

RECEIVED

ECONOMIC DEVELOPMENT COMMITTEE  
DALLAS CITY COUNCIL COMMITTEE AGENDA

REVISED

2017 FEB 16 PM 4:34

CITY SECRETARY  
DALLAS, TEXAS

TUESDAY, FEBRUARY 21, 2017  
CITY HALL  
COUNCIL BRIEFING ROOM, 6ES  
1500 MARILLA  
DALLAS, TEXAS 75201  
9:00 A.M. – 10:30 A.M.

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

Call to Order

1. Approval of February 6, 2017 Economic Development Committee Minutes

**BRIEFINGS**

2. Flora Street Lofts Project  
Karl Zavitkovsky, Director  
Office of Economic Development

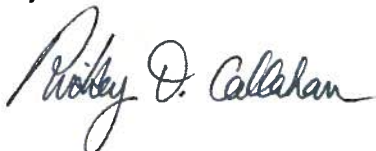
3. **UPCOMING AGENDA ITEMS**

February 22, 2017

**Economic Development**

- A. Authorize (1) the rejection of proposals received for Lancaster Corridor Re-development Project; and (2) the re-advertisement for new proposals - Financing: No cost consideration to the City
  - B. Authorize a construction contract with Texas Standard Construction, Ltd., lowest responsible bidder of four, for the reconstruction of street paving, storm drainage, traffic signal, landscaping, and water and wastewater main improvements along Gus Thomasson Road from San Medina Avenue to Ferguson Road - Not to exceed \$4,216,722 - Financing: 2003 Bond Funds (\$1,687,463), General Obligation Commercial Paper Funds (\$1,350,395), 2012 Bond Funds (\$290,644) and Water Utilities Capital Construction Funds (\$888,220)
  - C. Authorize an increase in the construction contract with Texas Standard Construction, Ltd. for additional work associated with water and wastewater main relocations in advance of paving and drainage improvements related to Street Group 12-637 - Not to exceed \$142,277, from \$20,737,091 to \$20,879,368 - Financing: Water Utilities Capital Construction Funds
4. Tour of Inland Port

Adjourn



Rickey D. Callahan, Chair  
Economic Development Committee

## EXECUTIVE SESSION NOTICE

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

1. seeking the advice of its attorney about pending or contemplated litigation, settlement offers, or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act. [Tex. Govt. Code §551.071]
2. deliberating the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.072]
3. deliberating a negotiated contract for a prospective gift or donation to the city if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.073]
4. deliberating the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing. [Tex. Govt. Code §551.074]
5. deliberating the deployment, or specific occasions for implementation, of security personnel or devices. [Tex. Govt. Code §551.076]
6. discussing or deliberating commercial or financial information that the city has received from a business prospect that the city seeks to have locate, stay or expand in or near the city and with which the city is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect. [Tex Govt. Code §551.087]

### **Handgun Prohibition Notice for Meetings of Government Entities**

"Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun."

*"De acuerdo con la sección 30.06 del código penal (ingreso sin autorización de un titular de una licencia con una pistola oculta), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola oculta."*

"Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly."

*"De acuerdo con la sección 30.07 del código penal (ingreso sin autorización de un titular de una licencia con una pistola a la vista), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola a la vista."*

# 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):**

February 6, 2017  
ED- Committee Meeting 4 of 4

Meeting Adjourned: 10:49 A.M.

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

# Memorandum



DATE February 17, 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 **Flora Street Lofts Project**

On Tuesday, February 21, 2017, the Economic Development Committee will be briefed on the Flora Street Lofts Project.

Briefing material is attached.

Should you have any questions, please contact me at (214) 670-3390. Thank you.



Mark McDaniel  
Acting First Assistant City Manager

C: The Honorable Mayor and Members of the City Council

T.C. Broadnax, City Manager	Jill A. Jordan, P.E., Assistant City Manager
Larry Casto, City Attorney	Joey Zapata, Assistant City Manager
Craig D. Kinton, City Auditor	Theresa O'Donnell, Chief of Resilience
Rosa A. Rios, City Secretary	M. Elizabeth Reich, Chief Financial Officer
Daniel F. Solis, Administrative Judge	Sana Syed, Public Information Officer
Eric D. Campbell, Assistant City Manager	Elsa Cantu, Assistant to the City Manager – Mayor & Council Directors and Assistant Directors

# Flora Street Lofts Project

Economic Development Committee  
February 21, 2017



# Purpose

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- Review the Flora Street Lofts Project and funding sources
- Discuss Housing Department and Dallas Housing Finance Corporation (DHFC) project-related initiatives
- Understand strategic importance of Flora Street Lofts
- Seek Economic Development Committee approval for Council consideration on March 22, 2017 of recommended TIF subsidy of up to \$4,577,916

# City Center TIF District Funding

## *Background*

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- City Center TIF District has several set-aside budget categories, including Affordable Housing
- Funds for affordable housing can be used outside of the TIF District Boundary
- Total anticipated affordable housing set-aside is \$6,500,000
- \$1,142,594 has accrued and collected to date (2014-2016 collections)
- None of set-aside funding has been committed to date

