unanimously: X

Item passed on a divided vote: _____

Item failed unanimously: _____

Item failed on a divided vote: _____

Follow-up (if necessary):

2. The Olympic Project (1401 Elm Street) Downtown Connection TIF District

Presenter(s): Karl Zavitkovsky, Director, Office of Economic Development

Action Taken/Committee Recommendation(s): Motion made to recommend items to council for approval.

Motion made by: Mr. Allen

Motion seconded by: Mr. Callahan

Item passed unanimously: X

Item passed on a divided vote: _____

Item failed unanimously: _____

Item failed on a divided vote: _____

Follow-up (if necessary):

3. Flora Loft Project Downtown Connection/City Center TIF Districts

Presenter(s): Karl Zavitkovsky, Director, Office of Economic Development

Action Taken/Committee Recommendation(s): Motion made to recommend items to council for approval.

Motion made by: Mr. Griggs

Motion seconded by: Mr. Callahan

Item passed unanimously: X

Item passed on a divided vote: _____

Item failed unanimously: _____

Item failed on a divided vote: _____

Follow-up (if necessary):

4. Amendments to Variances to Alcohol Spacing Requirements

Presenter(s): David Cossum, Interim Director, Sustainable Development & Construction

Action Taken/Committee Recommendation(s): Motion made to recommend items to council for approval.

Motion made by: Mr. Griggs

Motion seconded by: Mr. Allen

Item passed unanimously: X

Item passed on a divided vote: _____

Item failed unanimously: _____

Item failed on a divided vote: _____

Follow-up (if necessary):

Upcoming Agenda Items

5. 1210 South Lamar - Cherokee Lamar Associates

Presenter(s): J. Hammond Perot, Assistant Director, Office of Economic Development

Action Taken/Committee Recommendation(s): Motion made to recommend item to full council for approval

Motion made by: Mr. Allen

Motion seconded by: Mr. Griggs

Item passed unanimously: X

Item passed on a divided vote: _____

Item failed unanimously: _____

Item failed on a divided vote: _____

- **Follow-up (if necessary):**

6. First Pinnacle Park – First Industrial Texas L.P.

Presenter(s): J. Hammond Perot, Assistant Director, Office of Economic Development

Action Taken/Committee Recommendation(s): Motion made to recommend item to full council for approval with Mr. Griggs and Mr. Callahan voting no

Motion made by: Mr. Allen

Motion seconded by: Mr. Medrano

Item passed unanimously: _____

Item passed on a divided vote: X

Item failed unanimously: _____

Item failed on a divided vote: _____

- **Follow-up (if necessary):**

Meeting Adjourned: 10:31 AM

Approved By: _____

Memorandum



DATE January 31, 2014

TO Honorable Members of the Economic Development Committee: Tennell Atkins (Chair), Rick Callahan (Vice-Chair), Jerry R. Allen, Scott Griggs, Adam Medrano, Lee Kleinman

SUBJECT Dallas Executive Airport Seeking Flight Into the Future Briefing

On Monday, February 3, 2014, you will be presented the Dallas Executive Airport Seeking Flight into the Future briefing. The briefing material is attached for your review.

If you have questions or need additional information, please let me know.



Theresa O'Donnell,
Interim Assistant City Manager

Attachment

cc: Honorable Mayor and Members of the City Council
A.C. Gonzalez, Interim City Manager
Warren M. S. Ernst, City Attorney
Judge Daniel F. Solis, Administrative Judge
Rosa A. Rios, City Secretary
Craig D. Kinton, City Auditor
Ryan S. Evans, Interim First Assistant City Manager
Jill A. Jordan, P. E., Assistant City Manager
Forest E. Turner, Assistant City Manager
Joey Zapata, Assistant City Manager
Charles M. Cato, Interim Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Frank Libro, Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor and Council
Karl Zavitkovsky, Director, Office of Economic Development

Dallas Executive Airport Seeking Flight Into the Future

Economic Development Committee
February 3, 2014



Background

- The City of Dallas in partnership with TxDOT Aviation received a grant to conduct an airfield pavement analysis to determine the load bearing weight and structural integrity of the airport's runways and taxiways.
- In order to determine the structural condition and material properties below pavement surface, a dual approach of Heavy Weight Deflectometer (HWD) and Rolling Dynamic Deflectometer (RDD) testing was performed on all airfield pavements at Dallas Executive Airport between July 2012 and August 2012.
- The data derived from these two evaluations was thoroughly analyzed and a prioritized pavement rehabilitation schedule was populated. The results determined that Runway 13/31 requires nearly full-length reconstruction which involves removing and replacing existing pavement with a new pavement section.

