

Memorandum



CITY OF DALLAS

DATE May 8, 2017

TO Members of the Economic Development Committee:
Rickey D. Callahan (Chair), Casey Thomas, II (Vice Chair), Adam Medrano,
Lee M. Kleinman, Carolyn King Arnold, B. Adam McGough

SUBJECT **Upcoming Agenda Item: Creation of PACE-related accounts**

At the May 24, 2017, Council meeting, you will consider authorizing the 1) City Manager to accept fees consistent with the fee schedule from Resolution 16-0722 (see page 2) for the City of Dallas Property Assessed Clean Energy Program ("Dallas PACE Program") and 2) Chief Financial Officer to receive and deposit fees generated through the Dallas PACE Program and collected by the Texas PACE Authority.

On May 11, 2016, the City created a Property Assessed Clean Energy ("PACE") financing program ("Dallas PACE Program") which is an innovative financing program that allows owners of commercial, industrial, and multi-family residential properties (with five or more dwelling units) to obtain low-cost, long-term loans for long-term or permanent water conservation, energy-efficiency improvements, and renewable retrofits. The PACE Act authorizes municipalities and counties in Texas to work with private sector lenders and property owners to finance qualified improvements using contractual assessments voluntarily imposed on the property by the owner. In exchange for funds provided by a private lender to pay for the improvements, the property owner voluntarily requests that the local government place an assessment secured with a senior lien on the property until the assessment is paid in full. The improvements financed through the Dallas PACE Program further the goals of water and energy conservation without cost to the public.

Also on May 11, 2016, the City authorized a contract with the Texas Property Assessed Clean Energy Authority dba Texas PACE Authority ("TPA") to serve as the third-party administrator of the Dallas PACE Program. TPA runs the day-to-day operations of the Dallas PACE Program, including outreach, marketing and education, management and operations, and reporting at no cost to the City. As allowed by the PACE Act, TPA collects fees from each PACE project to offset their business costs.

As part of the contract with TPA, the City established a fee schedule to offset its administrative costs associated with the Dallas PACE Program. However, the accounts to receive the funds were not established at that time. These accounts are now necessary as the Dallas PACE Program is anticipated to close its first PACE project later this year. The May 24th agenda item creates these accounts and authorizes the City to collect these funds.

May 8, 2017

Upcoming Agenda Item: Creation of PACE-related accounts

The fee schedule as approved by Resolution 16-0722 is below:

- 0.25%: \$250,000-499,999.99
- 0.5%: 500,000 to \$999,999.99
- 0.75%: \$1,000,000+
- No additional charges for projects under \$250,000 or for non-profit borrowers, regardless of project size.

The above fees will be collected at closing as part of the administrative fee and forwarded to the City of Dallas after closing as part of the closing process.

Should you have any questions or concerns, please contact me at (214) 671-5257.



Raquel Favela

Chief of Economic Development and Neighborhood Services

c: The Honorable Mayor and Members of the City Council
T.C. Broadnax, City Manager
Larry Casto, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Kimberly Bizzor Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager

Jo M. (Jody) Puckett, P.E., Interim Assistant City Manager
Eric D. Campbell, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Joey Zapata, Assistant City Manager
M Elizabeth Reich, Chief Financial Officer
Cheritta Johnson, Interim Chief of Community Services
Theresa O'Donnell, Chief of Resilience
Directors and Assistant Directors

Memorandum



DATE May 8, 2017

TO Members of the Economic Development Committee:
Rickey D. Callahan (Chair), Casey Thomas, II (Vice Chair), Adam Medrano,
Lee M. Kleinman, Carolyn King Arnold, B. Adam McGough

SUBJECT **Economic Development Grant to the Dallas Foundation from the South Dallas /Fair Park Trust Fund (District 7)**

On May 24, 2017, the City Council will consider an Economic Development Grant Agreement from the South Dallas/Fair Park Trust Fund to the Dallas Foundation in the amount of \$100,000.00 to partially underwrite the cost of The Market at Bonton Farms project located at 6905 Bexar Street, Dallas TX (see attached map)

Background

The Dallas Foundation was established in June 1929 as the Dallas Community Trust under the sponsorship of the A.H. Belo Corp., The Times Herald Printing Co., the Dispatch Publishing Co., and The Dallas Chamber of Commerce. The focus of the foundation is strategic charitable planning as well as serving and supporting donors or organizations to make their charitable giving effective, meaningful and impactful. For 86 years, The Dallas Foundation has worked to improve the quality of life for North Texans. A grant from the South Dallas/Fair Park Trust Fund will be used to support the Bonton Farms project.

Bonton Farms Enterprises is an inner city nonprofit organization focused on job training and development for residents in low income communities. The working farm in the far South Dallas/Fair Park community of Bon Ton grows vegetables and fruit, and raises goats, pigs and chickens for wholesaling and community consumption. The initiative has gained major attention for the healthy foods it provides as well as the job training provided and jobs created for the formerly incarcerated. Started on a one-and-a-half-acre plot, the farm has now been increased by 40 acres as a result of a land donation.

The Dallas Foundation is the fiscal agent for Bonton Farms Enterprises and many other North Texas Non - Profits. They assist Bonton Farms Enterprises with finances, planning and development and guidance for special projects. The Bonton Farms project will build a community market place, to be called The Market at Bonton Farms. It will provide access to healthy affordable fresh food for a community with very few options. A cafe will serve as a community gathering place as well as for food preparation and consumption. Operating the café and the market and growing produce creates jobs and offers a place for residents to participate in job preparedness training. All services will be provided directly from the farm and the community market space.

Total cost of developing the Market at Bon Ton is estimated at \$370,000. The proposed Trust Fund grant will complete the financing needed for the project. Sources of matching funds for this project include Holmes Foundation, The Dallas Foundation, Caris Foundation and the

Special Economic Development Grant to the Dallas Foundation through the South Dallas
/Fair Park Trust Fund

May 8, 2017

Page 2 of 2

Communities Foundation of Texas. (See attached Sources and Uses of Funds Chart) Other project partners include Habitat for Humanity, United Way, Communities Foundation of Texas and the Meadows Foundation.

The South Dallas/Fair Park Trust Fund assists neighborhoods in the South Dallas/Fair Park vicinity in the areas of business, community, human and economic development. Assistance is provided in the form of loans to business and grants to community based nonprofit organizations, neighborhood groups and associations.

The South Dallas/Fair Park Trust Fund serves residents and businesses in the following 13 census tracts: 25, 27.01, 27.02, 28, 29, 34, 36, 37, 38, 39.01, 39.02 and 40.

