

# Memorandum



CITY OF DALLAS

DATE October 21, 2016

TO Honorable Mayor and Members of the City Council

SUBJECT **Organizational Changes**

With the impending departure of Ryan Evans in January, 2017, it is necessary to make some changes in senior management portfolios and reporting assignments to ensure that institutional knowledge and familiarity with operations is passed along in critical areas. Accordingly, the following changes in reporting assignments will be effective October 24, 2016.

### **Ryan Evans, First Assistant City Manager**

Ryan will assume new responsibility for Dallas Water Utilities, the liaison role from my office to the Parks and Recreation Department, and 311 Operations. In addition, he will retain oversight of Aviation and Convention and Event Services.


### **Mark McDaniel, Assistant City Manager**

Mark will assume new responsibility for Economic Development and Sustainable Development, and will also be assigned to provide leadership and coordination for City staff support of the high speed rail project. In addition, he will retain oversight of Trinity Watershed Management, Communications & Information Services, and the Center for Performance Excellence. Finally, he will serve as liaison and staff support for the Council Economic Development Committee in addition to the Transportation & Trinity River Project Committee.

### **Mark Duebner, Director, Department of Aviation**

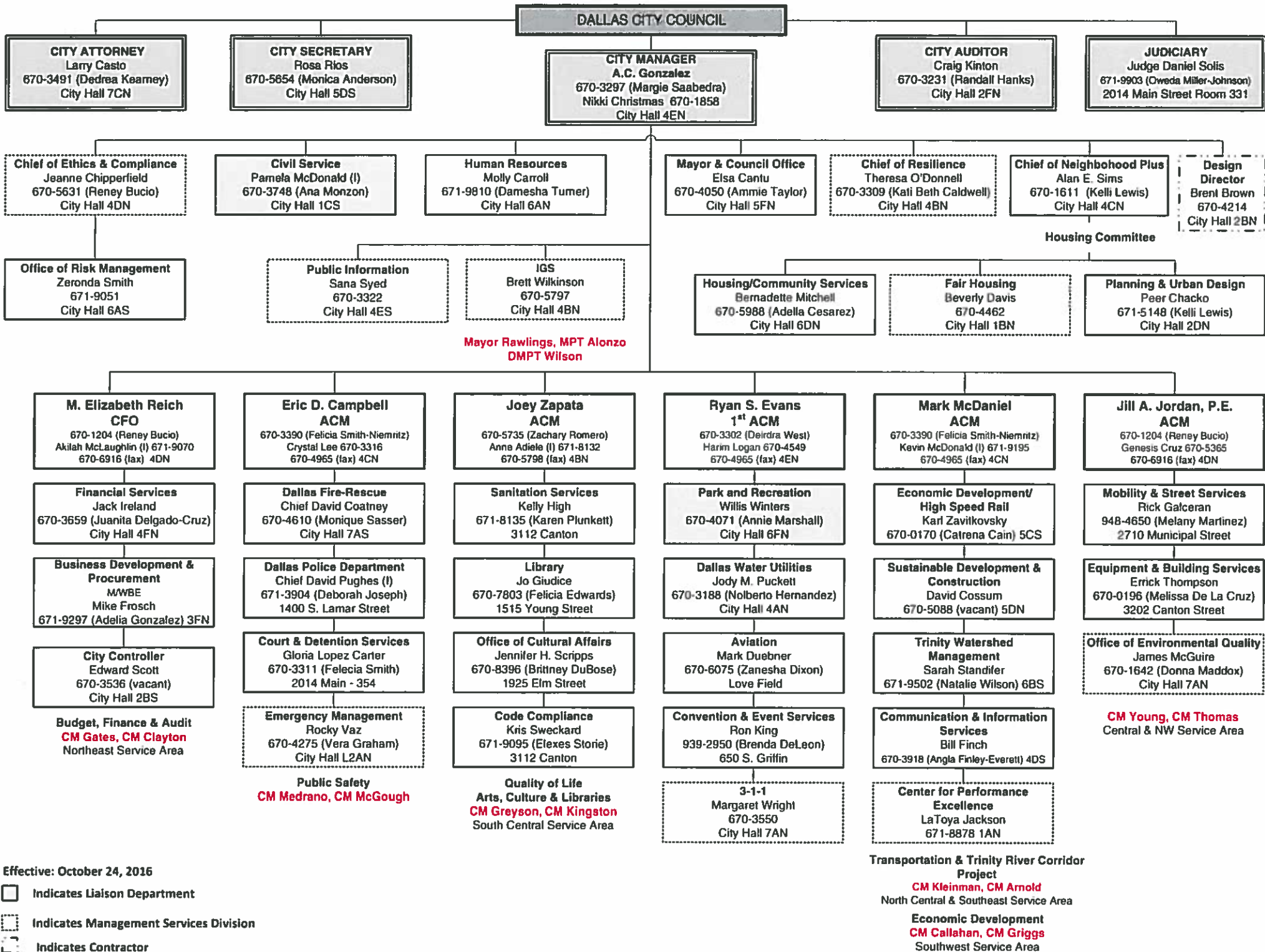
In addition to continuing his duties as Director of Aviation, Mark will also serve in a dual capacity as project manager for the high speed rail project. This will ensure that the City is proactively managing this very important project, and at the same time will afford other leadership in Aviation an opportunity to gain more experience.

All other portfolios will remain essentially the same as illustrated in the attached new organizational chart. Please let me know should you have any questions. Thank you

  
A. C. Gonzalez  
City Manager

c: Larry Casto, City Attorney  
Craig D. Kinton, City Auditor  
Rosa A. Rios, City Secretary  
Daniel F. Solis, Administrative Judge  
Ryan S. Evans, First Assistant City Manager  
Eric D. Campbell, Assistant City Manager

Jill A. Jordan, P.E., Assistant City Manager  
Mark McDaniel, Assistant City Manager  
Joey Zapata, Assistant City Manager  
M. Elizabeth Reich, Chief Financial Officer  
Sana Syed, Public Information Officer  
Elsa Cantu, Assistant to the City Manager – Mayor & Council



Effective: October 24, 2016

- Indicates Liaison Department
- Indicates Management Services Division
- Indicates Contractor

# Memorandum



CITY OF DALLAS

DATE October 21, 2016

TO Honorable Mayor and Members of the City Council

SUBJECT **Proposed Legislative Program for the 85<sup>th</sup> Session of the Texas Legislature**

On October 19<sup>th</sup> you were briefed on the Proposed Legislative Program for the 85<sup>th</sup> Session of the Texas Legislature. Attached is an updated draft of the legislative program with the following changes:

- Per Councilmember Greyson's suggestion, we have changed the statement on commercial sales price disclosure to be inclusive of residential properties.
- In the draft program that was attached to the October 19<sup>th</sup> briefing, the statute of repose proposal was inadvertently left out. It has been included in this draft under efficient government.

This item will be considered at the October 26, 2016 Dallas City Council meeting.

Please let me know if you have any questions or require additional information.



A.C. Gonzalez  
City Manager

c: Larry Casto, City Attorney  
Craig D. Kinton, City Auditor  
Rosa A. Rios, City Secretary  
Daniel F. Solis, Administrative Judge  
Ryan S. Evans, First Assistant City Manager  
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M. Elizabeth Reich, Chief Financial Officer  
Sana Syed, Public Information Officer  
Elsa Cantu, Assistant to the City Manager – Mayor & Council



# PROPOSED PROGRAM FOR THE 85TH SESSION OF THE TEXAS LEGISLATURE

October 26, 2016

**DRAFT**

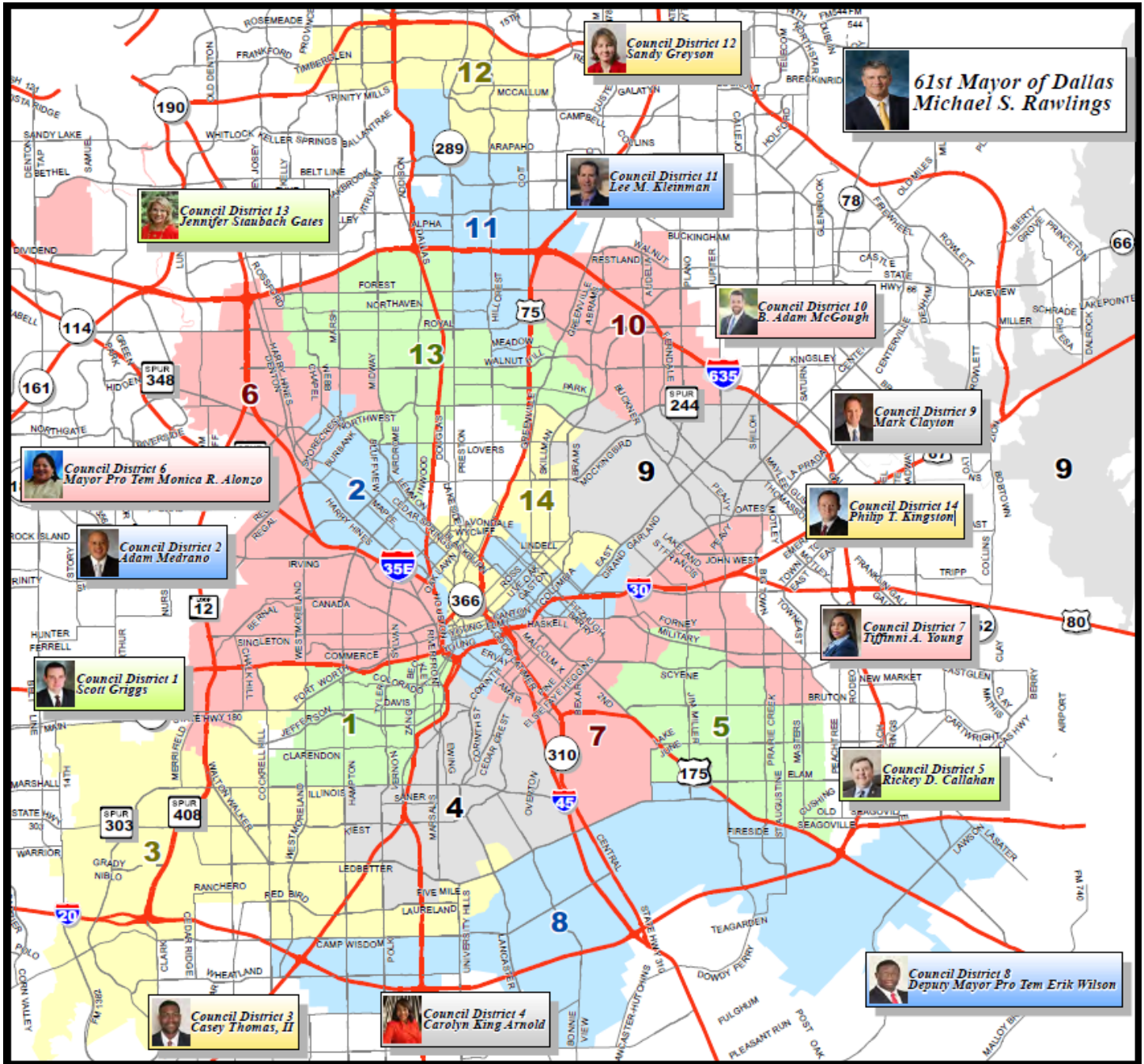
Resolution #



City of Dallas



# Mayor and City Council 2015-2017





## Mayor and City Council 2015-2017

City Hall, Room 5EN  
Dallas, TX 75201

Michael S. Rawlings  
Mayor  
214-670-4054

City Hall, Room 5DN  
Dallas, TX 75201

Monica R. Alonzo  
Mayor Pro Tem  
Council District 6  
214-670-4199

Erik Wilson  
Deputy Mayor Pro Tem  
Council District 8  
214-670-4066

City Hall, Room 5FN  
Dallas, TX 75201

Scott Griggs  
Council District 1  
214-670-0776

Adam Medrano  
Council District 2  
214-670-4048

Casey Thomas, II  
Council District 3  
214-670-0777

Carolyn King Arnold  
Council District 4  
214-670-0781

Rickey D. Callahan  
Council District 5  
214-670-4052

Tiffinni A. Young  
Council District 7  
214-670-4689

Mark Clayton  
Council District 9  
214-670-4069

B. Adam McGough  
Council District 10  
214-670-4068

Lee M. Kleinman  
Council District 11  
214-670-7817

Sandy Greyson  
Council District 12  
214-670-4067

Jennifer S. Gates  
Council District 13  
214-670-3816

Philip T. Kingston  
Council District 14  
214-670-5415



## City Manager, City Attorney and Intergovernmental Services Staff

A.C. Gonzalez  
City Manager  
Room 4EN  
214-670-3297

Ryan Evans  
First Assistant City Manager  
Room 4EN  
214-670-1875

Eric D. Campbell  
Assistant City Manager  
Room 4CN  
214-670-3255

Jill A. Jordan, P.E.  
Assistant City Manager  
Room 4DN  
214-670-5299

Mark McDaniel  
Assistant City Manager  
Room 4CN  
214-671-9195

Joey Zapata  
Assistant City Manager  
Room 4BN  
214-670-3009

Larry Casto  
City Attorney  
Room 7DN  
214-670-3491

Elizabeth Reich  
Chief Financial Officer  
Room 4CN  
214-677-9070

Brett Wilkinson  
Managing Director  
Intergovernmental Services  
Room 4BN  
214-670-5797

Anna Lamberti Holmes  
Legislative Manager  
Intergovernmental Services  
Room 4BN  
214-670-5099

Zoe Ray  
Legislative Coordinator  
Intergovernmental Services  
Room 4BN  
214-670-5363

Matthew Bangcaya  
Legislative Coordinator  
Intergovernmental Services  
Room 4BN  
214-670-9582





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FOR COUNCIL RESOLUTION  
CONSIDERED ON OCTOBER 26, 2016**



## GENERAL PRINCIPLES: PLAYING DEFENSE

As the largest city in North Texas, Dallas is responsible for providing high quality services to its residents while creating policies that work to grow the local economy. Over the years, the City's judicious planning and fiscal responsibility have fostered a top-tier standard of living for its residents in addition to consistent regional economic growth.

The City of Dallas provides its residents with high quality services which supports our growing economy. Recently, Dallas has been able to accomplish the following:

- Hold an unemployment rate lower than the state of Texas for the past two years.
- Maintain a lower cost of living than major U.S. cities including Chicago, Philadelphia, Los Angeles, and New York.

- Lead contributions to the nation's 4th largest MSA in terms of real GDP.
- Reduce the violent crime rate significantly over the past 10 years.
- Lower the City's debt obligations while providing necessary capital for community and economic development.
- Reduce the 2016-17 total budget by 1.53% while bolstering needed residential services such as police, fire, and street maintenance.

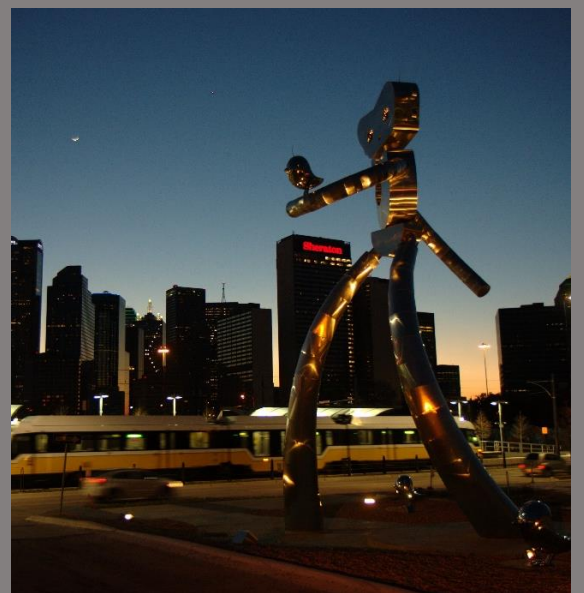
Based on its past successes and desire for continued prosperity, **Dallas does not support any legislation that will preempt its ability to serve its constituents or limit the City's ability to be a strong fiscal steward.**

### PREEMPTION

The City of Dallas opposes any legislation that hinders the City's ability to meet the diverse and nuanced needs of its residents. As north Texas' most populous and economically robust city, Dallas strives to provide the best service for its residents. The City of Dallas has proven that its local officials are well-equipped to serve its constituents.

### DEFEND FISCAL CONTROL

The City of Dallas opposes any legislation that would limit the City's ability to be a strong fiscal steward. Dallas' tax base is continuously subject to external threats such as economic recessions, unfunded state and federal mandates, and natural disasters. The City's funding structure must maintain fiscal control to meet the needs of its residents.





## DALLAS PRIORITY ISSUE: PENSION AND PAY REFERENDUM

The City of Dallas recognizes the challenges related to the Police and Fire Pension and the pay referendum lawsuit. Legislative resources will be utilized to find solutions to these fiscal issues as they can have significant financial consequences.

The Police and Fire Pension has an estimated \$3.5 billion of unfunded liability. This represents an actuarial funding percentage of about 45% at the end of 2015, a drop from 64% at the end of 2014. Solving the Police and Fire Pension's challenges will require commitment and collaboration from all involved parties including the City, the contributing members, the retired members and the Legislature. The City will continue its work with the Police and Fire Pension Fund to develop a solution to present to the State of Texas.



Additionally, the 1979 pay referendum lawsuit poses a potential \$2 billion jury verdict that could have damaging fiscal impacts on the City if it is not resolved. By reconfirming sovereign immunity, the City can avoid the harmful impacts that the pay referendum poses to its financial health. This legislative session, the City of Dallas will work diligently to resolve the pension and pay referendum challenges.

## DALLAS SPECIFIC ITEMS

In addition to the uniform pension and pay referendum items, the City of Dallas has specific legislative requests it will pursue during the 85<sup>th</sup> legislative session.



## PUBLIC SAFETY

### INCLUDE TEXAS TASK FORCE 2 IN STATEWIDE PLAN

Texas Task Force 2 is a regional urban search and rescue team that deploys to communities that are impacted by catastrophic events. Texas Task Force 2 is comprised of highly trained rescue personnel capable of operating in hazardous environments. In the 85th session, the City of Dallas will work in conjunction with the Texas Engineering Extension Service and the Texas Department of Emergency Management to secure \$2 million to sustain the operational capabilities of Texas Task Force 2 as a part of a statewide network of regional teams.

### PUBLIC SAFETY RESOURCES

Following the tragic events of July 7, it is critically important that the City equips its men and women in uniform with all of the tools they need to safely protect the residents of Dallas. The Dallas Police Department will work with the State of Texas and other organizations in order to increase resources to train, protect and support community policing and de-escalation efforts.

### FACILITATE EFFORTS TO ADDRESS PROSTITUTION AND HUMAN TRAFFICKING

The City of Dallas strives to eliminate prostitution and human trafficking through innovative administrative actions and ordinances. The City supports legislation that will assist with these local efforts.

### ADDRESS ANIMAL CONTROL ISSUES

The increased occurrence of harmful animal-related incidents necessitates the City to look towards potential state legislative solutions.

## HOMELESSNESS, MENTAL HEALTH, PRISONER REENTRY

The City of Dallas will seek legislation to facilitate a coordinated regional effort to address homelessness.

Through pursuing funding opportunities, utilizing available facilities and supporting programs, the City will work with its partners to help remediate the impacts of homelessness.

In addition, the City will pursue funds and program support to address mental health and prisoner reentry.



## WATER, INFRASTRUCTURE, ENVIRONMENT, TRANSPORTATION

### PRESERVE WATER SUPPLY AND STORAGE OPTIONS

Dallas will work to ensure that projects in the statewide water plan continue to be viable and that no further hurdles are created which would make it more difficult to implement the statewide water plan and provide customers with reliable and reasonably priced water. The City of Dallas will support legislation to preserve its water supply and storage options.

### IMPROVE AIR QUALITY COMPLIANCE

The City of Dallas has historically been an ardent supporter of the environment. Exemplifying its support, the Dallas City Council unanimously approved a resolution calling on the Texas Commission on Environmental Quality to support stronger ozone pollution standards. The City of Dallas will support legislation that protects its air to advance the wellbeing of its citizenry and create robust economic growth.

### PROTECT TRANSPORTATION OPTIONS

In conjunction with other cities and organizations, Dallas will continue to protect multi-modal options for transportation including high speed rail, light rail, streetcars, surface roads, and pedestrian/bicycle trails. Dallas will encourage robust funding options that maintain flexibility for projects.





## EFFICIENT GOVERNMENT

### DAWSON JAIL

The City of Dallas supports legislation that will allow for the purchase or lease of Dawson Jail at below market value for public purpose use as designated by the Dallas City Council.

### MANDATE PROPERTY SALES PRICE DISCLOSURE

The inability for appraisers to view property sales information prevents them from assessing properties at their fair market value. By not having enough tools to assess fair market value, appraisers may not be valuing property fairly creating an imbalanced burden on commercial and residential properties. The City of Dallas will seek legislation for mandatory sales price disclosure of properties.

### REMOVE LIMITATION ON ALCOHOL SALES IN PUBLIC FACILITIES

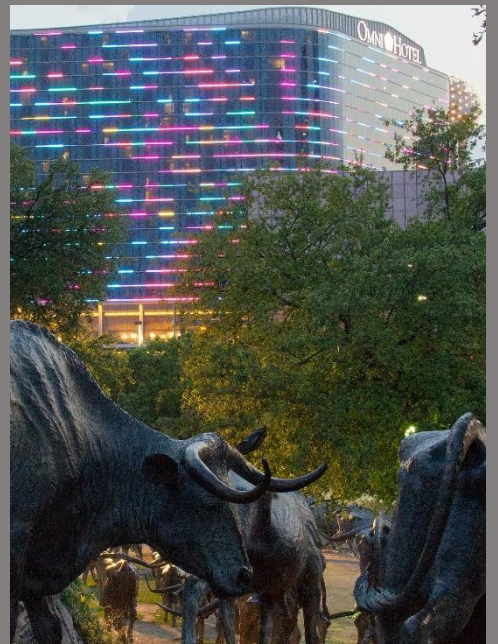
Limitations in State statutes inhibit Dallas' utilization of public facilities for the sale of alcohol. The City will seek opportunities to remove limitations on alcohol sales in public facilities – similar to legislation that benefits AT&T stadium and Globe Life Park.

### ADDRESS MOBILE NOISE SOURCES

In many areas throughout the city, cars and motorcycles are disrupting communities due to additional upgrades done to their vehicles, such as custom made mufflers and speakers which significantly increase noise. The City of Dallas seeks to lower the decibel threshold in and on mobile vehicles. This threshold would be tested during state vehicle inspection.