Dual Approach Non-Destructive Testing

→ The Heavy Weight Deflectometer (HWD)

- Non-destructive deflection testing
- Testing every 200 feet, multiple lanes
- **Identifies:**
- Strength of pavement layers and subgrade



→ The Rolling Dynamic Deflectometer (RDD)

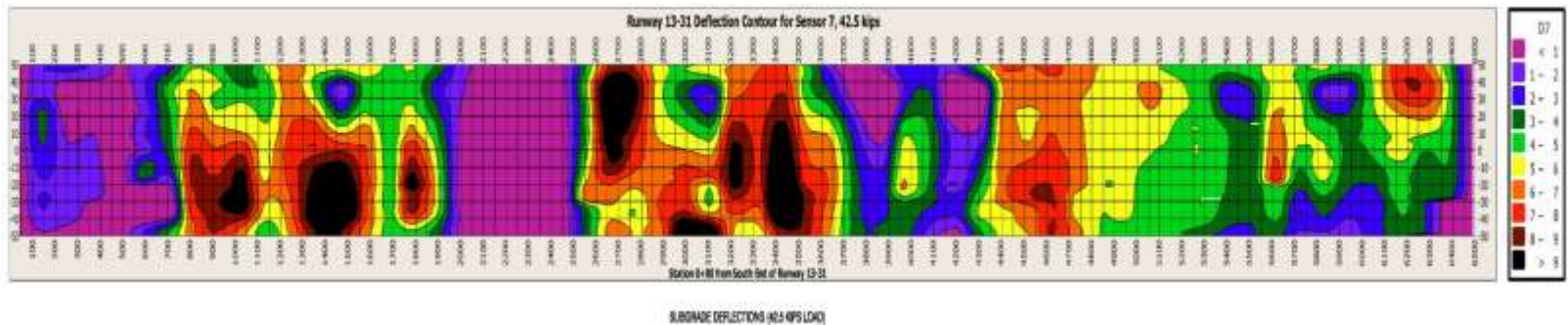
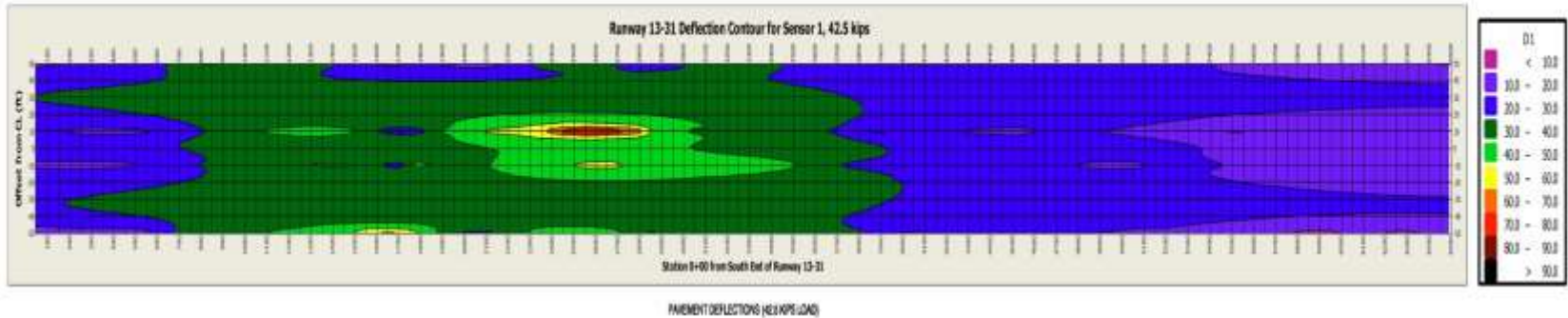
- Non-destructive deflection testing
- Continuous deflection profiles, multiple lanes
- **Identifies:**
- Critical sections of pavement and subgrade



