

# Economic Development Committee **DRAFT**

## Meeting Record February 6, 2017

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:** February 6, 2017      **Meeting Start time:** 9:05 AM

**Committee Members Present:**

Rickey D. Callahan (Chair)  
Casey Thomas, II, (Vice Chair)  
B. Adam McGough  
Carolyn King Arnold  
Lee M. Kleinman  
Adam Medrano

**Staff Present:**

Mark McDaniel, Acting First Assistant City  
Manager, City Manager's Office  
Karl Zavitkovsky, Director, Office of Economic  
Development  
Hammond Perot, Assistant Director, Office of  
Economic Development

**Other Council Members Present:**

Mark Clayton

**Other Presenters:**

**1. Approval of January 17, 2017 Minutes of the Economic Development Committee**

**Presenter(s):**

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

**Motion made by:** Mr. Kleinman

**Motion seconded by:** Mr. Thomas

Item passed unanimously: X

Item passed on a divided vote: \_\_\_\_\_

Item failed unanimously: \_\_\_\_\_

Item failed on a divided vote: \_\_\_\_\_

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

**2. Overview of Texas Enterprise Zone Program**

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

**Action Taken/Committee Recommendation(s):** (1) Motion made to send the item to Council

**Motion made by:** Mr. Thomas

**Motion seconded by:** Mr. Medrano

Item passed unanimously: \_\_\_\_\_

Item passed on a divided vote: X With Ms.

Arnold and Mr. McGough voting against

Item failed unanimously: \_\_\_\_\_

Item failed on a divided vote: \_\_\_\_\_

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

**3. The Economic Development Challenge of Shared Prosperity**

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

**Action Taken/Committee Recommendation(s):** No Action Taken

**Motion made by:**

**Motion seconded by:**

Item passed unanimously: \_\_\_\_\_

Item passed on a divided vote: \_\_\_\_\_

Item failed unanimously: \_\_\_\_\_

Item failed on a divided vote: \_\_\_\_\_

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

4. **UPCOMING AGENDA ITEMS**

February 8, 2017

**Sustainable Development & Construction**

- A. Authorize the quitclaim of 68 properties acquired by the taxing authorities from the Tax Foreclosure Sheriff's Sale to the highest bidders; and authorize the execution of release of liens for any non-tax liens that may have been filed by the City and were included in the foreclosure judgment (list attached) - Revenue: \$790,865
- B. An ordinance abandoning portions of two alleys and portions of Texas, Live Oak, and Cantegral Streets to Biscuit Holdings, Ltd., the abutting owner, containing a total of approximately 6,728 square feet of land, located near the intersection of Cantegral and Live Oak Streets, and authorizing the quitclaim - Revenue: \$356,584, plus the \$20 ordinance publication fee

**Aviation Department**

- C. The proposed second lease amendment with Piedmont/Hawthorne Holdings, Inc., will add approximately 0.35 acres (15,274 sf) of land for the three (3) year period for the development of a temporary aviation canopy/aircraft hangar tent (see exhibit A). This temporary canopy is to provide shelter for an existing 737-800 class aircraft. The current leased property is supporting aircrafts and will see an increase in activity over the next three (3) years. The temporary canopy will provide ground crews and aircraft protection from weather and will reduce impacts to schedules due to weather related delays. The proposed temporary canopy will be comprised of aluminum & high tension fabric and located at the Raytheon facility at Dallas Love Field. Piedmont/Hawthorne Holdings, Inc., will develop, construct, utilize and complete removal of the proposed temporary canopy and restore the additional leased land to its prior condition, as requested by the City, on or before the completion of the three (3) year period (see exhibit B).

**Mobility and Street Services**

- D. Draft: Authorize a resolution supporting the Interstate Highway (IH) 635 LBJ East Highway Project

5. **UPCOMING AGENDA ITEMS**

February 22, 2017

**Economic Development**

- E. TIF District Annual Reports
- F. Authorize a Chapter 380 economic development grant agreement with Casa View II Ltd and/or its affiliates ("Owner") in an amount not to exceed \$1,000,000 in consideration of the Owner's investment in eligible expenditures for improvements to Casa View Shopping Center located at 2331 Gus Thomasson Road, pursuant to the Public/Private Partnership Program - Not to exceed \$1,000,000 - Financing: Public/Private Partnership Funds