### STATUTE OF REPOSE

The Dallas City Council favors home ownership amongst its residents. As such, the City of Dallas will be asking the state legislature to reduce the statute of repose for multifamily, owner-occupied construction from 10 to 5 years.







## COLLABORATIVE EFFORTS

In the past, the City of Dallas has worked with organizations such as the Texas Municipal League, North Texas Commission, Dallas Regional Mobility Commission, Regional Transportation Council, North Central Texas Council of Governments, Dallas Regional Chamber, and City commissions and task forces, to further its legislative agenda. By collaborating with these entities, the City can leverage its resources in a more inclusive and impactful manner. For the 85<sup>th</sup> legislative session, the City of Dallas intends to utilize these relationships to successfully promote its legislative agenda.





# PROPOSED PROGRAM FOR THE 85TH SESSION OF THE TEXAS LEGISLATURE

October 26, 2016

**DRAFT**

Resolution #



City of Dallas

# Memorandum



DATE October 21, 2016

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

SUBJECT **Upcoming item on October 26, 2016 Council Agenda – Addendum Item No. 3. Abandonment of a portion of Quality Lane to Ainbinder Northwest Highway, LLC**

This item will allow for an abandonment of a portion of Quality Lane to Ainbinder Northwest Highway, LLC, containing approximately 36,127 square feet of land located near the intersection of Abrams Road and Northwest Highway. The area will be included with the property of the abutting owner for the development of a new shopping center.

Please let me know if you have any questions.

Ryan S. Evans  
First Assistant City Manager

C: The Honorable Mayor and Members of the City Council  
A.C. Gonzalez, City Manager  
Larry Casto, City Attorney  
Craig D. Kinton, City Auditor  
Rosa A. Rios, City Secretary  
Daniel F. Solis, Administrative Judge  
Eric D. Campbell, Assistant City Manager

Jill A. Jordan, P.E., Assistant City Manager  
Mark McDaniel, Assistant City Manager  
Joey Zapata, Assistant City Manager  
Elizabeth Reich, Chief Financial Officer  
Sana Syed, Public Information Officer  
Elsa Cantu, Assistant to the City Manager – Mayor & Council  
David Cossum, Director, Sustainable Development and Construction

**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** October 26, 2016  
**COUNCIL DISTRICT(S):** 9  
**DEPARTMENT:** Sustainable Development and Construction  
**CMO:** Ryan S. Evans, 671-9837  
**MAPSCO:** 26-Z

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**SUBJECT**

An ordinance abandoning a portion of Quality Lane to Ainbinder Northwest Highway LLC, the abutting owner, containing approximately 36,127 square feet of land, located near the intersection of Abrams Road and Northwest Highway; authorizing the quitclaim and providing for the dedication of approximately 17,002 square feet of land needed for an easement - Revenue: \$975,068, plus the \$20 ordinance publication fee

**BACKGROUND**

This item is on the addendum because additional review time was required. This item authorizes the abandonment of a portion of Quality Lane to Ainbinder Northwest Highway LLC, the abutting owner. The area will be included with the property of the abutting owner for a retail center. The owner will dedicate approximately 17,002 square feet of land needed for an easement. The abandonment fee is based on an independent appraisal.

Notices were sent to five property owners located within 300 feet of the proposed abandonment area. There was one response received in opposition to this request.

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

The Economic Development Committee will be briefed by memorandum regarding this item.

**FISCAL INFORMATION**

Revenue: \$975,068, plus the \$20 ordinance publication fee

**OWNER**

**Ainbinder Northwest Highway LLC**

Barton L. Duckworth, Manager

**MAP**

Attached

# Memorandum



DATE: October 21, 2016  
TO: Honorable Mayor and Members of the City Council  
SUBJECT: **City License Applications**

There were no Dance Hall and/or Sexual Oriented Business applications received for the week of October 10 -14, 2016 by the Narcotics Bureau Licensing Squad of the Dallas Police Department.

Please have your staff contact Sergeant Lisette Rivera, #7947 at (214) 670-4811 and/or by email at [lisette.rivera@dpd.ci.dallas.tx.us](mailto:lisette.rivera@dpd.ci.dallas.tx.us) should you need further information.



Eric D. Campbell  
Assistant City Manager

cc: A.C. Gonzalez, City Manager  
Larry Casto, City Attorney  
Craig D. Kinton, City Auditor  
Rosa A. Rios, City Secretary  
Daniel F. Solis, Administrative Judge  
Ryan S. Evans, First Assistant City Manager  
Jill A. Jordan, P.E., Assistant City Manager

Mark McDaniel, Assistant City Manager  
Joey Zapata, Assistant City Manager  
M. Elizabeth Reich, Chief Financial Officer  
Sana Syed, Public Information Officer  
Elsa Cantu, Assistant to the City Manager – Mayor & Council  
Interim Chief David Pughes, Dallas Police Department



# Memorandum



CITY OF DALLAS

DATE October 21, 2016

TO Honorable Mayor and Members of the City Council

SUBJECT Housing Policy Briefings

As requested during the Housing Policy Briefing on Wednesday, October 19, 2016, please find attached the following Housing Committee briefings:

- Current Housing Data, October 19, 2015, shows single family and multifamily units by Council District and target need through year 2020
- Dallas Housing Authority, December 4, 2015, shows number of public housing units and housing choice vouchers by Council District
- A Toolkit of Options to Encourage Mixed-Income Housing, February 11, 2016, shows the location of Low Income Housing Tax Credit projects and HUD subsidized projects offering affordable units
- DHA Voucher Program, August 12, 2016, explains the voucher program and how rents are paid on a market zip code basis

These particular briefings are provided to assist you in the ongoing discussions regarding the Housing Policy. Please let me know if you have questions.

A handwritten signature in black ink, appearing to read 'Alan E. Sims'.

Alan E. Sims  
Chief of Neighborhood Plus

c: A.C. Gonzalez, City Manager  
Larry Casto, City Attorney  
Craig D. Kinton, City Auditor  
Rosa A. Rios, City Secretary  
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Elsa Cantu, Assistant to the City Manager – Mayor & Council

# Current Housing Data

A Briefing to the Housing Committee

Housing/Community Services Department

October 19, 2015



# Purpose

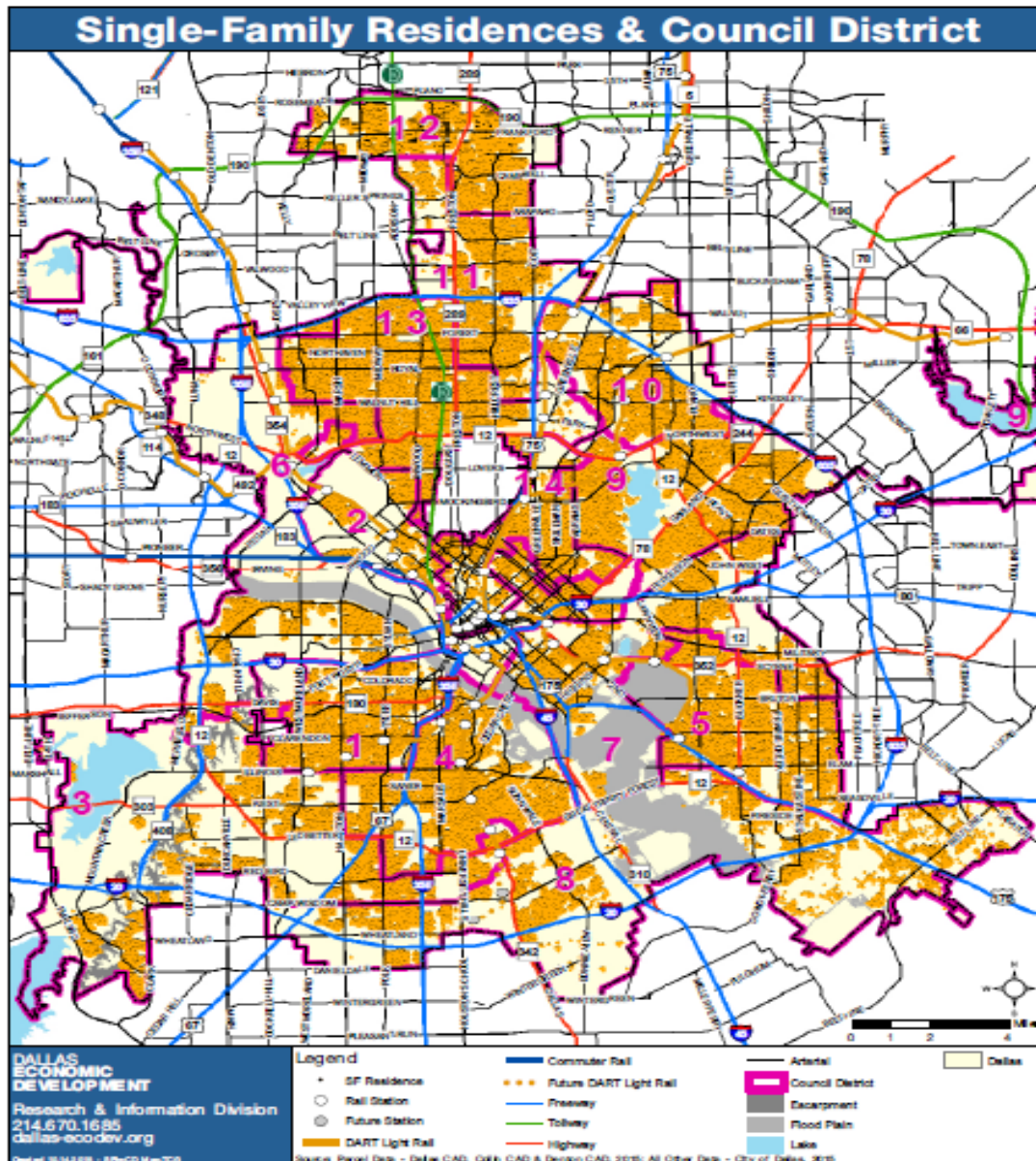
- The purpose of this briefing is to provide current housing data for the City of Dallas as background information for developing future housing policy.

# Single-family Housing

Single-Family Homes by Council District		
Dallas Office of Economic Development		
District	SF Homes	SF Taxable Value
1	17,479	\$1,636,389,844
2	13,250	\$1,372,430,467
3	20,589	\$1,356,715,707
4	22,604	\$724,861,424
5	19,923	\$760,607,733
6	12,629	\$938,832,790
7	18,866	\$975,689,379
8	17,313	\$713,078,385
9	24,991	\$4,630,221,232
10	19,536	\$2,900,986,097
11	17,411	\$4,649,503,905
12*	16,050	\$3,667,270,395
13	25,276	\$11,747,249,382
14	22,586	\$6,118,236,170
Total	268,503	\$42,192,072,910

Source: City of Dallas via Dallas CAD, Collin CAD & Denton CAD. 2015 certified values for all districts \*except district 12 (2014 certified values)

# Single-family Housing



# Multi-family Housing

## Multi-family Units by Council District

### City of Dallas

# Multi-family Properties: 2,668

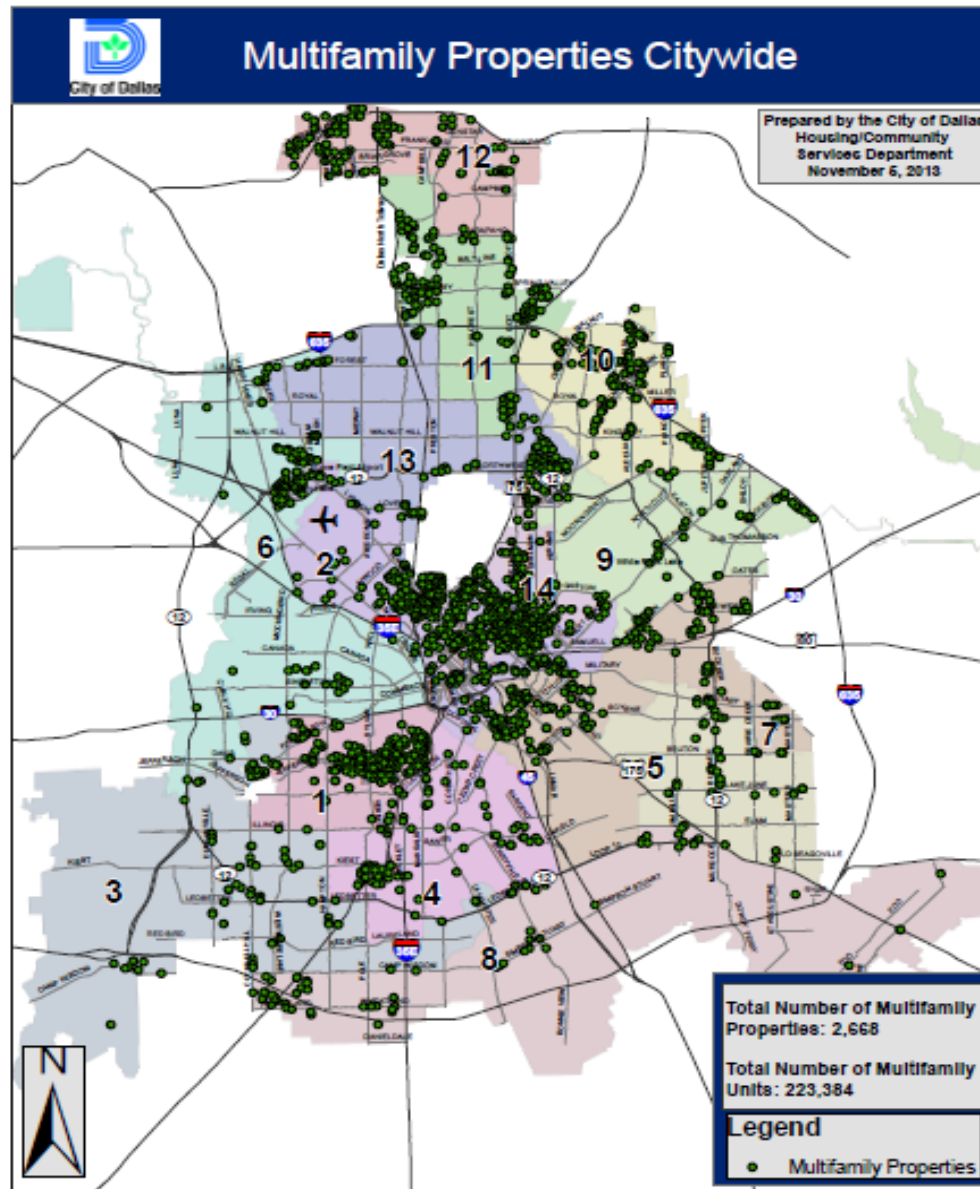
# Multi-family Units: 223,384

96% Occupancy

CD	# Multifamily Properties	# Multifamily Units
1	353	8,332
2	552	22,345
3	101	11,073
4	98	6,733
5	37	2,187
6	102	12,399
7	243	13,640
8	63	10,789
9	70	11,840
10	113	22,344
11	149	27,237
12	116	31,596
13	124	13,981
14	546	28,726



# Multi-family Housing



# Owner/Renter Occupancy

## 2000 Summary

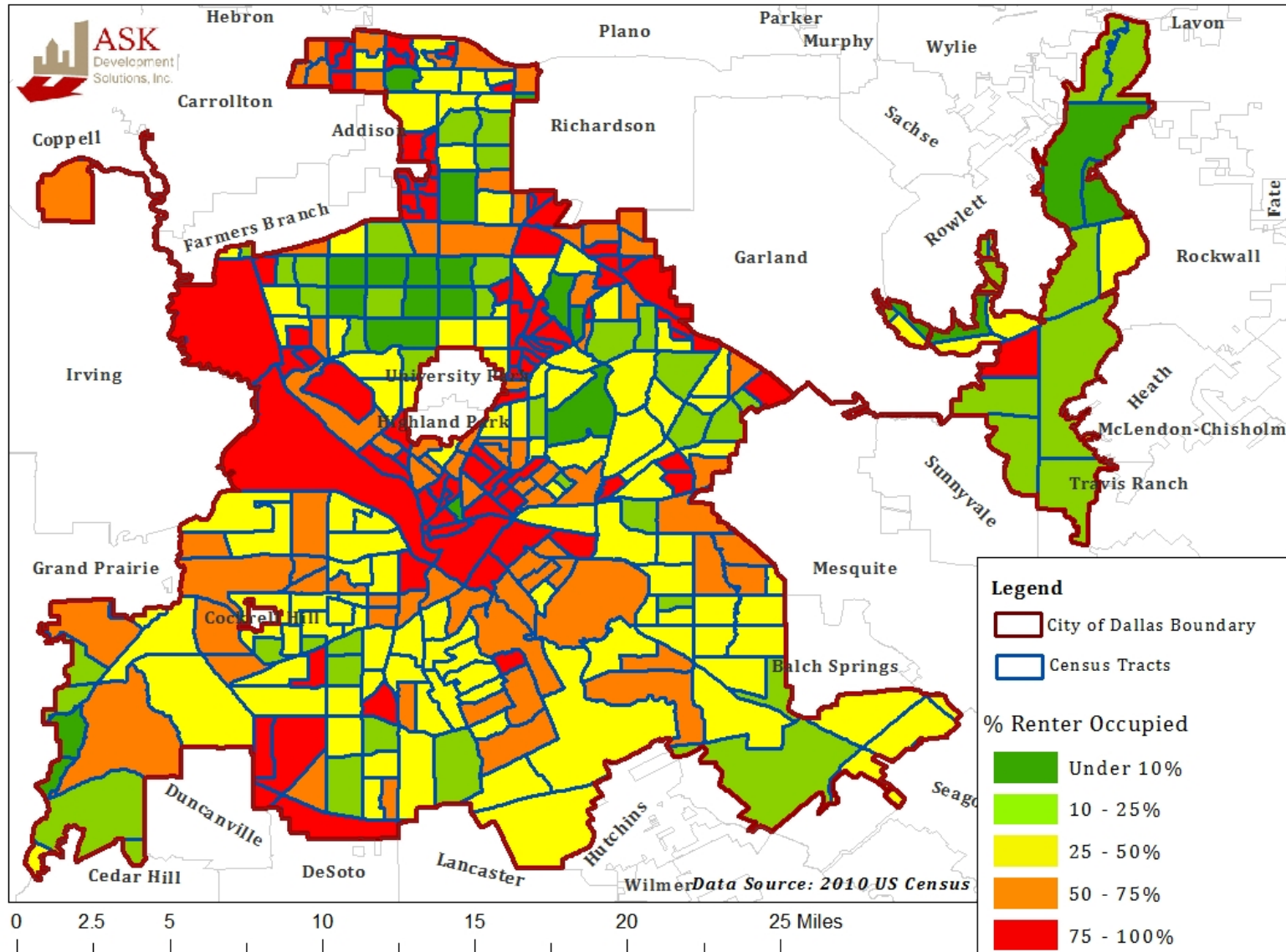
	Number	Percentage
2000 Owner	195,335	43.2%
2000 Renter	<u>256,498</u>	<u>56.8%</u>
Total	451,883	100.0%

## 2010 Summary

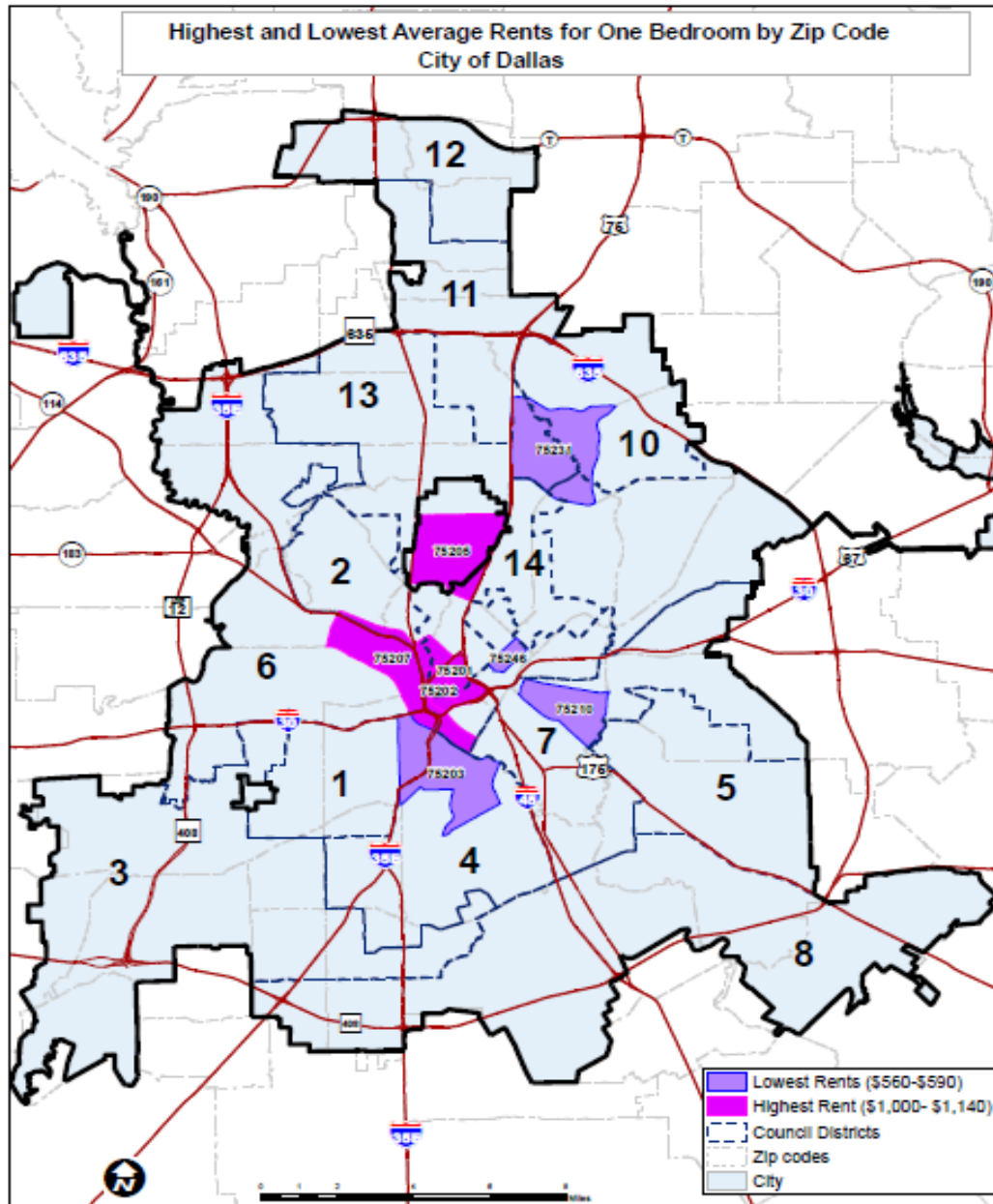
	Number	Percentage
2010 Owner	201,880	44.1%
2010 Renter	<u>256,117</u>	<u>55.9%</u>
Total	457,997	100.0%