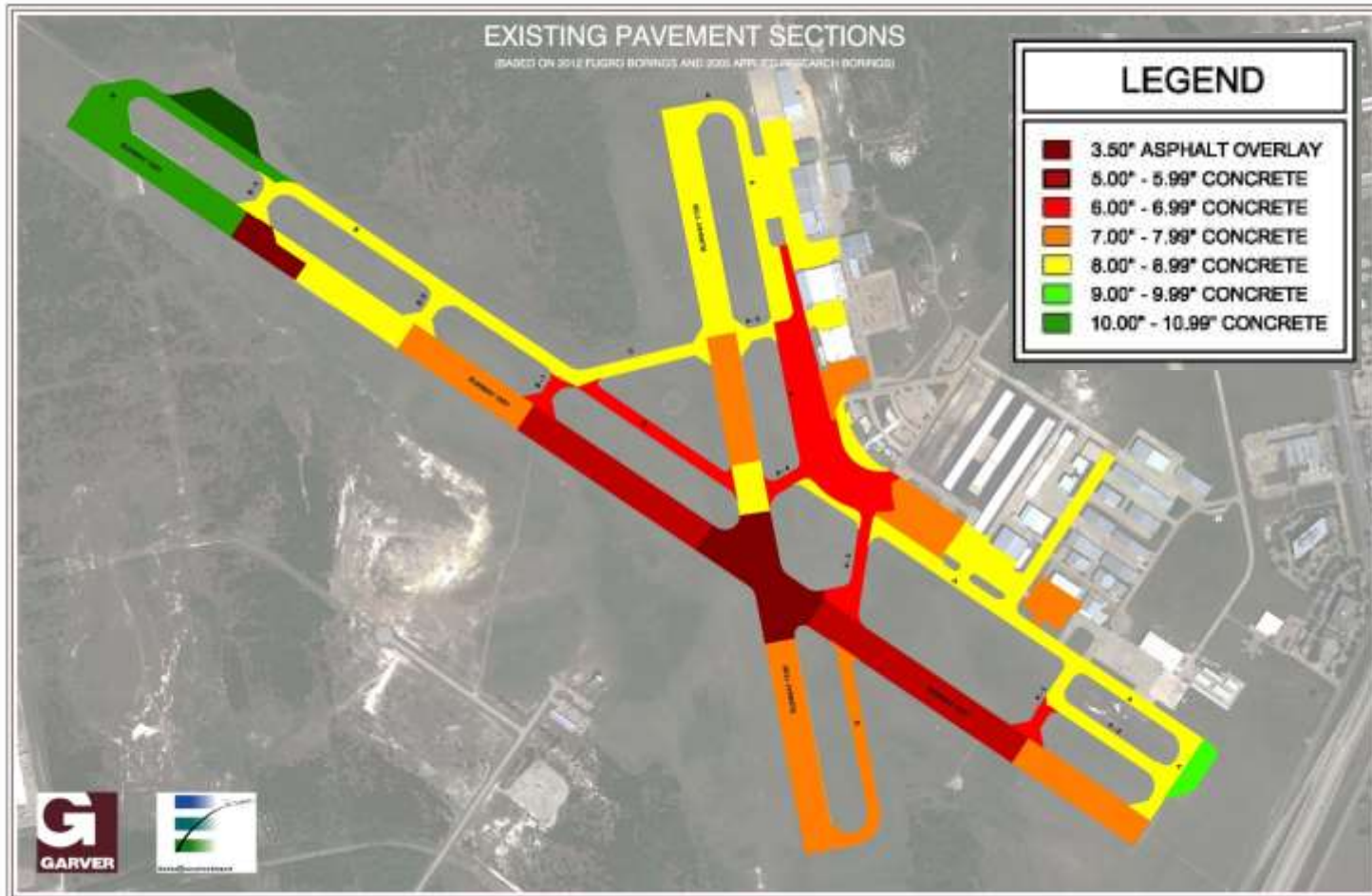
→ Non-destructive testing was completed August 6, 2012

Non-destructive Testing Data

RUNWAY 13-31

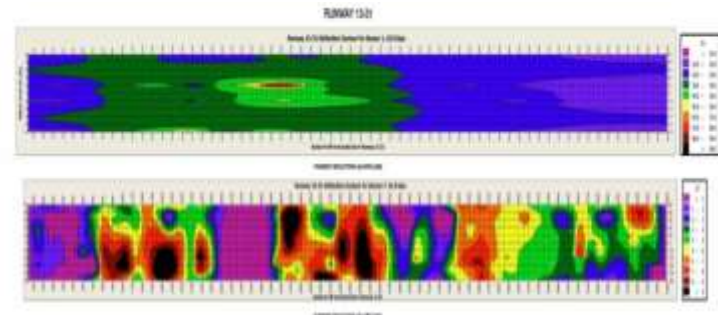
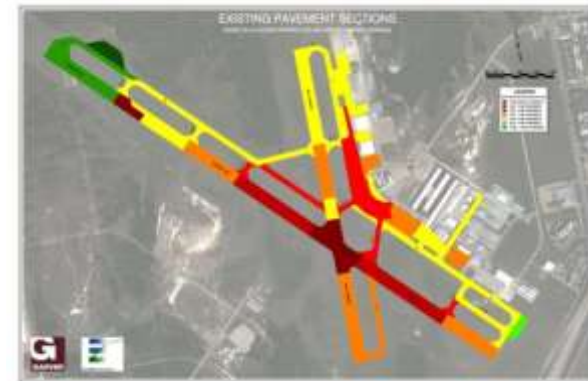
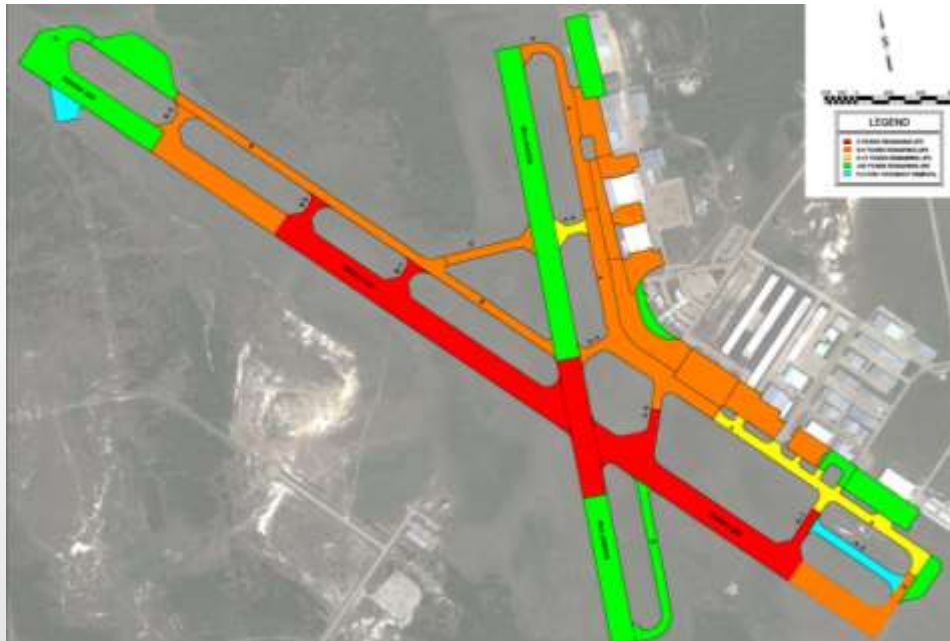


