

Memorandum



CITY OF DALLAS

DATE September 8, 2023

TO Honorable Mayor and City Councilmembers

SUBJECT **DFW Airport FY24 Budget Questions Response**

During the September 6, 2023 briefing of DFW Airport's FY24 Budget, City Council requested additional information from DFW Airport. Attached is a memo from DFW Airport providing answers to those questions.

The Airport's FY24 budget is scheduled for Council consideration at the Sept. 13, 2023 City Council meeting.

Please do not hesitate to reach out should you have any questions.

A handwritten signature in black ink that reads "Carrie Rogers".

Carrie Rogers
Director of Government Affairs

[Attachment]

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney
Mark Swann, City Auditor
Billerae Johnson, City Secretary
Preston Robinson, Administrative Judge
Jon Fortune, Deputy City Manager
Kimberly Bizzor Tolbert, Deputy City Manager

Majed A. Al-Ghafry, Assistant City Manager
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Dr. Robert Perez, Assistant City Manager
Carl Simpson, Assistant City Manager
Jack Ireland, Chief Financial Officer
Genesis Gavino, Chief of Staff/Office of Resilience
Directors and Assistant Directors

MEMO

September 7, 2023

To: The Honorable Mayor and Members of the Dallas City Council

During the briefing of DFW Airport's FY24 Budget, Councilmember Omar Narvaez requested some additional information from DFW Airport regarding the Airport's current year-to-date MWBE expenditures and concessions revenue. That information is attached and is current as of July 31, 2023.

Additionally, Mr. Narvaez has requested that we include a projection on future goals and accomplishments. While we cannot predict this by MWBE category, overall annual goals are provided below. These goals also apply to any future development, including the new terminal construction contracts.

Program			Annual Goal
Minority/Women (MWBE)	Business	Enterprise	31%
Disadvantaged Business Enterprise (DBE)			20%
Airport Concessions Disadvantaged Business Enterprise (ACDBE)			31% - proposed Triennial Goal Submitted to the FAA

The Airport's FY24 budget is scheduled for your consideration at the Sept. 13, 2023 City Council Agenda meeting. Should you have any further questions, please contact me at 972-973-5210.

Regards,

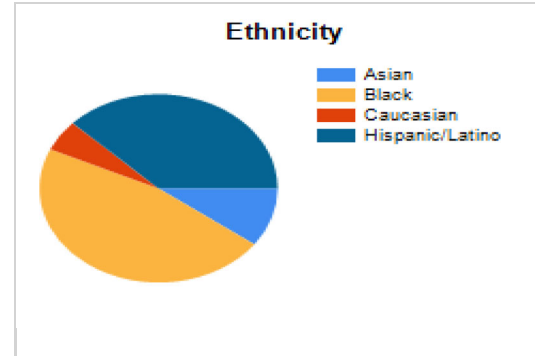
Chris Poinatte
Executive Vice President/Chief Financial Officer
Dallas Fort Worth International Airport

Revenue Summary by Ethnicity, Gender & Certification Type

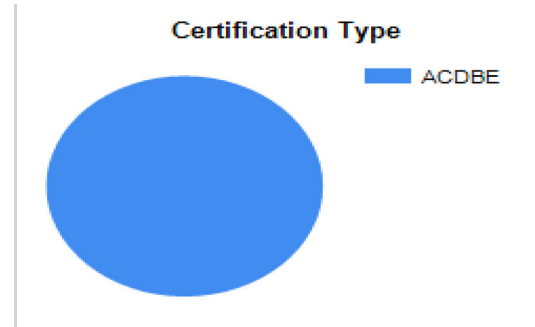
ACDBE Goal: 31%

Total Revenues	For Credit Revenues	For Credit %
\$494,873,131	\$229,838,956	46.44%

Ethnicity	For Credit \$	For Credit %
Asian	\$23,287,112	4.71%
Black	\$107,343,688	21.69%
Caucasian	\$12,322,834	2.49%
Hispanic/Latino	\$86,885,322	17.56%



Ethnicity	Gender	For Credit \$	For Credit %
Asian	Female	\$8,450,586	1.71%
Asian	Male	\$14,836,526	3.00%
Black	Female	\$35,513,298	7.18%
Black	Male	\$71,830,391	14.51%
Caucasian	Female	\$12,322,834	2.49%
Hispanic/Latino	Female	\$21,535,859	4.35%
Hispanic/Latino	Male	\$65,349,462	13.21%



Certification Type	For Credit \$	For Credit %
ACDBE	\$229,838,956	46.44%

*For credit Revenues based on preliminary Concessionaire Submittal Application (CSA) Revenues entered in the B2GNow.

Expenditure Summary by Type and Ethnicity
Activity Period: October 1, 2022 through July 31, 2023

M/WBE Annual Goal: 31%

Overall M/WBE

Ethnic Summary:	AFRICAN AMERICAN	ASIAN AMERICAN	HISPANIC AMERICAN	NATIVE AMERICAN	OTHER MINORITY	WHITE FEMALE		NON-CERTIFIED	Commit Total	% Participation
Commit Amount	\$251,878,490	\$147,522,338	\$261,410,660	\$3,068,058	\$0	\$166,160,586		\$1,751,145,499	\$2,581,483,631	
Payment Amount	\$31,005,030	\$12,718,228	\$52,244,942	\$752,222	\$0	\$30,315,646		\$220,706,764	\$347,755,997	
Percent Payment to Total Payment	8.9%	3.7%	15.0%	0.2%	0.0%	8.7%		63.5%	100.0%	36.5%

Construction - M/WBE

Ethnic Summary:	AFRICAN AMERICAN	ASIAN AMERICAN	HISPANIC AMERICAN	NATIVE AMERICAN	OTHER MINORITY	WHITE FEMALE		NON-CERTIFIED	Commit Total	% Participation
Commit Amount	\$43,477,536	\$923,080	\$129,473,912	\$476,878	\$0	\$34,385,246		\$764,777,762	\$973,514,414	
Payment Amount	\$12,046,191	\$208,754	\$31,709,284	\$322,316	\$0	\$7,685,541		\$74,939,742	\$126,911,827	
Percent Payment to Total Payment	9.5%	0.2%	25.0%	0.3%	0.0%	6.1%		59.0%	100.0%	41.0%

Architectural & Engineering Services - M/WBE

Ethnic Summary:	AFRICAN AMERICAN	ASIAN AMERICAN	HISPANIC AMERICAN	NATIVE AMERICAN	OTHER MINORITY	WHITE FEMALE		NON-CERTIFIED	Commit Total	% Participation
Commit Amount	\$102,512,051	\$59,083,331	\$76,491,624	\$2,150,000	\$0	\$78,518,963		\$516,040,526	\$834,796,495	
Payment Amount	\$7,669,544	\$3,218,088	\$12,102,273	\$364,322	\$0	\$13,614,163		\$70,815,076	\$107,783,466	
Percent Payment to Total Payment	7.1%	3.0%	11.2%	0.3%	0.0%	12.6%		65.7%	100.0%	34.3%

Goods and Services (Professional & Non-Professional) - M/WBE

Ethnic Summary:	AFRICAN AMERICAN	ASIAN AMERICAN	HISPANIC AMERICAN	NATIVE AMERICAN	OTHER MINORITY	WHITE FEMALE		NON-CERTIFIED	Commit Total	% Participation
Commit Amount	\$74,658,903	\$44,013,951	\$41,486,124	\$441,180	\$0	\$40,077,428		\$421,197,135	\$622,172,722	
Payment Amount	\$11,104,588	\$9,010,041	\$8,324,502	\$65,585	\$0	\$8,573,135		\$72,046,356	\$109,137,371	
Percent Payment to Total Payment	10.2%	8.3%	7.6%	0.1%	0.0%	7.9%		66.0%	100.0%	34.0%

Construction/A&E Services - DBE: Goal: 20% (Grant Funded)

Ethnic Summary:	AFRICAN AMERICAN	ASIAN AMERICAN	HISPANIC AMERICAN	NATIVE AMERICAN	OTHER MINORITY	WHITE FEMALE	WHITE MALE	NON-CERTIFIED	Commit Total	% Participation
Commit Amount	\$8,747,537	\$2,640,347	\$4,871,450	\$3,499,307	\$0	\$5,736,206	\$0	\$33,181,199	\$58,676,047	
Payment Amount	\$571,586	\$249,599	\$19,189	\$0	\$0	\$193,975	\$0	\$150,036	\$1,184,385	
Percent Payment to Total Payment	48.3%	21.1%	1.6%	0.0%	0.0%	16.4%	0.0%	12.7%	100.0%	87.3%

FOOTNOTE:

*High percentage participation due to DBE self-performing Prime with DBE subcontractors.

Percentage might not add up to a full 100% due to rounding.
 Fields may appear blank if no payments have been reported during the activity period above.
 Asian American includes Asian Pacific and Asian Indian American.

Memorandum



CITY OF DALLAS

DATE September 8, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **FY 2023-24 Budget – Results of Budget Amendment Discussion**

Thank you for your participation in the budget amendment discussion and straw poll process on Wednesday, September 6. Five amendments received majority support through the process and were incorporated into the budget ordinance prior to approval on First Reading. The approved amendments are attached. As required by the City Charter, the ordinance, including amendments, will be advertised in the City's official newspaper as well as additional multicultural publications.

The table below provides a summary of amounts included in the budget ordinance and the impact on each from the approved amendments.

- The decrease in the General Fund is the result of three amendments that reduced expenses and lowered the property tax rate by 0.36¢. When added to the 0.65¢ reduction included in the City Manager's recommended budget, there is a total tax rate reduction of 1.01¢ which lowers the current tax rate from 74.58¢ to the proposed rate for FY 2023-24 of 73.57¢ per \$100 valuation.
- The decrease in Grants, Trusts, and Other Funds is the result of \$1.0 million reduction for IT Governance projects offset by \$0.75 million increase for the Lawn Equipment Transition Program.
- The increase in Capital Funds is the result of moving funds from the General Fund into a Capital Fund to spend on additional Street Maintenance.

Fund	FY24 Proposed Budget	September 6 Approved Amendments	FY24 Amended Budget for First Reading
General Fund	\$1,844,634,000	(\$7,057,530)	\$1,837,576,470
General Obligation Debt	420,687,511	0	420,687,511
Enterprise Funds	1,401,626,306	0	1,401,626,306
Grants, Trust, and Other Funds	166,677,152	(250,000)	166,427,152
Capital Funds	794,619,446	2,500,000	797,119,446
Subtotal	4,628,244,415	(4,807,530)	4,623,436,885
Internal Service Funds	268,266,846	0	268,266,846
Employee Retirement Fund	6,673,227	0	6,673,227
Total	\$4,903,184,488	(\$4,807,530)	\$4,898,376,958

DATE September 8, 2023
SUBJECT **FY 2023-24 Budget – Results of Budget Amendment Discussion**
PAGE 2

The City Council may make additional amendments up to the point of final reading and approval of the budget on September 20. Please submit any new amendments to me and/or Mr. Broadnax by the end of day Thursday, September 14, and we will distribute them to all City Council Members on Friday, September 15.

During your September 20 meeting, (1) a tax rate public hearing will be held, (2) new amendments may be considered, and (3) a suite of budget-related items will be presented for your approval including the tax rate ordinance, budget ordinance, fee ordinance, and personnel classification action resolution.

If you have any questions, please contact me or Janette Weedon, Director of Budget and Management Services.