# Renter Occupancy

## City of Dallas: Percent Renter Occupied Housing in 2010



# Fair Market Rental



# Homebuyer Profile

- Typical market-rate, single-family homebuyer comes from out of state
- Household Income: \$100,000+ (couple)
- Purchase Price Range: \$150,000 - \$200,000
- Preferred Amenities: 3+ bedroom / 2 bath, garage, interior upgrades
- Young professionals + Diverse ethnicity



# 2020 Yearly Housing Targets

*NeighborhoodPlus*  
The future of living in our city

## Yearly Target for New Housing Units to 2020

Annual Increment by Housing Type and Tenure

**The goal is to keep pace to maintain about 50% of Dallas County population.**



Source: Envision Tomorrow Balanced Housing Model. Calculated from ACS 2009-2013 levels over 7 years to 2020 based on ESRI Tapestry projections



# Next Steps...

## Upcoming Briefings

- Regionalism
- Chapter 27
- Tax Increment Finance Districts
- Source of Income Discrimination

## Discussion of Housing Policy & Adoption

- Where to create opportunities
- How to create housing options

## City Council Action on Housing Policy by May/June 2016

# Dallas City Council Housing Committee Briefing

Dallas Housing Authority



December 2015

# Enabling Legislation



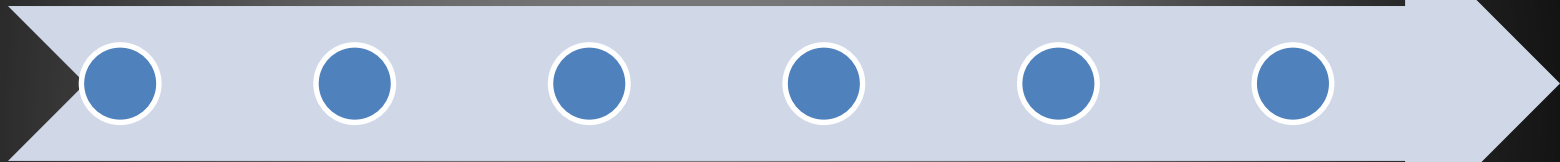
1937 Housing Act Creates Public Housing Authorities



1965 HUD created as Federal Agency



1974 Housing and Community Development Act



1938 Dallas City Council Est. Dallas Housing Authority



1969 – 71 Brooke Amendments

1998 Quality Housing and Work Responsibility Act



Original Slums replaced by Public Housing



Original Public Housing Design



# DHA Overview



Albert C. Black, Jr., Board Chair



MaryAnn Russ, President/CEO

- Five member Board of Commissioners
  - Albert Black, Jr. Board Chair
  - Victor Vital, Vice Chair
  - Teresa Flores, Commissioner
  - Deborah Culberson, Commissioner
  - James Garner, Commissioner
- Largest Public Housing Authority in HUD's Region VI, 5 state region (Oklahoma, Arkansas, Louisiana, Texas, New Mexico)
- Annual Operating Budget
- 260 Employees
- Affordable Housing Solutions
  - Public & Assisted Housing - 4,204 families
  - Housing Choice Voucher Program – 18,400 families
- Achieved High-Performer Status - HUD's Highest Rating of Public Housing Authorities

# Public & Assisted Housing



- DHA owns and operates 32 properties throughout the city of Dallas
- 4,204 units
- Site-Base Waiting Lists
- Type of Housing: Elderly/Disabled & Family
- Families pay 30% of their Adjusted Income for rent
- \$25 minimum rent
- 2016 Operating Subsidy projected \$13M (formula based grant) currently funded at 85%
- Buckeye Trail Commons – Newest Property
- Cedar Springs Place – Oldest Property (listed on Nation Historic Society built in 1937 by WPA)



# Public & Assisted Housing by Council District

## 2013 General Election Dallas City Council Districts



### Legend

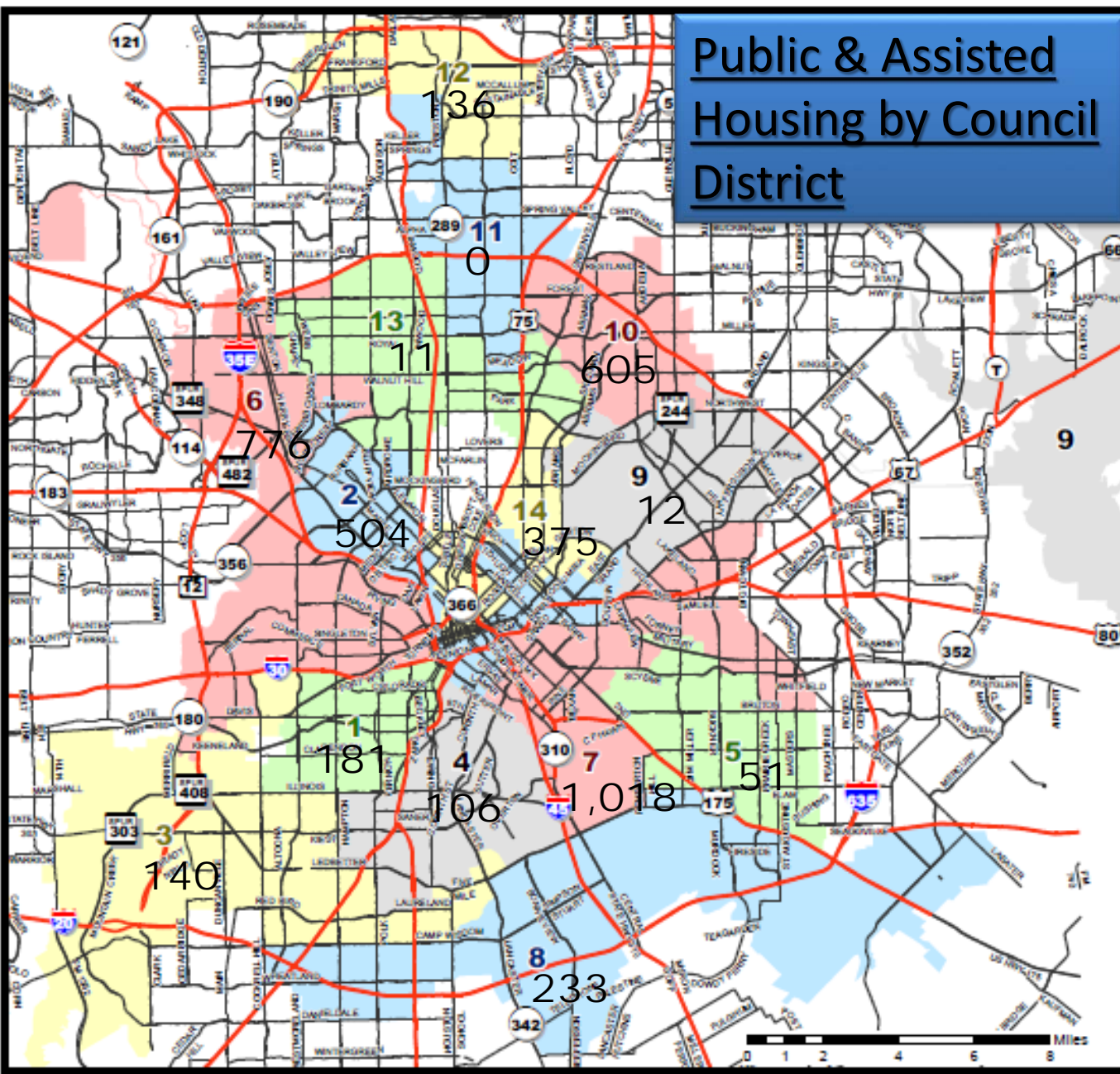
- District 1
- District 2
- District 3
- District 4
- District 5
- District 6
- District 7
- District 8
- District 9
- District 10
- District 11
- District 12
- District 13
- District 14

- Major Roads
- Freeways

**Scale:**  
 Roads: Council Districts - City of Dallas Mapworks 08  
 Council Districts adopted 2011

**City of Dallas GIS Map Disclaimer:**  
 The accuracy of this data within this map is not to be taken / used as data produced by a Registered Professional Land Surveyor for the State of Texas. This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-site ground survey and represents only the approximate relative location of property boundaries. The City of Dallas makes no representation of any kind, including but not limited to, warranties of merchantability or fitness for a particular purpose or use, nor are any such warranties to be implied with respect to the accuracy information presented on this map. Thanks for your use of information in this map which the presentation of this disclaimer is prohibited. City of Dallas GIS State of Texas, H.B. 1147 (S. Smith) - SA00701, Effective on 06/01/09

ENTERPRISE GIS City of Dallas





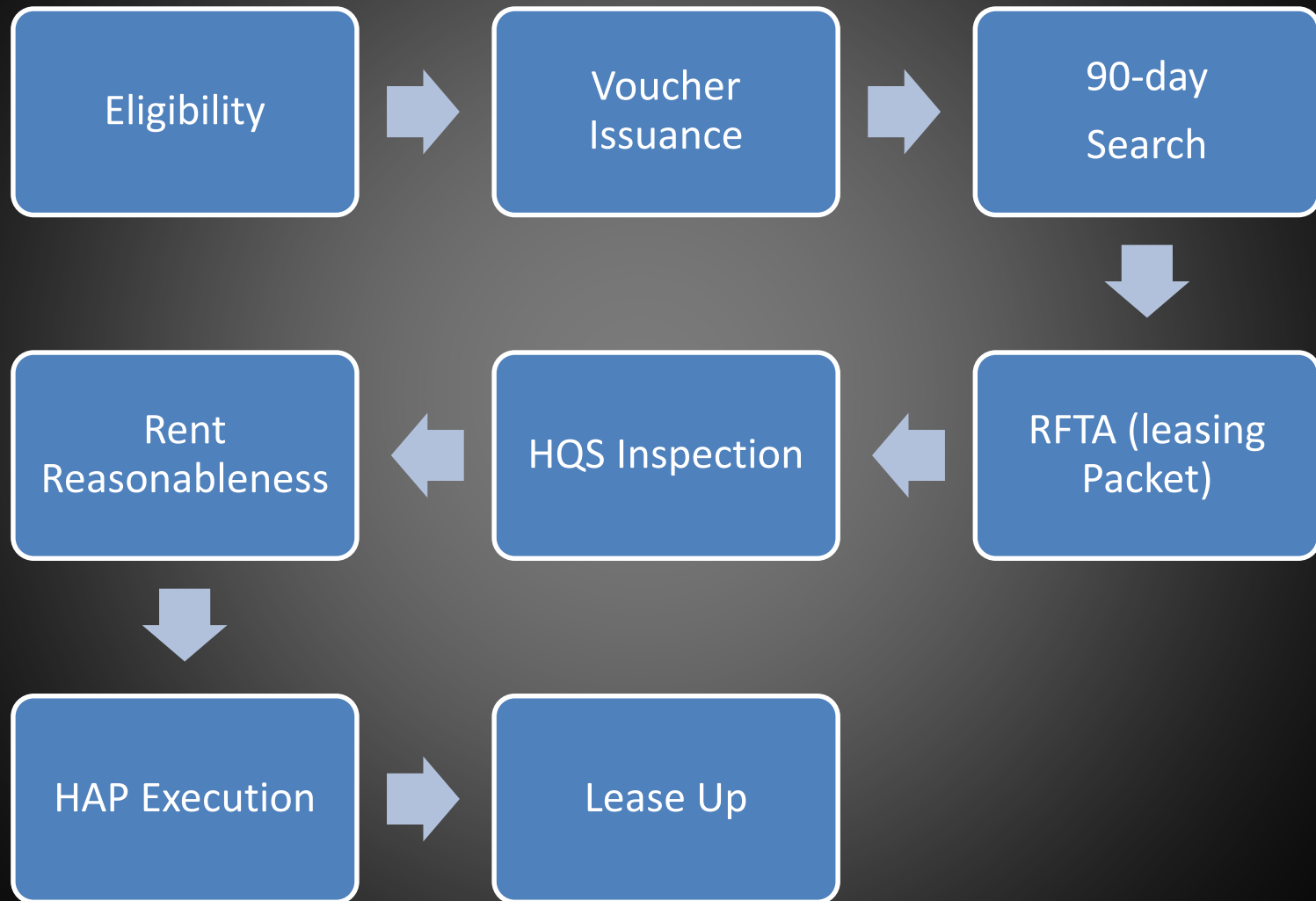
# Public & Assisted Housing by Council District

Property	No. Units	Property Type	Year Built	Council District
Cliff Manor	181	Elderly/Disabled	1974	1
Carroll	71	Family	2002	2
Monarch	65	Family	2001	2
Roseland Scattered Site	70	Family	Various	2
Little Mexico	102	Family	1942	2
Cedar Springs	182	Family	1937	2
Barbara Jordan, Larimore & Scattered Sites	140	Family	1989/Various	3
Brackins Village & Scattered Sites	106	Family	1952/Various	4
Conner, Military & Scattered Site	51	Family	1989/Various	5
Hamptons at Lakewest	225	Family	1998	6
Kingbridge Crossing	196	Family	1999	6
Lakeview Townhomes	152	Family	2002	6
Villa Creek	152	Family	2004	6
Lakewest Village	50	Family	2001	6
Frazier Fellowship	76	Family	2006	7
Wahoo Frazier	118	Family	2007	7
Mill City Frazier & Scattered Sites	122	Family	2008	7
Park Manor	196	Elderly/Disabled	1970	7
Buckeye Trail Commons	323	Family; Elderly	2014, '15	7
Lakeland Manor	172	Elderly/Disabled	1980 (acquired)	7
Estell Village	291	Family	1995 (acquired)	8
Scattered Sites	12	Family	Various	9
Audelia Manor	123	Elderly/Disabled	1984	10
Hidden Ridge	228	Family	2002 (acquired)	10
Forest Green Manor	252	Elderly/Disabled	1979	10
Villas at Hillcrest	40	Family	2008	12
Kelly	19	Family	1990	12
Frankford Townhomes	76	Family	1998	12
Scattered Sites	11	Family	Various	13
Roseland Townhomes	152	Family	2001	14
Roseland Estates	138	Family	2002	14
Renaissance Oaks	85	Elderly/Disabled	2013	14

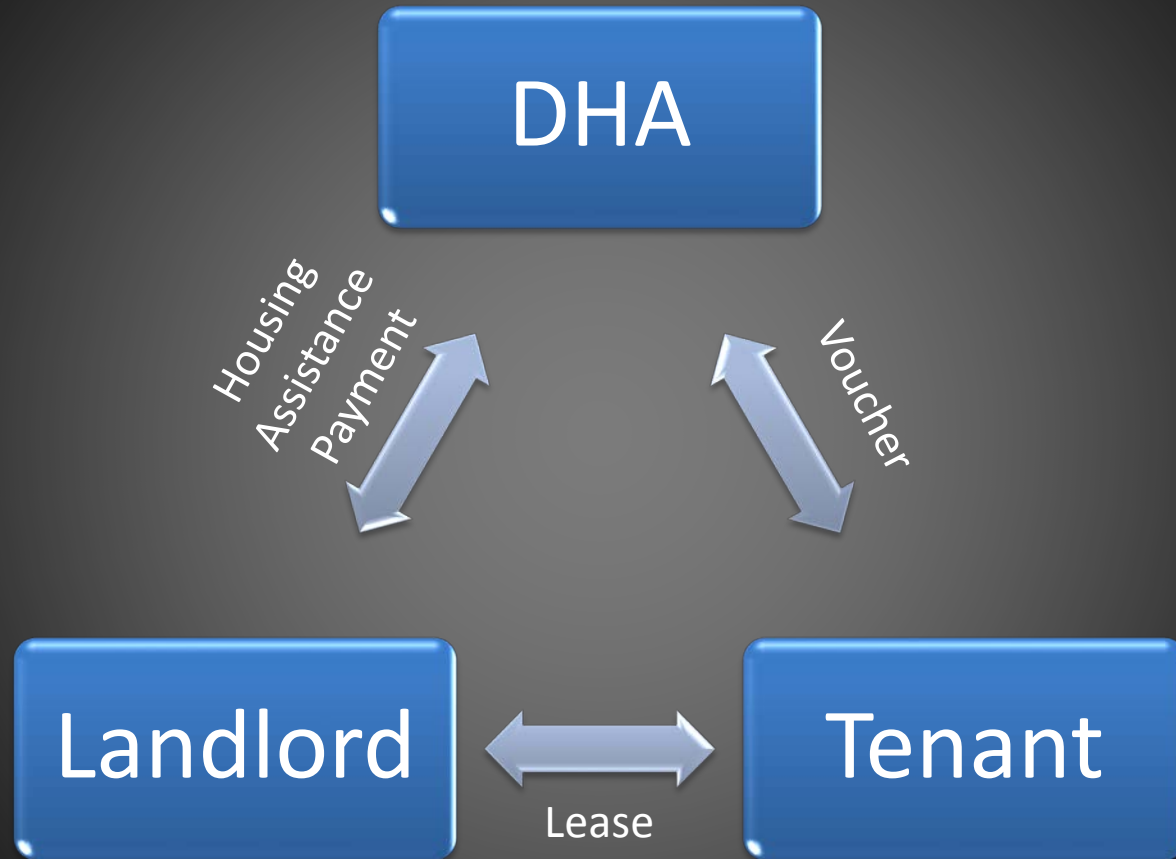
# Housing Choice Voucher Programs

- Number of vouchers 18,400
- DHA's Operational Jurisdiction covers seven counties:(Dallas, Denton, Collin, Ellis, Rockwall, Tarrant)
- Avg. Family income \$13,000
- Administrative Fee 79% \$11.4M
- Housing Assistance Payment \$127M
- All Families require Annual Re-examinations for continued eligibility
- Families pay roughly 30% of their adjusted monthly income for rent
- \$50 minimum rent
- DHA contributes approximately \$10.5M per month to local economy in the form of HAP subsidy to business partners
- 6,200 Business Partners/Landlords
- Avg. HAP payment \$655 per family per month
- 5<sup>th</sup> Largest Housing Choice Voucher program in the country

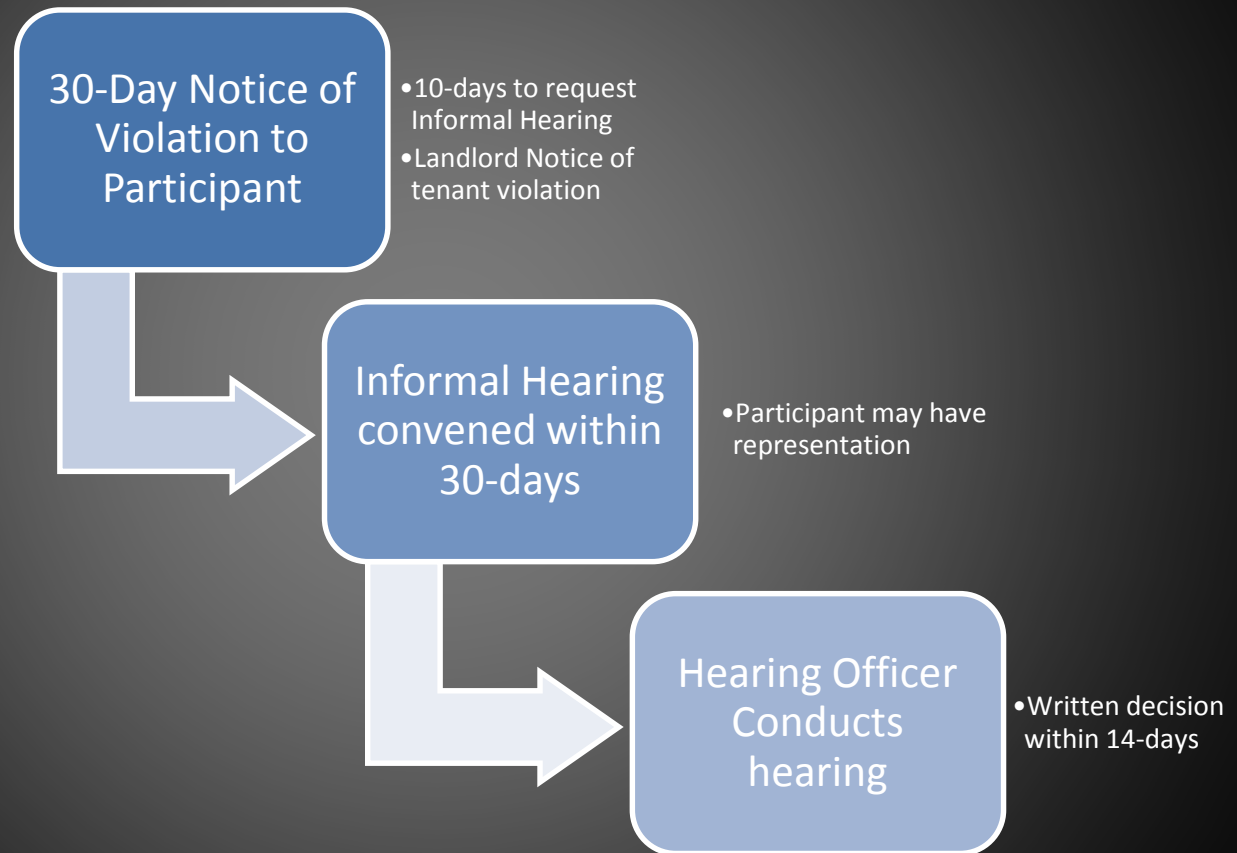
# Housing Choice Voucher Program Lease-up Process