Existing Pavement Thickness



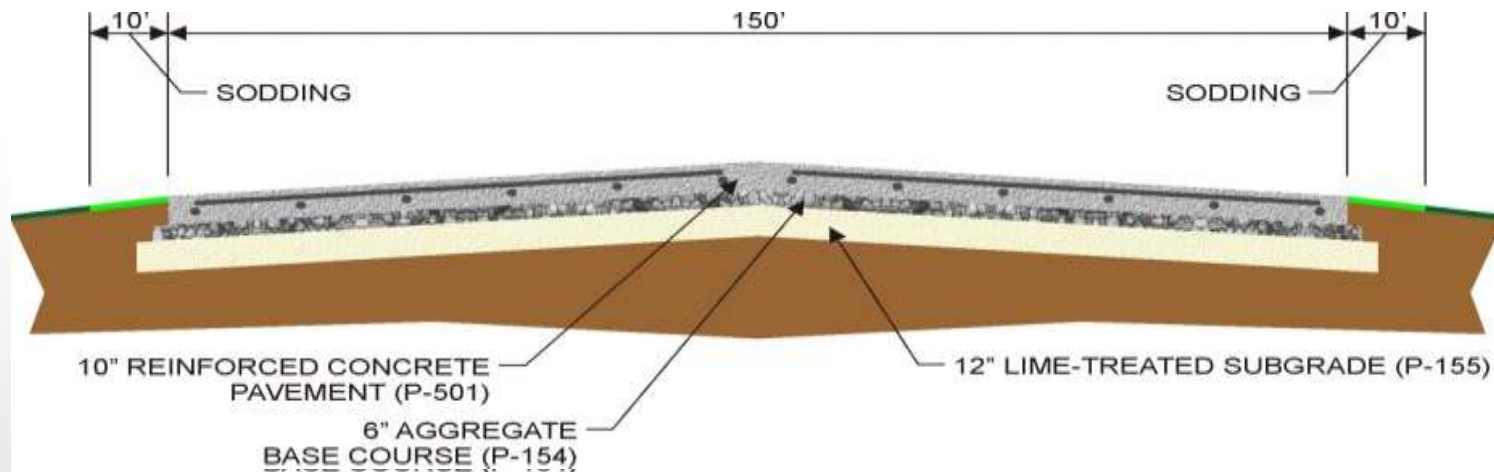
Pavement Evaluation Results

- High deflection values for pavement and subgrade
- Deficient pavement strength on Runway 13/31
- Existing pavement thickness as little as 5-inches
- Remaining pavement life = 0 to 5 years



Pavement Design & Recommendations

- Aircraft fleet mix with 90,000 pound aircraft limit (current limit = 60,000 pounds)
- The proposed pavement section
 - 10" reinforced concrete
 - 6" aggregate base
 - 12" lime-treated subgrade
- Construction Phasing
 - Four (4) Construction Phases
 - Runway 13/31 Reconstruction
 - Runway 13 Extension



Runway 13/31 Reconstruction Phase 1

Description	Phase	Estimated Construction Start Date	Estimated Construction Time	Runway 17/35 Availability	Runway 13/31 Availability	Largest Type of Aircraft Using Airport	Estimated Construction Cost
Runway 17/35 & Runway 13/31 Intersection Reconstruction and Design	1	Summer 2014	3-4 Months	Closed	3,200'	Small Jet (i.e. Cessna Citation 500)	\$9,340,000