Jack Ireland
Chief Financial Officer

Attachment

c: T.C. Broadnax, City Manager
Tammy Palomino, Interim City Attorney
Mark Swann, City Auditor
Billierae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizzor Tolbert, Deputy City Manager
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Genesis D. Gavino, Chief of Staff to the City Manager
Directors and Assistant Directors

City Council Amendment - FY 2023-24 Budget

FY 2023-24 Budget Amendments - City Manager TC Broadnax - August 31, 2023

City Manager - TC Broadnax		Amendment Number	
		1	
Source of Funds	Amount	Use of Funds	Amount
Court & Detention Services - Transfer eight Court & Detention Services (City Detention Center, City Marshal's Office, Lew Sterrett Jail Contract, Security Services, School Crossing Guard Program, Sobering Center, Marshal's Park Enforcement, and Environmental Crimes Division) and establish a new office - City Marshal's Office. The remaining services (Municipal Court Services and Parking Adjudication Office) will be focused on court services.	31,014,617	City Marshal's Office - Transfer eight Court & Detention Services (City Detention Center, City Marshal's Office, Lew Sterrett Jail Contract, Security Services, School Crossing Guard Program, Sobering Center, Marshal's Park Enforcement, and Environmental Crimes Division) and establish the City Marshal's Office (ongoing cost of \$31,537,330 in FY 2024-25). This new office will better support Texas Commission on Law Enforcement (TCOLE) certified officers.	31,014,617
Total Source of Funds	31,014,617	Total Use of Funds	31,014,617
City Council Action (yes/no/withdrawn)	Y	Difference	0

FY 2023-24 Budget Amendments - Council Member Ridley - September 1, 2023

Council Member Lead - Ridley		Amendment Number	
		14	
Source of Funds	Amount	Use of Funds	Amount
Human Resources - Reduce the budget to the 2022-23 budget plus required contractual salary, benefit, and pension increases.	126,501	Decrease the tax rate.	126,501
Total Source of Funds	126,501	Total Use of Funds	126,501
City Council Action (yes/no/withdrawn)	Y	Difference	0

Council Member Lead - Ridley		Amendment Number	
		15	
Source of Funds	Amount	Use of Funds	Amount
Public Works - Reduce the budget for the Real Estate division within Public Works to forecast 2023 level, plus required contractual salary, benefit, and pension increases.	95,599	Decrease the tax rate.	95,599
Total Source of Funds	95,599	Total Use of Funds	95,599
City Council Action (yes/no/withdrawn)	Y	Difference	0

Council Member Lead - Ridley		Amendment Number	
		18	
Council Member Amendment: Willis			
Source of Funds	Amount	Use of Funds	Amount
Communications, Outreach, & Marketing - Reduce the budget to the 2022-23 forecast plus required contractual salary, benefit, and pension increases.	611,965	Public Works - Increase contribution to street maintenance	611,965
Retained \$100,000 for crisis communication, and \$100,000 for equitable language access.			
Total Source of Funds	611,965	Total Use of Funds	611,965
City Council Action (yes/no/withdrawn)	Y	Difference	0

FY 2023-24 Budget Amendments - Council Member Bazaldua - September 6, 2023

Council Member Lead - Bazaldua		Amendment Number	
		28A	
Source of Funds	Amount	Use of Funds	Amount
Public Works - Reduce allocation for Sidewalk Mater Plan Improvements.	1,000,000	Public Works - Add funding for PW 50/50 Sidewalk for City Side (using \$1M from Sidewalk Master Plan Improvements). #2 One-Time.	1,000,000
Non-Departmental - Eliminate Internal Contingency - use for items #42 & #43	1,000,000	City Attorney's Office - Add funding for CAO Short-term rental ordinance legal support. #7	36,770
Mayor and City Council - Eliminate one-time funding for Mayor Pro Tem/Deputy Mayor Pro Tem mid-election cycle office swaps. One-Time.	20,000	Code Compliance Services - Add funding to Code Compliance, 3 positions for Keep Dallas Beautiful Program. #12	400,000
Mayor and City Council - Remove funding for Council Member Mileage Stipend.	168,000	Office of Environmental Quality & Sustainability - Add funding for Lawn Equipment Transition Program. One-Time.	750,000
Code Compliance - Eliminate additional demolition funding.	250,000	Office of Homeless Solutions - Add funding for solicitation of Sanction Encampment partnership. One-Time.	1,000,000
Non-Departmental - Eliminate funding for the IT Governance committee to use for the General Fund portion of Citywide IT projects.	1,000,000	Public Works - Add funding for street maintenance and resurfacing. One-Time.	2,500,000
Dallas Police Department - Reduce the number of Officers hired from 290 to 250 officers - ending FY24 with 3,144 officers. Reduce the class 398 and 399 from 42 to 22 - no change to remaining classes. One-Time.	3,150,200	Small Business Center - Add funding for Mobile Unit Refurbishment. One-Time.	349,000
Various - Eliminate [147] positions that have been vacant for 12+ months.	6,895,000	Dallas Police Department - Add funding for 80 flock cameras; add gun detection system. One-Time.	450,000
		Non-Departmental - Increase contracts with state lobbyists.	143,000
		Non-Departmental - Increase contracts with federal lobbyists (last increase 2008).	19,000
		Decrease the tax rate by 0.35 cents = total 1 cent reduction.	6,835,430
Total Source of Funds	13,483,200	Total Use of Funds	13,483,200
City Council Action (yes/no/withdrawn)	Y	Difference	0

Memorandum



CITY OF DALLAS

DATE September 8, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **September 13, 2023 Upcoming Agenda Item # 7– 23-2159 – Authorize a Resolution Approving the Dallas Public Facility Corporation's Acquisition, Development, and Ownership of Bishop 8th, to be located at 505 and 510 W 8th Street**

This memorandum is to inform the City Council of an upcoming item from the Dallas Public Facility Corporation (Corporation) for the acquisition, development and ownership of the Bishop 8th, a 232-unit mixed-income multifamily development to be located at 505 and 510 W. 8th Street (Project). The Corporation's bylaws require City Council approval of any development that results in a property tax exemption.

Background

BV Acquisitions, LLC (Applicant), a Texas limited liability company, submitted an application to the Dallas Public Facility Corporation (Corporation) for the development of Bishop 8th, a 232-unit mixed income multifamily development to be located at 505 and 510 W. 8th Street (Project). The Corporation will own the site and improvements and lease the Project back to the Applicant or its affiliate. Pursuant to the Texas Public Facility Corporation Act, Chapter 303 of the Texas Local Government Code, as amended (Act), any public facility owned by a Public Facility Corporation is exempt from all ad valorem taxes. To qualify as a public facility, pursuant to the Act, a multifamily property must reserve at least 50% of the units for residents earning at or below 80% of the area median income (AMI). The Project will reserve 40% of these units at 80%-AMI & 10% of these units at 60%-AMI.

The Applicant will be a limited liability company owned by BV Acquisitions, LLC. Breunig Ventures is a real estate private equity firm primarily focused on multifamily and single-family rental investments throughout the sunbelt states. Breunig's prior experience includes over a billion dollars of multifamily development and acquisitions of luxury high rise, midrise, garden, and mixed-use developments. President Benjamin Breunig previously served as the Division President of Texas for Lennar Multifamily Communities where he oversaw a \$1.2 billion development portfolio, and before that as Vice President of Development for Lincoln Property Company. Breunig Ventures recently closed the Wisteria District into a PFC joint venture in Mansfield, TX with the Mansfield Public Facilities Corporation.

The Project will be constructed as two 4-story, elevator-served structures with private garage, carport, & surface parking which will include 106 and 126 residential units, respectively. The unit mix will consist of 6 studio units and 226 2-bedroom units. The project will have Class-A unit finishes with washer/dryer, quartz countertops, stainless steel appliances, balconies (2nd – 4th floor units), and porches (1st floor units). Community features include a Sky Lounge, fitness center, and co-working space. Maintenance services will be provided with leasing office and agents available by phone/email at the neighborhood office. Mailroom and package lockers are located on the first floor. Electronic access and security are available to every tenant. Each unit will have internet and streaming services available. The land is not currently developed with residential uses but is surrounded by Market Value Analysis (MVA) market type E. The district is made up of 1920's era buildings & homes that have been revitalized with over 60 independent boutiques, restaurants, bars, coffee shops, and art galleries. Residents of the Bishop Arts District enjoy easy access to the largest concentration of jobs in the Dallas-Fort Worth metroplex. Downtown, Uptown, the Stemmons Corridor, and the Medical District are proximate via I-30 and I-35. Downtown Dallas is home to over 4,000 employers with more than 135,000 jobs. Residents can drive to Downtown Dallas without ever accessing a highway or can reach downtown via the Bishop Arts Streetcar Station (0.5 miles).

The Applicant will consult with the Office of Integrated Public Safety Solutions (OIPSS) for security input, community activities and the Crime Prevention Through Environmental Design (CPTED). The Applicant and OIPSS will continue to work together to ensure the community is secure and take proactive measures to ensure the safety of the residents that will include security cameras with Dallas Police Department access, individual entry key fobs, lighting, and security access gates/entry points.

The anticipated unit mix and rental rates are as follows:

Unit Type	AMI	Units	Rent
Studio	60%	2	\$1,108.00
Studio	80%	3	\$1,478.00
Studio	Market	1	\$1,528.00
1BR	60%	112	\$1,188.00
1BR	80%	91	\$1,584.00
1BR	Market	23	\$2,134.00

The rents for individuals and families earning between 60% and 80% AMI are meant to provide housing to the “missing middle” of the market: residents that earn above low-income housing tax credit income restrictions of 60% AMI but would be cost burdened by market rents. These incomes range from approximately \$54,560.00 to \$77,900.00 in the City based on family size and represent a wide variety of employment sectors including,

but not limited to, teachers, first responders, government employees, health care providers, etc. The rents for individuals and families earning below 60% are included to provide deeper affordability at this property. These incomes range from \$40,920.00 to \$58,440.00 depending on family size.

Total development costs are anticipated to be approximately \$58,143,820.00 which includes the acquisition price for the land. The development budget less soft/financial costs is anticipated to be approximately \$47,819,018.00, which is \$206,116.46 per unit.

Proposed Financing Sources		Amount
Mortgage Loan		\$34,886,292.00
Developer/Investor Equity		\$23,257,528.00
Total		\$58,143,820.00
Proposed Uses		Amount
Development Costs		\$35,257,804.00
Land Acquisition		\$12,561,214.00
Soft Costs		\$ 8,799,392.00
Contingency		\$ 1,525,410.00
Total		\$58,143,820.00

The Project will be owned by the Corporation and leased to the Applicant and other potential owners for a period of 75 years. In consideration for the Corporation's participation in the Project, the Corporation is estimated to receive \$15,941,352.28 in revenues over the initial 15 years of the lease. Potential proceeds to the DPFC Corporation include (1) a \$232,000.00 structuring fee paid at closing; (2) a general contractor fee of \$436,315.32 paid at closing; (3) lease payments starting at \$224,669.00 and increasing by 3% annually upon stabilization; (4) a 15% sales commission after repayment of debt, equity, and preferred equity returns upon first sale of the Project; and (5) a 2% sales commission on all future sales. In the event of a sale during the life of the Project, the Corporation will continue to receive the annual lease payments. Upon termination of the 75-year lease, the Corporation will own the Project free and clear.

The revenues of the Corporation will be used to fund operations and the provision of additional affordable and workforce housing throughout the City. This proposed development results in foregone tax revenues for the City while the DPFC Corporation owns the asset. The 2022 City tax bill for this property is \$60,321.94 and the 15-year estimate of foregone taxes is \$1,121,922.66. However, the workforce housing rental savings of \$15,941,352.00 over 15 years and the estimated \$4,507,082.69 in revenues provides the City with \$20,448,434.97 in benefits that outweigh the foregone revenue.

DATE September 8, 2023
SUBJECT **September 13, 2023 Upcoming Agenda Item: Authorize a Resolution Approving the Dallas Public Facility Corporation's Acquisition, Development, and Ownership of Bishop 8th, to be located at 505 and 510 W 8th Street**
PAGE **4 of 5**

The estimated revenues were calculated by the Corporation's partnership counsel and financial advisors. Market rent comps and current construction costs were analyzed to ensure the project costs were reasonable for the market. Corporation financial advisors also confirmed that but for the ad valorem tax exemption, the Project would not be economically feasible and would not attract responsible debt and equity investment in the property. The Corporation's revenue consideration and affordability levels were also analyzed to confirm that the ad valorem tax exemption does not over subsidize the Project.