# Housing Choice Voucher Program Business Relationships



# Housing Choice Voucher Program Violations



# Housing Choice Vouchers by Council District

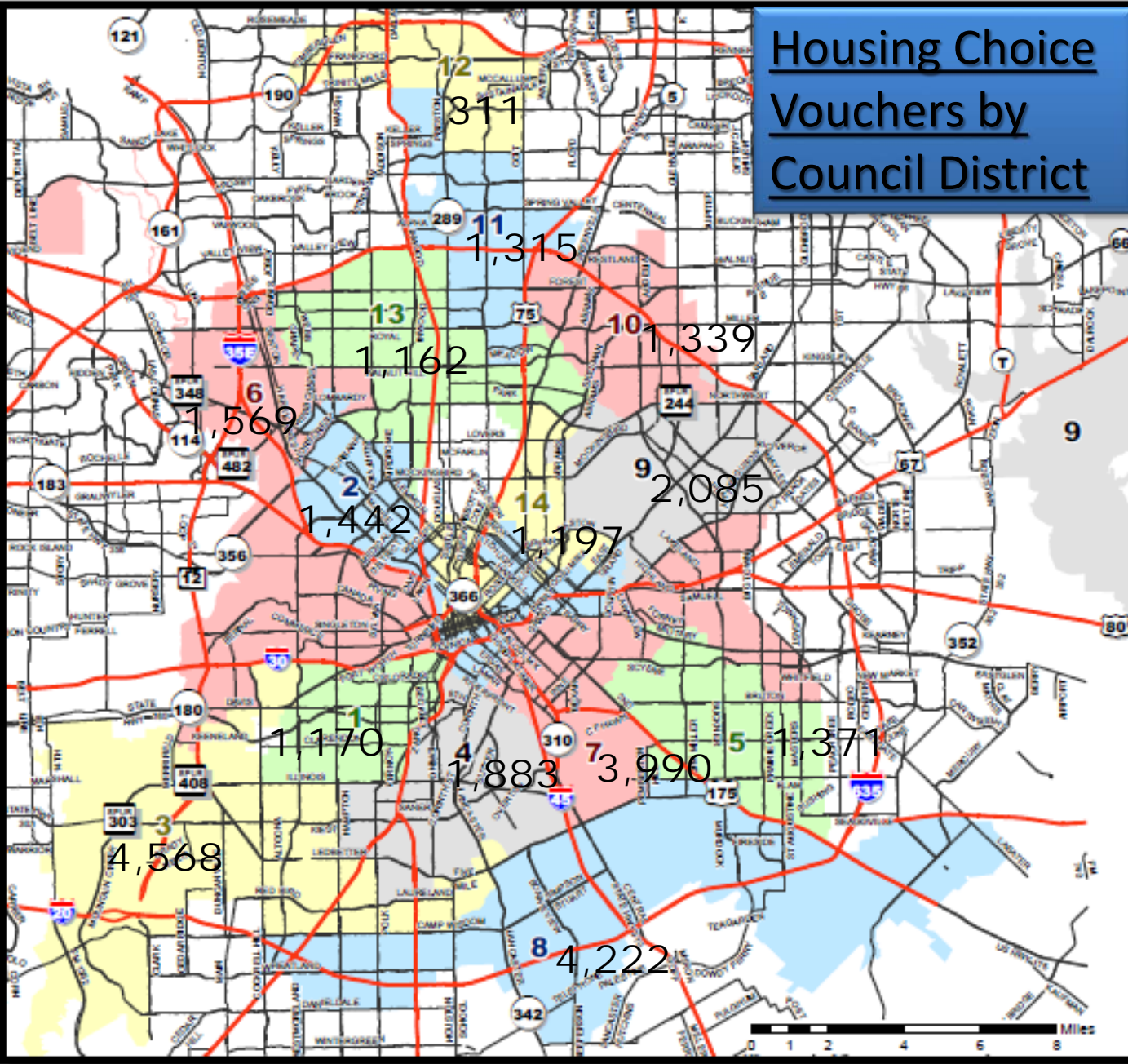
## 2013 General Election Dallas City Council Districts



### Legend

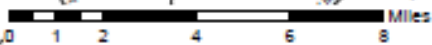
- District 1
- District 2
- District 3
- District 4
- District 5
- District 6
- District 7
- District 8
- District 9
- District 10
- District 11
- District 12
- District 13
- District 14

- Major Roads
- Freeways



**Data Source:**  
 Maps, Council Districts - City of Dallas Website 04  
 Council Districts adopted 2011

**City of Dallas GIS Map Disclaimer:**  
 The accuracy of this data within this map is not to be taken or used as data produced by a Registered Professional Land Surveyor for the State of Texas. This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an actual ground survey and represents only the approximate relative location of property boundaries. The City of Dallas makes no representation of any kind, including but not limited to, representation of ownership liability or flows for a particular purpose or use, nor are any such warranties to be implied with respect to the accuracy information presented on this map. Therefore, unless another use of information in this map without the presentation of this disclaimer is prohibited, City of Dallas GIS Map of Texas, N.B. 1147 (N. Austin) - 04/07/2011, Revision on 04/05/2011





DHA Assisted  
Families by  
Council  
District

Council District	No. of DHA Owned Housing	No. of DHA Housing Choice Vouchers*	Total
CM Griggs	181	1,170	1,351
CM Medrano	490	1,442	1,932
CM Thomas	140	4,568	4,708
CM King Arnold	106	1,883	1,989
CM Callahan	51	1,371	1,422
Pro Tem Alonzo	776	1,569	2,345
CM Young	1,018	3,990	5,008
Deputy Pro Tem Wilson	303	4,222	4,525
CM Clayton	12	2,085	2,097
CM McGough	605	1,339	1,944
CM Kleinman	0	1,315	1,315
CM Greyson	136	311	447
CM Gates	11	1,162	1,173
CM Kingston	375	1,197	1,572

\*Zip codes overlap council districts so figures may be overstated

# 2008 to 2015 Affordable Housing Production

Council District	Site	Number of Affordable Housing Units Produced	Population Served	Capital Investment
CM Kingston	Renaissance Oaks	85	Senior/Disabled	\$6,491,782
CM Medrano	Roseland Scattered Sites II	20	Family	\$1,700,000
Mayor Protem Alonzo	Lakewest Senior	360	Senior/Disabled	\$21,150,508
Mayor Protem Alonzo	Lakewest Skilled Nursing	130	Senior/Disabled	\$10,000,000
Mayor Protem Alonzo	Lakewest Assisted Living	150	Senior/Disabled	\$12,000,000
CM Young	Buckeye Trail Commons	323	Family/Seniors	\$32,037,130
CM Young	Mill City Frazier	116	Family	\$9,784,442
CM Young	Frazier Scattered Sites	6	Family	\$682,090
CM Young	Buckeye Homeownership	15	Family	\$375,000
	<b>Total</b>	<b>1,205</b>		<b>\$94,220,952</b>

- Produced 1,205 affordable housing units
- Invested over \$94MM in construction
- Commissioned Master Plans for West & South Dallas
- Transforming entire Neighborhoods
- Typical financing model: Low Income Housing Tax Credits, Bonds, HUD funds, conventional loan
- DHA serves as Self-Developer
- \$2.3MM invested in renovation of Lakewest Shopping Center

# Affordable Housing Development

## Development challenges

- Lack of major redevelopment capital (i.e. HOPE VI, Choice Neighborhood)
- LIHTC 9% QAP limitations

## Development Opportunities

- Neighborhood Plus
- Affirmatively Furthering Fair Housing



# Immediate City of Dallas Participation Opportunities



## Fairmount Crossing

- Address: 2741 Hawthorne Ave.
- Planned Construction: 3<sup>rd</sup> Quarter 2016
- Number of Units: 366 units
- Property Type: Family



## Los Encinos

- Address: 630 S. Llewellyn
- Planned Construction: 4<sup>th</sup> Quarter 2016
- Number of Units: 319 units
- Property Type: Senior/Disabled





# A Toolkit of Options to Encourage Mixed-Income Housing

TREC Presentation to the  
Dallas City Council Housing Committee

February 16, 2016

## The Challenge

Can we address a regional issue through a local solution?

## The Response

Dallas can be a leader in solving this challenge, but it cannot be done alone.

## Our Strategy

Create a toolkit of options designed to encourage mixed-income housing.

## The Result

A predictable process for creating a vibrant community that is more inclusive and sustainable over time.



# Executive Summary

---

The housing crisis is a complex and challenging issue facing our city. There is no magic bullet nor a one-size-fits-all solution.

Addressing the crisis and providing affordable housing to our community will require a variety of tools. Recognizing the constraints, we suggest a set of recommendations that prioritize providing options, flexibility and predictability, as we believe this will ultimately produce the greatest number of affordable units. These options may be used independently or in tandem since gap financing is necessary to produce affordable units.

Our recommendations focus on multifamily housing and offer a toolkit of options to encourage mixed income housing and affordable housing targeted to households with incomes between 80% to 140% of AMI.

# Overview of TREC Process

---

- Formed Working Group of Industry Experts
  - *Met Weekly for 4 months*
- Compared and Analyzed Best Practices of 17 Cities Across the Country
- Consulted with the Ron Terwilliger Foundation, National Multifamily Housing Council, City staff, and Councilmembers
- Identified Current Location of Affordable Housing Properties, Relevant Zoning Designations and City-owned Land Through Interactive Regional and Local Maps.
  - *Statistical Data Mapped*
- Compiled Recommendations and Tested Them Using Real-life Examples

# Affordable Housing Working Group

---

Stephen Bancroft, Trammell Crow Residential

Mary Ann Barnett, Butler Burgher Group

Brandon Bolin, Ground Floor Development

Britton Church, JLB Partners

Macey Davis, The Davis Advocates

Vance Detwiler, Prescott Realty Group

Myron Dornic, Jackson Walker

Matt Enzler, Trammell Crow Residential

Shannon Field, Jackson Walker

Justin Goertz, Marvin F Poer & Company

Gerry Hedgecock, Crow Holdings

Stephanie Keller Hudiburg, The Real Estate Council

Matty Jones, Coats Rose

Suzan Kedron, Jackson Walker

Kennis Ketchum, Portfolio Development

Scott Krikorian, Trammell Crow Company

Blanca Laborde, Attorney at Law

Linda McMahon, The Real Estate Council

Susan Mead, Jackson Walker

Brian Mullen, Streetlights Residential

Robert Munding, Commit!

Claire Palmer, The Law Offices of Claire G Palmer

Rick Perdue, Mill Creek Residential

Katy Slade, Gables Residential

Neal Sleeper, Cityplace Company

Pamela Stein, ULI North Texas

Jonathan Vinson, Jackson Walker

Bob Voelker, Streetlights Residential

# Reviewed Cities

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Austin, TX

Houston, TX

Fort Worth, TX

New York, NY

San Diego, CA

San Jose, CA

Washington, DC

Chicago, IL

Boston, MA

Denver, CO

Boulder, CO

Seattle, WA

Portland, OR

Miami, FL

West Palm Beach, FL

Phoenix, AZ

Philadelphia, PA

# What Does “Affordable” Mean?

# What Is Affordable Housing?

---

- Affordable housing is commonly defined as housing for which the occupants are paying no more than 30% of their gross income for housing costs, including utilities, as defined by HUD.
- According to the American Community Survey conducted by the U.S. Census Bureau, nearly 50% of Dallas County renters were paying more than 30% of their income for housing. (Source: US Census, ACS 3-year Estimates, 2011-2013)
- Affordability assumptions are based on Dallas Metropolitan Statistical Area Median Income (see Addendum for definition of AMI) for a family of 4, as established by HUD. FY 2015 AMI is \$70,400.



# What is Mixed-Income Housing?

---

- Mixed income housing contributes to the diversity and stability of American communities.
- According to HUD, a mixed-income housing development is generally comprised of housing units with a mix of market-rate housing and varying levels of affordable housing (at or below 140% AMI).
- The “mix” can differ from community to community based on the local housing market and marketability of the units themselves.
- Research shows that mixed-income communities that result in socio-economically diverse schools contribute to higher performance of low-income students.
- Sound policy will encourage mixed -income housing.

# 2015 Median Family Income

## Fiscal Year 2015 Median Family Income

### Dallas Region

Area Median Income (AMI)	Income Level	Dollar Amount by Family Size			
		1	2	3	4
30%	Extremely Low Income	\$14,800	\$16,900	\$20,090	\$24,250
50%	Low Income	\$24,650	\$28,200	\$31,700	\$35,200
60%	Moderate Income	\$29,568	\$33,792	\$38,016	\$42,240
67%		\$33,018	\$37,734	\$42,451	\$47,168
80%		\$39,450	\$45,050	\$50,700	\$56,300
100%	Average	\$49,280	\$56,320	\$63,360	\$70,400
120%	Middle Income	\$59,136	\$67,584	\$76,032	\$84,480
140%		\$68,992	\$78,848	\$88,704	\$98,560

**Source:** City of Dallas Neighborhood Plus Plan, HUD FMR Area Estimates for the Dallas Area 2015

Note: "Dallas Region" indicates the Dallas, TX HUD Metro FMR Area, so all information presented here applies to all of the Dallas, TX HUD Metro FMR Area. The Dallas, TX HUD Metro FMR Area contains the following areas: Collin County, TX; Dallas County, TX; Delta County, TX; Denton County, TX; Ellis County, TX; Hunt County, TX; Kaufman County, TX; and Rockwall County, TX.

# How Does AMI Apply?

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It is important to note that in higher density areas like Uptown and Downtown Dallas, most apartments are studio, 1-bedroom and 2-bedroom units.

Generally, these units are intended for up to three persons. Therefore, the income levels in the next slide reflect the actual income of the rental population.

# Example Occupations by Income

City of Dallas Example Wage Ranges by Occupation

Occupation	Minimum Wage - Maximum Wage	Maximum Affordable Rent Range (30%)	AMI Range (Family of 3)
Police	\$44,658 - \$105,541	\$1,116-\$2,638	>67% to >140%
Fire	\$44,658 - \$105,541	\$1,116-\$2,638	>67% to >140%
Teacher	\$47,000 - \$78,200	\$1,175-\$1,955	>67% to >120%

Sources:

[http://dallascityhall.com/departments/humanresources/DCH%20Documents/pdf/CompClass\\_FirePaySchedule\\_AttachB.pdf](http://dallascityhall.com/departments/humanresources/DCH%20Documents/pdf/CompClass_FirePaySchedule_AttachB.pdf)  
[http://dallascityhall.com/departments/humanresources/DCH%20Documents/pdf/CompClass\\_PolicePaySchedule\\_AttachB.pdf](http://dallascityhall.com/departments/humanresources/DCH%20Documents/pdf/CompClass_PolicePaySchedule_AttachB.pdf)  
<http://www.dallasisd.org/cms/lib/TX01001475/Centricity/Domain/110/DISD%202015-2016%20Salary%20Handbook%20FINAL.pdf>

# Average Rents In Dallas Vary by Area

## One Size Does Not Fit All

The average rent in Dallas for a 2-bedroom apartment is \$1,560, as of February 2016.

2015 MF Rental Data					
Submarket	Effective Rent	1BR Rent	2BR Rent	3BR Rent	4BR Rent
Downtown/West End Historic	\$1,999	\$1,714	\$2,415	\$3,168	N/A
Uptown/Oak Lawn	\$1,448	\$1,156	\$1,813	N/A	N/A
North/Oak Cliff	\$770	\$671	\$834	\$867	N/A
Fair Park/South Dallas	\$627	\$548	\$653	\$780	N/A
2013 MF Rental Data					
Submarket	Effective Rent	1BR Rent	2BR Rent	3BR Rent	4BR Rent
Downtown/West End Historic	\$1,542	\$1,303	\$1,926	\$2,308	N/A
Uptown/Oak Lawn	\$1,290	\$1,014	\$1,661	\$2,514	N/A
North/Oak Cliff	\$727	\$611	\$767	\$903	N/A
Fair Park/South Dallas	\$690	\$588	\$713	\$858	N/A
2011 MF Rental Data					
Submarket	Effective Rent	1BR Rent	2BR Rent	3BR Rent	4BR Rent
Downtown/West End Historic	\$1,445	\$1,233	\$1,778	\$2,057	N/A
Uptown/Oak Lawn	\$1,312	\$1,055	\$1,617	\$2,141	N/A
North/Oak Cliff	\$690	\$594	\$732	\$864	N/A
Fair Park/South Dallas	\$672	\$555	\$700	\$837	N/A

Source: REIS and MPF/Yieldstar

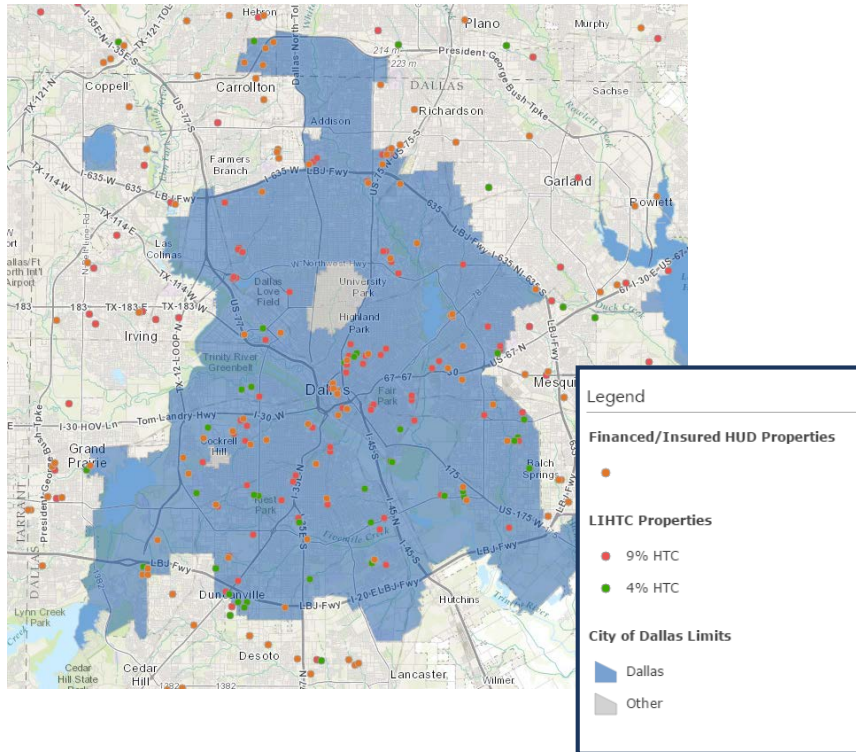


# Understanding the Current State of Affordability



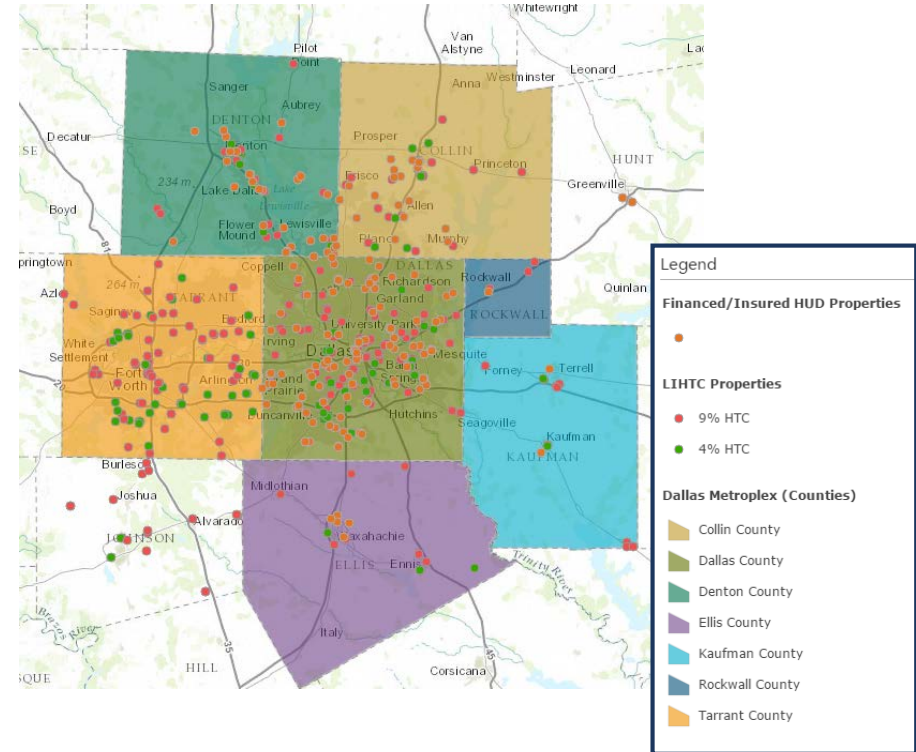
# Current LIHTC & Financed/Insured HUD Properties