Runway 13/31 Reconstruction Phase 2

Description	Phase	Estimated Construction Start Date	Estimated Construction Time	Runway 17/35 Availability	Runway 13/31 Availability	Largest Type of Aircraft Using Airport	Estimated Construction Cost
Runway 31 End Reconstruction (South)	2	Winter 2014	7-8 Months	Open	4,500'	Medium Jet (i.e. Cessna 560 Citation)	\$7,348,000



Runway 13/31 Reconstruction Phase 3

Description	Phase	Estimated Construction Start Date	Estimated Construction Time	Runway 17/35 Availability	Runway 13/31 Availability	Largest Type of Aircraft Using Airport	Estimated Construction Cost
Runway 13 End Reconstruction (North)	3	Fall 2015	9-10 Months	Open	Closed	Small Jet (i.e. Cessna 525 Citation)	\$9,961,000



Runway 13/31 Reconstruction Phase 4

Description	Phase	Estimated Construction Start Date	Estimated Construction Time	Runway 17/35 Availability	Runway 13/31 Availability	Largest Type of Aircraft Using Airport	Estimated Construction Cost
Runway 13 Extension (685 feet)	4	Fall 2016	8-9 Months	Open	5,730'	All Aircraft up to Gulfstream IV	\$8,700,000



Runway 13/31 Reconstruction Phasing Summary

Description	Phase	Estimated Construction Start Date	Estimated Construction Time	Runway 17/35 Availability	Runway 13/31 Availability	Largest Type of Aircraft Able to use Airport	Estimated Construction Cost
Runway 17/35 & Runway 13/31 Intersection Reconstruction	1	Summer 2014	3-4 Months	Closed	3,200'	Small Jets	\$ 9,340,000
Runway 31 End Reconstruction (South)	2	Winter 2014	7-8 Months	Open	4,500'	Medium Jets	\$ 7,348,000
Runway 13 End Reconstruction (North)	3	Fall 2015	9-10 Months	Open	Closed	Small Jets	\$ 9,961,000
Runway 13 Extension (685 feet)	4	Fall 2016	8-9 Months	Open	5,730'	All Currently Based Aircraft	\$ 8,700,000
Total Construction Time			31 Months	Total Construction Cost			\$35,349,000

Dallas Executive Based Aircraft Data

Dallas Executive Based Aircraft	
Type	Total
Single Engine	95
Multi Engine	26
Jet	22
Helicopter	7
Total	150

Examples of Aircraft by Engine Type:

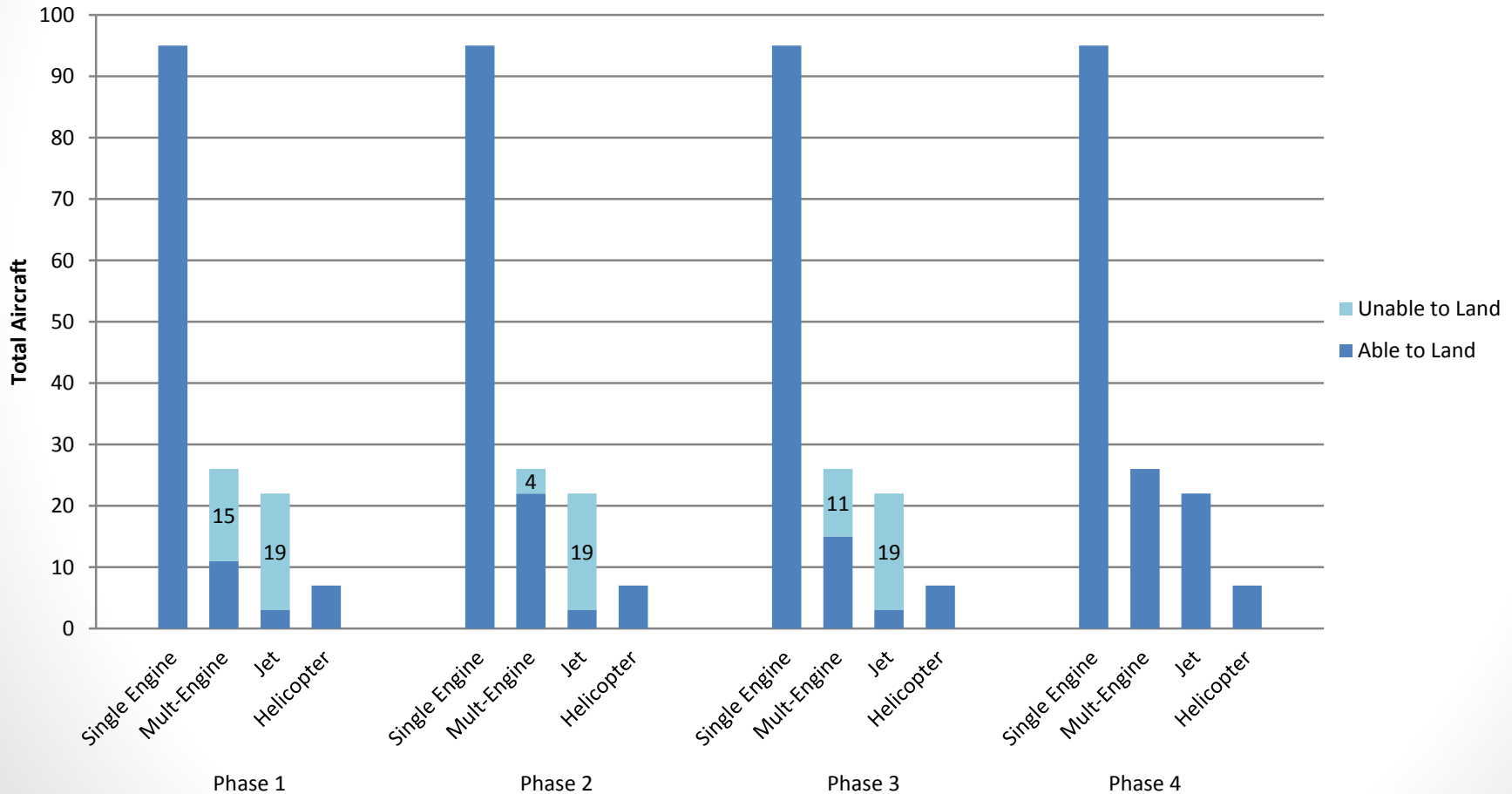
Single Engine: Cessna 172 Skyhawk, Cessna 182 Skylane, Piper Cherokee, Cirrus SR20 & SR22, Beechcraft Bonanza, Piper Saratoga