The City is authorized by the Act to create a public facility corporation for the purposes established in the Act, including the financing, acquisition, construction, and leasing of public facilities under the Act. On June 24, 2020, City Council authorized the creation of the Corporation to further the public purposes stated in the Corporation's articles of incorporation and bylaws pursuant to the Act by Resolution No. 20-1035, which were subsequently amended by Resolution 22-1194 (bylaws). Section 6.2 of the Corporation's bylaws requires City Council approval by written resolution prior to entering into any agreement that would result in a property tax exemption. Per Section 7.3 of the bylaws, any Public Facility related to multifamily residential development of the Corporation shall not proceed unless (1) the development of the Public Facility could not be feasible but for the Corporation's participation, and (2) the development of the Public Facility is in furtherance of the City of Dallas's Comprehensive Housing Policy (CHP), as restated in the Dallas Housing Policy 2033 (DHP33).

On June 27, 2023, the Dallas Public Facility Corporation Board of Directors approved the negotiation and execution of a term sheet with the Applicant.

Staff and the Corporation's Counsel and Financial Advisors have confirmed that this Project would not be feasible but for the Corporation's participation and that the Project furthers the goals of the CHP, as restated in the DHP33. Staff recommends City Council approval of this item to allow this mixed-income housing development to move forward.

DATE September 8, 2023
SUBJECT **September 13, 2023 Upcoming Agenda Item: Authorize a Resolution Approving the Dallas Public Facility Corporation's Acquisition, Development, and Ownership of Bishop 8th, to be located at 505 and 510 W 8th Street**
PAGE **5 of 5**

Should you have any questions or require any additional information, please contact me or David Noguera, Director, Department of Housing & Neighborhood Revitalization at David.Noguera@dallas.gov or 214-670-3619.



Majed A. Al-Ghafry, P.E.
Assistant City Manager

c: T.C. Broadnax, City Manager
Tammy Palomino, Interim City Attorney
Mark Swann, City Auditor
Billerae Johnson, City Secretary
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Genesis D. Gavino, Chief of Staff to the City Manager
Directors and Assistant Directors

Memorandum



CITY OF DALLAS

DATE September 8, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **September 13, 2023 Upcoming Agenda Item # 8 – 23-2161 – Authorize a Resolution Approving the Dallas Public Facility Corporation's Acquisition, Development, and Ownership of Coombs Creek Alta Vista, to be located at 3400 W Illinois Avenue**

This memorandum is to inform the Dallas City Council of an upcoming item from the Dallas Public Facility Corporation for the acquisition, development and ownership of the Coombs Creek Alta Vista, a 210-unit mixed-income multifamily development to be located at 3400 W. Illinois Avenue (Project). The Corporation's bylaws require City Council approval of any development that results in a property tax exemption.

Background

Marcer Group (Applicant), a Texas limited liability company, submitted an application to the Dallas Public Facility Corporation for the development of Coombs Creek Alta Vista, a 210-unit mixed income multifamily development to be located at 3400 W. Illinois Avenue (Project). The Corporation will own the site and improvements and lease the Project back to the Applicant or its affiliate. Pursuant to the Texas Public Facility Corporation Act, Chapter 303 of the Texas Local Government Code, as amended (Act), any public facility owned by a Public Facility Corporation is exempt from all ad valorem taxes. To qualify as a public facility, pursuant to the Act, a multifamily property must reserve at least 50% of the units for residents earning at or below 80% of the area median income (AMI). The Project will reserve 40% of the units for residents earning less than 80% AMI, 10% of the units for residents earning less than 60% AMI and 50% of the units will be market rate.

The Applicant will be a limited liability company owned by Marcer Group. Marcer is a Texas-based real estate development and construction company that specializes in residential developments. Their current portfolio does not include any multifamily projects.

The Project will be constructed as a four-story wrap product and will include 210 residential units. The unit mix will consist of 48 studio units, 116 one-bedroom units, 34 two-bedroom units, and 12 three-bedroom units. The units will include energy efficient appliances, granite countertops, in-unit washer/dryers, and other Class-A features. The Market Value Analysis (MVA) market type is uncategorizable as the land is not currently developed with residential uses. The affordable units will be spread throughout the overall unit mix. This development will restore and incorporate one of the four historic power and light buildings into the project.

The Applicant will consult with the Office of Integrated Public Safety Solutions (OIPSS) for security input, community activities and the Crime Prevention Through Environmental Design (CPTED). The Applicant and OIPSS will continue to work together to ensure the community is secure and take proactive measures to ensure the safety of the residents that will include security cameras with Dallas Police Department access, individual entry key fobs, lighting, and security access gates/entry points.

The anticipated unit mix and rental rates are as follows:

Unit Type	AMI	Units	Rent
Studio	60%	5	\$1,108.00
Studio	80%	19	\$1,478.00
Studio	Market	24	\$1,564.00
1BR	60%	12	\$1,188.00
1BR	80%	46	\$1,558.00
1BR	Market	58	\$1,558.00
2BR	60%	3	\$1,425.00
2BR	80%	14	\$1,900.00
2BR	Market	17	\$2,025.00
3BR	60%	3	\$1,647.00
3BR	80%	3	\$2,196.00
3BR	Market	6	\$2,800.00

The rents for individuals and families earning between 60% and 80% AMI are meant to provide housing to the “missing middle” of the market: residents that earn above low-income housing tax credit income restrictions of 60% AMI but would be cost burdened by market rents. These incomes for a family of four range from approximately \$63,360.00 to \$82,500.00 in the City based on family size and represent a wide variety of employment sectors including, but not limited to, teachers, first responders, government employees, health care providers, etc.

Total development costs are anticipated to be approximately \$43,381,971.00 which includes the acquisition price for the land. The development budget less soft/financial costs is anticipated to be approximately \$28,856,400.00 (\$137,411.32 per unit).

Proposed Financing Sources		Amount
Mortgage Loan	\$	28,198,281.00
Developer/Investor Equity	\$	15,183,690.00
Total	\$	43,381,971.00
Proposed Uses		Amount
Development Costs	\$	26,208,000.00
Land Acquisition	\$	2,648,400.00
Soft Costs	\$	14,525,571.00
Total	\$	43,381,971.00

The Project will be owned by the Corporation and leased to the Applicant and other potential owners for a period of 75 years. In consideration for the Corporation’s participation in the Project, the Corporation is estimated to receive \$4,456,256.00 in revenues over the initial 15 years of the lease. Potential proceeds to the DPFC Corporation include (1) a \$300,000.00 structuring fee paid at closing; (2) a general contractor fee of \$431,437.00 paid at closing; (3) lease payments starting at \$218,000.00 and increasing by 3% annually upon stabilization; (4) a 15% sales commission after repayment of debt, equity, and preferred equity returns upon first sale of the Project; and (5) a 2% sales commission on all future sales. In the event of a sale during the life of the Project, the Corporation will continue to receive the annual lease payments. Upon termination of the 75-year lease, the Corporation will own the Project free and clear.

The revenues of the Corporation will be used to fund operations and the provision of additional affordable and workforce housing throughout the City. This proposed development results in foregone tax revenues for the City while the DPFC Corporation owns the asset.

The 2022 City tax bill for this property is \$4,541.00 and the 15-year estimate of foregone taxes is \$84,464.00. However, the workforce housing rental savings of \$5,311,403.00 over 15 years and the estimated \$4,456,256.00 in revenues provides the City with \$9,767,659.00 in benefits that outweigh the foregone revenue.

The estimated revenues were calculated by the Corporation’s partnership counsel and financial advisors. Market rent comps and current construction costs were analyzed to ensure the project costs were reasonable for the market. Corporation financial advisors also confirmed that but for the ad valorem tax exemption, the Project would not be economically feasible and would not attract responsible debt and equity investment in the property. The Corporation’s revenue consideration and affordability levels were also analyzed to confirm that the ad valorem tax exemption does not over subsidize the Project.

DATE September 8, 2023
SUBJECT **September 13, 2023 Upcoming Agenda Item: Authorize a Resolution Approving the Dallas Public Facility Corporation's Acquisition, Development, and Ownership of Coombs Creek Alta Vista, to be located at 3400 W Illinois Avenue**
PAGE **4 of 4**

The City is authorized by the Act to create a public facility corporation for the purposes established in the Act, including the financing, acquisition, construction, and leasing of public facilities under the Act. On June 24, 2020, City Council authorized the creation of the Corporation to further the public purposes stated in the Corporation's articles of incorporation and bylaws pursuant to the Act by Resolution No. 20-1035, which were subsequently amended by Resolution 22-1194 (bylaws). Section 6.2 of the Corporation's bylaws requires City Council approval by written resolution prior to entering into any agreement that would result in a property tax exemption. Per Section 7.3 of the bylaws, any Public Facility related to multifamily residential development of the Corporation shall not proceed unless (1) the development of the Public Facility could not be feasible but for the Corporation's participation, and (2) the development of the Public Facility is in furtherance of the City of Dallas's Comprehensive Housing Policy (CHP), as restated in the Dallas Housing Policy 2033 (DHP33).

On June 27, 2023, the Dallas Public Facility Corporation Board of Directors approved the negotiation and execution of a term sheet with the Applicant.

Staff and the Corporation's Counsel and Financial Advisors have confirmed that this Project would not be feasible but for the Corporation's participation and that the Project furthers the goals of the CHP, as restated in the DHP33. Staff recommends City Council approval of this item to allow this mixed-income housing development to move forward.

Should you have any questions or require any additional information, please contact David Noguera, Director, Department of Housing & Neighborhood Revitalization at David.Noguera@dallas.gov or 214-670-3619.



Majed A. Al-Ghafry, P.E.
Assistant City Manager

c: T.C. Broadnax, City Manager
Tammy Palomino, Interim City Attorney
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Jack Ireland, Chief Financial Officer
Genesis D. Gavino, Chief of Staff to the City Manager
Directors and Assistant Directors

Memorandum



CITY OF DALLAS

DATE September 8, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **September 13, 2023 Upcoming Agenda Item # 9 – 23-2160 – Authorize a Resolution Approving the Dallas Public Facility Corporation's Acquisition, Development, and Ownership of The Cedars, to be located at 2000 and 2220 South Ervay Street**

This memorandum is to inform the City Council of an upcoming item from the Dallas Public Facility Corporation (Corporation) for the acquisition, development, and ownership of The Cedars, a 377-unit mixed-income multifamily development to be located at 2000 and 2220 South Ervay Street (Project). The Corporation's bylaws require City Council approval of any development that results in a property tax exemption.

Background

Savoy Equity Partners, LLC (Applicant), a Texas limited liability company, submitted an application to the Dallas Public Facility Corporation (Corporation) for the development of the Cedars, a 377-unit mixed income multifamily development to be located at 2000 and 2220 S. Ervay Street (Project). The Corporation will own the site and improvements and lease the Project back to the Applicant or its affiliate. Pursuant to the Texas Public Facility Corporation Act, Chapter 303 of the Texas Local Government Code, as amended (Act), any public facility owned by a Public Facility Corporation is exempt from all ad valorem taxes. To qualify as a public facility, pursuant to the Act, a multifamily property must reserve at least 50% of the units for residents earning at or below 80% of the area median income (AMI). The Project will reserve 40% of the units for residents earning less than 80% AMI, 10% of the units for residents earning less than 60% AMI and 50% of the units will be market rate.