## City of Dallas

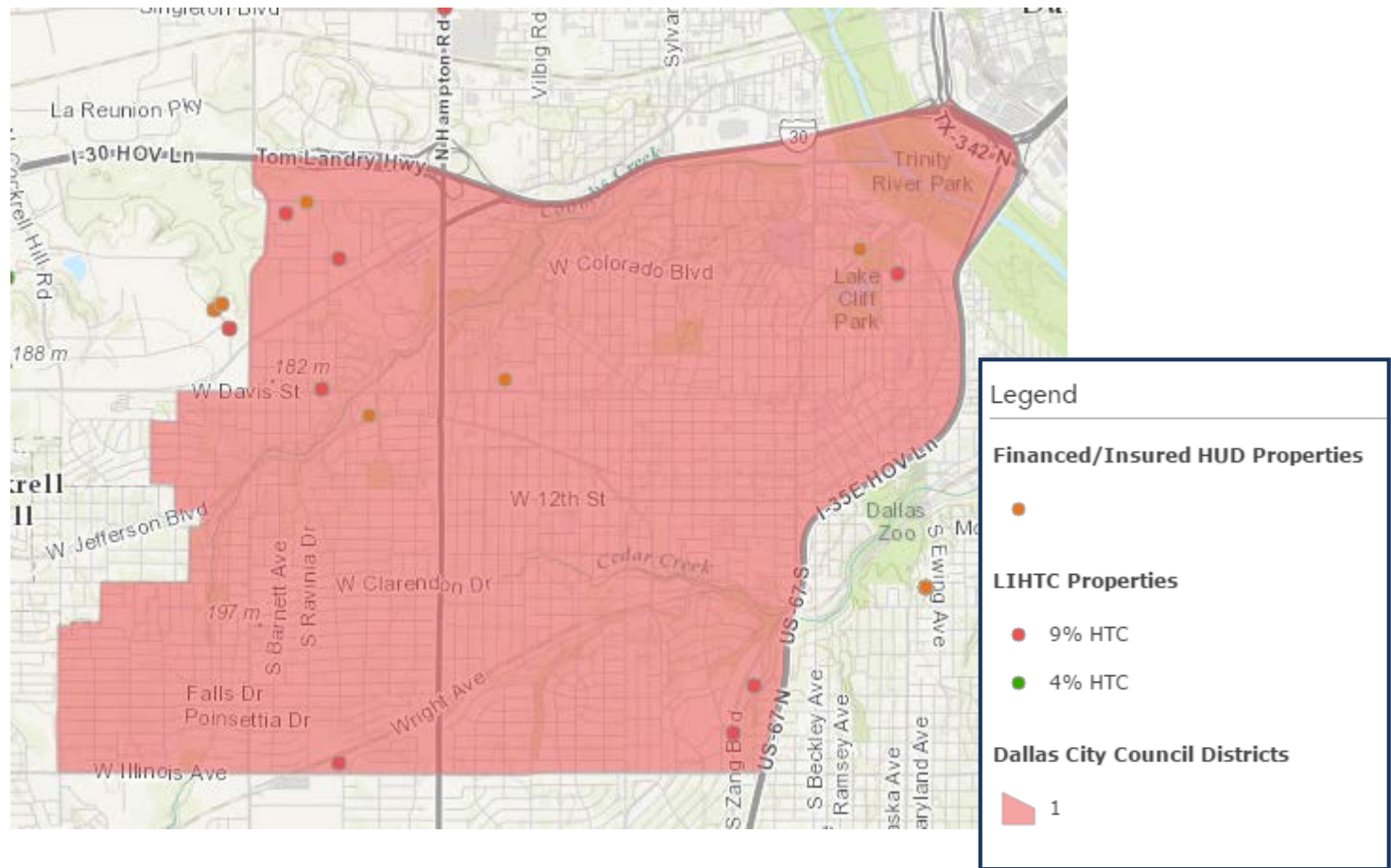


## Region

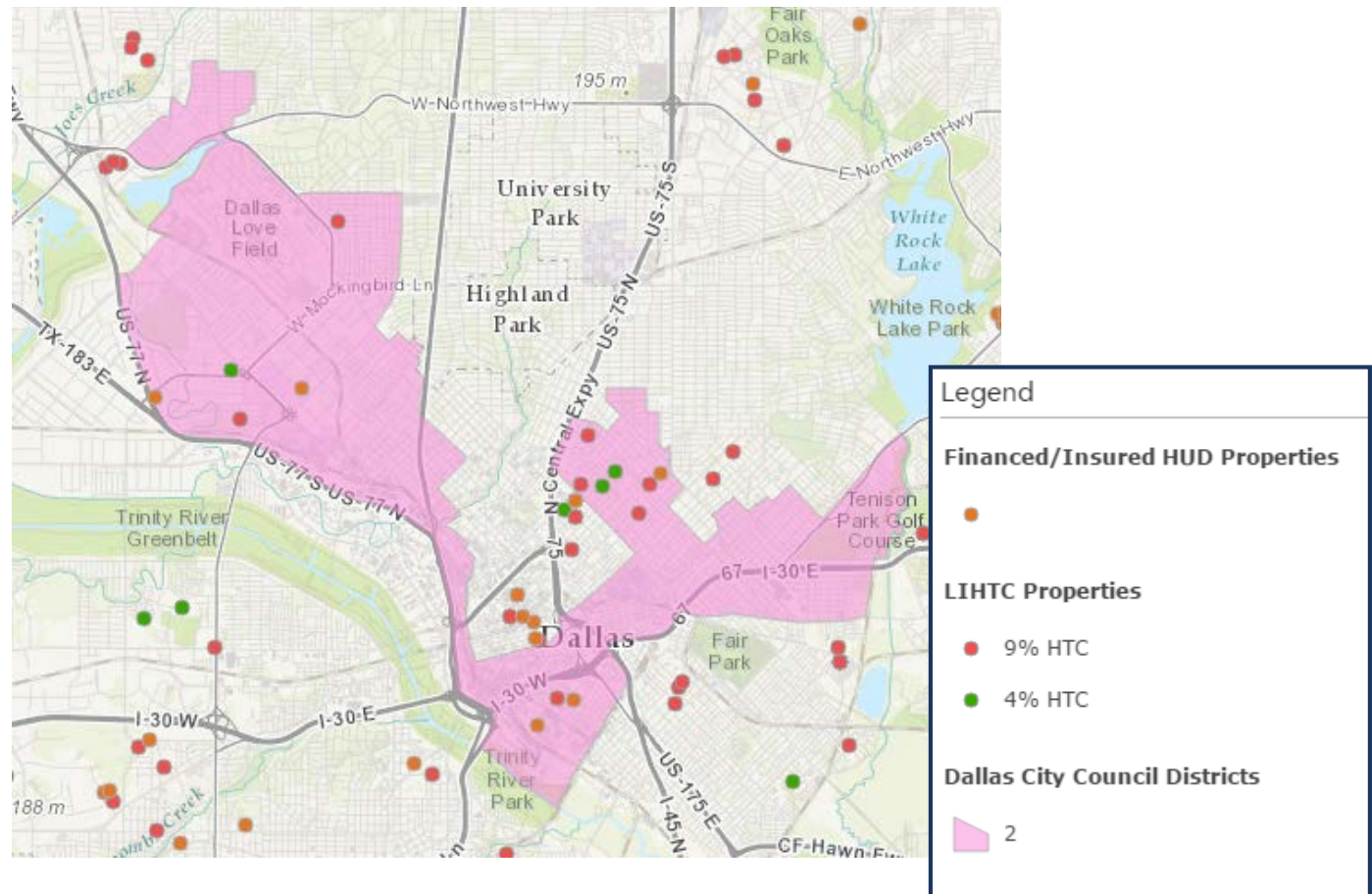
(Dallas, Colin, Denton, Kaufman, Rockwall, Hunt and Ellis Counties)