Multi-Engine: Beechcraft Baron, Piper Seneca, Cessna 421 Golden Eagle

Jet: Cessna 500, 525 & 560 Citation, Falcon 900, Gulfstream, Hawker, Challenger, Beech Jet, Lear Jet, Israel Jet Commander 1124

Aircraft Affected by Runway 13/31 Reconstruction Project

Based Aircraft Affected by Runway 13/31 Reconstruction



Aircraft Affected by Runway 13/31 Reconstruction Project

	Total # of Aircraft Unable to Land	Total # of Aircraft Able to Land	Percentage of Aircraft Negatively Affected
Phase 1	34	116	22.7%
Phase 2	23	127	15.3%
Phase 3	30	120	20.0%
Phase 4	0	150	0.0%

* By Fall of 2016 all currently based aircraft will be able to use Runway 13/31.

Tenant Outreach

- Staff has conducted numerous informational meeting with tenants, sub-tenants, and stakeholders.

September 27, 2013

November 7, 2013

January 14, 2014

January 24, 2014

- Included at the meetings were:
 - Garver Engineering discussed aggressive construction phasing plan
 - Rocket Red discussed
 - Marketing plan and website launch
 - www.dallasexecairport.com
- Follow-up tenant meeting on February 27, 2014

Accommodation Efforts

- Staff has determined the Department of Aviation does not have any City owned hangars at Dallas Love Field to accommodate aircraft from Executive during reconstruction.
- Currently looking to negotiate ramp space for aircraft parking displaced from Executive to Love Field.
- Issuing fuel permits to FBOs to accommodate fueling at Love Field.
- Staff is researching economic impact to stakeholders to determine potential rent abatement.

Next Steps

- Staff intends to return to council in April 2014 with suggested lease amendments to reflect the rent abatement that is in alignment with the economic impact findings.

EXECUTIVE SESSION

Potential "Project C3PO"

Closed Session (Sec. 551.071 T.O.M.A.)

Deliberations Regarding Economic Development Negotiations Section 551.087 of the Texas Open Meetings Act; Deliberation of the Purchase, Exchange, Lease or Value of Real Property Where the Deliberation in an Open Meeting Would Have a Detrimental Effect on the Position of the City in Negotiations with a Third Part, Section 551.072 of the Texas Open Meetings Act

Memorandum



DATE January 31, 2014

TO Members of the Economic Development Committee:
Tennell Atkins (Chair), Rick Callahan (Vice Chair), Adam Medrano, Scott Griggs
Lee Kleinman, Jerry R. Allen,

SUBJECT **Two Podner's Retail Eateries, LLC; February 12, 2014 Council Agenda**

On February 12, 2014, City Council will be asked to consider authorizing a Chapter 380 Forgivable Loan in the amount of \$275,000 to Two Podner's Retail Eateries, LLC for gap financing to develop a 11,000 square foot commercial building located at 1441 Robert B. Cullum in Dallas to expand Two Podner's Barbeque and Seafood Restaurant and add 6,500 square feet of retail space.