# *Project Description*

- Flora Lofts offers a unique project in the heart of the Arts District
- The development consists of adjoining projects that share a common lobby area, with completely separate ownerships
- Flora Street Lofts:
  - 52 Residential Units for local working artists (83% affordable units)
    - 5 Units at 50% AMFI
    - 38 Units at 60% AMFI
    - 9 Units at Market Rate
- 136 parking spaces for Flora Lofts project
  - Includes 35 spaces dedicated for Flora Lofts residents
  - Remaining 101 spaces are non-dedicated flex spaces for public use/residents



# *Project Description*

- Adjoining project, NOT funded with City dollars (separate ownership/ separate project):
  - Atelier Tower - 364 market rate high rise units (552 parking spaces)
  - 14,774 square feet ground floor retail space



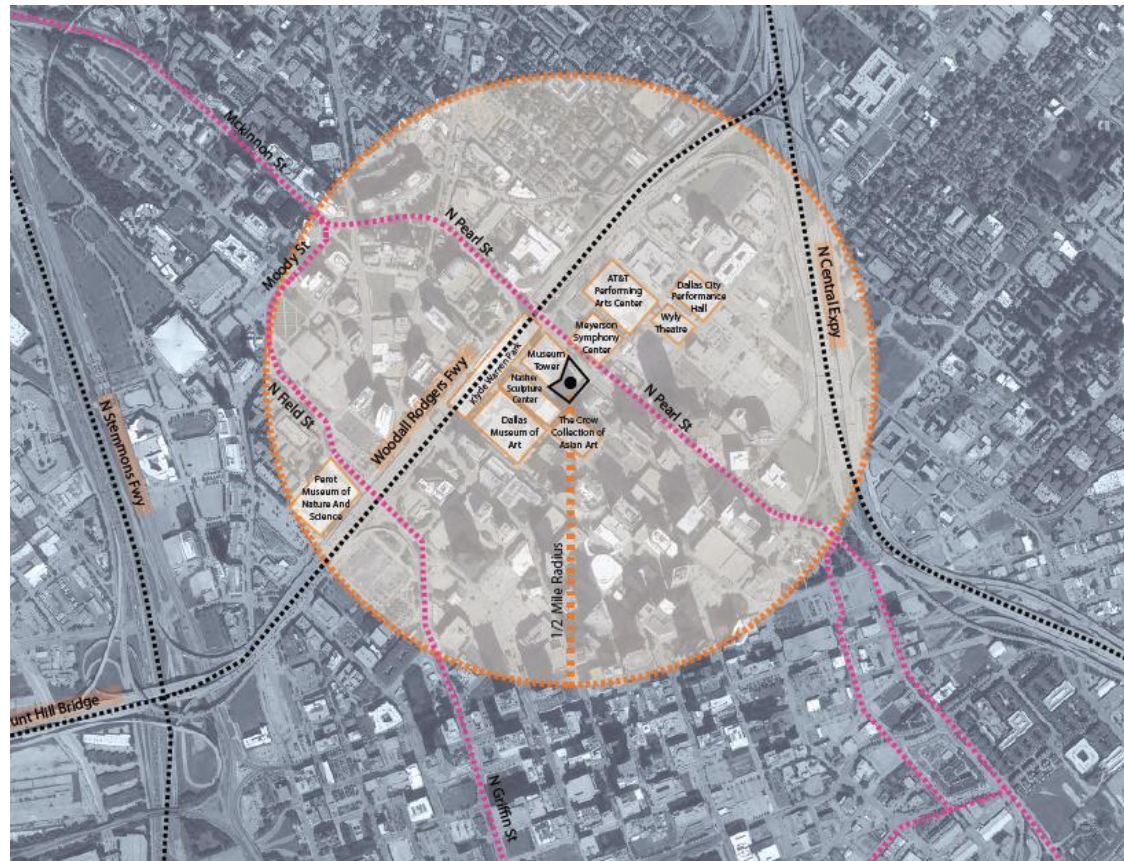
# Project Description

- Retail constructed and owned by separate entity
    - Despite separate ownership, agreement with Flora Lofts developer will require that 50% of retail is occupied prior to any TIF payments
    - Many of the architecturally significant buildings in the Arts District do not have retail; this project provides much needed restaurant/retail square footage (10,000 square feet required) in district
  - Flora Lofts provides opportunity to strengthen connection between Arts District and Klyde Warren Park, along ROW adjacent to Museum Tower
  - **Flora Lofts Project Cost: \$24,859,690**
  - **Start Construction: 7/2017**
  - **Complete Construction: 3/2019**
- (see project fact sheet appendix, page 18)



# Location Map

- Located in the Arts District with close proximity to City of Dallas public investments



# *Housing Department and Dallas Housing Finance Corporation (DHFC) Related Program Information*

- On February 6, 2017, Housing Committee recommended for Council consideration on February 22<sup>nd</sup>, 1) a resolution of approval for Texas Department of Housing and Community Affairs (TDHCA) award of 4% Housing Tax Credits (HTCs) and 2) a \$2.5M project subsidy funded by Housing G.O. Bonds
  - Project location in high opportunity area: < 20% poverty rate; “Met standard” school rating
- On February 14, 2017, DHFC Board approved authorization to issue and inducement for Mortgage Revenue Bonds in approximate amount of \$14M
- On February 22, 2017, Council action to authorize a Public Hearing related to 1) 4% TDHCA tax credit award and 2) DHFC issuance of Tax Exempt Revenue Bonds
- On March 9, 2017, Tax Equity and Fiscal Responsibility (TEFRA) Hearing
- On March 22, 2017, Public Hearing and Council action related to TDHCA 4% Tax Credit Award and DHFC Bond Issuance and Council action related to Housing G.O. Bond subsidy