# District 1 – Councilmember Griggs

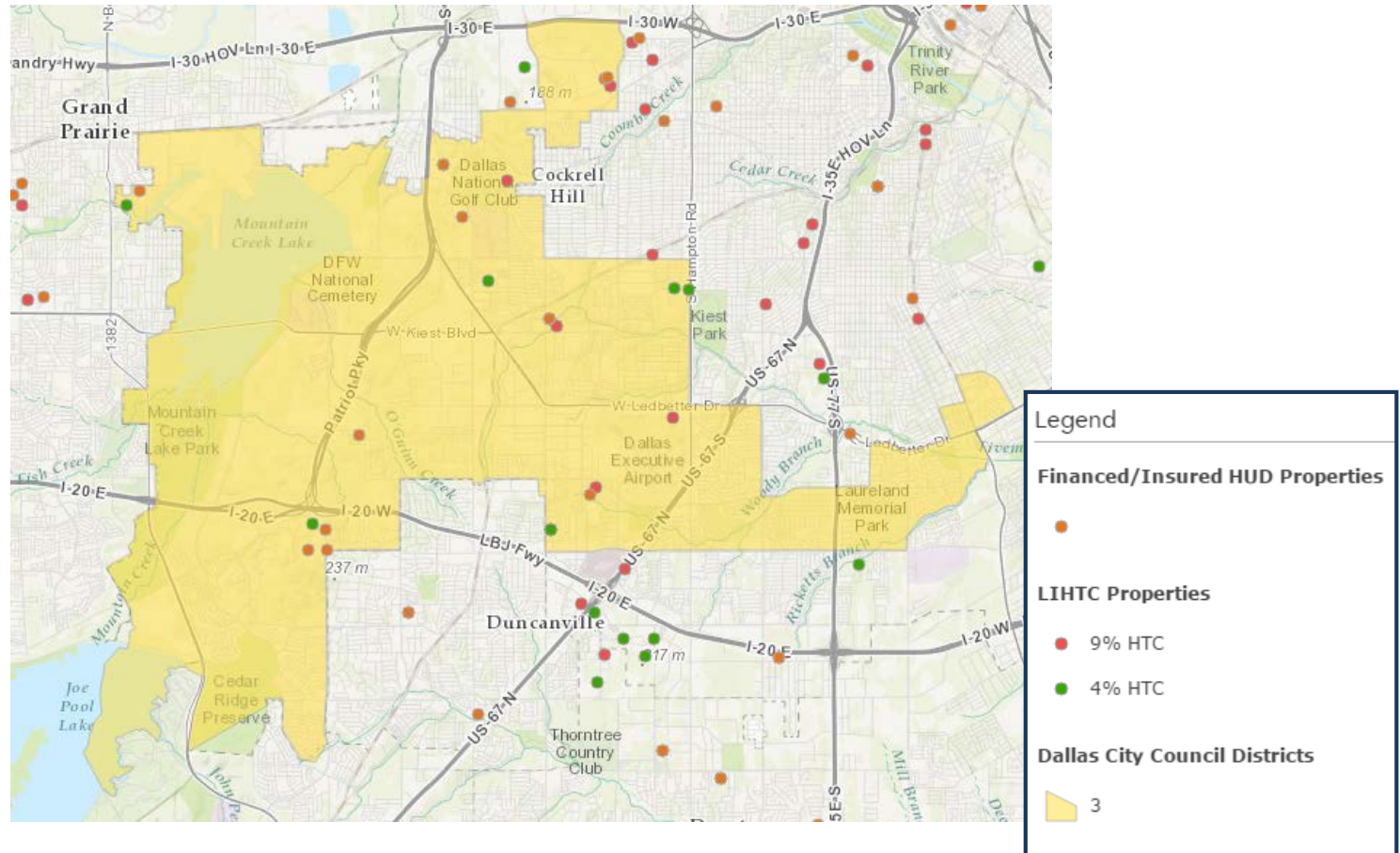


# District 2 – Councilmember Medrano

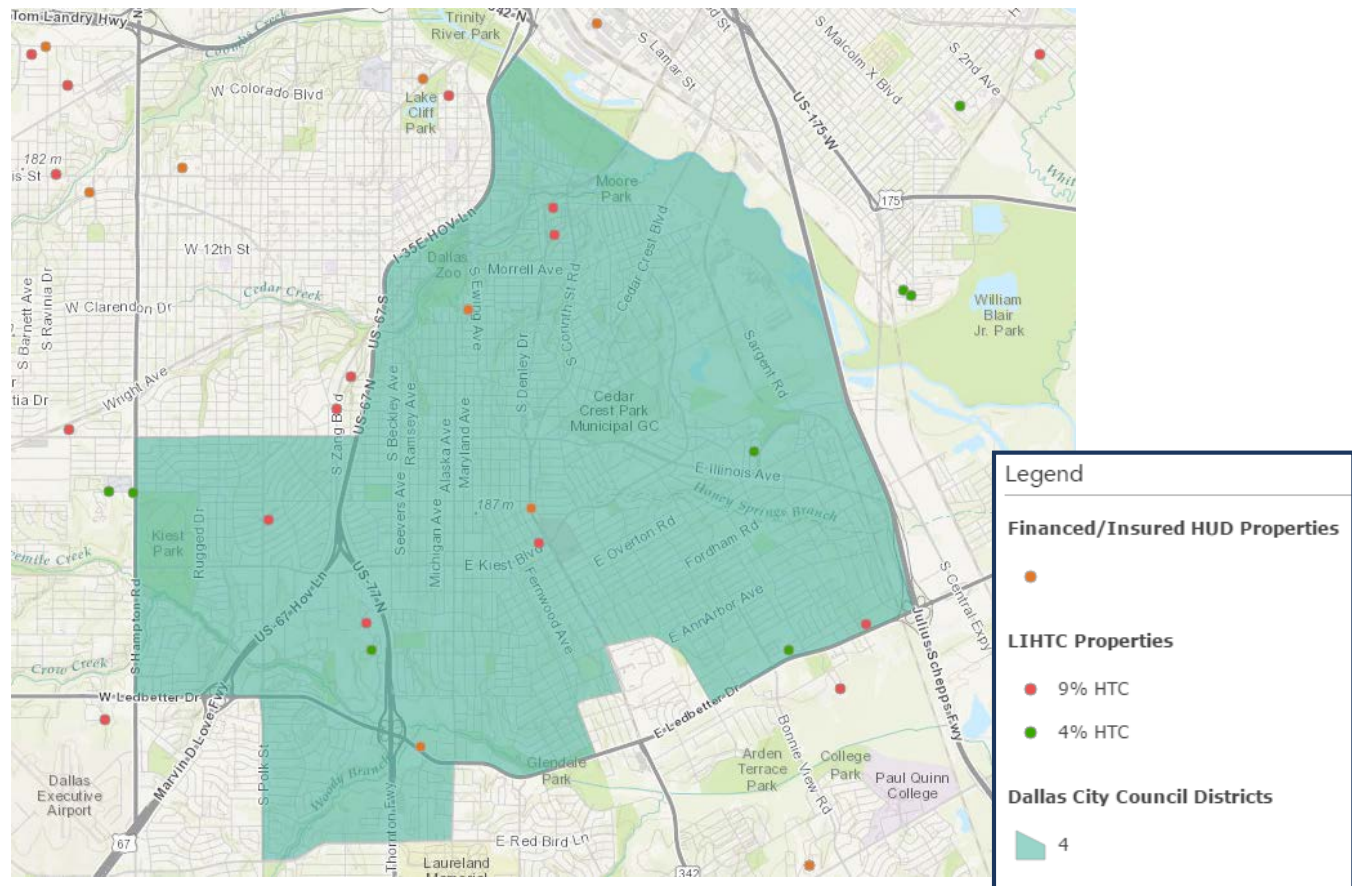




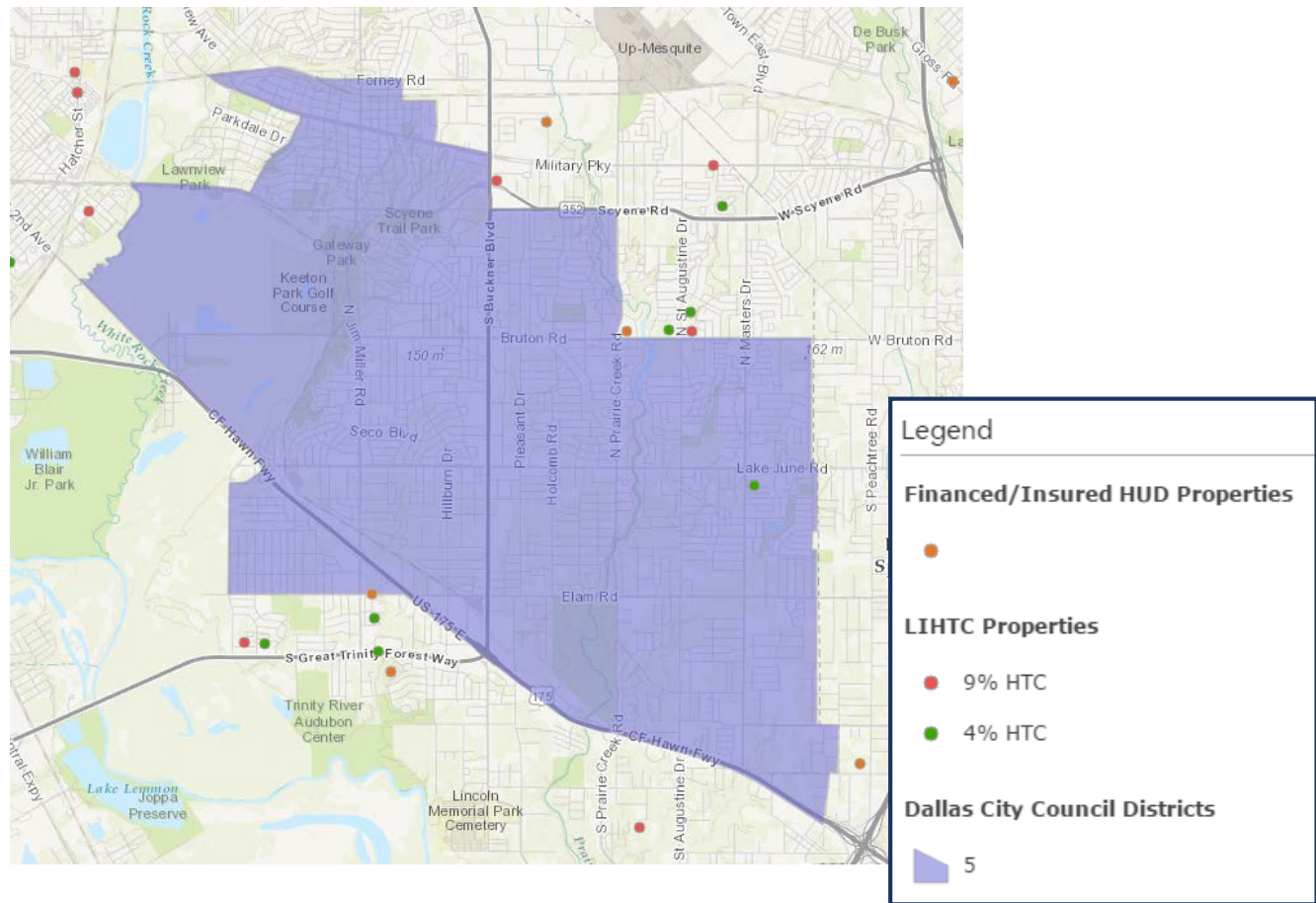
# District 3 – Councilmember Thomas



# District 4 – Councilmember Arnold

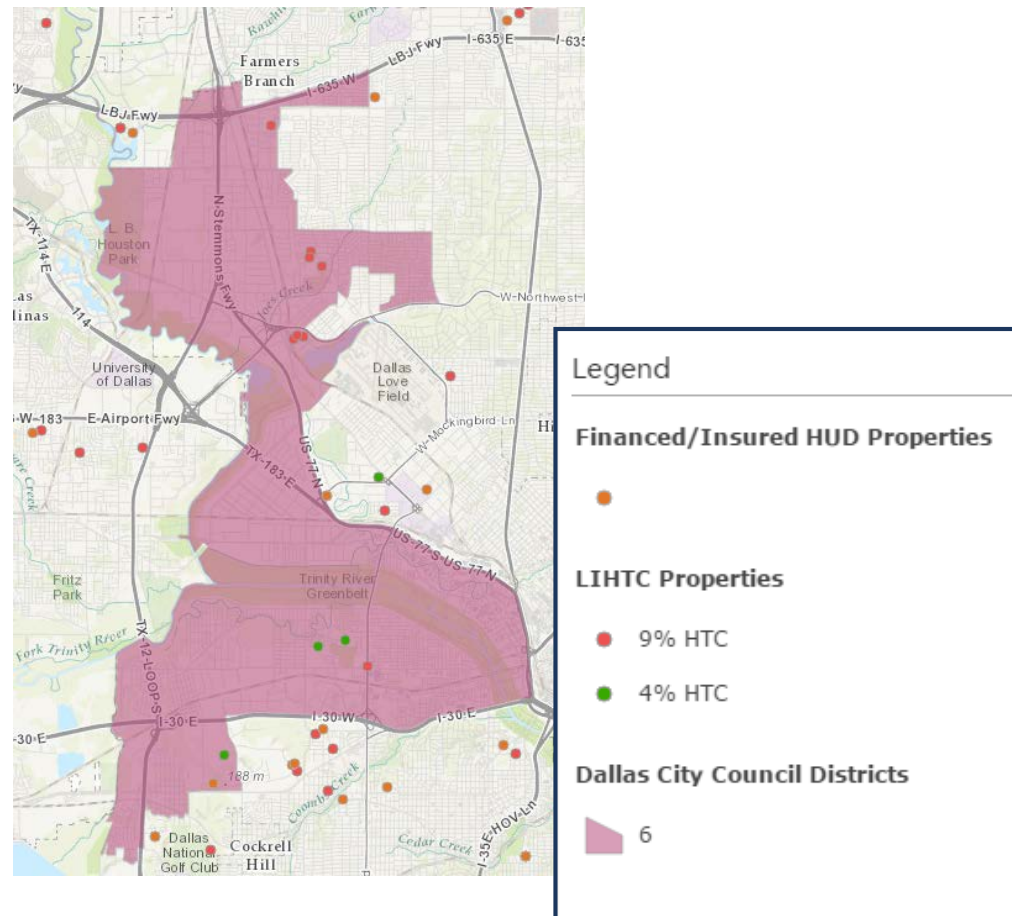


# District 5 – Councilmember Callahan

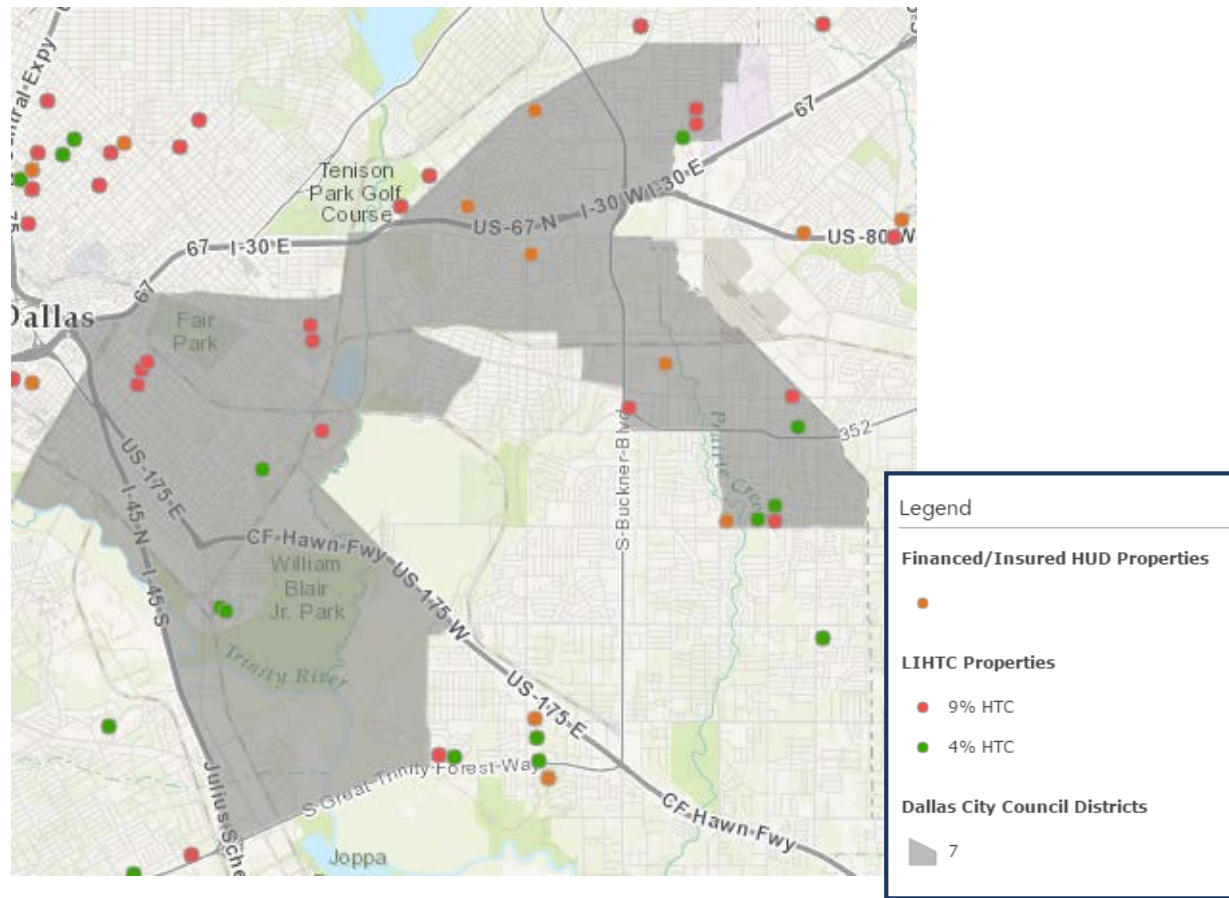




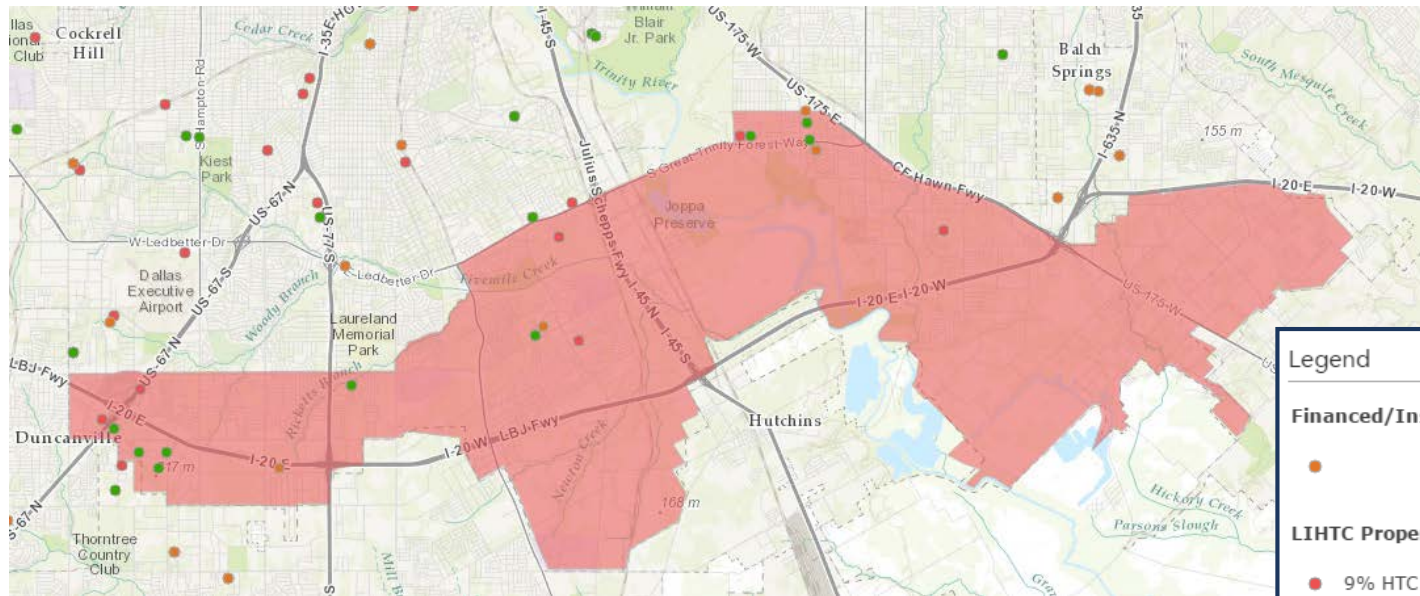
# District 6 – Councilmember Alonzo



# District 7 – Councilmember Young



# District 8 – Councilmember Wilson



## Legend

### Financed/Insured HUD Properties



### LIHTC Properties

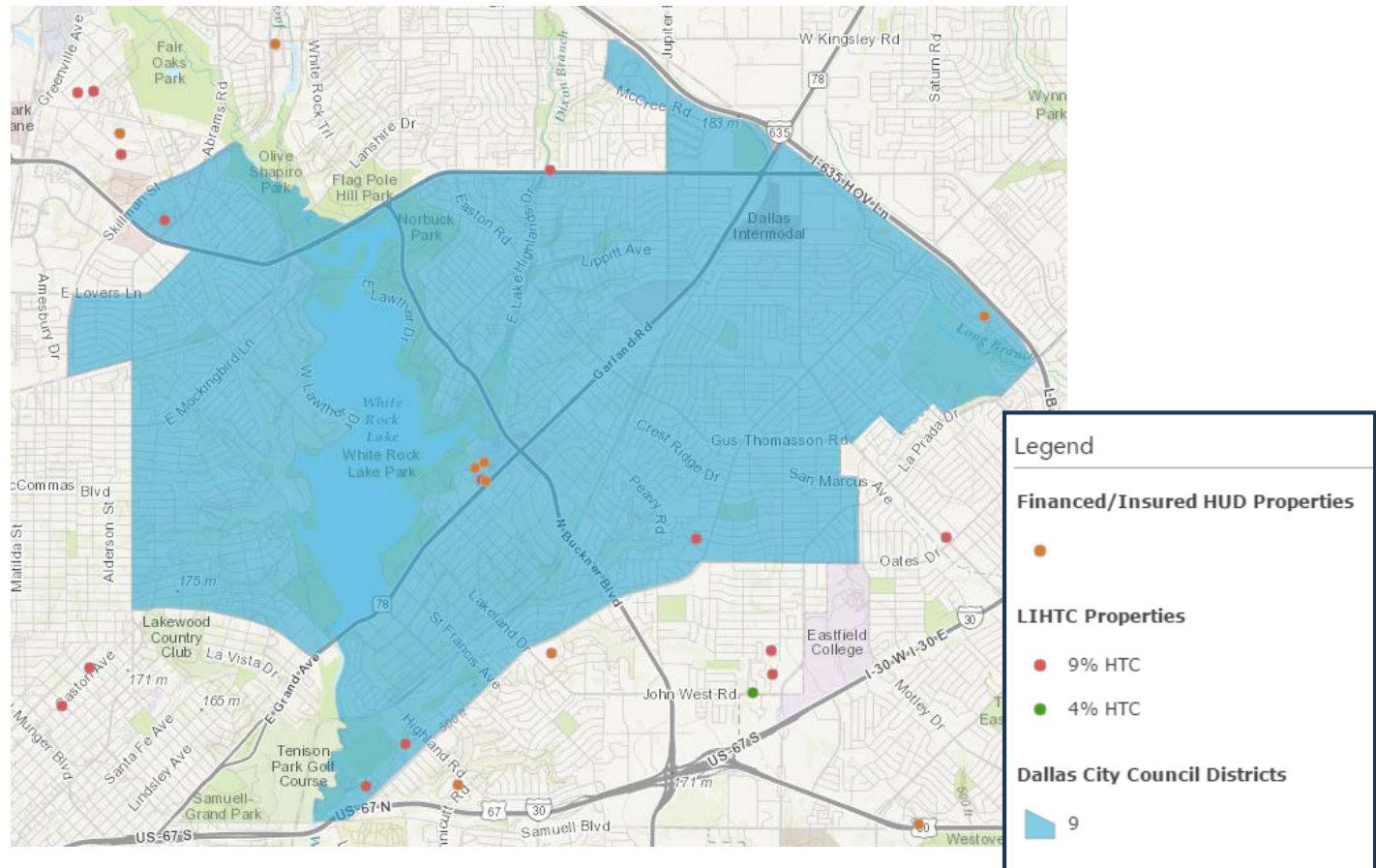


### Dallas City Council Districts



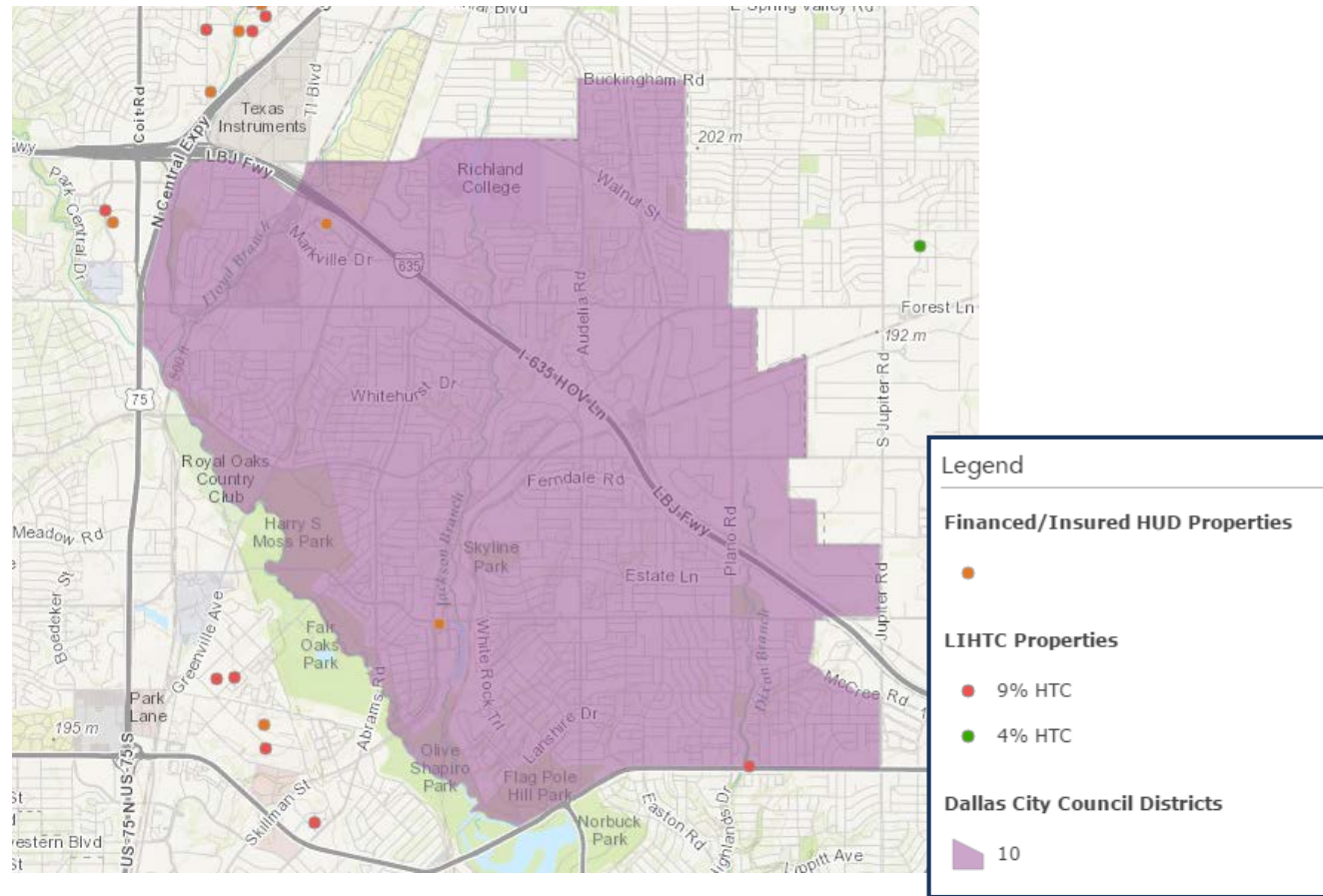
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# District 9 – Councilmember Clayton