Two Podner's Retail Eateries, LLC is a development company created by Fred Conwright and James Runnels, owners of Two Podner's Barbeque and Seafood restaurant to develop a building for an expanded restaurant and other retail eateries. Two Podner's has operated in a 2,500 square foot facility at their current location in the South Dallas/Fair Park area for over 30 years.

The new development when fully tenanted is expected to create 40 – 50 FTE jobs. The total project cost is \$1,835,000. The developers, Fred Conwright and James Gunnels, will bring \$460K of equity to the project. The project will demolish the current facility and build a 4,500 square foot restaurant as the anchor tenant and add 6,500 square feet of additional space. The developers are in discussions with Del Taco, Krispy Kreme, Subway and a Chinese takeout to fill the tenant space.

The development of the Property will further the City's goals for redevelopment in the Southern Sector. The total consideration of \$275,000 is contingent upon \$460K of equity from the Developer, approval of one million in conventional financing (Spirit Bank of Texas has issued a \$1,000,000 Commitment), a loan not to exceed \$100,000 if needed from the South Dallas Fair Park Trust Fund and completion of the redevelopment of the subject site within three (3) years from the date of the Loan Agreement.

FISCAL INFORMATION

\$275,000 – Public/Private Partnership Funds

OWNER

Two Podner's Retail Eateries, LLC

Fred Conwright, Partner
James Runnels, Partner

MAP

Attached

RECOMMENDATION

Staff recommends approval of the subject item. Please contact me if you have any questions at 214-670-3296.



Ryan S. Evans
Interim First Assistant City Manager

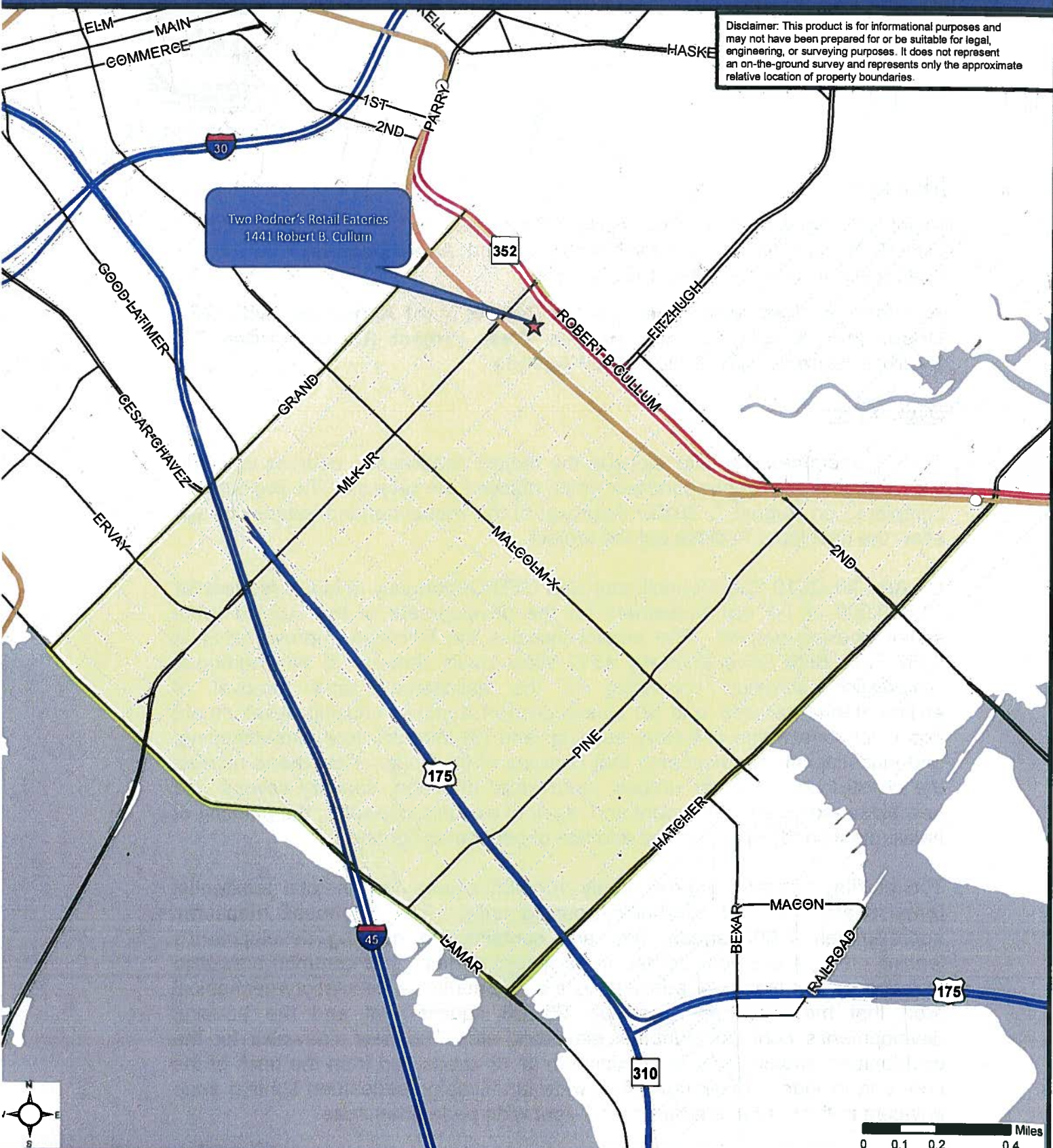
C: The Honorable Mayor and Members of the City Council
A.C. Gonzalez, Interim City Manager
Warren M. S. Ernst, City Attorney
Judge Daniel F. Solis, Administrative Judge
Rosa A. Rios, City Secretary
Craig D. Kinton, City Auditor
Jill A. Jordan, P. E., Assistant City Manager
Forest E. Turner, Assistant City Manager