# Sources of Funds (Construction Period)

- The unique nature of this project requires layering financing

SOURCE	AMOUNT	ADDITIONAL INFO
<b>DEBT</b>	<b>\$16,408,886 (66%)</b>	
Mortgage Revenue Bonds	\$13,907,886	To be issued by DHFC (requires DHFC Board and Council approval)
LRTX (La Reunion TX)	\$1,001,000	Artist organization with arts residency program
Greene Family Loan	\$1,000,000	Graham Greene family
FHLB	\$500,000	Federal Home Loan Bank
<b>EQUITY</b>	<b>\$5,950,804 (24%)</b>	
HTC	\$4,546,978	Requires City Council resolution of support; \$7,579,038 at C/O
Deferred Developer Fee	\$1,403,826	GREENarc
<b>CITY SUBSIDY</b>	<b>\$2,500,000 (10%)</b>	
Housing G.O. Bonds	\$2,500,000	Housing Committee approved NOFA on 2/6; Council Action on 2/22
<b>TOTAL PROJECT COST</b>	<b>\$24,859,690</b>	
TIF SUBSIDY	\$4,577,916 (18.4%)	Payable upon project C/O and compliance with TIF requirements and subject to TIF funding availability



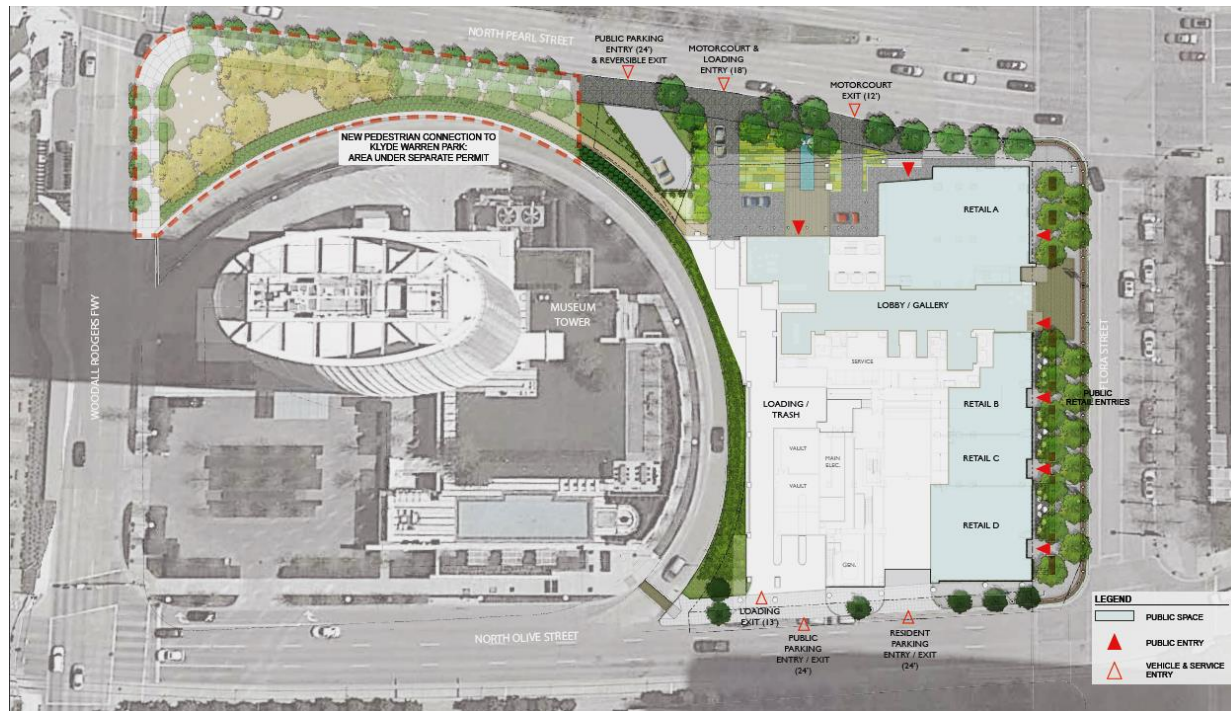
# *Project Design*



- **Design Review:** Design Peer Review reviewed and approved design of project

# Project Design

- Focus on ground floor design
- Streetscape improvements to strengthen connection between Arts District and Klyde Warren Park
  - Developer to use ROW for construction staging in exchange for improving this connection (improvement requirement remains if developer chooses not to use site for construction staging)



# *Proposed City Subsidy*

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- TIF subsidy not to exceed \$4,577,916\*
  - Provide partial gap funding to support affordable housing at 50%-60% AMFI
  - Payable over time, likely by 2022
- Housing G.O. Bonds will provide additional gap assistance
  - \$2,500,000 City Housing G.O. Bonds