The Applicant will be a limited liability company owned by Savoy Equity Partners, LLC (Savoy). Savoy is a Texas-based real estate development and construction company that is actively developing a portfolio of multifamily properties focused on residents earning between 60-80% of area median income. Their current portfolio is heavily mission driven with principals who are committed to serving the residents of the Dallas area.

The Project will be constructed as a garden style product with surface parking and will include 377 residential units. The unit mix will consist of 57 studio units, 226 one-bedroom units, 76 two-bedroom units, and 18 three-bedroom units. The units will include energy efficient appliances, granite countertops, in-unit washer/dryers, and other Class-A features. The Market Value Analysis (MVA) market type is uncategorizable as the land is not currently developed with residential uses. The affordable units will be spread throughout the overall unit mix. This development will restore and incorporate one of the four historic power and light buildings into the project. This project is located in the Cedars neighborhood, directly adjacent to both Downtown Dallas as well as the Deep Ellum area

which are large centers of employment and entertainment. Residents of the proposed development will benefit greatly from the relative proximity to these districts.

The Applicant will consult with the Office of Integrated Public Safety Solutions (OIPSS) for security input, community activities and the Crime Prevention Through Environmental Design (CPTED). The Applicant and OIPSS will continue to work together to ensure the community is secure and take proactive measures to ensure the safety of the residents that will include security cameras with Dallas Police Department access, individual entry key fobs, lighting, and security access gates/entry points.

The anticipated unit mix and rental rates are as follows:

Unit Type	AMI	Units	Rent
Studio	60%	6	\$1,083.00
Studio	80%	23	\$1,444.00
Studio	Market	28	\$1,500.00
1BR	60%	22	\$1,160.00
1BR	80%	93	\$1,547.00
1BR	Market	111	\$1,750.00
2BR	60%	8	\$1,392.00
2BR	80%	32	\$1,856.00
2BR	Market	36	\$2,300.00
3BR	60%	3	\$1,608.00
3BR	80%	7	\$2,145.00
3BR	Market	8	\$2,600.00

The rents for individuals and families earning between 60% and 80% AMI are meant to provide housing to the “missing middle” of the market: residents that earn above low-income housing tax credit income restrictions of 60% AMI but would be cost burdened by market rents. These incomes for a family of four range from approximately \$63,360.00 to \$82,500.00 in the City based on family size and represent a wide variety of employment sectors including, but not limited to, teachers, first responders, government employees, health care providers, etc.

Total development costs are anticipated to be approximately \$90,103,663.00 which includes the acquisition price for the land. The development budget less soft/financial costs is anticipated to be approximately \$76,782,301.00 (\$203,667.00 per unit).

Proposed Financing Sources		Amount
Mortgage Loan	\$	58,567,663.00
Developer/Investor Equity	\$	31,536,000.00
Total	\$	90,103,663.00
Proposed Uses		Amount
Development Costs	\$	65,022,910.00
Land Acquisition	\$	11,759,391.00
Soft Costs	\$	13,321,362.00
Total	\$	90,103,663.00

The Project will be owned by the Corporation and leased to the Applicant and other potential owners for a period of 75 years. In consideration for the Corporation’s participation in the Project, the Corporation is estimated to receive \$7,883,293.00 in revenues over the initial 15 years of the lease. Potential proceeds to the DPFC Corporation include (1) a \$377,000.00 structuring fee paid at closing; (2) a general contractor fee of \$1,027,910.00 paid at closing; (3) lease payments starting at \$379,156.00 and increasing by 3% annually upon stabilization; (4) a 15% sales commission after repayment of debt, equity, and preferred equity returns upon first sale of the Project; and (5) a 2% sales commission on all future sales. In the event of a sale during the life of the Project, the Corporation will continue to receive the annual lease payments. Upon termination of the 75-year lease, the Corporation will own the Project free and clear.

The revenues of the Corporation will be used to fund operations and the provision of additional affordable and workforce housing throughout the City. This proposed development results in foregone tax revenues for the City while the DPFC Corporation owns the asset. The 2022 City tax bill for this property is \$6,334.60 and the 15-year estimate of foregone taxes is \$117,816.71. However, the workforce housing rental savings of \$13,902,316.00 over 15 years and the estimated \$7,883,293.00 in revenues provides the City with \$21,785,609.00 in benefits that outweigh the foregone revenue.

The estimated revenues were calculated by the Corporation’s partnership counsel and financial advisors. Market rent comps and current construction costs were analyzed to ensure the project costs were reasonable for the market. Corporation financial advisors also confirmed that but for the ad valorem tax exemption, the Project would not be economically feasible and would not attract responsible debt and equity investment in the property. The Corporation’s revenue consideration and affordability levels were also analyzed to confirm that the ad valorem tax exemption does not over subsidize the Project.

DATE September 8, 2023
SUBJECT **September 13, 2023 Upcoming Agenda Item: Authorize a Resolution Approving the Dallas Public Facility Corporation's Acquisition, Development, and Ownership of The Cedars, to be located at 2000 and 2220 South Ervay Street**
PAGE **4 of 4**

The City is authorized by the Act to create a public facility corporation for the purposes established in the Act, including the financing, acquisition, construction, and leasing of public facilities under the Act. On June 24, 2020, City Council authorized the creation of the Corporation to further the public purposes stated in the Corporation's articles of incorporation and bylaws pursuant to the Act by Resolution No. 20-1035, which were subsequently amended by Resolution 22-1194 (bylaws). Section 6.2 of the Corporation's bylaws requires City Council approval by written resolution prior to entering into any agreement that would result in a property tax exemption. Per Section 7.3 of the bylaws, any Public Facility related to multifamily residential development of the Corporation shall not proceed unless (1) the development of the Public Facility could not be feasible but for the Corporation's participation, and (2) the development of the Public Facility is in furtherance of the City of Dallas's Comprehensive Housing Policy (CHP), as restated in the Dallas Housing Policy 2033 (DHP33).

On June 27, 2023, the Dallas Public Facility Corporation Board of Directors approved the negotiation and execution of a term sheet with the Applicant.

Staff and the Corporation's Counsel and Financial Advisors have confirmed that this Project would not be feasible but for the Corporation's participation and that the Project furthers the goals of the CHP, as restated in the DHP33. Staff recommends City Council approval of this item to allow this mixed-income housing development to move forward.

Should you have any questions or require any additional information, please contact David Noguera, Director, Department of Housing & Neighborhood Revitalization at David.Noguera@dallas.gov or 214-670-3619.



Majed A. Al-Ghafry, P.E.
Assistant City Manager

c: T.C. Broadnax, City Manager
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Genesis D. Gavino, Chief of Staff to the City Manager
Directors and Assistant Directors

Memorandum



CITY OF DALLAS

DATE September 8, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **Sales Tax Receipts**

The July 2023 sales tax receipts from the State Comptroller's Office are \$33.3 million and represents a 1.9% increase in total collections compared to the same reporting period last year. Over the most recent 12 months, sales tax receipts have increased by 6.5%.

- July 2022 actual \$32,646,635
- July 2023 budget \$34,850,176
- July 2023 actual \$33,267,422

As part of the FY 2022-23 mid-year budget ordinance approved by the City Council on May 10, we increased the sales tax revenue budget by \$15.5 million from \$417.2 million to \$432.8 million. The budget increase was possible based on actual collections for October 2022 through February 2023. Since that time, we have experienced three out of five months with actual collections being less than the same reporting period from last year, as well as four out of five months with actual collections being less than the monthly budget. With two months of sales tax receipts remaining (August and September), we now forecast that we will be approximately \$5 million under budget for FY 2022-23.

Our contract economist, Dearmon Analytics, indicated growth would slow to a more historical growth rate over the next several months. We will continue to monitor our sales tax forecast closely and provide additional information as it becomes available.

If you have any questions, please contact me or Janette Weedon, Director of Budget and Management Services.

Jack Ireland
Chief Financial Officer

[Attachment]

c: T.C. Broadnax, City Manager
Tammy Palomino, Interim City Attorney
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
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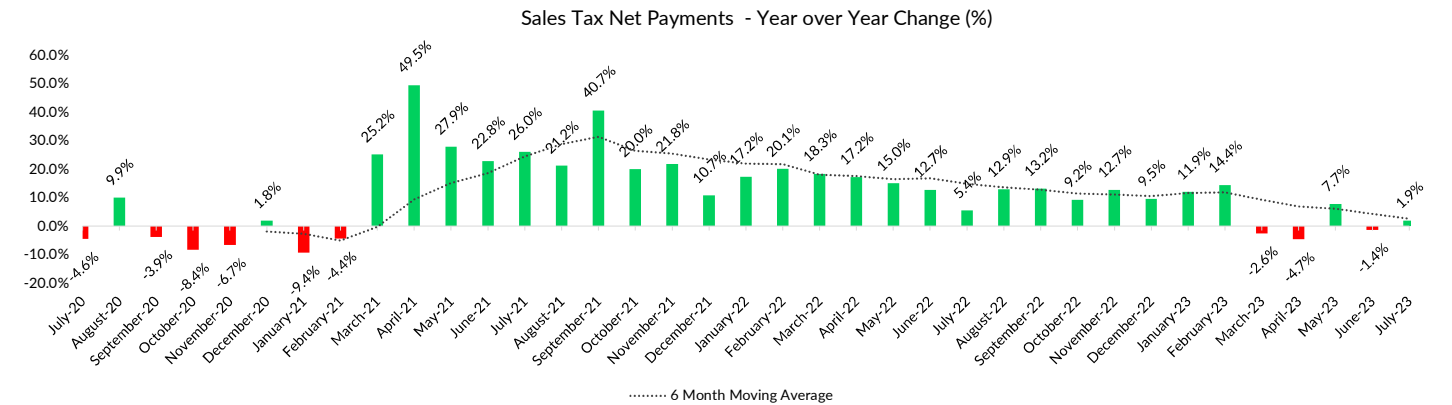
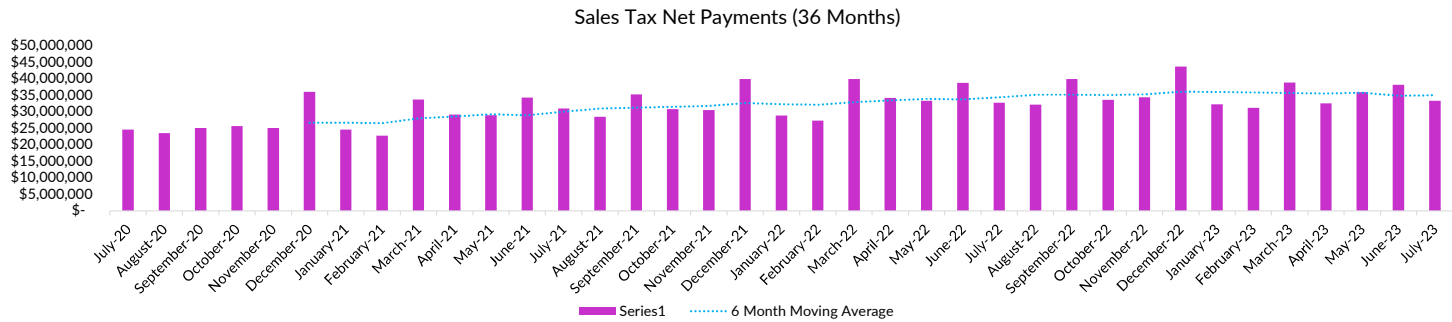
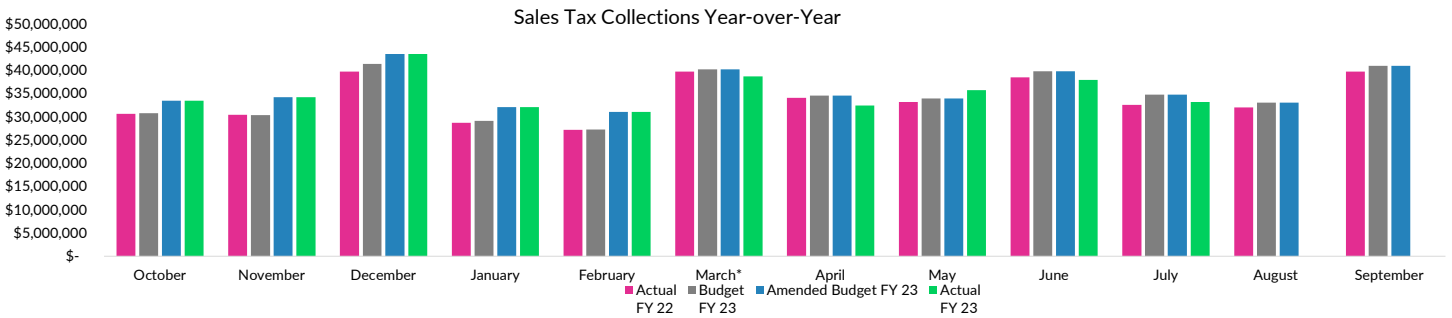
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Sales Tax