On March 22, 2017, the Trust Fund Advisory Board recommended approval of the Grant to the City Manager

Should you have any questions, please contact me at (214) 670-3309.



Raquel Favela

Chief of Economic Development & Neighborhood Services

C: The Honorable Mayor and Members of the City Council	Jo M. (Jody) Puckett, P.E., Interim Assistant City Manager
T.C. Broadnax, City Manager	Eric D. Campbell, Assistant City Manager
Larry Casto, City Attorney	Jill A. Jordan, P.E., Assistant City Manager
Craig D. Kinton, City Auditor	Joey Zapata, Assistant City Manager
Rosa A. Rios, City Secretary	M. Elizabeth Reich, Chief Financial Officer
Daniel F. Solis, Administrative Judge	Cheritta Johnson, Interim Chief of Community Services
Kimberly Bizer Tolbert, Chief of Staff to the City Manager	Directors and Assistant Directors
Majed A. Al-Ghafry, Assistant City Manager	

Job Forecast & Job Preparedness Training Program

The Market at Bonton Farms



Jobs

To launch the Market at Bonton Farms, we anticipate hiring 7 – 10 people. Factored into our P&L forecast are (4) Full Time Equivalent jobs.

BONTON FARMS

Financing Needed

Bonton Farms - 100% funded

Bonton Farms Extension - original 18.3-acre site is 100% funded. Additional 20-acres will need \$75,000.

The Market @ Bonton Farms - We seek funding from corporate donors, foundations, grants and the private philanthropic community in and around Dallas. Our model works to raise private funds through donations to cover the expenses associated with starting the social enterprise, so that each endeavor can start debt free. From that point forward, each effort must carry their own weight and prove sustainable and replicable. Our needs for this project are:

\$370,000 Total Needed

\$270,000 Building

\$100,00 FF&E

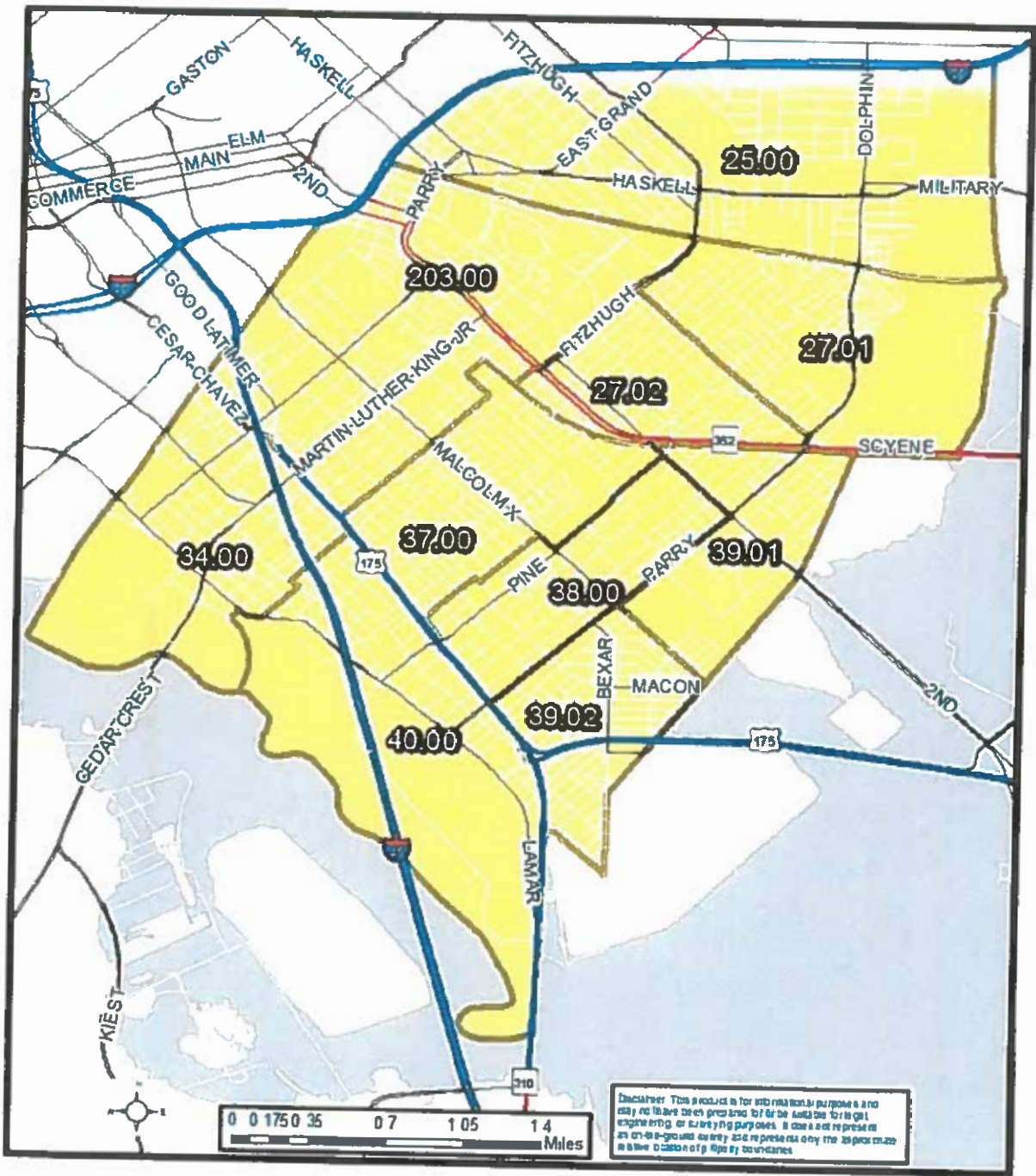
Funds committed

- \$50,000 grant received from the Dallas Foundation (Pegasus Grant)
- \$20,000 Communities Foundation of Texas
- \$100,000 Caris Foundation
- \$100,000 Family Foundation through Dallas Foundation

Remaining Funds Needed

= \$100,000 remaining funds needed to complete

Also, we will continue to seek funding to support our programs. In addition to the costs of the programs we provide, each program participant receives a weekly stipend. We also firmly believe that safe housing is key to success, so for many of our participants, we provide transitional housing while they are with us until they pass on to employment.



Disclaimer: This is not a legal document and is for informational purposes only. It does not constitute an offer of insurance or any other financial product. Please consult your agent for more information. This map is not to scale and is not intended to be used as a legal document. It is provided as a general guide only and is not intended to be used as a legal document. It is provided as a general guide only and is not intended to be used as a legal document.