\* Note this project was approved by City Council for TIF funding in 2014 with a different scope and TIF funding for public parking; that resolution is now null and void

# Strategic Importance of Proposed Project

- Provides affordable housing for artists in the Arts District
- Provides inexpensive short term public parking for cultural district/park patrons at a convenient location within the Arts District at no direct cost to City
- Ancillary development provides ground floor retail to complement the many art-focused area buildings



# *TIF Board Funding Recommendation*

- On December 8, 2016, City Center TIF District Board of Directors reviewed and approved TIF funding for affordable housing in Flora Lofts Project in an amount not to exceed \$4,577,916



# *Housing Committee Actions*

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- On February 6, 2017, Housing Committee reviewed and recommended \$2,500,000 in bond funds for Flora Lofts Project
- On February 21, 2017, Housing Committee will review proposed public hearing relative to TDHCA Tax Credit award and DHFC issuance of Tax Exempt Revenue Bonds

# Recommendation and Next Steps

- Economic Development Committee approval of TIF subsidy up to \$4,577,916 for Council consideration on March 22, 2107
- Council action on February 22, 2017
  - Authorization of Public Hearing in relation to TDCHA Tax Credit award and DHFC issuance of Tax Exempt Revenue Bonds
- Tax Equity and Fiscal Responsibility (TEFRA) Hearing regarding Bond Issuance on March 9, 2017
- Public Hearing and Council Action on March 22, 2017, related to:
  - TDHCA 4% Credit Award
  - DHFC Tax Exempt Revenue Bond Issuanceand
- Council consideration of TIF subsidy up to \$4,577,916 and \$2.5M for G.O. Bond Subsidy

# APPENDIX



# Project *Facts*

Flora Lofts Project Facts	
Minimum Residential Space (required)	50,000 s.f. 52 Units
Affordable Housing Units Provided	43 Units
Market Rate Units Provided	9 Units
Minimum Retail Space	10,000 s.f.
Minimum Parking Spaces	136 spaces
Required Private Investment (construction hard and soft costs)	Min. \$20,000,000
Expected Total Project Cost	\$24,859,691
TIF Funding	\$4,577,916
% TIF funds to total project cost	18%
Deadline to Obtain Building Permit	July 1, 2017
Deadline to Obtain Final CO	March 1, 2019

# Highlights of TIF Funding Conditions

- Minimum investment of \$20,000,000
- Minimum 50,000 square feet of residential rental space (approximately 52 residential rental units) in Flora Lofts Housing Project of which a minimum of 43 units shall be set aside as affordable for a minimum of 15 years, as described in the rent schedule
- 136 parking spaces for Flora Lofts Housing Project, with 35 spaces dedicated for Flora Lofts residents and remaining 101 non-dedicated flex spaces for public use/residents
- Ground floor that demonstrate good urban parking garage design including a minimum of 10,000 square feet ground floor retail/commercial space, excluding lobby;
- Start construction and/or demolition for the Project by July 1, 2017;
- Project Completion by March 1, 2019;
- Operation and Maintenance Agreement for public infrastructure improvements associated with the Project at CO Date, for 20 years;
- Substantial conformance with the Urban Design Peer Review Panel recommendations for the Primary Project, related project (residential tower) and adjacent public right of way along North Pearl Street referenced on plans as “New Pedestrian Connection to Klyde Warren Park”

# Highlights of TIF Funding Conditions

- Comply with Business Inclusion and Development (“BID”) goal of twenty-five percent (25%) Minority/Women-owned Business Enterprise (M/WBE) for private improvement construction expenditures for components of Flora Lofts Project;
- If necessary, project deadline can be extended up to 12 months, subject to Office of Economic Development Director and TIF District Board approval;
- A minimum of at least 50% of ground floor space must be occupied prior to TIF payment.



NOTE: RENDERING DOES NOT SHOW REVISIONS FROM THE UDPR COMMENTS

# Project Proforma

Flora Lofts Project Pro Forma			
PROJECT ADDRESS:	2121 Flora Street		
PROJECT TYPE:	Residential		
CONSTRUCTION START DATE:	July 1, 2017		
PROJECT COMPLETION DATE:	March 1, 2019		
<b>Residential Units</b>	<u>SF</u> 50,681	<u># of Units</u> 52	<u>Avg SF</u> 975
<b>Project Costs</b>		<b>YEAR 5</b>	
Total Cost	\$23,607,798	<b>Revenue</b>	
Land Cost	\$1,251,893	Effective Gross Annual Income	
<b>Total Project Cost (without City \$)</b>	<b>\$24,859,691</b>		\$909,523
		<b>Expenses</b>	
Total Project Cost	\$24,859,691	Total Annual Expenses	
TIF Assistance	\$4,577,916		(\$356,083)
Additional City Supported Assistance	\$2,500,000		
HTC	\$7,579,038		
<b>Net Cost to Developer</b>	<b>\$10,202,737</b>		
<b>Return on Cost Analysis</b>		<b>NOI</b>	
<b>NOI/Total Project Costs</b>			\$553,440
Return on Cost (without assistance)	2.2%		
Return on Cost (with assistance)	5.4%		