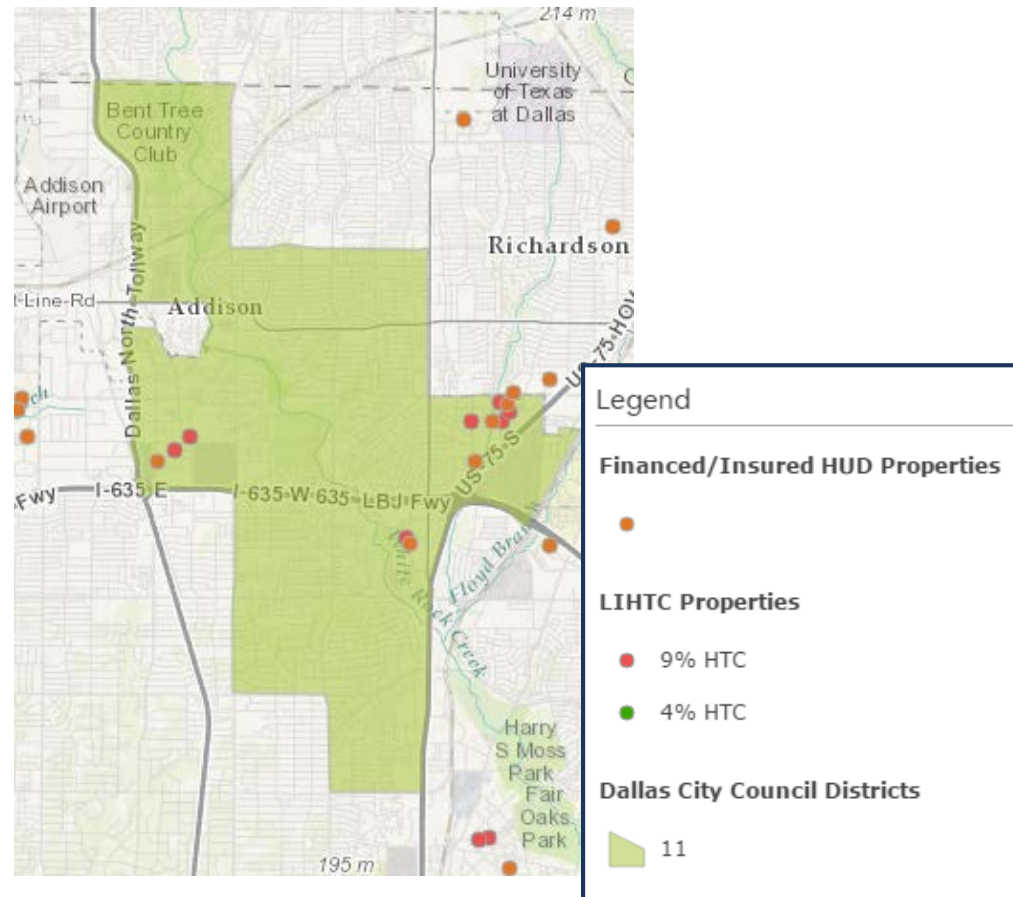




# District 10 – Councilmember McGough

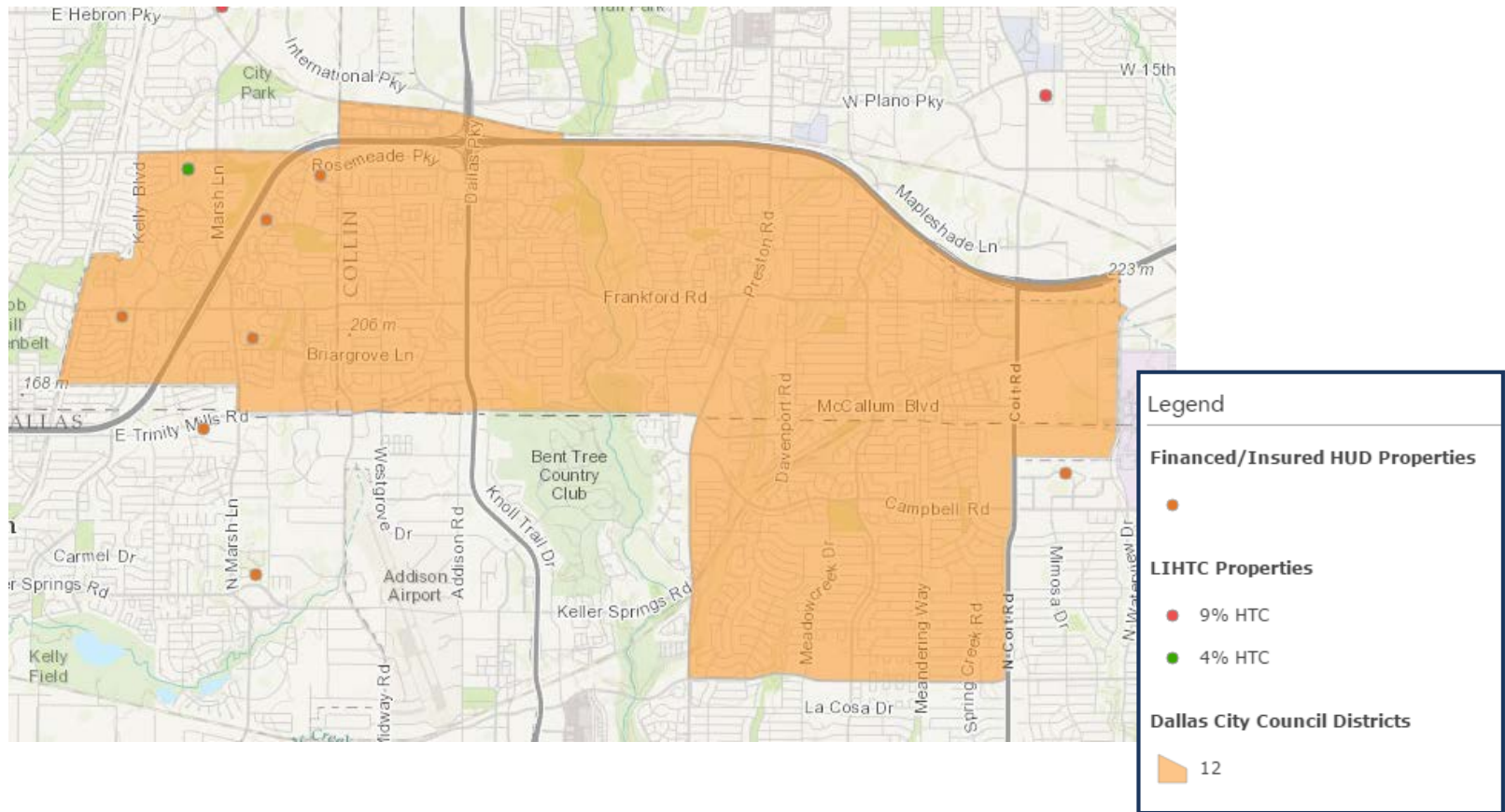


# District 11 – Councilmember Kleinman

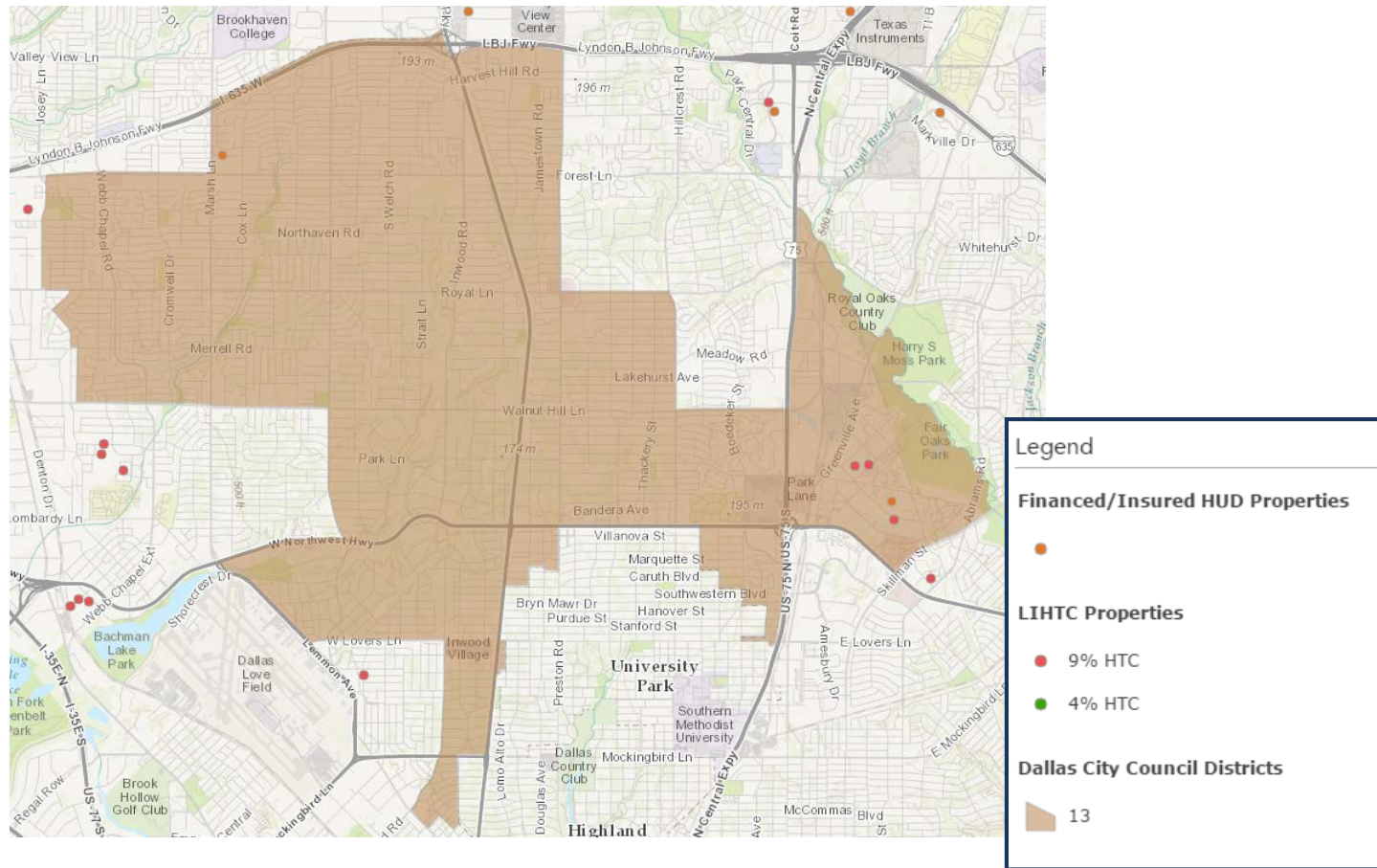




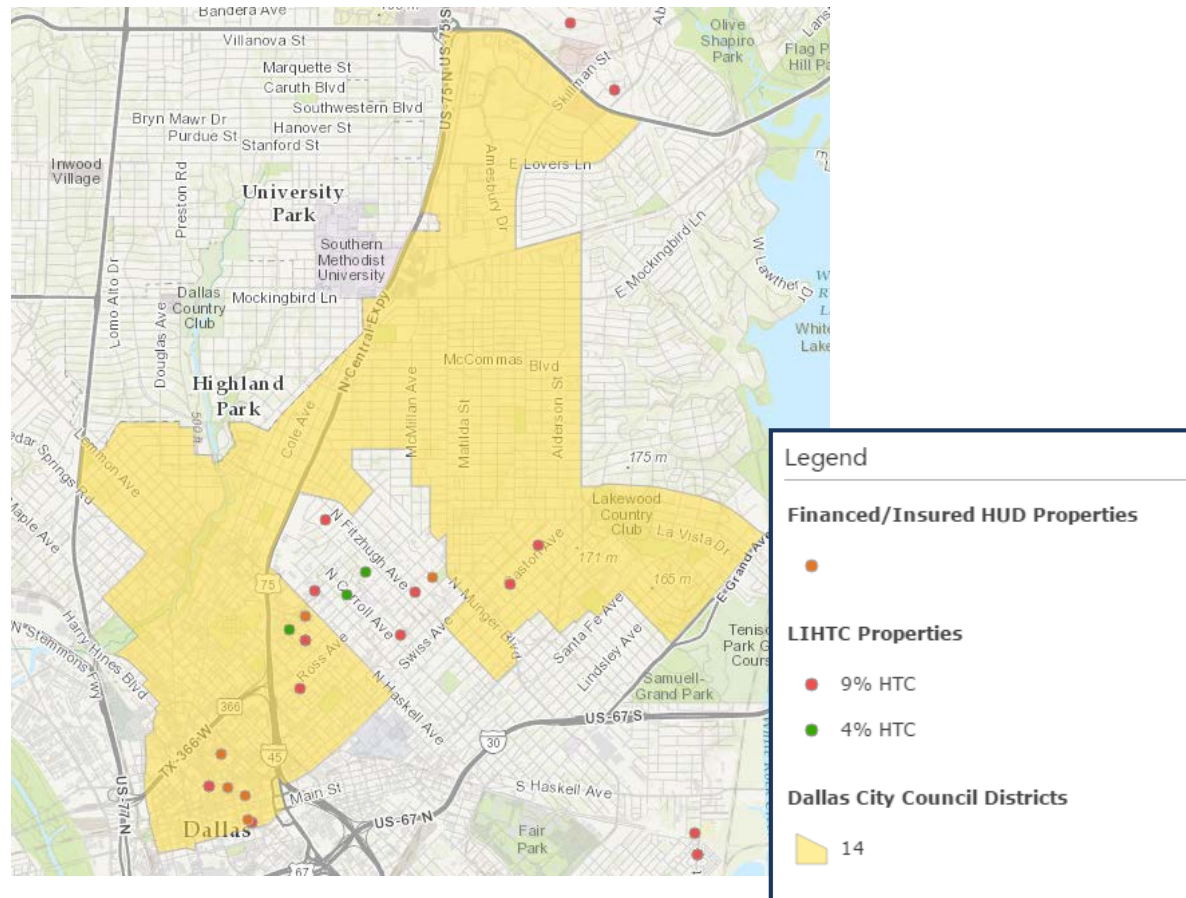
# District 12 – Councilmember Greyson



# District 13 – Councilmember Gates



# District 14 – Councilmember Kingston



# Current Affordable Housing Policy Tools

## *City of Dallas*

Existing Government Subsidies By Income Group	
Up to 80% AMI	<p>Low Income Housing Tax Credit,</p> <p>Project-based Vouchers,</p> <p>City of Dallas G.O. Bonds,</p> <p>Section 8 Vouchers,</p> <p>Community Development Block Grant (CDBG) / HOME Funds</p> <p>TIF/Tax Abatements</p>
80% AMI to 140% AMI	G.O. Bonds



Working Group Recommendations:  
A Focus on Mixed-Income Housing



# Overview of Recommendations

---

## Local Recommendations

- Create Area Plans Targeting High Opportunity, Transitional Areas and Revitalization Areas
  - (Austin, Chicago, Miami, New York)
- Offer a Variety of Incentive Opportunities and Enhance Current Incentive Tools
  - (Austin, Denver, Philadelphia, Phoenix)
- Establish Dedicated Funding Streams
  - (Austin, Ft. Worth, Seattle, West Palm Beach)
- Modify Zoning Code to Amend Ch. 51 and Ch. 51A
- Offer Alternatives to On -Site Affordable Housing
  - (Austin, Boston, Portland, San Jose)

## Regional Recommendations

- Utilizing local incentive opportunities and alternatives to onsite development to encourage affordable housing outside the City of Dallas.

## Implementation and Timing





# Local Recommendations: Create Area Plans

# Create Area Plans

---

- City of Dallas should create area plans in order to address targeted needs within specified areas. A one-size-fits-all approach will not work. Area plans also create predictability. Three types of areas should be considered:
- High Opportunity Areas are census tracts where:
  - the income falls at or above 80% of the area median income,
  - the poverty rate is no more than 15%, AND
  - there is not already a heavy concentration of subsidized housing.
- Transition Areas: rapidly redeveloping areas that may lose sufficient affordable housing. Specific criteria for Transition Areas to be defined by City Council.
- Revitalization Areas: Additional areas as defined by the City of Dallas.



# Local Recommendations: Enhance Incentive Tools

# *The Problem of the Funding Gap Explained*

---

- Projects that offer affordable units struggle to obtain financing through traditional means.
- Investor partners will currently invest in projects only with the following yields of return:
  - Stick Construction – 6.75% to 7%
  - High-rise construction – 6.50% to 6.75%
- Net operating income (NOI) per unit significantly decreases when affordable housing is included. This is what makes a project difficult to finance.
  - Cost of building a unit is the same whether it is rented at market rate or below market rate.
  - Adding affordable units lowers yield because of below-market rents.
- BOTTOM LINE: Incentives must be available to offset the economic impact of each unit offered below market rents.

# Funding Gap Examples

When a development project incorporates affordable units, the revenue for the project decreases but the costs remain the same. This typically lowers the yield below what investors are willing to accept in achieving a return on their investment.

The funding gap ranges widely based upon the type of development, the level of household income (AMI) targeted, and the percentage of units rented at those targeted affordable rates.

Stick (Low Rise) Building Development Example		
338 Units, \$57.97M total project cost		
	20% of Units Affordable	5% of Units Affordable
No. of Units	68	17
40% AMI		
Total Funding Gap	\$14,888,073	\$3,722,018
Funding Gap Per Unit	\$218,942	
120% AMI		
Total Funding Gap	\$1,255,555	\$313,889
Funding Gap Per Unit	\$18,464	

High Rise Building Development Example		
350 Units, \$87.75 M total project cost		
	20% of Units Affordable	5% of Units Affordable
No. of Units	70	18
40% AMI		
Total Funding Gap	\$27,430,366	\$7,053,523
Funding Gap Per Unit	\$391,862	
120% AMI		
Total Funding Gap	\$12,383,510	\$3,184,331
Funding Gap Per Unit	\$ 176,907	

# Filling the Gap: Offer a Variety of Incentive Opportunities

---

## Incentive Opportunities:

- Reductions in Parking Requirements
- Fee Waivers (Building Permit & Water)
- Tax Abatements
- TIFs
- Density Bonuses
- Reduce Land Costs:
  - Public Land Write-downs
  - Community Land Trust
- Housing Trust Fund or Other Dedicated Revenue Source
- G.O. Bonds



# Implementing Incentive Opportunities

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- **Establish a Clearly Defined Point System:** Create a new incentive program with stakeholder input that allows developers to earn points toward financial incentives and/or entitlements.
  - Points are given based on the housing needs identified in the area plans.
  - Points are scaled based on the number of affordable units provided and range of housing for varied income levels, ie: more points given for desired income levels identified in the area plans.
  - Cities like Phoenix and Austin have similar models.
- **Modify Current Incentive Policies:**
  - Amend existing TIF Policies to encourage a greater range of mixed-income housing.
  - Amend Public Private Partnership Program to include Water Utilities.
  - Tax Abatement, Fee Waivers, and Parking Reductions.
- **Offer Incentives to All Zoning Districts:** All zoning districts, including those newly proposed (see slide 45 for explanation), should be allowed to earn incentives to apply toward building affordable units if needed.

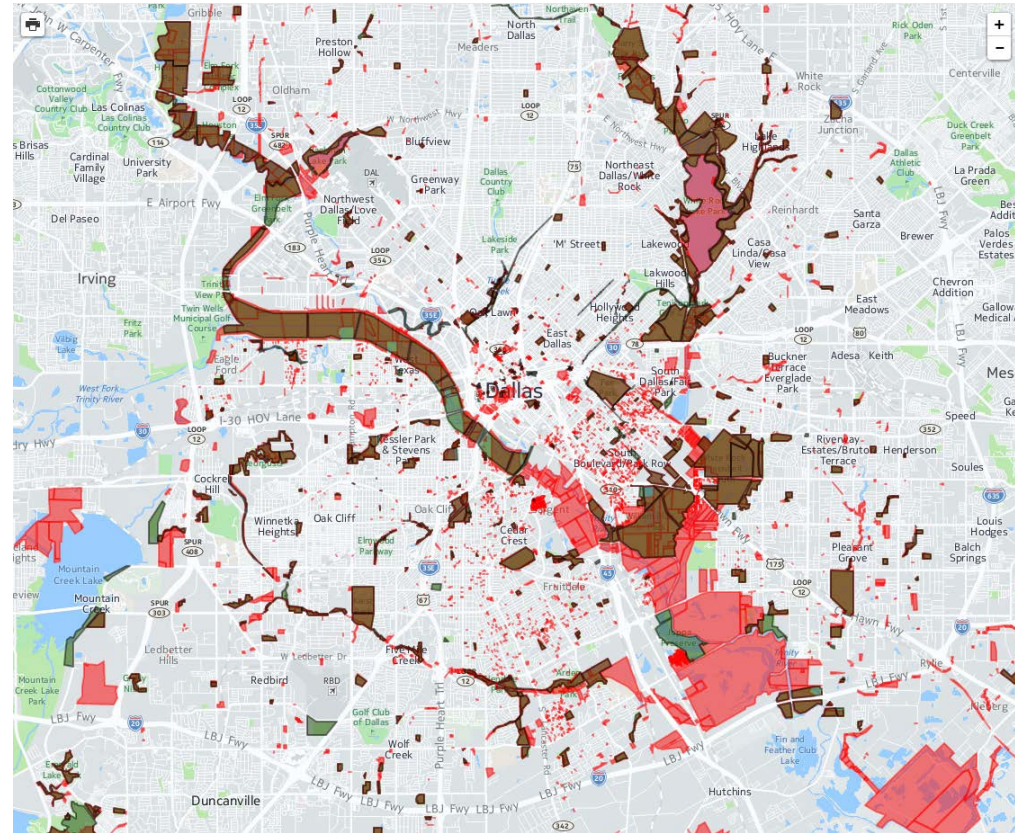
# Reduce Land Costs

## Utilize Government-Owned Land Write Downs

- Texas State Law allows government entities, including cities and counties, to sell their land at a price that is much lower than fair market value if it serves a public purpose.
- A public purpose can include Affordable Housing.

## Institute a Community Land Trust

- This nonprofit entity may execute 99-year ground leases with developers targeting affordable residential units. Allowing the Trust to lease the land for development, lowers the overall project costs as the developer pays only for the structure built and not the underlying land. The lease agreement also ensures the inclusion of mixed income and affordable housing.





Local Recommendations:  
Establish Dedicated Funding Streams

# Housing Trust Fund

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## What Does the Housing Trust Fund Do?

- Funding can be awarded by a Housing Trust Fund to a private or non-profit developer to be used for the production of affordable single family and multifamily housing.
  - Funds can be available in grant or loan form to offer gap financing for projects complying with affordable housing requirements.
  - Funds can be used to initiate projects in specified areas of need.

## Trust Fund Management

- A Housing Trust Fund should be managed by a “qualified” non-profit entity.

## Examples Across the US

- Cities including Austin, Boston, and D.C. have Housing Trust Funds.

# G.O. Bonds

---

Establish a bond program prioritizing investment in affordable housing. The program may set primary investment areas including:

- Rental Housing Development Assistance
- Home Ownership Programs

The City of Austin has approved \$120 million in G.O. bonds for affordable housing since 2006.





Local Recommendations:  
Amend Zoning Code

# Amend Zoning Code

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- Chapter 51A of the City of Dallas code currently addresses affordable housing. However, the current ordinance is underutilized. It only applies in a small number of Standard Affordable Housing (SAH) districts and targets housing for households with incomes up to 50% of AMI.
- The Working Group proposes amending this section of the code in order to produce more affordable units in the City of Dallas.

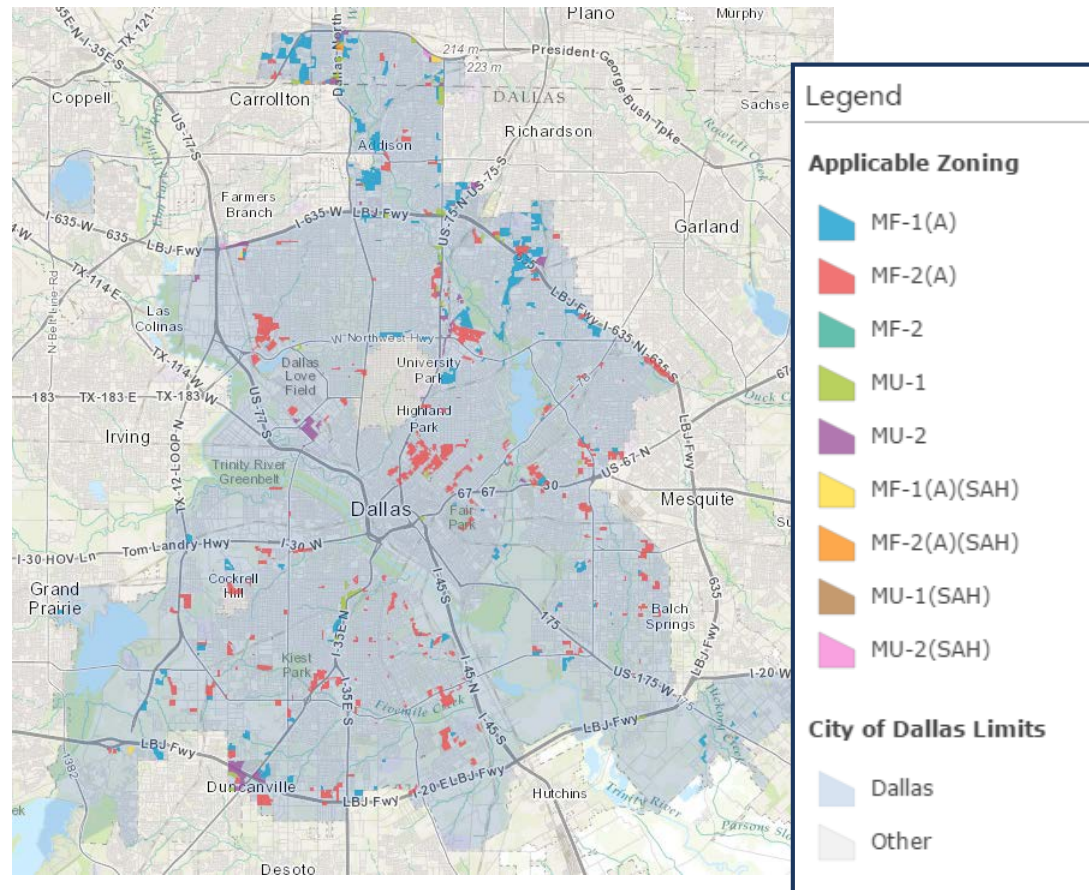
# Amend Zoning Code continued

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- **Amend Definitions in Chapter 51A (e.g. Affordable Housing Section 51A-4.900) by:**
  - Allow Standard Affordable Housing (SAH) to apply to households with incomes up to 80% of AMI (currently at 50%).
  - Create a new category for affordability called Middle Income Housing (MIH) to target households with incomes between 80% - 140% of AMI.
- **Amend zoning categories MF-1(A) MF-2(A) and MU-1 & MU-2 by:**
  - Allow increases in height, density and lot coverage provided that a certain percentage of affordable units are included in the project. These changes may apply only if the requirement of affordable units is met.
  - Preserve the existing Residential Proximity Slope in all instances.
  - This does not preclude ability to receive financial incentives if needed.

# Mapping Zoning Districts Impacted by Amendments

MF-1(A)  
 MF-2(A)  
 MF-2  
 MU-1  
 MU-2  
 MF-1(A)(SAH)  
 MF-2(A)(SAH)  
 MU-1(SAH)  
 MU-2(SAH)





Local Recommendations:  
Offer Flexible Alternatives

# Payment in Lieu Option

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The City of Dallas already has an option for a Payment in Lieu in Chapter 51A-4.900, the section on Affordable Housing. The use should be expanded for a variety of Multi-Family Developments to participate and pay a fee as an alternative to providing affordable units.

## How Will the Payment of Fee in Lieu Work?

- It can be assessed at the Building Permit stage for all new Multifamily Residential projects requesting density bonuses of greater than 50 units.
- Update Assessment for Multifamily = \$8-\$10 per net rentable square foot.
- The fee can be paid into a Housing Trust Fund.



# Off-Site Linkage Option

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- A developer should have the option to satisfy any affordable housing requirements through off-site development of affordable units.
- A development project in Dallas can comply with all or part of affordable housing requirements if it links its project to another project located in one of the city-designated area plans developing affordable units as approved by the City of Dallas.
- Funds may be used from a Housing Trust Fund to close the gap of funding needed for the off-site project.



# Regional Recommendations

# Regional Recommendations

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- Land Write-Downs can be used by any municipality to encourage development of affordable units.
- Grants or Loans from a Housing Trust Fund can be used to build affordable units outside the limits of the City of Dallas.
- Off-site Linkage Option: Allow projects located outside the limits of the City of Dallas to comply with affordable housing requirements with approval by City of Dallas Housing Director.



# Timing and Implementation

# Implementation & Timing Recommendations

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- **Phased-in Over Time**
  - Work with stakeholders to determine implementation of policy tools in the short-term, medium-term and long-term.
  - Careful consideration must be given to the timing of implementation in order to give developers and land owners sufficient time to assess the impact on land prices. It is important to note that timing between land acquisition and the commencement of the development is typically a 3-year process.
- **Term of Affordability in Area Plans**
  - The term of affordability should be based upon the needs outlined in individual area plans and range from 5 to 15 years.



Questions?





# Addendum

# Definition of AMI

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Area median income (AMI) is the average income for a defined geographical area. This average is based on the American Community Survey conducted by the US Census Bureau. AMI is frequently used in government programs. HUD uses AMI to set income limits determining eligibility for many of its programs.

According to HUD, “ (Median family income (MFI) estimates for Fiscal Year (FY) 2015) are calculated for each metropolitan and nonmetropolitan area using the Fair Market Rent (FMR) area definitions applied in the Section 8 Housing Choice Voucher Program.

The 2008-2012, 5-year American Community Survey (ACS) and Puerto Rico Community Survey (PRCS) income data are the basis of FY 2015 Income Limits for all areas of geography, except for the U.S. Virgin Islands and the Pacific Islands.

Separate HUD MFI estimates are calculated for all Metropolitan Statistical Areas (MSAs), HUD Metro FMR Areas, and nonmetropolitan counties.”