as of July 2023

Month	Actual FY 22	Budget FY 23	Amended Budget FY 23	Actual FY 23	YTD Variance FY 2022-23	YTD Variance FY 2022-	FY 2022-23	FY 2022-23
					Actuals versus FY 2021-22 Actuals (\$)	23 Actuals versus FY 2021-22 Actuals (%)	Actuals versus Amended Budget	Actuals versus Amended Budget
October	\$ 30,717,609	\$ 30,857,310	\$ 33,546,824	\$ 33,546,824	\$ 2,829,215	9.2%	\$ -	0.0%
November	30,461,440	30,389,940	34,320,398	34,320,398	3,858,958	12.7%	\$ -	0.0%
December	39,784,802	41,477,877	43,576,728	43,576,728	3,791,926	9.5%	\$ -	0.0%
January	28,760,595	29,196,263	32,196,210	32,196,210	3,435,615	11.9%	\$ -	0.0%
February	27,238,115	27,350,419	31,149,534	31,149,534	3,911,419	14.4%	\$ -	0.0%
March*	39,832,144	40,266,992	40,266,992	38,794,242	(1,037,902)	-2.6%	(1,472,750)	-3.7%
April	34,139,323	34,661,953	34,661,953	32,534,853	(1,604,470)	-4.7%	(2,127,100)	-6.1%
May	33,254,120	34,060,402	34,060,402	35,825,917	2,571,797	7.7%	1,765,515	5.2%
June	38,602,297	39,913,555	39,913,555	38,045,795	(556,502)	-1.4%	(1,867,760)	-4.7%
July	32,646,635	34,850,176	34,850,176	33,267,422	620,787	1.9%	(1,582,754)	-4.5%
August	32,060,088	33,125,024	33,125,024					
September	39,811,956	41,082,472	41,082,472					
Total	\$ 407,309,124	\$ 417,232,383	\$ 432,750,269	\$ 353,257,923	\$ 17,820,843	5.3%	\$ (5,284,849)	-1.5%

* Restated to reflect self reported sales tax



Memorandum



CITY OF DALLAS

DATE September 8, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **M/WBE Participation for September 13, 2023 Council Agenda**

The policy of the City of Dallas is to engage certified Minority and Women-owned Business Enterprises (M/WBEs) to the greatest extent feasible on the City’s architecture & engineering, construction, goods, and professional services contracts. The City’s Business Inclusion and Development Policy (BID Policy) is overseen by the Business Inclusion and Development (BID) division of the Small Business Center, which is providing this summary of M/WBE participation for the September 13, 2023 City Council Agenda.

As a reminder, the M/WBE goals that became effective on October 1, 2020 are:

Architecture & Engineering	Construction	Professional Services	Other Services	Goods
34.00%	32.00%	38.00%	N/A	32.00%

For this agenda, BID reviewed **15** agenda items; **8** items on this agenda include an M/WBE goal. Of those **8** items, **6** exceeded the goal and **2** did not meet the goal but complied with the BID policy. This agenda includes **7** items that did not have an applicable M/WBE goal. The table below provides a summary of M/WBE participation for this agenda.

#	Contract Amount	Procurement Category	M/WBE Goal	M/WBE Subcontracting %	M/WBE Overall Participation %	M/WBE Overall \$	Status
2	\$1,272,926.00	Construction	32.00%	39.09%	39.09%	\$497,586.00	Exceeds Goal
21	\$136,685.50	Goods	N/A	N/A	N/A	N/A	M/WBE N/A CO-OP
22	\$12,069,400.23	Other Services	N/A	N/A	N/A	N/A	M/WBE N/A CO-OP
23	\$480,070.00	Goods	32.00%	N/A	N/A	N/A	Does not meet the goal Item is RFB. Lowest responsible bidders were selected
24	\$500,000.00	Professional Services	38.00%	0.00%	40.00%	\$200,000.00	Does not meet the goal A prime is an MBE
25	\$607,722.50	Other Services	N/A	N/A	N/A	N/A	M/WBE N/A Other Services
26	\$1,914,118.00	Other Services	N/A	N/A	N/A	N/A	M/WBE N/A Other Services
27	\$262,840.00	Architecture & Engineering	34.00%	62.91%	62.91%	\$165,340.00	Exceeds Goal
28	\$268,570.95	Construction	32.00%	75.62%	75.62%	\$203,092.74	Exceeds Goal
30	\$292,240.00	Goods	N/A	N/A	N/A	N/A	M/WBE N/A CO-OP
#	Contract Amount	Procurement Category	M/WBE Goal	M/WBE Subcontracting %	M/WBE Overall Participation %	M/WBE Overall \$	Status

31	\$173,306.49	Goods	N/A	N/A	N/A	N/A	M/WBE N/A CO-OP
34	\$1,390,490.84	Goods	N/A	N/A	N/A	N/A	M/WBE N/A CO-OP
35	\$14,368,706.00	Construction	32.00%	38.00%	38.00%	\$5,460,108.28	Exceeds Goal
36	\$777,925.00	Architecture & Engineering	25.66*	26.12%	26.12%	\$203,175.00	Exceeds Goal
42	\$65,000,000.00	Professional Services	38.00%	50.75%	50.75%	\$32,987,500.00	Exceeds Goal

*This item reflects the previous BID Policy goal.

The following items do not meet the M/WBE goal, but comply with the BID Policy:

Agenda Item No. 23 Authorize a three-year master agreement for the purchase of automatic flushing devices and sampling station parts and accessories from Core and Main, LP and Fortiline Waterworks. The total estimated award amount is \$480,070. The Request for Bid method of procurement resulted in the lowest responsive bidder being selected.

Agenda Item No. 24

Authorize a five-year service contract containing two one-year renewal options with Hilltop Securities, Inc. and Estrada Hinojosa & Company, Inc. for financial advisory services for the City Controller’s Office. Award amount will not exceed \$500,000. The two awarded firms proposed jointly and one of the awarded firms is a certified MBE.

Local Businesses

The table below provides the count of businesses by location for prime contractors and M/WBE subcontractors. There are a total of 18 prime contractors considered in this agenda. The local status for each prime contractor and the percentage of local workforce is also included in the agenda information sheet.

Vendor	Local		Non-Local		Total
Prime	11	61.11%	7	38.89%	18
M/WBE Sub	22	88.00%	3	12.00%	25

Please feel free to contact me or Joyce Williams, Director of the Small Business Center, if you have any questions or should you require additional information.



Kimberly Bizer Tolbert
 Deputy City Manager

- c: TC Broadnax, City Manager
- Tammy Palomino, Interim City Attorney
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M/WBE Agenda Item Matrix
September 13, 2023 City Council Agenda

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-1748 2	\$1,272,926.00	Construction	32.00%
	M/WBE Subcontracting %	M/WBE Overall %	M/WBE Overall Participation \$
	39.09%	39.09% HM	\$497,586.00
Subject:	Authorize a work order under the existing Job Order Contract, previously approved on January 12, 2022, by Resolution No. 22-0116, for construction services with Chamberlin Dallas, LLC for the replacement of two of the three sections of roof at the Jack Evans Police Headquarters located at 1400 Botham Jean Boulevard - Not to exceed \$1,272,926.00 - Financing: Capital Construction Fund (subject to annual appropriations)		
This contract exceeds the M/WBE goal.			
Canalco Inc, Non-Local, HM, 39.09% - Roofing Supplier			
Chamberlin Dallas– Local; Workforce – 28.50% Local			

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-2106 21	\$136,685.50	Goods	N/A
	M/WBE Subcontracting %	M/WBE Overall %	M/WBE Overall Participation \$
	N/A	N/A	N/A
Subject:	Authorize a three-year cooperative purchasing agreement for the maintenance and support of a web-based end to end network performance management software system for the Department of Aviation with SHI Government Solutions, Inc. through the OMNIA Partners cooperative agreement - Not to exceed \$136,685.50 - Financing: Aviation Fund (subject to annual appropriations)		
The Business Inclusion and Development Policy does not apply to Cooperative Purchasing Agreements.			
SHI Government Solutions, Inc. – Non-local; Workforce – 0.00% Local			



M/WBE Agenda Item Matrix
September 13, 2023 City Council Agenda

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-2156 22	\$12,069,400.23	Other Services	N/A
	M/WBE Subcontracting %	M/WBE Overall %	M/WBE Overall Participation \$
	N/A	N/A	N/A
Subject:	Authorize a five-year cooperative purchasing agreement for the ongoing licensing, hosting, and technical support for the citywide enterprise asset management system for the Department of Information and Technology Services with International Business Machines Corporation through the Texas Department of Information Resources cooperative agreement - Not to exceed \$11,000,353.59 - Financing: Data Services Fund (subject to annual appropriations)		
The Business Inclusion and Development Policy does not apply to Cooperative Purchasing Agreements.			
International Business Machines Corporation -Non-local; Workforce - 3.40% Local			

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-2141 23	\$480,070.00	Goods	32.00%
	M/WBE Subcontracting %	M/WBE Overall %	M/WBE Overall Participation \$
	0.00%	0.00%	\$0.00
Subject:	Authorize a three-year master agreement for the purchase of automatic flushing devices and sampling stations with parts and accessories for the Water Utilities Department - Core and Main, LP in the estimated amount of \$453,070 and Fortiline, Inc. dba Fortiline Waterworks in the estimated amount of \$27,000, lowest responsible bidders of three - Total estimated amount of \$480,070 - Financing: Dallas Water Utilities Fund		
The Request for Bid method of procurement resulted in the lowest bidders being selected.			
Core & Main – Local; Workforce – 100.00% Local Fortiline, Inc. – Non-Local; Workforce – 0.00% Local			



M/WBE Agenda Item Matrix

September 13, 2023 City Council Agenda

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-2031 24	\$500,000.00	Professional Services	38.00%
	M/WBE Subcontracting %	M/WBE Overall %	M/WBE Overall Participation \$
	0.00%	40.00% HM	\$200,000.00
Subject:	Authorize a five-year service contract, with two one-year renewal options, for financial advisory services for the City Controller's Office - Hilltop Securities, Inc. in the amount of \$300,000 and Estrada Hinojosa & Company, Inc. in the amount of \$200,000, proposed jointly; most advantageous proposer of six - Not to exceed \$500,000 - Financing: Financial advisory fees to be paid from bond proceeds and Dallas Water Utilities Fund, contingent upon completion of each bond sale; fees for advisory services not related to bond issuance to be paid from General Fund (subject to annual appropriations)		
This contract does not meet the M/WBE goal, however, a prime contractor is an MBE.			
Estrada Hinojosa & Company - Local, HM, 40,00% - Financial Advisory			
Hilltop Securities, Inc.- Local; Workforce – 100.00% Local			
Estrada Hinojosa & Company – Local; Workforce – 100.00% Local			