Joey Zapata, Assistant City Manager
Charles M. Cato, Interim Assistant City Manager
Theresa O'Donnell, Interim Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Karl Zavitkovsky, Director, Office of Eco. Dev.
J. Hammond Perot, Asst. Director, OED
Frank Libro, Public Information Officer
Elsa Cantu, Asst. to the CMO – Mayor and Council







Two Podner's Retail Eateries, LLC

Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

Two Podner's Retail Eateries
1441 Robert B. Cullum



Legend

-  Program Boundary
-  Freeway
-  Flood Plain
-  Rail Station
-  Highway
-  Local Road
-  DART Light Rail
-  Arterial

Source: City of Dallas, 2012

Memorandum



DATE January 31, 2014

TO Members of the Economic Development Committee:
Tennell Atkins (Chair), Rick Callahan (Vice Chair), Adam Medrano,
Lee Kleinman, Jerry R. Allen, Scott Griggs

SUBJECT **Authorize a Third Amendment to the Development Agreement with GFD Opportunity II, LLC for the Hillside West Project (Davis Garden TIF District), February 12, 2014 Council Agenda**

Background

Staff is recommending extensions to the project deadlines to address industry-wide material and labor shortages which delayed the project. The project was completed on August 7, 2013. Approval of the recommended extensions will allow the developer to close out the project.

On April 28, 2010, City Council approved GFD Opportunity II, LLC's request for \$1,600,000 in TIF reimbursement for the development of the Hillside West senior housing project. The project includes the following improvements at 3757 Falls Bluff Drive (formerly 4512 West Davis Street): (1) environmental remediation activities consisting of the assessment and removal of environmental hazards; and (2) construction of a senior housing development and clubhouse within a 4-story building; and (3) infrastructure, streetscaping, and landscaping improvements that consists of the burial of overhead utilities; the construction of water utilities, stormwater drainage, sanitary sewers and new sidewalks; the replacement and repair of existing sidewalks; the planting of native plants and trees; and the addition of pedestrian lighting.

The building contains approximately 104,086 square feet in total residential rental space and 130 affordable housing units. The clubhouse measures approximately 7,000 square feet and contains the housing development's leasing office, a business center and a fitness center. The common area also includes an outdoor pool adjacent to the clubhouse, a circulation/mechanical area that measures approximately 23,536 square feet and the housing development's corridors, lobbies, elevators, etc.; The new sidewalks for the development project shall be a minimum of 12' measured from the back of the curb and include a minimum 3-foot wide landscaping/pedestrian lighting zone adjacent to the curb and a minimum 7-foot wide pedestrian zone.

Financing

No Cost Consideration to the City

Project Council District

District 3

Owner

**GFD Opportunity II, LLC
A Texas Limited Liability Company**

Brandon Bolin, Principal

Staff

Karl Stundins, Manager, Area Redevelopment Division
Telemachus Evans, Economic Development Analyst

Map

Attached

Staff recommends approval of the subject item. Please contact me if you have any questions at 214-670-3296.



Ryan S. Evans
Interim First Assistant City Manager

- C: The Honorable Mayor and Members of the City Council
A.C. Gonzalez, Interim City Manager
Warren M. S. Ernst, City Attorney
Judge Daniel F. Solis, Administrative Judge
Rosa A. Rios, City Secretary
Craig D. Kinton, City Auditor
Jill A. Jordan, P. E., Assistant City Manager
Forest E. Turner, Assistant City Manager
Joey Zapata, Assistant City Manager
Charles M. Cato, Interim Assistant City Manager
Theresa O'Donnell, Interim Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Karl Zavitkovsky, Director, Office of Economic Development
J. Hammond Perot, Assistant Director, Office of Economic Development
Frank Libro, Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor and Council