G. **I-20 Distribution Park Phase I**

\*Authorize a real property tax abatement agreement with I-20 Distribution Park Phase I, LLC for the purpose of granting a ten-year abatement of 90 percent of the taxes on added value to the real property for a proposed new speculative industrial/warehouse facility located at 8900 Blanco Road in southern Dallas within the International Inland Port of Dallas in accordance with the City's Public/Private Partnership Program - Revenue: First year revenue estimated at \$33,256; ten-year revenue estimated at \$332,563 (Estimated revenue forgone for the ten-year real property abatement estimated at \$2,993,063)

\* Authorize a Chapter 380 economic development grant agreement with I-20 Distribution Park Phase I, LLC for reimbursement of costs associated with public street and utility improvements to facilitate a proposed speculative industrial/warehouse facility located at 8900 Blanco Road in southern Dallas within the International Inland Port of Dallas in accordance with the City's Public/Private partnership Program -Total not to exceed \$2,500,000 - Financing: TBD

- H. Authorize the nomination of Columbia Hospital at Medical City Dallas Subsidiary, L.P. located at 7777 Forest Lane to receive designation as an Enterprise Project under the Texas Enterprise Zone Act, as amended (Government Code, Chapter 2303) to the Office of the Governor Economic Development and Tourism through the Economic Development Bank – Financing: No cost consideration to the City.
- I. Authorize the nomination of EnLink Midstream Operating, LP located at 1722 Routh Street, Dallas Texas 75201 to receive designation as an Enterprise Project under the Texas Enterprise Zone Act, as amended (Government Code, Chapter 2303) to the Office of the Governor Economic Development and Tourism through the Economic Development Bank – Financing: No cost consideration to the City.

### Economic Development

- J. Authorize a public hearing to be held on February 22, 2017 to receive citizen comments concerning the City of Dallas' participation in the Texas Enterprise Zone Program pursuant to the Texas Enterprise Zone Act, Chapter 2303 Texas Government Code as revised in order to allow the nomination of The Neiman Marcus Group LLC, 4121 Pinnacle Point Drive, 1700 Pacific Avenue, 1201 Elm Street and 1618 Main Street as an Enterprise Zone Project. Financing: No cost consideration to the City
- K. Authorize (1) the rescission of Resolution No. 15-0291, previously approved on February 11, 2015, which authorized a 75 percent real property tax abatement for 8 years with PIHV Mountain Creek, LLC; and (2) a 75 percent business personal property tax abatement agreement for 8 years with Carbonlite Recycling, LLC on new business personal property to be located at 4685 Mountain Creek Parkway within Mountain Creek NEZ No. 1 in Dallas - Revenue: First year revenue estimated at \$83,688; eight-year revenue estimated at \$546,224 (Estimated revenue foregone for eight-year business personal property tax abatement estimated at \$1,638,672)
- L. Authorize a Chapter 380 e-commerce sales tax grant agreement with Chewy, Inc., a Delaware Corporation, to provide a 10-year e-commerce grant equal to 50 percent of the e-commerce sales taxes paid annually by Chewy.com customers to the City of Dallas for the ten year period beginning March 1, 2017 through February 28, 2027 from its leased facility at 7243 Grady Niblo Road in Dallas, in accordance with the City's Revised Public/Private Partnership Program; - Revenue: First year revenue estimated at \$400,000; ten-year revenue is not capped but is estimated to be approximately \$7,015,939 (Estimated ten-year grant agreement payment of \$7,015,939) - Financing: Current Funds, subject to future appropriations

### Sustainable Development & Construction

- M. Authorize a sixteen-year lease agreement with Dallas Area Rapid Transit approximately 1,068 square feet of office space located at 2111 South Corinth Street, Suite 106, to be used as the South Oak Cliff Community Court for the period February 1, 2017 through January 31, 2032, plus a one-time payment for leasehold improvements in an amount not to exceed \$138,600 - Not to exceed \$138,601 - Financing: Convention and Event Services Current Funds (subject to annual appropriations)
- N. Authorize an historic preservation tax exemption for the Lakewood Theater building located at 1825 Abrams Road for a ten-year period on the added value of the land and structure - Revenue Foregone: First year tax revenue foregone estimated at \$7,825 (Estimated revenue foregone over ten years is \$78,250)

**Action Taken/Committee Recommendation(s):** (1) Motion made to send the item to Council

**Motion made by** Mr. Thomas

**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):**

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Meeting Adjourned: 10:49 A.M.

Approved By: \_\_\_\_\_