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-2140 25	\$607,722.50	Other Services	N/A
	M/WBE Subcontracting %	M/WBE Overall %	M/WBE Overall Participation \$
	N/A	N/A	N/A
Subject:	Authorize a three-year service price agreement for scale repair and maintenance for weigh stations for the Department of Sanitation Services - Nicol Scales L.P. dba Nicol Scales & Measurement, only bidder - Estimated amount of \$607,722.50 - Financing: Sanitation Operation Fund (subject to annual appropriations)		
This item is Other Services which does not have an availability and disparity goal.			
Nicol Scales L.P. dba Nicol Scales & Measurement – Local; Workforce – 18.42% Local			



M/WBE Agenda Item Matrix
September 13, 2023 City Council Agenda

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-2143 26	\$1,914,118.00	Other Services	N/A
	M/WBE Subcontracting %	M/WBE Overall %	M/WBE Overall Participation \$
	N/A	N/A	N/A
Subject:	Authorize a three-year service price agreement for rental and maintenance of portable toilets for the Park & Recreation Department - United Rentals (North America), Inc. dba Reliable Onsite Services, lowest responsible bidder of two - Estimated amount of \$1,914,118 - Financing: General Fund (\$1,897,056), Dallas Water Utilities Fund (\$14,579), and Stormwater Drainage Management Fund (\$2,483) (subject to annual appropriations)		
This item is Other Services which does not have an availability and disparity goal.			
United Rentals (North America), Inc. dba Reliable Onsite Services – Local; Workforce – 0.00% Local			

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-2139 27	\$262,840.00	Architecture & Engineering	34.00%
	M/WBE Subcontracting %	M/WBE Overall %	M/WBE Overall Participation \$
	62.91%	62.91% HF	\$165,340.00
Subject:	Authorize a professional services contract with SWA Group for (1) surveying and platting services for park in the Cedars Park, near the intersection of South St. Paul Street and Beaumont Street; and (2) site assessment and analysis of the Old City Park site located at 1515 South Harwood Street - Not to exceed \$262,840.00 - Financing: Park and Recreation Facilities (B) Fund (2017 General Obligation Bond Fund)		
This contract exceeds the M/WBE goal.			
Criado and Associates, Local, HF, 59.79% - Topographic Surveying			
The Rios Group, Local, HF, 3.12% - Subsurface Utility Surveying			
SWA Group - Local; Workforce - 64.29% Local			



M/WBE Agenda Item Matrix
September 13, 2023 City Council Agenda

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-2138 28	\$268,570.95	Construction	32.00%
	M/WBE Subcontracting %	M/WBE Overall %	M/WBE Overall Participation \$
	75.62%	This Item 75.62% BM Overall Item 82.86% BM, WF	\$203,092.74
Subject:	Authorize an increase in the construction services contract with Joel Brown & Co. LLC, dba J.B. & Co. LLC for additional construction services at the Fair Park Centennial Building Improvements Project located at 1001 Washington Avenue - Not to exceed \$268,570.95, from \$4,776,516.61 to \$5,045,087.56 - Financing: Fair Park Improvements (C) Fund (2017 General Obligation Bond Fund)		
This contract exceeds the M/WBE goal.			
Change Order No 2 – 82.86% Overall MWBE Participation			
Cowboys Roofing, Local, BM, 45.50% - Roofing Lassiter Inc., Non-Local, WF, 32.15% - HVAC Madden Electric, Local, WF, 5.21% - Electrical			
This Item – 75.62% - MWBE Participation			
Cowboys Roofing, Local, BM, 75.62% - Roofing			
Joel Brown & Co. LLC, dba J.B. & Co. LLC – Local; Workforce – 20.00% Local			

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-2126 30	\$292,240.00	Goods	N/A
	M/WBE Subcontracting %	M/WBE Overall %	M/WBE Overall Participation \$
	N/A	N/A	N/A
Subject:	Authorize (1) the purchase of fifty ballistic shields for the Police Department with Galls, LLC dba Red the Uniform Tailor through The Local Government Purchasing Cooperative (BuyBoard) agreement – Not to exceed \$292,240.00 - Financing: 2022 Homeland Security-Urban Area Security Initiative 23-25 Grant Funds		
The Business Inclusion and Development Policy does not apply to Cooperative Purchasing Agreements.			
Galls, LLC dba Red the Uniform Tailor – Non-local; Workforce – 0.00% Local			



M/WBE Agenda Item Matrix
September 13, 2023 City Council Agenda

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-2125 31	\$173,306.49	Goods	N/A
	M/WBE Subcontracting %	M/WBE Overall %	M/WBE Overall Participation \$
	N/A	N/A	N/A
Subject:	Authorize the purchase of three digital mobile x-ray systems for the Dallas Police Department with SAFEWARE, Inc. through the OMNIA Partners cooperative agreement - Not to exceed \$173,306.49 - Financing: 2022 Homeland Security-Urban Area Security Initiative 23-25 Grant Funds		
The Business Inclusion and Development Policy does not apply to Cooperative Purchasing Agreements.			
SAFEWARE, Inc. – Non-local; Workforce – 0.00% Local			

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-2133 34	\$1,390,490.84	Goods	N/A
	M/WBE Subcontracting %	M/WBE Overall %	M/WBE Overall Participation \$
	N/A	N/A	N/A
Subject:	Authorize the purchase of two fleet vehicles and six pieces of equipment with TNTX, LLC dba Lonestar Freightliner Group, LLC in the amount of \$995,220.84 and Kirby-Smith Machinery, Inc. in the amount of \$395,270.00 through the BuyBoard National Purchasing Cooperation cooperative agreement - Total not to exceed \$1,390,490.84 - Financing: Dallas Water Utilities Fund (\$995,220.84) and Stormwater Drainage Management Capital Construction Fund (\$395,270.00)		
The Business Inclusion and Development Policy does not apply to Cooperative Purchasing Agreements.			
TNTX, LLC dba Lonestar Freightliner Group, LLC– Non-local; Workforce – 0.00% Local Kirby-Smith Machinery, Inc. – Local; Workforce – 0.00% Local			



M/WBE Agenda Item Matrix
September 13, 2023 City Council Agenda

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-1767 35	\$14,368,706.00	Construction	32.00%
	M/WBE Subcontracting %	M/WBE Overall %	M/WBE Overall Participation \$
	38.00%	38.00% HM	\$5,460,108.28
Subject:	Authorize a construction services contract for the installation of water and wastewater mains at 14 locations (list attached to the Agenda Information Sheet) - Douglas Dailey Construction, LLC, lowest responsible bidder of six - Not to exceed \$14,368,706.00 - Financing: Water (Drinking Water) - TWDB 2022 Fund (\$11,621,206.00) and Wastewater (Clean Water) - TWDB 2022 Fund (\$2,747,500.00)		
This contract exceeds the M/WBE goal.			
RSC Construction LTD, Non-Local, 38.00% - Water Sewer			
Douglas Dailey Construction, LLC – Non-local; Workforce – 22.86% Local			



M/WBE Agenda Item Matrix

September 13, 2023 City Council Agenda

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-1955 36	\$777,925.00	Architecture & Engineering	25.66%*
	M/WBE Subcontracting %	M/WBE Overall %	M/WBE Overall Participation \$
	26.12%	This Item 26.12% IM, WF Overall Item 26.04% IM, WF, HM	\$203,175.00
Subject:	Authorize Supplemental Agreement No. 2 to the professional services contract with Halff Associates, Inc. for additional engineering services associated with the Floodplain Program Management Assistance Contract No. 1 - Not to exceed \$777,925.00, from \$583,950.00 to \$1,361,875.00 - Financing: Storm Drainage Management Capital Construction Fund		
*This item reflects previous Business Inclusion and Development Policy M/WBE goal.			
This contract exceeds the M/WBE goal.			
Supplemental Agreement No. 2 – 26.04% Overall MWBE Participation			
Pacheco Koch Consulting Engineers, Inc – Local, HM, 2.93% - Hydro/Hydra/Design/Survey			
IEA, Inc, Local, IM, 11.71% - Hydro/Hydria			
Garcia Land Data, Inc, Local, HM, 2.20% - Surveying			
Zara Environmental LLC, Non-Local, WF, 0.37% - Mussel Survey/Relocation			
Evans Graphic Consultants LLC, Local, WF, 6.98% - Printing			
HVJ North Texas – Chelliah Consultants Inc, Local, IM, 1.85% - Geotechnical Engineering			
This Item – 26.12% - MWBE Participation			
IEA, Inc, Local, IM, 15.04% - Hydro/Hydria			
Evans Graphic Consultants LLC, Local, WF, 6.55% - Printing			
HVJ North Texas – Chelliah Consultants Inc, Local, IM, 2.60% - Geotechnical Engineering			
Garcia Land Data, Inc, Local, HM, 1.93% - Surveying			
Halff Associates, Inc – Local; Workforce – 19.00% Local			



M/WBE Agenda Item Matrix

September 13, 2023 City Council Agenda

Agenda Item #	Contract Amount	Procurement Category	M/WBE Goal
23-1905 42	\$65,000,000.00	Professional Services	38.00%
	M/WBE Subcontracting %	M/WBE Overall %	M/WBE Overall Participation \$
	50.75%	50.75%	\$32,987,500.00
Subject:	Authorize a six-year professional services contract in the amount of \$65,000,000, with a \$2,000,000 contingency for potential scope enhancement, and one one-year renewal option in the amount of \$4,000,000, as detailed in the Fiscal Information section, for project management services and owner’s representation for the implementation of Component One of the Kay Bailey Hutchison Convention Center Dallas master plan, which includes the Kay Bailey Hutchison Convention Center Dallas and proposed deck park using the construction manager at-risk or design build delivery models and the demolition of the existing convention center– Inspire Dallas, LLC, most highly qualified proposer of seven – Not to exceed \$71,000,000 – Financing: Convention Center Construction Fund (to include reimbursements from Brimer Bill Bonds) (subject to annual appropriations)		
This contract exceeds the M/WBE goal.			
Azteca Enterprises, Local, HM, 10.50%, Design Review, Constructability, PM/CM JBJ Management, Local, BM, 5.00%, Document Controls, Equity Compliance, Public Engagement K Strategies, Local, BF, 1.00%, Website & Communication Kaizen Development, Local, BM, 5.00%, Real Estate Development, PM Carcon Industries & Construction, Local, HF, 5.00%, Materials Testing/ PM/CM Foster CM Group, Local, BM, 5.00%, PM/CM, Estimating, Document Controls KAI Design, Local, BM, 5.00%, Architecture & Design Reviews, Constructability, PM/CM The Polote, Local, BM, 5.00%, Project Controls, PM/CM Salcedo Group, Inc, Local, HM, 1.00%, Civil Engineering, SUE, Utility Engineering Urban Engineers Group, Inc., Local, HF, 1.50%, Civil Engineering, Traffic Management Click Engineering, Local, NM, 1.00%, Structural & Civil Engineering MEPCE, Local, WF, 1.00%, Facility Analysis, MEP Engineering, Fire Control Systems Ponce-Fuess Engineering, LLC, Local, HM, 1.50%, Structural Engineering; Fire & Safety Code Compliance Criado & Associates, Inc., Local, HF, 1.00%, Transportation Design, Survey & Utilities Mas-Tek Engineering & Associates, Inc., Local, BF, 2.00%, Geotechnical Engineering TreeNewal, Non-Local, HM, 0.25%, Arborist Inspire Dallas, LLC – Local; Workforce – 100.00% Local			

Memorandum



CITY OF DALLAS

DATE September 8, 2023
TO Honorable Mayor and Members of the City Council
SUBJECT **September 13, 2023 Upcoming Agenda Item #33 – 23-2073 – South Dallas Fair Park Opportunity Fund Human Development - Amended Program Statement**

The purpose of this memorandum is to provide information regarding the following upcoming agenda item #33 on the September 13, 2023, City Council Agenda.