# Sponsorship

- Graham & Katherine Greene (Owner)
  - **GRAHAM GREENE AIA** has engaged, over the last 30 years, in the ownership and investment of complex multi use developments consisting of mixed income housing, urban retail and educational facilities. He has been a primary catalyst for and held a majority ownership in the realization of over 1 million square feet of high density urban development in Dallas, Texas. Each project is conceived to fit a unique situation or specialized need where the standard production oriented developers have shown little interest.
- Financial and Development Consultant:
  - **GRADY (BUDDY) JORDAN JR.** Real estate investor/developer for more than 40 years in DFW and Oklahoma. Former tax CPA & Management Consultant (Coopers & Lybrand). Developed more than 3 million square feet of commercial and residential space. Currently active in development of 1701 Canton, 508 Park, 515 Park, Las Colinas Equestrian Center. Charitable/Civic engagements include – Elder of First Presbyterian Church, Director of Interfaith Housing Coalition, Director of North Texas Education Finance Corp.

**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 22, 2017  
**COUNCIL DISTRICT(S):** 4  
**DEPARTMENT:** Office of Economic Development  
**CMO:** Mark McDaniel, 670-3256  
**MAPSCO:** 65 G

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### **SUBJECT**

Authorize the rejection of proposals received for the Lancaster Corridor Re-development Project - Financing: No cost consideration to the City

### **BACKGROUND**

This action will authorize the rejection of proposals received for solicitation BGZ1602 for Lancaster Corridor Re-development Project. The Office of Economic Development determined it would be more advantageous to the City to reject the proposal.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

Information about this item will be provided to the Economic Development Committee on February 21, 2017.

### **FISCAL INFORMATION**

No cost consideration to the City

**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 22, 2017  
**COUNCIL DISTRICT(S):** 9  
**DEPARTMENT:** Mobility and Street Services  
Water Utilities  
**CMO:** Jill A. Jordan, P.E., 670-5299  
Mark McDaniel, 670-3256  
**MAPSCO:** 38 M

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## **SUBJECT**

Authorize a construction contract with Texas Standard Construction, Ltd., lowest responsible bidder of four, for the reconstruction of street paving, storm drainage, traffic signal, landscaping, and water and wastewater main improvements along Gus Thomasson Road from San Medina Avenue to Ferguson Road - Not to exceed \$4,216,722 - Financing: 2003 Bond Funds (\$1,687,463), General Obligation Commercial Paper Funds (\$1,350,395), 2012 Bond Funds (\$290,644) and Water Utilities Capital Construction Funds (\$888,220)

## **BACKGROUND**

This item is placed on the addendum in order to expedite construction and facilitate coordination with the planned adjacent private development, in conjunction with the Chapter 380 economic development grant agreement with Casa View II Ltd. and/ or its affiliates (Owners), in consideration of the Shopping Center located at 2331 and 2203 Gus Thomasson Road, pursuant to the Public/Private Partnership Program.

On February 10, 2016, Administrative Action No. 16-5470 authorized a professional services contract with Freese and Nichols, Inc. for a traffic study which entailed studying the feasibility of reducing the number of lanes on Gus Thomasson Road immediately east and west of Ferguson Road from the existing six lanes to four lanes. On May 25, 2016, Resolution No. 16-0871 authorized Supplemental Agreement No. 1 to the professional services contract with Freese and Nichols, Inc. for the engineering design of complete street improvements for Gus Thomasson Road from San Medina Avenue to Ferguson Road and Casa View Drive from Gus Thomasson Road to 330 feet south.

**BACKGROUND** (Continued)

On August 10, 2016, a public hearing was conducted and Resolution No. 16-1248 authorized a Thoroughfare Plan Amendment to change the dimensional classification of Gus Thomasson Road from Easton Road to Mesquite city limits, from an existing roadway designation (six-lane divided) to a special four-lane divided (SPCL 4D) roadway within 80 to 85 feet of right-of-way. On January 3, 2017, Administrative Action No. 17-5169 authorized Supplemental Agreement No. 2 to investigate potential soil contamination and provide additional design for storm drainage system improvements.

This action will authorize a construction contract with Texas Standard Construction, Ltd. for the reconstruction of street paving, storm drainage, traffic signal, landscaping, and water and wastewater main improvements along Gus Thomasson Road from San Medina Avenue to Ferguson Road. This action will also cancel the 2012 resurfacing projects of Gus Thomasson Road from Zacha Drive to Desdemona Drive, Easton Road from Garland Road to Gus Thomasson Road, Emerald Isle Drive from Garland Road to park entrance, and Ocala Avenue from Garland Road to San Fernando Way and reprogram the funds to construct the complete street improvements along Gus Thomasson Road from San Medina Avenue to Ferguson Road.

The following chart shows Texas Standard Construction, Ltd. completed contractual activities for the past three years:

	<u>STS</u>	<u>WTR</u>	<u>PKR</u>
Projects Completed	10	0	0
Change Orders	20	0	0
Projects Requiring Liquidated Damages	0	0	0
Projects Completed by Bonding Company	0	0	0

**ESTIMATED SCHEDULE OF PROJECT**

Began Design	May 2016
Completed Design	January 2017
Begin Construction	April 2017
Complete Construction	March 2018

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

The City Plan Commission Transportation Committee acted on the proposed Thoroughfare Plan Amendment to change the dimensional classification of Gus Thomasson Road from Easton Road to Mesquite city limits from an existing roadway designation to a special four-lane divided (SPCL 4D) roadway within 80 to 85 feet of right-of-way on May 5, 2016, and followed staff recommendation of approval.