Memorandum



DATE May 8, 2017

TO Members of the Economic Development Committee:
Rickey D. Callahan (Chair), Casey Thomas, II (Vice Chair), Adam Medrano,
Lee M. Kleinman, Carolyn King Arnold, B. Adam McGough

SUBJECT **Economic Development Grant to In The City For Good from the South Dallas/Fair Park Trust Fund (District 7)**

On May 24, 2017, the City Council will consider an Economic Development Grant from the South Dallas / Fair Park Trust Fund to In The City For Good in an amount not to exceed \$200,000.00 for the purpose of partially underwriting the cost of training and development of community residents for early childhood teacher certifications and other positions at the South Park YMCA Early Childhood Development Center located at 3901 Latimer, Dallas TX.

Background

In the City for Good, Inc (ITCFG) is a Dallas non-profit organization established in 2001 to assist community-based organizations in providing hunger relief, drug rehabilitation and early childhood education to residents living in the South Dallas/Fair Park community.

The agency's goal is to seek funding for community organizations to assist with underwriting the cost of bringing needed services to residents in communities where such needed services are limited. Over two years ago, ITCFG formed a partnership with the South Park YMCA (the Y) to convert a dilapidated nearby building into an early childhood development center which provides certified teachers, teachers' aides, and support staff, to increase young children's chances for academic achievement. This program will provide community members with training needed to become certified early childhood development teachers and give them jobs with the program. The South Park YMCA early childhood initiative is being developed in two phases.

Phase I of the project was to acquire a blighted property located at 3901 Latimer, across the street from the Y. The vacant structure became an eyesore for the community and a haven for undesirable activity. Discussions about the early childhood educational needs of the community and deficiency of space led to the idea of converting the property into a YMCA program for early childhood development.

ITCFG raised \$261,000.00 to acquire and renovate a fully code-compliant early childhood education building, which after completion will be deeded over to and operated by the Y. The completed building is located across from the side entrance to the Y, allowing students to benefit from the amenities and wrap around services provided.

Phase II of the project is opening and operating the early childhood development program after the facility is completed. ITCFG is committed to raising \$200,000.00 of the \$533,524.00

needed to commence and sustain the program for three years. The YMCA will fund the balance needed from their operating budget.

This will include the cost of training, including tuition, materials for classes, transportation and child care for neighborhood residents as certified teachers, teacher-aides, kitchen and administrative staff. Funds will also be used for contract personnel to develop curriculum and lead training and development. The Park South YMCA Early Childhood Development Center will help to ensure that students who attend the program are kindergarten prepared when they matriculate to primary schools

ITCFG has a committed history of supporting partners in the South Dallas/Fair Park area, including the restorative work for St. Phillips Schools and Community Center, and Outcry in the Barrio. These efforts resulted in an abandoned gas station being repurposed as a vibrant and thriving client choice food pantry and a group home to assist men moving away from a life of addiction to self-sufficiency.

The South Dallas/Fair Park Trust Fund assists neighborhoods in the South Dallas/Fair Park vicinity in the areas of business, community, human and economic development. Assistance is provided in the forms of loans to business and grants to community based nonprofit organizations and neighborhood groups and associations.

The South Dallas/Fair Park Trust Fund serves residents and businesses in the following 13 census tracts: 25, 27.01, 27.02, 28, 29, 34, 35, 36, 37, 38, 39.01, 39.02 and 40.

At their meeting on March 22, 2017, the Trust Fund Advisory Board recommended approval of the loan to the City Manager

Should you have any questions, please contact me at (214) 670-3309.



Raquel Favela
Chief of Economic Development & Neighborhood Services

- | | |
|--|--|
| C: The Honorable Mayor and Members of the City Council | Jo M. (Jody) Puckett, P.E., Interim Assistant City Manager |
| T.C. Broadnax, City Manager | Eric D. Campbell, Assistant City Manager |
| Larry Casto, City Attorney | Jill A. Jordan, P.E., Assistant City Manager |
| Craig D. Kinton, City Auditor | Joey Zapata, Assistant City Manager |
| Rosa A. Rios, City Secretary | M. Elizabeth Reich, Chief Financial Officer |
| Daniel F. Solis, Administrative Judge | Cheritta Johnson, Interim Chief of Community Services |
| Kimberly Bizer Tolbert, Chief of Staff to the City Manager | Directors and Assistant Directors |
| Majed A. Al-Ghafry, Assistant City Manager | |

South Dallas/ Fair Park Trust Fund
Special Grants Application
In the City For Good

Section V: Grant Application Budget Form
(Must be typed or completed in ink)

Agency **In The City For Good, Inc.**
Project/Program **Early Childhood Development Program**

Itemized budget for project: **\$533,524 annual operating cost**

Program Project Administrative Costs **\$ 140,627**

Personnel (including benefits)	0
Rent/Monthly Note	<u>118,279</u>
Utilities	<u>(incl. as Facility Usage)</u>
Phones	<u>22,348</u>
Postage	_____
Word Reproduction	_____
Other (specify attachment if needed)	_____

Program Delivery Total: **\$ 392,897**

Contract Personnel	<u>148,544</u>
Program Fees	<u>61,350</u>
Transportation	<u>15,606</u>
Food	<u>27,663</u>
Supplies	<u>56,254</u>
Curriculum	<u>24,032</u>
Facility Usage	<u>36,000</u>
Printing and Promo	<u>23,448</u>

Misc. (attachment if needed) _____

Total Project Cost: **\$ 533,524**

Total Funds Requested: **\$ 200,000**

REDEVELOPMENT

PARK SOUTH YMCA (3)

1501
PENNSYLVANIA AVE
Dallas, TX 75215

The Park South YMCA provides preschool for 150 three and four year olds, preparing them for Kindergarten – a much needed service in this community.

In the City For Good partnered with Trammell Crow Company to acquire the abandoned building across the street and converted it into additional classrooms to meet the need for additional space.

Before



After



www.InTheCityForGood.org

REDEVELOPMENT

OUR COMMUNITY PANTRY (5)

1501

PENNSYLVANIA AVE
Dallas, TX 75215



In The City For Good partnered with Trammell Crow Company to complete the renovation of this abandoned former liquor store to a "State of the Art" client choice food pantry in 2015.

Our Community Pantry is operated by the North Texas Food Bank and is currently serving a balanced variety of groceries including fresh dairy, produce and frozen meats to over 400 families per week.

www.InTheCityForGood.org

DEVELOPMENT

OUTCRY IN THE BARRIO (1)

4419

Hamilton Ave
Dallas, TX 75210



Outcry in the Barrio helps ex-addicts assimilate back into the community.

“We don’t measure success by how many people come into the program, but how many remain drug-free and begin to contribute to society again.”