The Small Business Center (SBC) seeks approval to amend the South Dallas Fair Park Opportunity Fund (SDFPOF) Program Statement to allow Human Development Grant funds to accept applications on a bi-annual basis. If approved, Notice of Funds Available (NOFA) will be accepted twice annually from eligible entities who apply for funding. This item supports SBC on-going efforts to streamline the grant application approval process for responsiveness, efficiency, and effectiveness.

On June 27, 2018, the SDFPOF was authorized by City Council Resolution No.18-0922 and Ordinance No. 30905. The SDFPOF provides loans and grants to promote economic development and supports human development and small business initiatives in neighborhoods surrounding the South Dallas Fair Park service area. A total of \$200,000 in funding for human development projects is authorized for award to non-profits as reimbursable grants on an annual basis. Under the Human Development program, contracts must demonstrate measurable outcomes related to the following goals:

- increase workforce participation and readiness
- stimulate small business activity and growth
- improve health outcomes
- improve public safety
- improve educational outcomes

On June 6, 2023, the Economic Development Committee approved grant awards for human development funding for a total amount of \$90,000 to be disbursed by May 31, 2024, with the remaining fund balance of \$110,000 to be allocated for additional grants to non-profits through SBC by the end of the fiscal year for a total amount not to exceed \$200,000 annually.

Staff will be available during the City Council meeting on September 13, 2023, to respond to questions or provide additional information. In the meantime, should you have any questions or need additional information please feel free to contact me or Joyce Williams, Director, Small Business Center at joyce.williams@dallas.gov.

Kimberly Bizer Tolbert
Deputy City Manager

c: T.C. Broadnax, City Manager
Tammy Palomino, Interim City Attorney
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Jon Fortune, Deputy City Manager

Majed A. Al-Ghafry, Assistant City Manager
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Dr. Robert Perez, Assistant City Manager
Carl Simpson, Assistant City Manager
Jack Ireland, Chief Financial Officer
Genesis D. Gavino, Chief of Staff to the City Manager
Directors and Assistant Directors

Memorandum



CITY OF DALLAS

DATE September 8, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **Tax Transparency – Taxpayer Feedback**

The Texas Transparency Act of 2019 (Senate Bill 2) requires appraisal districts to establish a property tax database for tax rate truth in taxation purposes. Each appraisal district within the City of Dallas maintains a Tax Transparency website, and residents may provide their opinion as to whether the tax rate proposed by the governing body of the taxing unit should be adopted. The database must allow a property owner to complete and submit their comments at any time during the period beginning on the date the governing body of the taxing unit proposes the tax rate for that tax year and ending on the date the governing body adopts a tax rate for that tax year.

The City of Dallas is responsible for reviewing and possibly responding to resident feedback. The table below provides a summary of the feedback received through the tax transparency portals. Actual responses are attached.

Tax Transparency – Taxpayer Feedback	
Summary of Responses	Number of Responses
Adopt No-New-Revenue	7
Taxes too High	21
Other	6
Appraised Value Complaint	1
Tax Question	2
Total	37

We will continue to monitor feedback received through the Tax Transparency website until final adoption of the tax rate on September 20. If you have any questions, please contact me or Janette Weedon, Director of Budget and Management Services.

Jack Ireland
Chief Financial Officer

- c: T.C. Broadnax, City Manager
- Tammy Palomino, Interim City Attorney
- Mark Swann, City Auditor
- Biliera Johnson, City Secretary
- Preston Robinson, Administrative Judge
- Kimberly Bizzor Tolbert, Deputy City Manager
- Jon Fortune, Deputy City Manager

- Majed A. Al-Ghafry, Assistant City Manager
- M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
- Dr. Robert Perez, Assistant City Manager
- Carl Simpson, Assistant City Manager
- Genesis D. Gavino, Chief of Staff to the City Manager
- Directors and Assistant Directors

# of Responses	District	Resident Response	Summary of Response Category
1	2	I don't support an increase	Taxes too High
2	3	MY TAXES WERE RAISED FOR THE LAST COUPLE OF YEARS. I AM A SENIOR AND CANNOT AFFORD ANY MORE!	Taxes too High
3	4	Taxes for Dallas, in general are too high. Taxes are being raised and neighborhoods are getting worse. Area are over crowded.	Taxes too High
4	7	Raising my actual amount of taxes due by 30% in one year is insane!	Taxes too High
5	7	It's evident that the area east of Dallas, nestled between Downtown and Mesquite, has been receiving unequal treatment compared to the broader city. Despite our company's significant investment of nearly \$50 million in constructing four new hotels, the locality's infrastructure, safety measures, and developmental progress remain neglected by the city. We kindly urge for fair attention to be directed towards enhancing the area's overall quality, addressing safety concerns, curbing crime rates, and fostering sustainable development. A balanced and thriving community benefits both residents and businesses alike, and we hope for a positive change in the near future.	Other
6	7	Too High	Taxes too High
7	8	I have 4 properties and live in one and pay school tab 4 times it's way too much I shouldn't b paying 4 times just one none of my kids go to college and won't go so why should I keep paying?	Other
8	8	Public utilities are a joke in my neighborhood.	Other
9	9	Higher than last year. CoD should focus on reducing inefficiencies rather than rely on tax payers to fund bloated bureaucracy	Taxes too High
10	9	I SUPPORT INCREASED LAW ENFORCEMENT SPENDING TO REDUCE THE CRIME WHICH APPEARS TO BE INCREASING	Other
11	9	I support No New Revenue for the City of Dallas.	No-New-Revenue
12	9	Too high	Taxes too High
13	10	Our taxes will continue to go up for as long as we own this home due to unjustified appraisal valuation. We cannot afford tax increases, please do not punish your Dallas residents.	Tax Question
14	11	Too high. Seniors are being forced to move out of their homes due to taxes and ins. We should pay no more taxes.	Taxes too High
15	11	Its already too high compared to national average	Taxes too High
16	11	Seems to me there is an inordinate amount of waste. Make cuts and lower our taxes, please.	Taxes too High
17	11	Please!!! No new revenue! I had to take a loan out to pay my taxes as it is. I'm retired and disabled, but I didn't get approved for disability.	No-New-Revenue
18	11	Tax rate needs to be lowered so seniors can afford to retain ownership in their homes	Taxes too High
19	11	I support the no-new-revenue rate to be selected to avoid hitting the fiscal iceberg soon. Close any open positions and seek fiscal responsibility now!	No-New-Revenue
20	12	Dallas needs to spend our money more wisely. Who knowingly lets a main water line leak for a year?	Other
21	12	Taxes are too high for two eighty year old retired citizens who live in an 1800 Sq. Ft. home on a fixed income.	Taxes too High
22	12	The "proposed" tax rate is 8% higher than the "no new revenue" tax! This seems high in proportion to inflation.	No-New-Revenue
23	12	Last year is better!	Taxes too High
24	13	way too high You need to cut pensions	Taxes too High
25	13	There is no reason to raise tax RATEs. Property values have risen enough to cover the difference for the budget from last year to this year. I am over 65 and these property taxes are killing me.	Taxes too High

# of Responses	District	Resident Response	Summary of Response Category
26	13	The recent substantial rise in property values alone should provide for more of a rate offset than what is proposed to support any necessary fiscal budget increases.	Appraised Value
27	13	I support no new revenue tax rate	No-New-Revenue
28	13	Don't impose a tax increase when there was a surplus last year. Should be using the No New Revenue rate.	No-New-Revenue
29	13	Dallas City, college and county should not be increasing their rates.	Taxes too High
30	13	No Tax Increase!	Taxes too High
31	14	2023 rate is going up from 2022.	Tax Question
32	14	No higher taxes in a time of inflation. Everyone's values went up. Freeze or decrease the rate and put our money towards the police and the roads please.	Taxes too High
33	14	too much in one year	Taxes too High
34	14	I'm a senior citizen	Other
35	14	The tax rate increase from the prior year is onerous. The value of a house should not come into the equation if all homeowners are to be treated equally.	Taxes too High
36	14	Too expensive. Street is in poor condition and unsafe. City services for the area are relatively poor. Will be moving if taxes increase.	Taxes too High
37	14	Support No new revenue rate	No-New-Revenue

Memorandum



CITY OF DALLAS

DATE September 8, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **September 13, 2023 Upcoming Agenda Item #24- 23-2031 – Financial Advisory Services**

Your September 13, 2023 City Council agenda includes an item authorizing a five-year service contract, with two one-year renewal options, for financial advisory services with Hilltop Securities, Inc. and Estrada Hinojosa & Company, Inc. Financial advisory fees are paid from bond proceeds and Dallas Water Utilities Fund. Most fees are contingent upon completion of each bond sale, as approved by City Council, while fees for advisory services not related to bond issuance are to be paid according to the approved scope of work and funding.

Financial advisors are needed to lend expertise in areas relating to public finance such as the structure and timing of bond sales, preparation of bond documents and rating agency presentations, assist in evaluating and selecting the best offers, and to close the transactions. In addition, the financial advisors are needed to ensure the City's goals and interests are represented and protected in the structuring of the transactions and during the establishment of the borrowing rates and yields.

This service contract will provide financial advisory services to:

- Assist with the preparations for and sale of bonds
- Assist with preparations for and presentations to bond rating agencies
- Assist with certain aspects of capital budgeting and planning
- Provide other financial assistance and advice as needed

As a joint team, Hilltop Securities, Inc. and Estrada Hinojosa & Company, Inc. will serve as co-financial advisors and will be responsible for the entire credit profile of the City, including obligations secured by governmental fund revenues and designated enterprise revenues, such as: General Obligation Bonds and Commercial Paper Notes, Certificates of Obligation, Contractual Obligations including Equipment Acquisition Notes, Pension Obligation Bonds, Waterworks and Sewer System Revenue Bonds and Commercial Paper Notes, General Aviation Revenue Bonds and Aviation Commercial Paper Notes, Convention Center Revenue Bonds, Tax Increment Bonds, issuances of Local Government Corporations acting on behalf of the City, and other financings secured by designated governmental fund or enterprise revenues as approved by the City Council.

DATE September 8, 2023

SUBJECT **September 13, 2023 Upcoming Agenda Item #24- 23-2031 – Financial Advisory Services**

If you have questions or need additional information, please contact me or Sheri Kowalski, City Controller.



Jack Ireland
Chief Financial Officer

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney
Mark Swann, City Auditor
Billieae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizer Tolbert, Deputy City Manager

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Robert Perez, Assistant City Manager
Carl Simpson, Assistant City Manager
Genesis D. Gavino, Chief of Staff to the City Manager
Directors and Assistant Directors

Memorandum



CITY OF DALLAS

DATE September 8, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **September 13, 2023 Upcoming Agenda Items #39 and #40- 23-2226 and 23-2236 – Texas Water Development Board Grant and Loan Application for Flood Infrastructure Funding**

Your September 13, 2023 City Council agenda includes two items authorizing the submission of a combined application to the Texas Water Development Board (TWDB) for grant and loan financial assistance for eligible projects through the Flood Infrastructure Fund (FIF). The City is requesting an amount up to \$113,190,000 to fund flood risk management projects associated with the Dallas levee system improvements to reduce flood risk, and an amount up to \$16,675,712 to fund flood risk management projects associated with the infrastructure relocation related to the Dallas Floodway Extension.

The FIF program was created in 2019 and provides financial assistance in the form of loans and grants for flood control, flood mitigation, and drainage projects. On September 17, 2020, the TWDB approved the Prioritization List and Eligible Funding Amounts under the FIF, including two projects for the Modified Dallas Floodway Project, relating to an extension of the floodway and levee system. The Dallas Floodway Levee System is locally owned and operated, federally regulated by the U.S. Army Corps of Engineers (USACE), and provides flood risk mitigation for an area that encompasses over \$14 billion in real and personal property and over 400,000 residents. The levee system currently has two ongoing federal projects that have completed all environmental clearances, received their Record of Decisions, and appropriated funds through the USACE Civil Works Program. Per executed project partnership agreements between the USACE and the City, the City is obligated to cost participate in the design and construction activities for the flood risk management components of the project.