**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)** (Continued)

The City Plan Commission acted on the proposed Thoroughfare Plan Amendment to change the dimensional classification of Gus Thomasson Road from Easton Road to Mesquite city limits from an existing roadway designation to a special four-lane divided (SPCL 4D) roadway within 80 to 85 feet of right-of-way on May 19, 2016, and followed staff recommendation of approval.

Council authorized a professional services contract with Freese and Nichols, Inc. for engineering design services on May 25, 2016, by Resolution No. 16-0871.

On August 10, 2016, a public hearing was conducted and Resolution No. 16-1248 authorized a Thoroughfare Plan Amendment to change the dimensional classification of Gus Thomasson Road from Easton Road to Mesquite city limits from an existing roadway designation to a special four-lane divided (SPCL 4D) roadway within 80 to 85 feet of right-of-way.

On December 14, 2016, a public hearing to receive comments regarding consideration of a resolution to adopt the Greater Casa View Area Plan was approved, by Resolution No. 16-1978.

Information about this item was provided to the Economic Development Council Committee on February 21, 2017.

**FISCAL INFORMATION**

2003 Bond Funds - \$1,687,463.36  
General Obligation Commercial Paper Funds - \$1,350,394.43  
2012 Bond Funds - \$290,644.16  
Water Utilities Capital Construction Funds - \$888,220.00

Design	\$ 38,573.14
Supplemental Agreement No. 1	\$ 279,652.63
Supplemental Agreement No. 2	\$ 49,975.00
Construction (this action)	
Paving & Drainage - STS	\$ 3,328,501.95
Water & Wastewater - DWU	\$ <u>888,220.00</u>
Total	\$ 4,584,922.72

**M/WBE INFORMATION**

See attached.

**ETHNIC COMPOSITION**

**Texas Standard Construction, Ltd.**

Hispanic Female	3	Hispanic Male	87
African-American Female	0	African-American Male	3
Other Female	0	Other Male	0
White Female	4	White Male	8

**BID INFORMATION**

The following bids with quotes were received and opened on February 3, 2017:

\*Denotes successful bidder(s)

<b><u>BIDDERS</u></b>	<b><u>BID AMOUNT</u></b>
*Texas Standard Construction, Ltd. P. O. Box 210768 Dallas, Texas 75211	\$4,216,721.95
Gibson Associates, Inc.	\$5,064,672.08
Tiseo Paving Company	\$5,077,063.80
Ed Bell	\$5,475,547.93
Engineer's estimate: STS - \$3,000,000.00 DWU - \$ <u>800,000.00</u>	
Total	\$3,800,000.00