–Billy Island, Lead Pastor



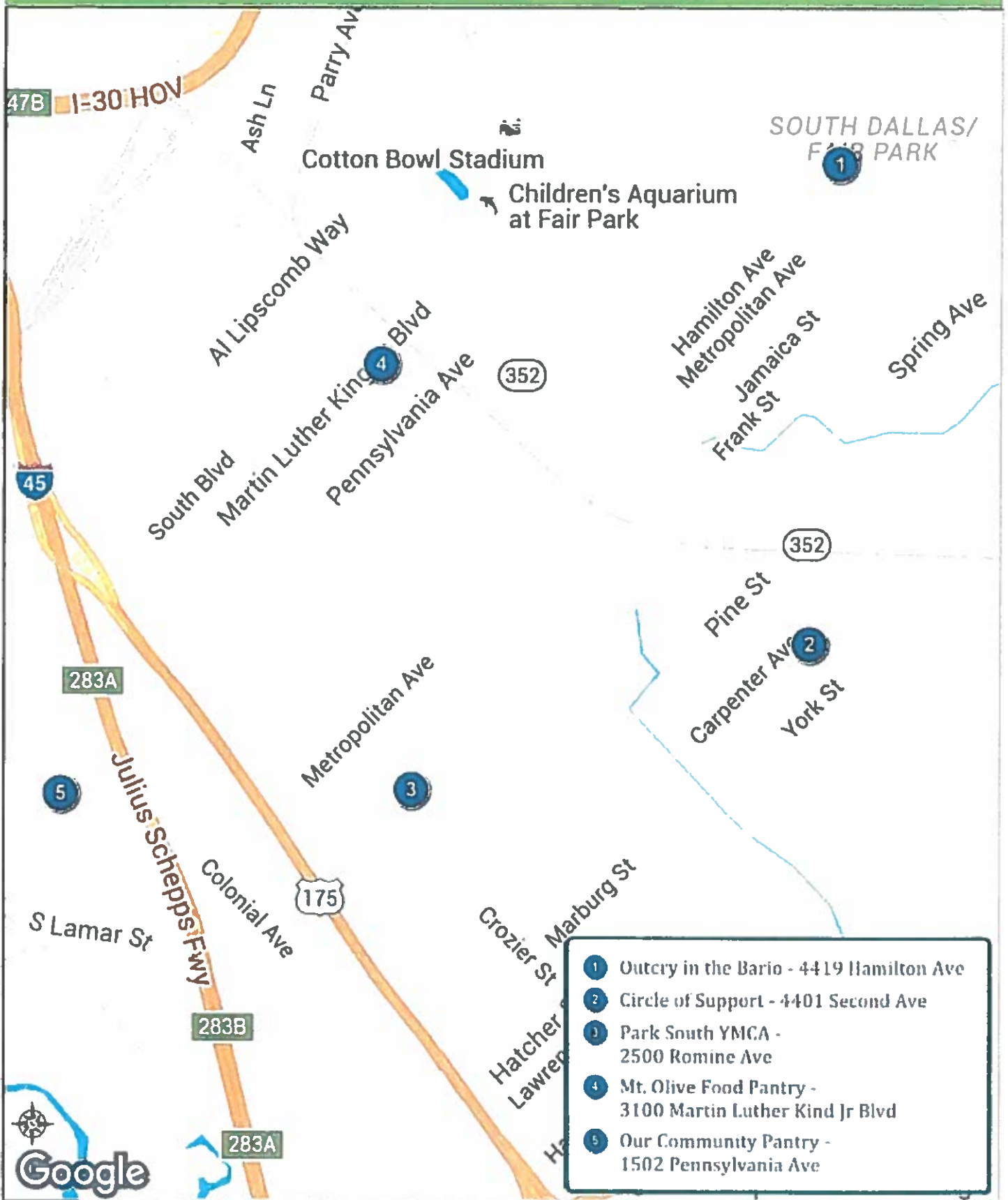
In 2008, In The City For Good developed the new home for Outcry in the Barrio.