The combined project costs for the Modified Dallas Floodway projects related to the Dallas levee system improvements total approximately \$457.7 million. The USACE contribution to the project is approximately \$297.4 million, with the City contributing approximately \$47.0 million in in-kind contributions. The City is seeking to finance the remaining project costs with financial assistance from TWDB through the FIF. The terms of the financial assistance from TWDB include \$23.1 million in FIF grant funding and a \$90.1 million long-term, fixed rate FIF loan, offered at zero percent interest.

The combined project costs for the Modified Dallas Floodway projects related to the Dallas Floodway Extension total approximately \$559.5 million. The USACE contribution to the project is approximately \$517.4 million, with the City contributing approximately \$25.4 million in in-kind contributions. The City is seeking to finance the remaining project costs with financial assistance from TWDB through the FIF. The terms of the financial

DATE September 8, 2023

SUBJECT **September 13, 2023 Upcoming Agenda Items #39 and #40- 23-2226 and 23-2236 – Texas Water Development Board Grant and Loan Application for Flood Infrastructure Funding**

assistance from TWDB include \$2.5 million in FIF grant funding and a \$14.2 million long-term, fixed rate FIF loan, offered at zero percent interest.

This action is the first of two Council actions required by the TWDB to participate in the FIF financial assistance program, which authorizes the submission of a financial assistance application for the FIF program. The application process is expected to take about three months to complete, at which time DWU will receive funding commitment letters from the TWDB. Once funding commitments are received, DWU will seek additional Council approval to accept the grant and loan funding. The future action is anticipated to be presented to Council prior to December 2023.

If you need additional information, please contact me or Sarah Standifer, Dallas Water Utilities Interim Director.



Jack Ireland
Chief Financial Officer

c: Honorable Mayor and Members of the City Council
T.C. Broadnax, City Manager
Chris Caso, City Attorney
Mark Swann, City Auditor
Biliera Johnson, City Secretary
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Kimberly Bizzor Tolbert, Deputy City Manager

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Robert Perez, Assistant City Manager
Carl Simpson, Assistant City Manager
Genesis D. Gavino, Chief of Staff to the City Manager
Directors and Assistant Directors

Memorandum



CITY OF DALLAS

DATE September 8, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **September 13, 2023 City Council FINAL Agenda – Additions/Revisions/Deletions Memorandum**

On September 1, 2023, a DRAFT City Council Agenda for September 13, 2023, was provided for your review. This memorandum outlines any additions, revisions or deletions made to the FINAL agenda after the distribution of the DRAFT agenda. In addition, we have highlighted agenda items which have been briefed to the City Council and/or Committee by briefing memorandums.

Additional items and deletions to the DRAFT agenda are outlined below, including *revisions* to the FINAL agenda are underlined in blue and *deletions* are strikethrough in red. A brief explanation for revisions along with staff's contact information is provided.

Additions:

39. 23-2226 Authorize application to the Texas Water Development Board for grant and loan financial assistance for eligible projects through the Flood Infrastructure Fund, in an amount up to \$113,190,000, to fund flood risk management projects associated with the Dallas levee system improvements to reduce flood risk - Financing: No cost consideration to the City
40. 23-2236 Authorize application to the Texas Water Development Board for grant and loan financial assistance for eligible projects through the Flood Infrastructure Fund, in an amount up to \$16,675,712, to fund flood risk management projects associated with the infrastructure relocation related to the Dallas Floodway Extension - Financing: No cost consideration to the City
41. 23-2153 A resolution to approve the Dallas Fort Worth International Airport Board's FY 2024 budget - Financing: No cost consideration to the City
42. 23-1905 Authorize a six-year professional services contract in the amount of \$65,000,000, with a \$2,000,000 contingency for potential scope enhancement, and one one-year renewal option in the amount of \$4,000,000, as detailed in the Fiscal Information section, for project management services and owner's representation for the implementation of Component One of the Kay Bailey Hutchison Convention Center Dallas master plan, which includes the Kay Bailey Hutchison Convention Center Dallas and proposed deck park using the construction manager at-risk or design build delivery models and the demolition of the existing convention center- Inspire Dallas, LLC, most highly qualified proposer of seven - Not to exceed \$71,000,000 - Financing: Convention Center Construction Fund (to include reimbursements from Brimer Bill Bonds) (subject to annual appropriations)

Revisions:

2. 23-1748 Authorize a work order under the existing Job Order Contract, previously approved on January 12, 2022, by Resolution No. 22-0116, for construction services with Chamberlin Dallas, LLC for the replacement of two of the three sections of roof at the Jack Evans Police Headquarters located at 1400 Botham Jean Boulevard - Not to exceed \$1,272,926.00 - Financing: Capital Construction Fund (subject to annual appropriations)
This item is being revised to update the M/WBE Information Section. Please contact Joyce Williams, Director, Small Business Center Department, at 214-500-4217, for more information.
23. 23-2141 Authorize a three-year master agreement for the purchase of automatic flushing devices and sampling stations with parts and accessories for the Water Utilities Department - Core and Main, LP in the estimated amount of \$453,070 and Fortiline, Inc. dba Fortiline Waterworks in the estimated amount of \$27,000, lowest responsible bidders of three - Total estimated amount of \$480,070 - Financing: Dallas Water Utilities Fund
This item is being revised to update the M/WBE Information Section. Please contact Joyce Williams, Director, Small Business Center Department, at 214-500-4217, for more information.

Deletions:

27. 23-2139 Authorize a professional services contract with SWA Group for (1) surveying and platting services for park in the Cedars Park, near the intersection of South St. Paul Street and Beaumont Street; and (2) site assessment and analysis of the Old City Park site located at 1515 South Harwood Street - Not to exceed \$262,840.00 - Financing: Park and Recreation Facilities (B) Fund (2017 General Obligation Bond Fund)
This item is being deleted due to Park and Recreation Board deferring this item to further discuss contract details. Please contact John Jenkins, Director, Park & Recreation Department, at 214-670-4073, for more information.
28. 23-2138 Authorize an increase in the construction services contract with Joel Brown & Co. LLC, dba J.B. & Co. LLC for additional construction services at the Fair Park Centennial Building Improvements Project located at 1001 Washington Avenue - Not to exceed \$268,570.95, from \$4,776,516.61 to \$5,045,087.56 - Financing: Fair Park Improvements (C) Fund (2017 General Obligation Bond Fund)
This item is being deleted due to Park and Recreation Board deferring this item to further discuss contract details. Please contact John Jenkins, Director, Park & Recreation Department, at 214-670-4073, for more information.

A memorandum was previously provided to Committee and/or City Council regarding the following items. A link to the memorandums is attached for more information.

5. 23-2051 A resolution authorizing a two-year extension of the Letter of Credit Reimbursement Agreement and a Fee Agreement with JPMorgan Chase Bank, National Association from December 18, 2023 to December 18, 2025, with respect to the Love Field Airport Modernization Corporation Airport System Commercial Paper Notes, AMT Series - Not to exceed \$3,700,000 - Financing: Aviation Fund
[The City Council was briefed by memorandum regarding this matter on September 4, 2020.](#)
18. 23-2167 Authorize an Interlocal Agreement in the amount of \$2,824,600.00 with Dallas County on behalf of the Dallas County Health and Human Services to provide scattered site housing assistance for persons with HIV/AIDS for the period October 1, 2023 through September 30, 2024 - Not to exceed \$2,824,600.00 - Financing: U.S. Department of Housing and Urban Development Housing Opportunities for Persons with AIDS Grant Funds
The Workforce, Education, and Equity Committee will be briefed by memorandum regarding this matter on September 11, 2023.
19. 23-2166 Authorize the first of two one-year renewal options to the contracts with Housing Opportunities for Persons with AIDS (HOPWA) Programs, with a term beginning on October 1, 2023 through September 30, 2024, with: **(a)** Health Services of North Texas, Inc. for Emergency/Tenant Based Rental Assistance in the amount of \$698,322.00; **(b)** Open Arms, Inc. d/b/a Bryan’s House for Housing Placement and Other Support Services (childcare services) in the amount of \$106,820.00; **(c)** Legacy Counseling Center, Inc. for Facility Based Housing Services (Cottage) in the amount of \$240,429.00; **(d)** Legacy Counseling Center, Inc. for Master Leasing/Emergency Voucher Services in the amount of \$677,169.00; **(e)** Legacy Counseling Center, Inc. for Housing Information Services in the amount of \$164,097.00; **(f)** PWA Coalition of Dallas, Inc. d/b/a AIDS Services of Dallas for Emergency/Tenant Based Rental Assistance and Housing Placement and Other Support Services in the amount of \$215,691.00; and **(g)** PWA Coalition of Dallas, Inc. d/b/a AIDS Services of Dallas for Facility Based Housing, Master Leasing, and Emergency Voucher Services in the amount of \$1,925,267.00 - Total not to exceed \$4,027,795.00 - Financing: U.S. Department of Housing and Urban Development Housing Opportunities for Persons with AIDS Grant Funds
The Public Safety Committee will be briefed by memorandum regarding this matter on September 11, 2023.
24. 23-2031 Authorize a five-year service contract, with two one-year renewal options, for financial advisory services for the City Controller’s Office - Hilltop Securities, Inc. in the amount of \$300,000 and Estrada Hinojosa & Company, Inc. in the amount of \$200,000, proposed jointly; most advantageous proposer of six - Not

to exceed \$500,000 - Financing: Financial advisory fees to be paid from bond proceeds and Dallas Water Utilities Fund, contingent upon completion of each bond sale; fees for advisory services not related to bond issuance to be paid from General Fund (subject to annual appropriations)

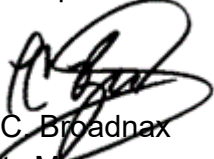
The City Council was briefed by memorandum regarding this matter on September 8, 2023.

31. 23-2125 Authorize the purchase of three digital mobile x-ray systems for the Dallas Police Department with SAFEWARE, Inc. through the OMNIA Partners cooperative agreement - Not to exceed \$173,306.49 - Financing: 2022 Homeland Security-Urban Area Security Initiative 23-25 Grant Funds
The Public Safety Committee will be briefed by memorandum regarding this matter on September 11, 2023.

32. 23-2063 Authorize an Interlocal Agreement with Dallas College, for the period of September 14, 2023 through December 31, 2024, with two (2) one-year renewal options, approved as to form by the City Attorney, to provide workforce training of electrical vehicle repair and/or electrical vehicle charging station technicians - Not to exceed \$250,000.00 - Financing: General Fund
The Workforce, Education, and Equity Committee will be briefed by memorandum regarding this matter on September 11, 2023.

33. 23-2073 Authorize the amendment of the South Dallas/Fair Park Opportunity Fund Program to accept Notice of Funding Availability submissions on a bi-annual basis for Human Development contract - Financing: No cost consideration to the City
[The Economic Development Committee was briefed by memorandum regarding this matter on June 6, 2023.](#)

Please feel free to reach out to me or Kimberly Bizer Tolbert, Deputy City Manager if you have questions or should you require additional information at this time.



T.C. Broadnax
City Manager

c: Tammy Palomino, Interim City Attorney
Mark Swann, City Auditor
Billerae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizer Tolbert, Deputy City Manager
Jon Fortune, Deputy City Manager

Majed A. Al-Ghafry, Assistant City Manager
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Dr. Robert Perez, Assistant City Manager
Carl Simpson, Assistant City Manager
Jack Ireland, Chief Financial Officer
Genesis D. Gavino, Chief of Staff to the City Manager
Directors and Assistant Directors