**OWNER**

**Texas Standard Construction, Ltd.**

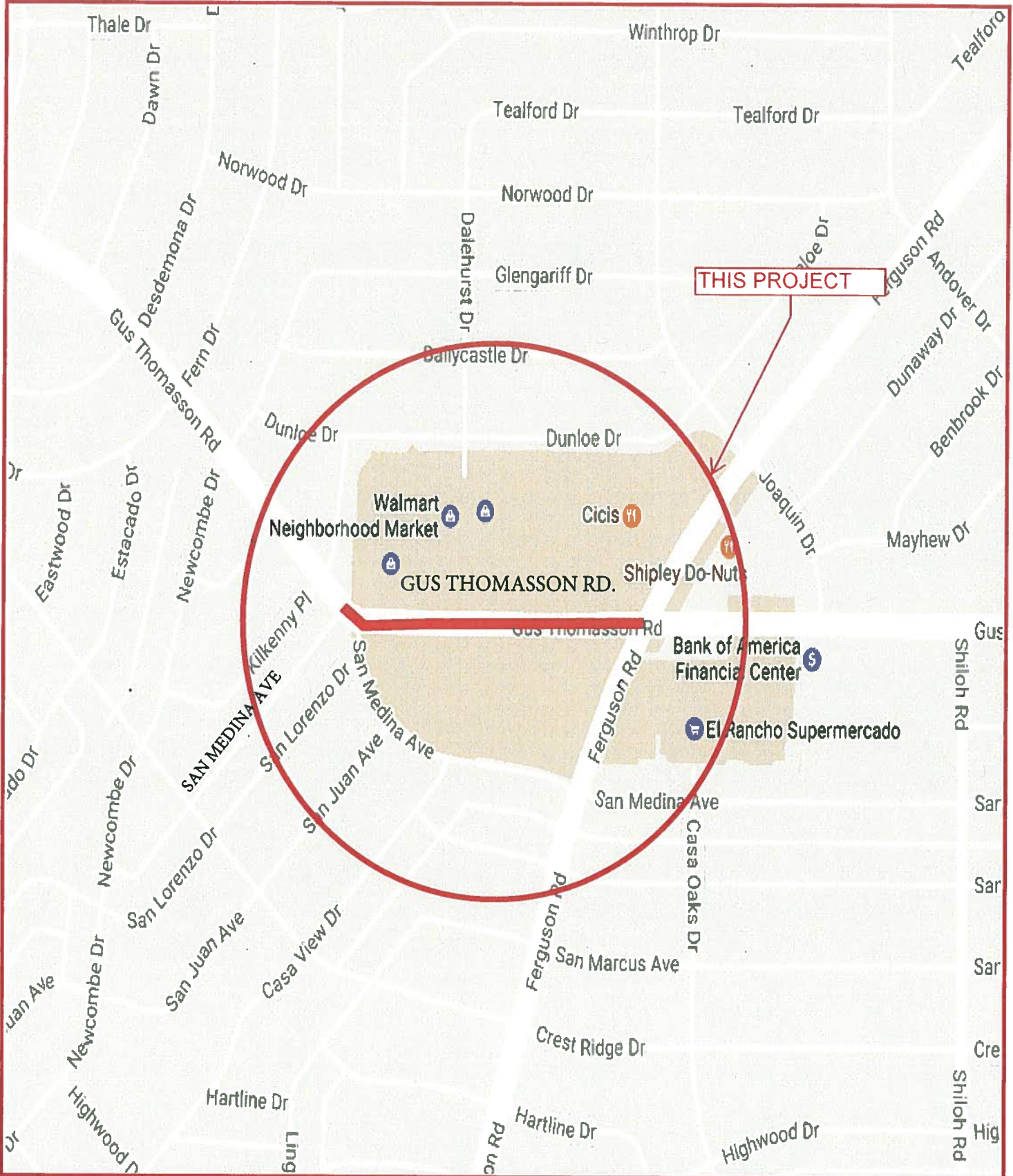
Ronald H. Dalton, President

**MAP**

Attached.

# STREETSCAPE IMPROVEMENTS

## GUS THOMASSON ROAD FROM SAN MEDINA AVENUE TO FERGUSON ROAD



**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 22, 2017

**COUNCIL DISTRICT(S):** 7

**DEPARTMENT:** Mobility and Street Services  
Water Utilities

**CMO:** Jill A. Jordan, P.E., 670-5299  
Mark McDaniel, 670-3256

**MAPSCO:** 56B F

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### **SUBJECT**

Authorize an increase in the construction contract with Texas Standard Construction, Ltd. for additional work associated with water and wastewater main relocations in advance of paving and drainage improvements related to Street Group 12-637 - Not to exceed \$142,277, from \$20,737,091 to \$20,879,368 - Financing: Water Utilities Capital Construction Funds

### **BACKGROUND**

On May 27, 2015, the City Council authorized a construction contract with Texas Standard Construction, Ltd., related to Street Reconstruction Group 12-637. The improvements in this construction package consisted of paving, drainage, landscaping, streetscape, and water and wastewater main improvements for the following street reconstruction and complete street projects: South Lamar Street from IH-45 to Emery Street; Al Lipscomb Way (formally Grand Avenue) from South Good Latimer to Robert B. Cullum Boulevard; and J. B. Jackson, Jr. Boulevard from Martin Luther King, Jr. Boulevard to Al Lipscomb Way. On June 22, 2016, the City Council authorized Change Order No. 1 to the construction contract with Texas Standard Construction, Ltd. for the construction of tinted, stamped concrete pedestrian crosswalks and barrier-free ramp improvements along Martin Luther King, Jr. Boulevard at South Trunk Avenue, J. B. Jackson, Jr. Boulevard and Robert B. Cullum Boulevard.

This action will authorize additional work identified as a result of unforeseen underground conditions encountered during the construction of a 66-inch water main lowering at Lamar Street and Pine Street. During construction, substandard soil conditions were discovered requiring the concrete thrust blocks to be strengthened and reinforced with drilled anchors to safely support the weight of the water main and eliminate vertical displacements that could potentially create water main leaks in the future. This action also includes extending the proposed 12-inch water main to facilitate connection with an existing 12-inch water main in a different location than shown on the design plans.

**ESTIMATED SCHEDULE OF PROJECT**

Began Design	August 2007
Completed Design	March 2015
Began Construction	September 2015
Complete Construction	December 2017

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

Authorized a professional services contract for engineering design services with Halff Associates, Inc. on June 13, 2007, by Resolution No. 07-1833.

Authorized Supplemental Agreement No. 1 with Halff Associates, Inc. for engineering design services on March 25, 2009, by Resolution No. 09-0835.

Authorized Supplemental Agreement No. 2 with Halff Associates, Inc. for engineering design services on January 11, 2012, by Resolution No. 12-0136.

Authorized a professional services contract for engineering design services with Freese and Nichols, Inc. on June 12, 2013, by Resolution No. 13-0966.

Authorized a professional services contract for engineering design services with Freese and Nichols, Inc. on December 11, 2013, by Resolution No. 13-2069.

Authorized Supplemental Agreement No. 4 with Halff Associates, Inc. for engineering design services on January 14, 2015, by Resolution No. 15-0123.

Authorized a construction contract with Texas Standard Construction, Ltd. for Street Reconstruction Group 12-637 on May 27, 2015, by Resolution No. 15-0958.

Authorized Change Order No. 1 to the construction contract with Texas Standard Construction, Ltd. for Street Reconstruction Group 12-637 on June 22, 2016, by Resolution No. 16-1131.