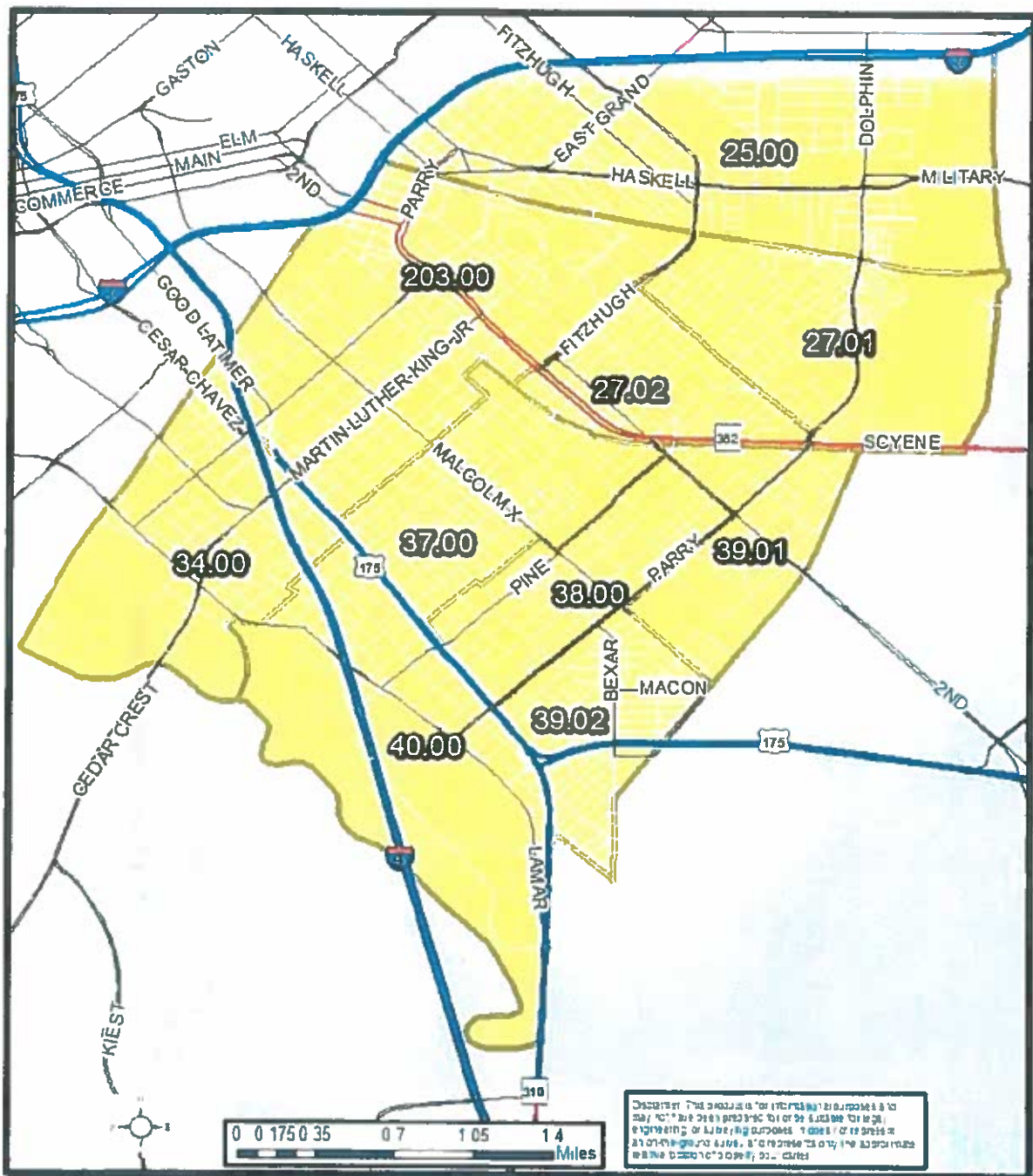
Current Home: 40+ men in the program

Former Home: 2 bedrooms occupying 10 men max

www.InTheCityForGood.org

NONPROFIT PARTNER ORGANIZATIONS





This map is for informational purposes only and does not constitute a contract. The City of Dallas is not responsible for any errors or omissions on this map. The City of Dallas is not responsible for any damages or losses resulting from the use of this map.

Memorandum



DATE May 8, 2017

TO Members of the Economic Development Committee:
Rickey D. Callahan (Chair), Casey Thomas, II (Vice Chair), Adam Medrano,
Lee M. Kleinman, Carolyn King Arnold, B. Adam McGough

SUBJECT **Economic Development Grant and South Dallas/Fair Park Trust Fund (SD/FPTF)
Economic Development Loan to the South Dallas/Fair Park Inner City
Development Corporation (ICDC) (District 7)**

On May 24, 2017, the City Council will consider (1) a Chapter 380 Economic Development Grant Agreement in the amount of \$131,231.00 to the South Dallas/Fair Park Inner City Development Corporation (Public/Private Partnership Program) and (2), a loan from the South Dallas/Fair Park Trust Fund to the South Dallas/Fair Park Inner City Development Corporation (ICDC) in the amount of \$131, 231.00. Total funding of \$263,421.00 is for the purpose of making major repairs and improvements to the Grand Plaza Shopping Center located at 3101 Al Lipscomb Way, Dallas TX 75215. (See attached map)

BACKGROUND

ICDC, a long time successful non-profit developer and CHODO in the South Dallas/Fair Park community, is owner of the Grand Plaza Shopping Center. The purpose of the funding (combined proceeds of a grant and loan) is to make sustainable repairs to the center by fully replacing the existing roof, seal coating the parking lot, upgrading electrical systems and replacing outdated, inefficient air conditioning units. Canvas awnings, exterior painting and upgraded landscaping are included in the project to enhance aesthetic appeal. From loan proceeds alone, ICDC only has the financial capability to do "band aid" repairs when more permanent improvements are needed.

The loan, from the South Dallas/Fair Park Trust Fund (Trust Fund) in the amount of \$131,231.00, the maximum amount allowable based on ICDC's ability to repay (see attached fact sheet) will cover only the cost of minimum repairs needed to increase the likelihood of tenant retention. Additional funds of \$131,231.00 are needed to make more sustainable improvements and aesthetic upgrades. Total cost of sustainable repairs and improvements is estimated to be \$263,000.00. See attached budget for improvements to be made from loan proceeds and improvements that will be enhanced by adding the grant.

Grand Plaza was originally financed by the City of Dallas with CDBG financing. The City has a 1st lien with a balance owed of \$463,120. A 2nd lien in the amount of the Trust Fund loan of \$131,231 will be added, for a total of \$594,391 of project debt, supported by an estimated value of \$894,500.

Built in 1986, the Grand Plaza Shopping Center has over 12,000 sq. ft. of retail space with eight tenants (100% occupancy). Many of the leases are expiring over the next 18 months. Repairs and improvements will create a more attractive commercial retail space that will retain

lease tenants, add value to the center and surrounding properties and increase traffic to the center and other businesses in the area. Grand Plaza is a major retail option for residents in the South Dallas Fair Park community and provides 30 jobs for mostly community residents.

Under the City's new special economic development grant category for neighborhood retail and commercial development in targeted areas, the project qualifies for an Economic Development Grant up to \$131,231.00. The project is in the South Dallas/Fair Park community and meets the minimum project investment target of the program of \$250,000.00. The loan from the Trust Fund in an amount equal to the grant meets the 50/50 funding match required.

- At the meeting held on March 22, 2017, the South Dallas/Fair Park Advisory Board recommended to the City Manager approval of a loan to the South Dallas/Fair Park Inner City Development Corporation in the amount of \$131,231.00

Should you have any questions, please contact me at (214) 670-3309.



Raquel Favela

Chief of Economic Development & Neighborhood Services

- | | |
|---|--|
| C: The Honorable Mayor and Members of the City Council | Jo M. (Jody) Puckett, P.E., Interim Assistant City Manager |
| T.C. Broadnax, City Manager | Eric D. Campbell, Assistant City Manager |
| Larry Casto, City Attorney | Jill A. Jordan, P.E., Assistant City Manager |
| Craig D. Kinton, City Auditor | Joey Zapata, Assistant City Manager |
| Rosa A. Rios, City Secretary | M. Elizabeth Reich, Chief Financial Officer |
| Daniel F. Solis, Administrative Judge | Cheritta Johnson, Interim Chief of Community Services |
| Kimberly Bizzor Tolbert, Chief of Staff to the City Manager | Directors and Assistant Directors |
| Majed A. Al-Ghafry, Assistant City Manager | |

GRAND PLAZA RENOVATION BUDGET

REPAIR ITEM	GRANT REQ.	LOAN PENDING	
PARKING LOT SEAL		\$ 10,161.00	
ROOFING	\$ 112,400.00	\$ 37,600.00	
EXTERIOR PAINTING		\$ 12,095.00	
CANVAS AWNINGS	\$ 2,165.00	14,397.00	
PAINT PLANTERS, GUARD RAILS		1,900.00	
AIR CONDITIONING UNITS	\$ 5,166.00	\$ 38,578.00	
ARCHITECT DESIGN		\$ 1,500.00	
ELECTRICAL		\$ 5,000.00	
PROJECT ADMINISTRATION	\$ 8,500.00		
UPDATE LANDSCAPING	\$ 3,000.00		
CONTINGENCY		\$ 10,000.00	
TOTAL	\$ 131,231.00	\$ 131,231.00	\$ 262,462.00

Fact Sheet
South Dallas/Fair Park Inner City Development Corporation

Applicant: South Dallas/Fair Park Inner City Development Corporation

Loan Amount Requested: \$131,231.00

Term of Loan: Five Years (60 months)

Monthly Note Payment: \$2,358.00

Interest Rate: 3% (simple interest)

Annual Debt Service: \$28,296.00

Annual Debt Service Coverage @ 1.2X: \$33,955 (Policy Requirement)

Business Location: 4907 Spring Avenue, Dallas, TX 75215

Loan Purpose: To provide partial financing for repairs to the Borrowers, Grand Plaza Retail Center, which is located at 3101 Al Lipscomb Way, Dallas, TX 75215. The loan will assist the Borrower to create a more appealing commercial retail space that will enhance the Center's ability to attract and maintain commercial lease tenants, add significant value to surrounding properties and increase business traffic to the Center and surrounding retailers.

The loan will be used to repair the existing roof, seal coat the parking lot, to make necessary electrical repairs/improvements, for architectural designs, to serve as contingency funds and to replace four outdated air conditioning units located at the Center's anchor tenant. In so doing, the loan will maintain jobs and facilitate additional business opportunities for the South Dallas/Fair Park community. A COD grant may be available to make additional needed repairs, included with the budget.

Business Description: Built in 1986, the Grand Plaza Retail Center is the apex retail and commercial outlet in the South Dallas/Fair Park community. The DCAD appraises the land at \$303,670 and improvements at \$491,330, for a total appraised value of \$795,000.

100% ownership South Dallas Fair Park Inner City Development Corporation

The center is comprised of 12,150 sq. ft. of retail space. The anchor tenant, Family Dollar is joined by 8 additional retail tenants: Henderson Chicken, King of Kutz Barber Shop, Badd Kreationz Hair Salon, Opportunities Knocks, Pamper U Nails, Metro PCS, Ace Cash Express and Star Beauty Supply.

The center employs 30 full time and 15 part time employees.

The Project is not expected to add additional employees. There is however a potential 9% increase in sales when repairs are made. The repairs will increase the likelihood that leases will be renewed. Several leases expire in the next 18 months. The anchor tenant, Family Dollar Store is at risk due to roof and parking lot issues. Such a loss would have a significant negative impact on retail options in the community.

Collateral Pledged: 2nd lien position in the retail center to the Southern Dallas Development Corporation (SDDC). Title insurance will be requested to validate fee simple ownership of pledged collateral and any encumbrances.

Relevant Calculations: (as of March 20, 2017)

-DCCAD 2016 Certified Value	\$795,000
-110% of DCAD Value	\$874,500 (\$795,000 x 1.10%)
-1 st Lien (SDDC)	\$517,154.41
-Loan Balance	\$463,120
-Equity	\$411,380
-Maximum Collateral Value	Enhanced DCAD Value = \$874,500 - Loan Balance \$463,120) = \$411,380
-Collateral Coverage	\$411,380 / \$131.3 = 3.14X

Lien position: 2nd to the Southern Dallas Development Corporation

Credit Score: N/A. **Guarantors:** No

Debt Service Coverage Requirement (DS): Trust Fund Loan Annual Payment \$33,955 plus annual 1st Lien Payment of \$26,928. Total Annual Debt Payment Requirement \$60,883

Grand Plaza Profit/Loss
Past 3 Years:

	<u>Year 2014</u>	<u>Year 2015</u>	<u>Year 2016</u>
Total Rev	171,173	182,384	183,412
Total Exp.	104,229	111,086	116,918
Net Income	66,944	71,298	66,494
DS	60,883	60,883	60,883

Projections:

	<u>Year 2017</u>	<u>Year 2018</u>	<u>Year 2019</u>
Total Rev	182,384	182,384	191,503
Total Exp.	121,112	115,000	114,000
Net Income	61,272	67,384	77,503
DS	60,883	60,883	60,883

Net income from Grand Plaza operations meets 1st and 2nd Lien Debt Service.





Memorandum



DATE May 8, 2017

TO Members of the Economic Development Committee:
Rickey D. Callahan (Chair), Casey Thomas, II (Vice Chair), Adam Medrano,
Lee M. Kleinman, Carolyn King Arnold, B. Adam McGough

SUBJECT **Sports Arena TIF District Plan and Grant Program Amendment and L.G. Pinkston High School Workforce Ready Program TIF Grant**

On May 24th, 2017, City Council will consider (1) an amendment to the Sports Arena TIF District Plan and Grant Program to allow TIF Grant funding for workforce training programs within the district's boundary and adjacent areas; and (2) a TIF Grant up to \$50,000 to fund a Workforce Ready Program at L.G. Pinkston High School, which is located less than half a mile west of the Sports Arena TIF District's West Dallas Sub-district (See Attachment A for location map).

In 2015, City Council amended criteria used to evaluate creation of new TIF Districts. The City's TIF Policy was amended to add consideration for funding education/training programs that benefit the district and adjacent neighborhoods. The proposed amendment to District's Plan and Grant Program is required to make the below described program an eligible TIF Grant project. With this proposed amendment, a small portion of West Dallas Sub-district revenue set-aside for general district wide improvements, may be used to support workforce training programs within and/or adjacent to the Sub-district. Dallas Independent School District and Dallas County Community College District will be partners in this initiative.

A TIF Grant, in an amount not exceed \$50,000, is requested to fund a workforce ready program for 100 seniors attending Pinkston High School who have chosen to enter the workforce upon graduation. The program focuses on four career pathways (25 students in each pathway): (1) architecture; (2) automotive technology; (3) emergency operator; and (4) welding. Students participating in the program will develop technical and soft skills required for their chosen career pathway. Proposed funding will cover costs of certification, exams, training software and equipment and conferences associated with each career pathway. The program will recruit Industry Partners in each career pathway and the students will work with and learn from those partners as part of the program. The program's goal is to have each student graduate with a career certificate and skills necessary to gain employment in their chosen pathway. The program is planned for the 2017-2018 school year. See **Attachment B** for additional program details.

Anticipated total program cost for 100 seniors is approximately \$43,295 and is comprised of the following estimated components: (1) personnel stipends \$14,300; and (2) career pathway expenses (exams, certificates, equipment, software, etc.) \$28,995. The Sports Arena TIF District Board of Directors recommended providing a Grant in an amount not to exceed \$50,000, providing additional funds to allow additional student

L.G. Pinkston High School Workforce Ready Program

May 8, 2017

Page 2 of 6

participation. See **Attachment C** for detailed program budget and **Attachment D** for program terms.