Information about this item will be provided to the Economic Development Committee on February 21, 2017.

**FISCAL INFORMATION**

Water Utilities Capital Construction Funds - \$142,276.75

Design - STS	\$ 1,083,837.40
Design - TWM	\$ 350,000.00
Design - DWU	\$ 211,514.00

**FISCAL INFORMATION** (Continued)

Construction	
Paving & Drainage - STS	\$11,789,791.25
Paving & Drainage - TWM	\$ 4,056,908.00
Water and Wastewater - DWU	\$ 4,143,014.60
Change Order No. 1	\$ 747,377.00
Change Order No. 2 (this action)	<u>\$ 142,276.75</u>
Total Project Cost	\$22,524,719.00

**M/WBE INFORMATION**

See attached.

**ETHNIC COMPOSITION**

**Texas Standard Construction, Ltd.**

Hispanic Female	3	Hispanic Male	87
African-American Female	0	African-American Male	3
Other Female	0	Other Male	0
White Female	4	White Male	8

**OWNER**

**Texas Standard Construction, Ltd.**

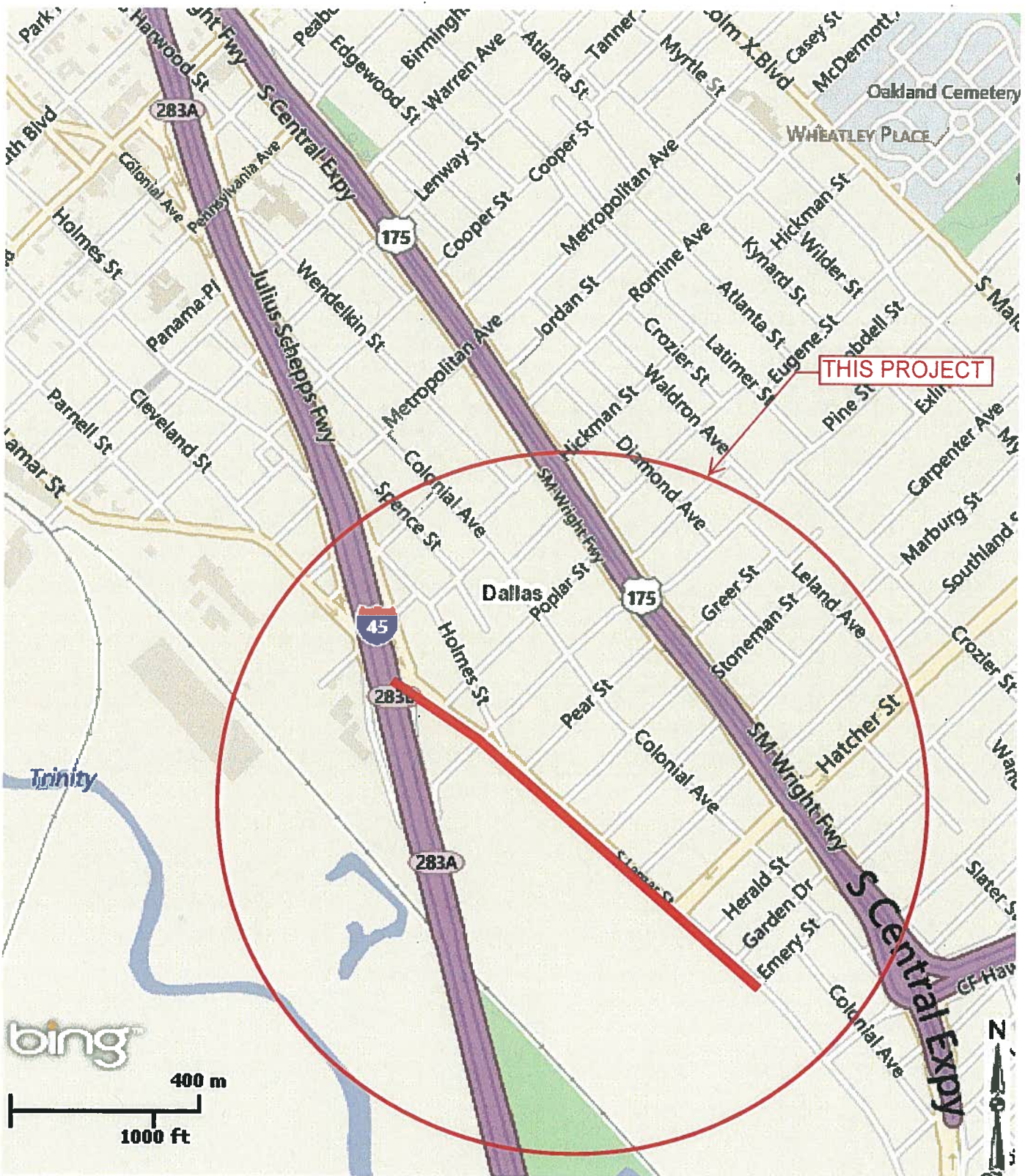
Ronald H. Dalton, President

**MAP**

Attached.

# STREET RECONSTRUCTION GROUP 12-637

## S. LAMAR ST. FROM IH-45 TO EMERY ST.



MAPSCO 56B,F

# **Tour of Inland Port**