Should you have any questions, please contact me at (214) 671-5257.



Raquel Pavela

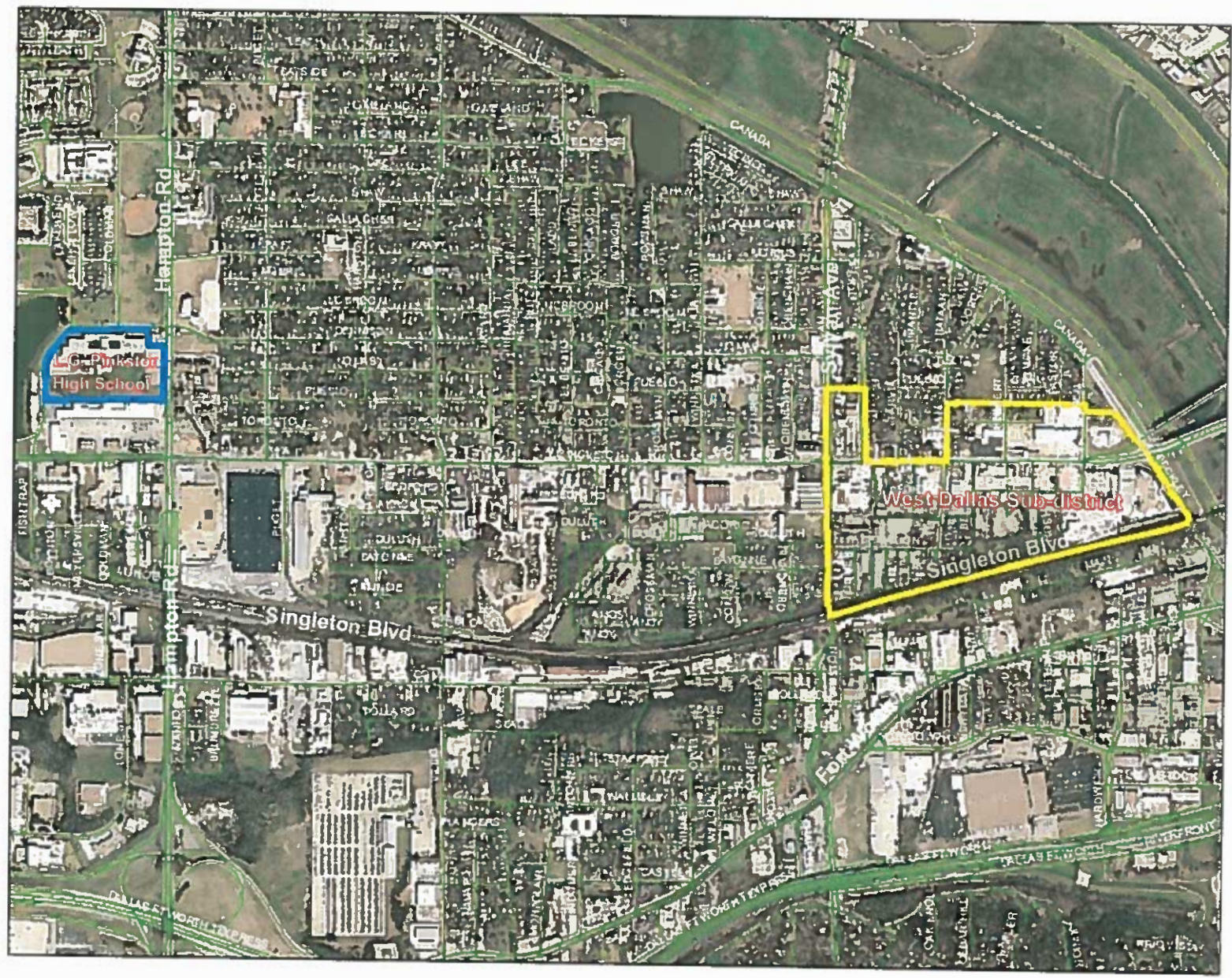
Chief of Economic Development and Neighborhood Services

Attachments

c: The Honorable Mayor and Members of the City Council
T.C. Broadnax, City Manager
Larry Casto, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solís, Administrative Judge
Kimberly Bizar Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager

Jo M. (Jody) Puckett, P.E., Interim Assistant City Manager
Eric D. Campbell, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Joey Zapata, Assistant City Manager
M. Elizabeth Reich, Chief Financial Officer
Cheritta Johnson, Interim Chief of Community Services
Theresa O'Donnell, Chief of Resilience
Directors and Assistant Directors

Attachment A – Location Map



L. G. PINKSTON HIGH SCHOOL PROOF CONCEPT PROPOSAL

January 2017

A. Purpose

To connect L. G. Pinkston High School students opting to enter the workforce upon graduation with an Industry Partner in the career field of their high school endorsement or pathway.

B. The Objective

Through strategic partnerships between Pinkston and Industry Partners, participating students will:

- Develop "Soft Skills" required by Industry Partner relevant to career certification
- Obtain career certificates required by Industry Partner upon high school graduation
- Gain a competitive advantage in obtaining employment with the Industry Partner after high school graduation

C. Pathways

- Architecture
- Automotive Technology
- Emergency Operator (911) *Reality BASIC Simulator & Simulation Software
- Welding

D. Work Scope Overview "Four Year Model at a Glance"

Student Classification	Grade Level	Pinkston Role	Industry Partner Role
Freshman	9	<ul style="list-style-type: none"> • Students select pathway • Students complete prerequisite coursework 	<ul style="list-style-type: none"> • Facilitate campus field trip/site visit to Industry Partner (1)
Sophomore	10	<ul style="list-style-type: none"> • Students complete 2nd year prerequisite coursework • Industry Partner student project 	<ul style="list-style-type: none"> • Facilitate campus field trip/site visit to Industry Partner (1) • Collaboratively design Industry Partner project
Junior	11	<ul style="list-style-type: none"> • Industry Partner site visits to campus (2 per semester) • Soft skills mapping taught in Pinkston classes * Pinkston staff trained by Industry Partner 	<ul style="list-style-type: none"> • Facilitate campus field site visits to Industry Partner (4) total • Train Pinkston staff on Industry Partner soft skills (Professional Development)
Senior	12	<ul style="list-style-type: none"> • Industry Partner Internship • Job Shadowing • Teach resume building & interview grooming as designed by Industry Partner • Apply for available job openings 	<ul style="list-style-type: none"> • Facilitate Internship • Facilitate Job Shadowing • Train Pinkston staff on resume building & interview grooming

E. Impact

- Pinkston Senior Class: Approximately 170-200 Students
- Project Target 25 students per pathway
- 100 students (50-59%) of Graduating Seniors

F. Pathway Income Projections – Dallas, Texas *Estimates from (Salary.com)

Pathway	Career in Pathway	Hourly Median Salary	Annual Average Salary	Salary Range
Architecture	Graphic Design Specialist	\$27	\$55,137.00	\$43,760.00 \$67,620.00
Automotive Technology	Mechanic Technician	\$20	\$40,596.00	\$30,482.00 \$51,522.00
Emergency Operator (911)	Emergency Dispatcher	\$18	\$37,363.00	\$28,343.00 \$45,257.00
Welding	Welder	\$25	\$52,501.00	\$38,117.00 \$67,232.00

L. G. PINKSTON HIGH SCHOOL PROOF CONCEPT PROPOSAL

January 2017

G. Strategic Personnel

Campus Personnel Pinkston High School	Description
Workplace Coordinator	<ul style="list-style-type: none"> Serve as the chief liaison between the Industry Partners and campus for all pathways Meet with Industry Partners Collaboratively plan events/ work scope Monitor impact of program Coordinate field trip, job shadowing, and enrichment
Pinkston Pathway Instructors	<ul style="list-style-type: none"> Facilitate program Monitor student success Participate in Professional Development from Industry Partner (soft skills, resume building, interviewing, ect.) Implement/ teach Industry Partner skills/lesson to students

H. Personnel Stipends

Workplace Coordinator (1)

- \$5,000.00 stipend paid in 2 increments end of each semester (\$2,500.00)

Pinkston Pathway Instructors (4)

- \$2,000.00 stipend paid in 2 increments end of each semester (\$1,000.00)

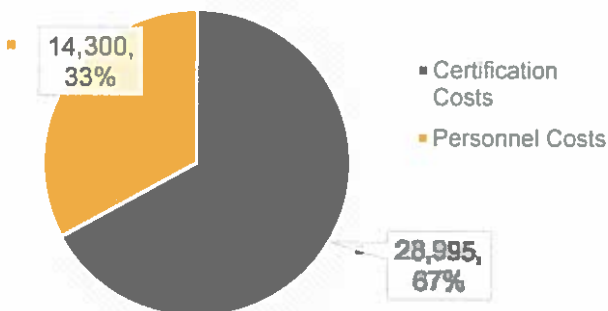
Personnel Stipend Total **\$14,300** (*10% included in total personnel stipend for benefits costs)

I. Career Pathway Expenses

Pathway	Certification	Estimated Total Cost	Expense Type
Architecture	Autodesk Revit Architecture Certified User	\$1,850.00	<ul style="list-style-type: none"> Certificate Exam
Automotive Technology	Automotive Service Excellence ASE Certification *Regional & State Auto-Tech Conferences Waco, Corpus Christi	\$ 1,125.00 \$ 10,000	<ul style="list-style-type: none"> Certificate Cost Exam Cost Registration/Lodge
Emergency Operator (911) *Additional Unit May Be Purchased	NECC National Emergency Communications Certification	\$14,895.00	<ul style="list-style-type: none"> 911 Reality Simulator Software Certifications
Welding	AWS American Welding Society Certified Welder	\$ 1,125.00	<ul style="list-style-type: none"> Certificate Cost Exam Cost
Total			\$28,995

J. Proposal Budget Projections

Total Dollar Amount
\$43,295



K. Students in Pathway

Pathway Projections



Attachment C

L. G Pinkston High School - Workforce Ready Program Costs

** Each pathway will target 25 students, classified as Seniors*

Pathway: Architecture

Certification: Autodesk Revit Architecture Certified User

Expense	Cost Per Student	Total Cost
Certification Costs	\$75.00	\$1,875.00
Total Architecture Pathway Cost		\$1,875.00

Pathway: Automotive Technology

Certification: Automotive Service Excellence (ASE) Certification

Expense	Cost Per Student	Total Cost
Certificate Costs	\$30.00	\$750.00
Regional Auto-Tech Conference-Waco, TX Re	\$30.00	\$750.00
Regional Auto-Tech Conference-Waco, TX Room & Board (# of Students)	\$159.50	\$3,987.50
State Auto-Tech Conference-Corpus Christi, TX Registration (# of Students)	\$75.00	\$1,875.00
State Auto-Tech Conference-Corpus Christi, TX Room & Board (# of Students)	\$159.50	\$3,987.50
Total Automotive Technology Pathway Cost		\$11,350.00

Pathway: Emergency Operator

Certification: National Emergency Communications Certification (NECC)

Expense	Cost Per Student	Total Cost
911 Reality BASIC Simulator (# Certification/ software/licenses included)	N/A	14,895.00
Software Licenses (#)	N/A	
Certification Costs (# of Students)		
Total Emergency Operator Pathway Cost		14,895.00

Pathway: Welding

Certification: American Welding Society (AWS) Certified Welder

Expense	Cost Per Student	Total Cost
Exam Costs (# of Students)		
Certificate Costs (# of Students)	\$35.00	\$875.00
Total Welding Pathway Cost		\$875.00

Program Personnel Stipends (paid at the end of each semester)

Workplace Coordinator	\$50.00	\$5,000.00
Architecture Pathway Instructor	\$80.00	\$2,000.00
Automotive Pathway Instructor	\$80.00	\$2,000.00
Emergency Operator Pathway Instructor	\$80.00	\$2,000.00
Welding Pathway Instructor	\$80.00	\$2,000.00
Benefit Costs for Instructors and Coordinators	\$52.00	\$1,300.00
Total Program Personnel Cost		\$14,300.00

Estimated Total Workforce Ready Program Cost		\$43,295.00
---	--	--------------------

Attachment D – Program Requirements

- A. Begin Program by August 31, 2017;
- B. Complete Program by May 31, 2018;
- C. Secure participation of industry partners for each career pathway by July 31, 2017;
- D. Conduct background check for all industry partners prior to start of program;
- E. Personnel Stipends shall be paid in two installments at the end of each semester, as follows:
 - a. Work Place Coordinator (1) – Coordinator shall receive \$2,500 stipend each semester, paid by December 15, 2017, and by May 15, 2018, for a total not to exceed \$5,000
 - b. Pinkston Career Pathway Instructors (4) – Each instructor shall receive \$1,000 stipend each semester, paid by December 15, 2017, and by May 15, 2018, for total not to exceed \$8,000 for all instructors
- F. A minimum of 70% of high school seniors participating in the Program shall complete the Program and successfully obtain certification in a career pathway; and
- G. Submit to the Director of the OED a quarterly status report for the Program detailing ongoing activities.