Source: US Department of Housing and Urban Development, March 2015  
<https://www.huduser.gov/portal/datasets/il/il15/Medians2015.pdf>

Dallas Housing Authority  
*Housing Choice Voucher (HCV)*  
*Program*

A Briefing to the  
Housing Committee  
August 15, 2016

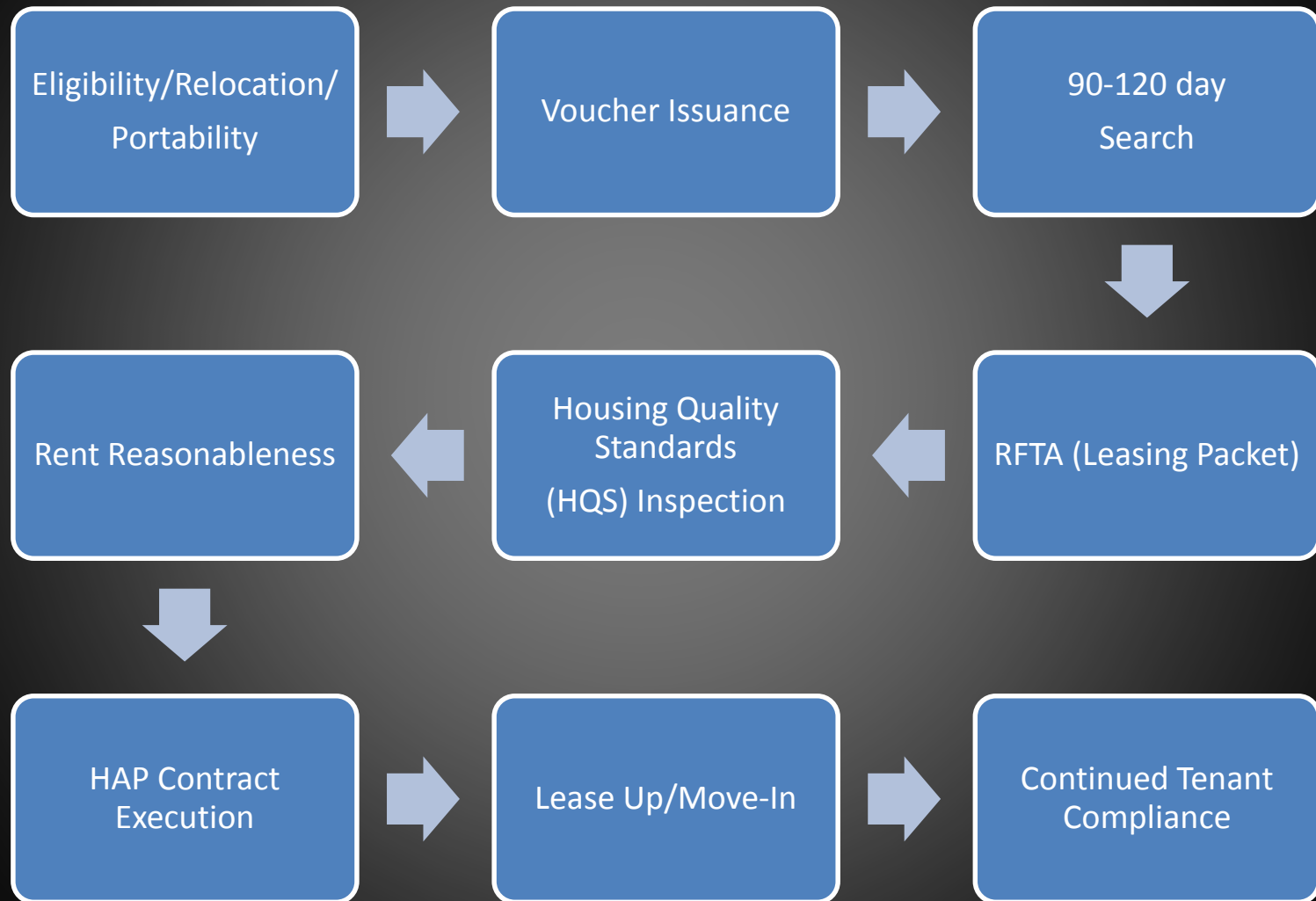


# Housing Choice Voucher Programs

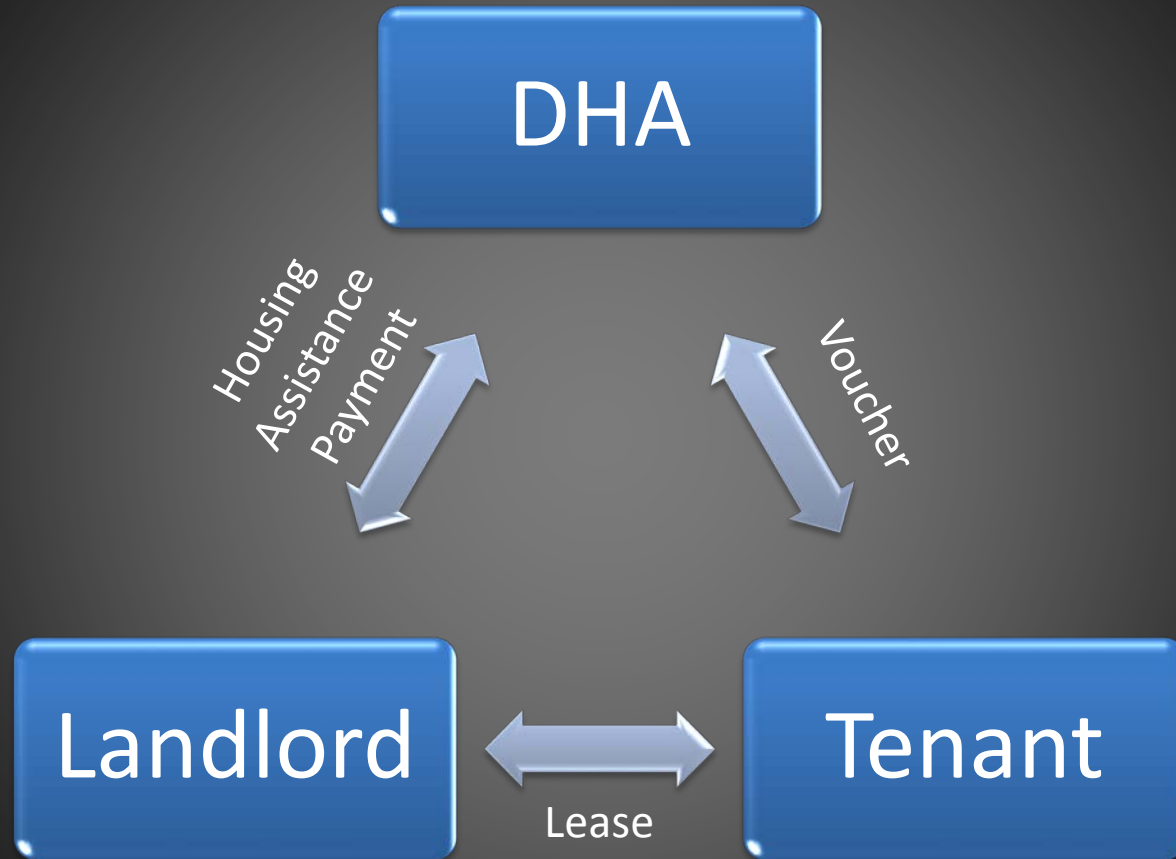
- Number of vouchers 18,400 (Budget Authority)
- DHA's Operational Jurisdiction covers seven counties:(Dallas, Denton, Collin, Ellis, Rockwall, Tarrant, and Kaufman)
- Avg. Family income \$13,000
- 40% served are elderly and/or disabled
- Administrative Fee 79% \$11.4M
- Housing Assistance Payment \$120M
- All Families require Annual Re-examinations for continued eligibility
- Families pay roughly 30% of their adjusted monthly income for rent
- \$50 minimum rent
- 6,200 Business Partners/Landlords
- Avg. HAP payment \$600 per family per month
- 5<sup>th</sup> Largest Housing Choice Voucher program in the country



# Housing Choice Voucher Program Lease-up Process



# Housing Choice Voucher Program Business Relationships



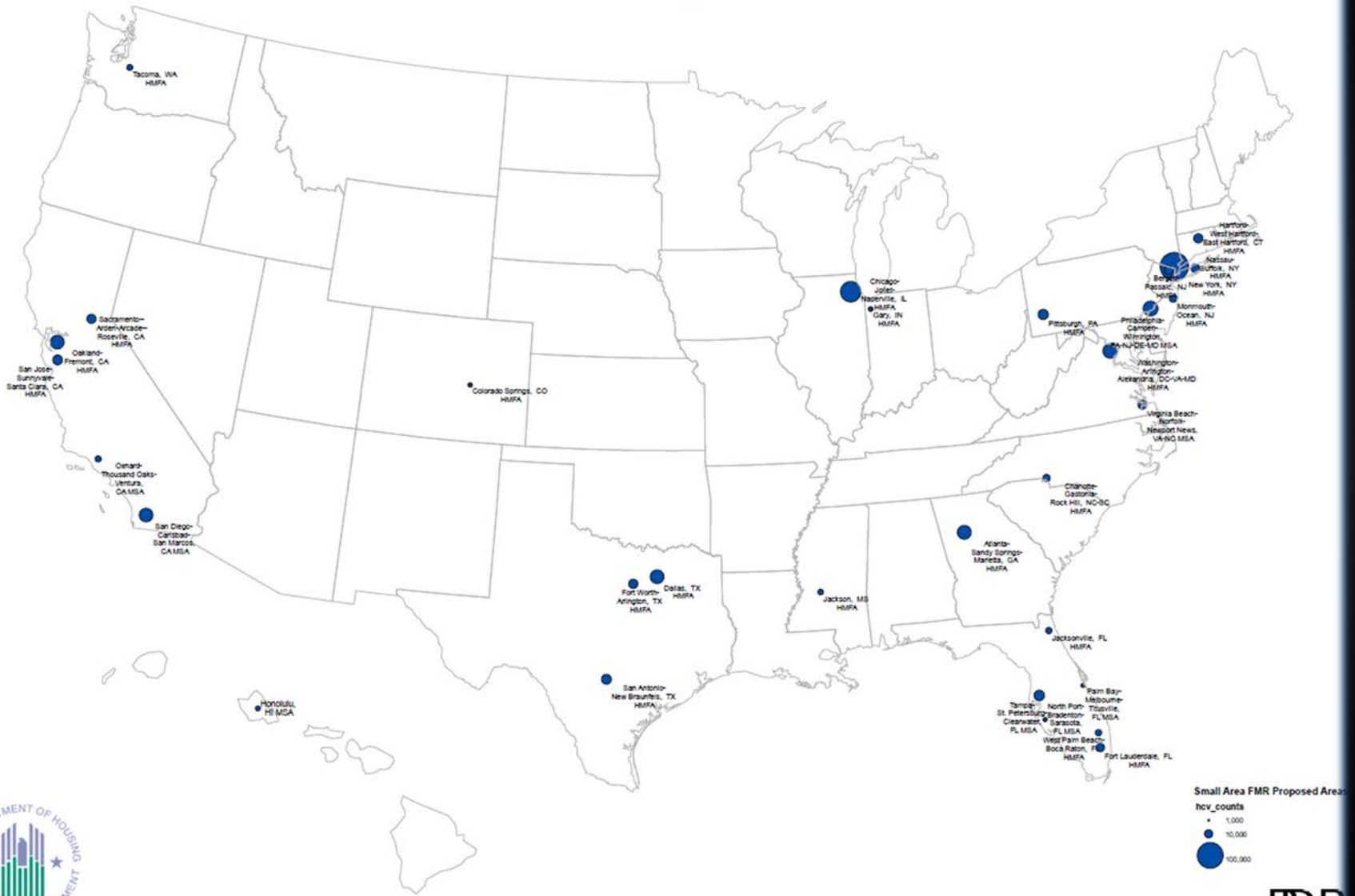


# Fair Market Rents and Payment Standards

1. Fair Market Rents (FMRs) are used to define payment standards that govern the amount of assistance the Housing Choice Voucher Program participants receive.
2. The U. S. Department of Housing and Urban Development (HUD) currently publishes a single FMR for each HUD metropolitan FMR area.
3. To provide the program participants with a wider access to opportunity areas, the Department developed Small Area Fair Market Rents (SAFMRs).
4. The Dallas Housing Authority is currently a demonstration program while HUD is researching the programmatic effects.



# Small Area FMR Proposed Rule Areas



## Fair Market Rents (FMR) and Payment Standards Cont.

5. Payment Standards are used to calculate the Housing Assistance Payment (HAP) that the Dallas Housing Authority pays the owner on behalf of the family leasing the unit.
6. Each Housing Authority may set its Payment Standard amounts from 90-110% of the FMR (set by HUD).
7. Currently, the DHA has all Payment Standards set at 100% of the FMR (by zip code, examples below)

Zip Code	0 BR	1 BR	2 BR	3 BR	4 BR
75212	\$ 490	\$ 590	\$ 730	\$ 990	\$ 1,250
75215	\$ 510	\$ 610	\$ 760	\$ 1,030	\$ 1,300
75206	\$ 830	\$ 990	\$ 1,230	\$ 1,670	\$ 2,110
75237	\$ 550	\$ 650	\$ 810	\$ 1,100	\$ 1,390
75287	\$ 730	\$ 870	\$ 1,080	\$ 1,460	\$ 1,850

# Housing Choice Vouchers by Council District

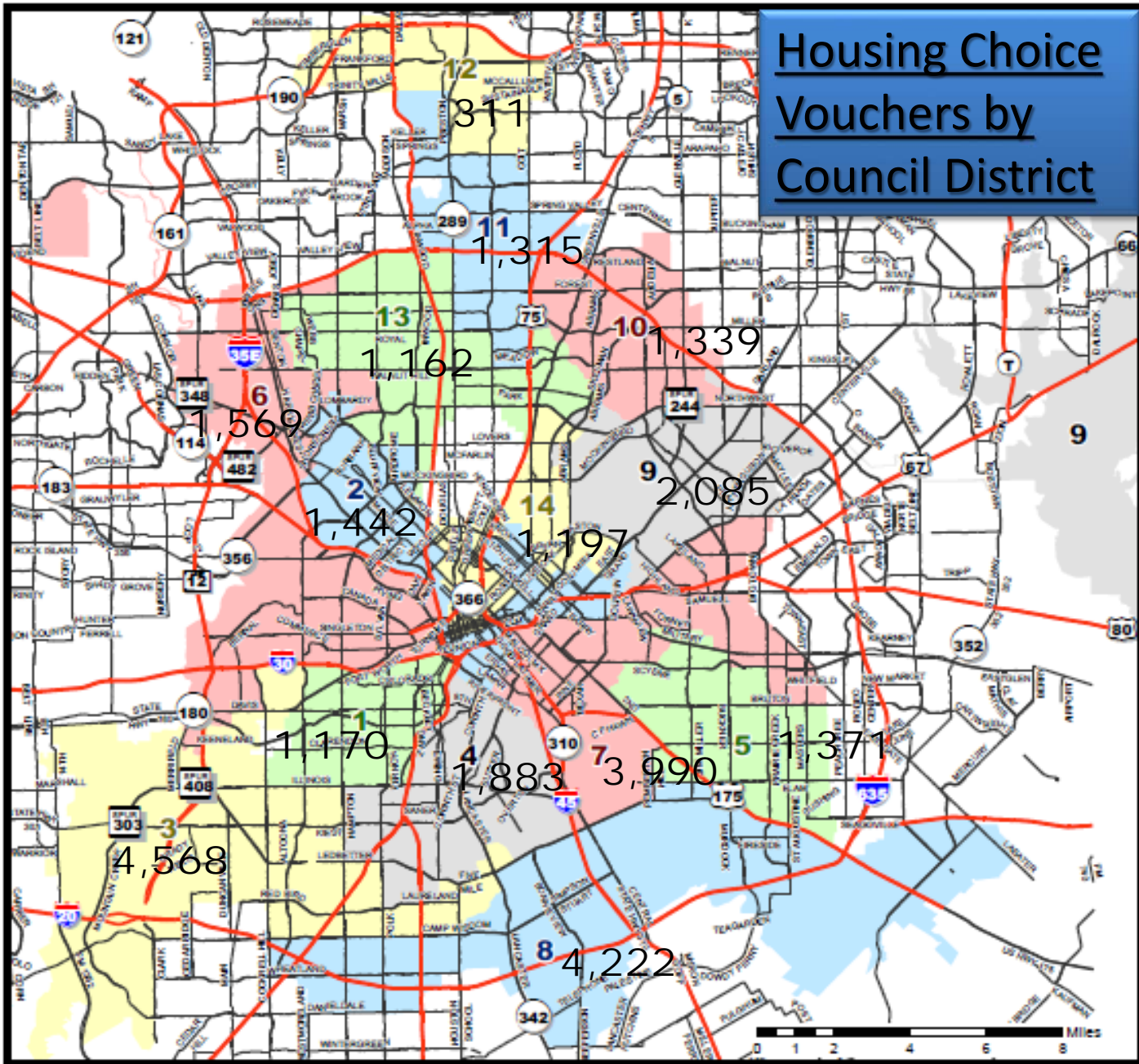
## 2013 General Election Dallas City Council Districts



### Legend

- District 1
- District 2
- District 3
- District 4
- District 5
- District 6
- District 7
- District 8
- District 9
- District 10
- District 11
- District 12
- District 13
- District 14

- Major Roads
- Freeways



**Data Source:**  
 Maps, Council Districts - City of Dallas Website 04  
 \*Council Districts adopted 2011

**City of Dallas GIS Map Disclaimer:**  
 The accuracy of this data within this map is not to be taken or used as data produced by a Registered Professional Land Surveyor for the State of Texas. This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an official ground survey and represents only the approximate relative location of property boundaries. The City of Dallas makes no representation of any kind, including but not limited to, representation of ownership liability or flows for a particular purpose or use, nor are any such warranties to be implied with respect to the accuracy of information presented on this map. Therefore, reliance on any use of information in this map without the presentation of this disclaimer is prohibited. City of Dallas GIS Map of Texas, N.B. 1147 (N. Austin) - 04/07/2011, Modified on 04/05/2011

ENTERPRISE GIS City of Dallas



DHA Assisted  
Families by  
Council  
District

Council District	No. of DHA Owned Housing	No. of DHA Housing Choice Vouchers*	Total
CM Griggs	181	1,170	1,351
CM Medrano	490	1,442	1,932
CM Thomas	140	4,568	4,708
CM King Arnold	106	1,883	1,989
CM Callahan	51	1,371	1,422
Pro Tem Alonzo	776	1,569	2,345
CM Young	1,018	3,990	5,008
Deputy Pro Tem Wilson	303	4,222	4,525
CM Clayton	12	2,085	2,097
CM McGough	605	1,339	1,944
CM Kleinman	0	1,315	1,315
CM Greyson	136	311	447
CM Gates	11	1,162	1,173
CM Kingston	375	1,197	1,572

**\*Zip codes overlap council districts so figures may be overstated**

# Tenant Affordability and Rent Amount

Zip Code	0 BR	1 BR	2 BR	3 BR	4 BR
75212	\$ 490	\$ 590	\$ 730	\$ 990	\$ 1,250

## Tenant Affordability (Example 1)

Payment Standard	\$730
Tenant Affordability	+\$50
Utility Allowance	-\$125
Max Rent for Specific Tenant	= \$655

## Tenant Affordability (Example 2)

Payment Standard	\$730
Tenant Affordability	+\$200
Utility Allowance	-\$125
Max Rent for Specific Tenant	= \$805

## Gross Rent

Payment Standard	\$730
Utility Allowance	+\$125
Gross Rent	= \$855





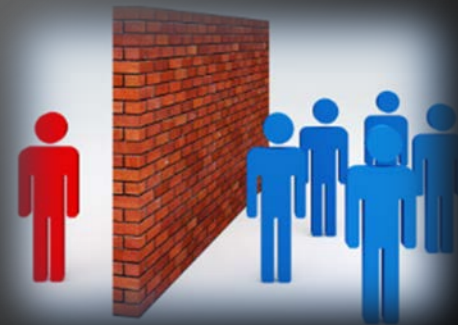
# Barriers/Challenges to Participating

## HCV Participant

- Market Conditions /No Vacancies
- Strict Tenant Screening (Credit/Tenant/Criminal History)
- \$ Application Fees, Security and Utility Deposit
- Non-Participation of Property Owners/Landlords
- Competing with other voucher holders and non-voucher holders

## Landlord

- Market Conditions
- DHA Payment Standards (SAFMRs)
- Cumbersome Process
- Vacancy Loss
- Bad experience from the past
- Program misconceptions /myths



# DHA Mobility Assistance Programs

## Walker Program (HCV)

- DHA currently provides families with the following benefits:
  - Application Fees: up to \$100
  - Moving Expense- \$300
  - Security Deposit- \$250-\$2,000
  - Utility Deposit- up to \$300
  - Landlord Incentive Bonus (New unit on program)- First months rent
  - Partnership with Inclusive Community Project (ICP)



# DHA Mobility Assistance Programs Cont.

## **Veterans Administration Supportive Housing (VASH)**

- July 2016, DHA was awarded an additional \$384,480 for Administrative Fee Set-Aside
  - \$500 Landlord Incentive Bonus
  - Administrative Staff



## **Benefits to Mobility Assistance:**

- Increase opportunity for individuals/families searching for housing
- Increase property owner/landlord participation
- Off-set of lower initial rent amount
- Improve success rate of voucher utilization

Thank you for your time!

Questions/Comments?

# Memorandum



DATE October 21, 2016

TO Honorable Members of the Arts, Culture & Libraries Committee: Mayor Pro Tem Monica R. Alonzo (Chair), Mark Clayton (Vice-Chair), Deputy Mayor Pro Tem Erik Wilson, Carolyn King Arnold, Jennifer S. Gates, Scott Griggs

SUBJECT **Update on AT&T Performing Arts Center (ATTPAC) Contract Amendment  
Item No. 38, October 26, 2016 City Council Agenda**

Below are key updates on the ATTPAC Contract Amendment scheduled for the October 26, 2016 City Council agenda and responses to questions from the Arts, Culture and Libraries Committee Meeting held on Monday, October 17, 2016.

**Key updates regarding the FINAL draft of the Contract Amendment (attached):**

As requested, an additional provision which specifically allows the City to terminate this deal if ATTPAC incurs new capital debt or changes their bank agreements so that it does not extinguish all construction debts(Section 15.2). Additionally, Exhibit A has been modified to further clarify the calculation formulas for the various benefits(Column L).

**Question 1: Which of the smaller arts organizations have provided feedback on the benefits and services that are being purchased via the contract amendment?**

Throughout the contract amendment discussions with the ATTPAC, many smaller arts organizations have reviewed the proposed benefits and scrutinized the proposed offerings, keeping in mind the needs of their particular organizations. Furthermore, the City of Dallas venues that serve the smaller arts organizations and know their needs best also gave input.

The types and relative mix of artistic and marketing/ticketing benefits are incalculably improved thanks to their input and feedback. These groups include:

- Bishop Arts Theatre Company
- Cara Mia Theatre
- Dallas Area Cultural Advocacy Coalition
- Dallas Children's Theater
- Danielle Georgiou Dance Company
- Junior Players
- Sammons Center for the Arts
- TITAS Presents
- Turtle Creek Chorale
- Dallas City Performance Hall
- Bath House Cultural Center
- Latino Cultural Center
- South Dallas Cultural Center

**Question 2: Regarding the cost of providing the various services incurred by ATTPAC, when does it essentially become a money-losing proposition for them to continue providing these services?**

In summary, the hard costs of these additional services ranges widely. Some are essentially foregone revenues and opportunity costs. In these instances, ATTPAC is providing free parking, discounted or free tickets, and performance

## Update on AT&T Performing Arts Center (ATTPAC) Contract Amendment

October 21, 2016

space on days when those spaces are available. Hard costs for those benefits are minimal and the City purchase is for their excess capacity. Other support services, like the marketing support and support for Dallas Arts Month utilize the marketing team and technology platforms of ATTPAC and are based on increased utilization of their staff and technology, a minimal increase in variable costs. ATTPAC has excess capacity, including performance space and the ability to provide services, and this amendment allows the City to pay a fair value to direct that excess capacity for the benefit of local arts organizations. In all cases the incremental costs of providing the additional services is less than the value of the services they are providing.

In recognition that we do not want the demand for services to exceed ATTPAC's ability to provide them, the contract includes a limit of \$1.8m per year for services that the City may procure from ATTPAC.

### **Question 3: How do artists and smaller arts organizations begin to work with ATTPAC to utilize these benefits?**

A series of public meetings will be hosted by ATTPAC during the first two weeks of November to explain the benefits in this agreement and to kick-off this program. Meetings will be held at various times of the day in different locations. OCA will work with stakeholders, including community arts organizations, City Council members, and the Cultural Affairs Commission to communicate the availability of these services.

In the meantime, please reach out to ATTPAC Associate Director, Jessica Garner at [Jessica.Garner@attpac.org](mailto:Jessica.Garner@attpac.org) or 214-978-2832 for any assistance with benefits usage.

### **Question 4: What is the amount and timing of ATTPAC's payments to the lenders?**

The City Attorney's Office has confirmed from its review that the Debt Restructuring Amendments impose three payment or fundraising obligations on the Center in return for the lenders' obligation to redeem \$45M of the Center's bonds: (1) an "Initial Redemption" in the amount of \$26M, which was recited to have been paid in 2015; (2) "Minimum Annual Redemption" obligations, to begin December 31, 2017 and end on September 1, 2026, in amounts ranging from \$600,000 to \$3.7M to each bank; and (3) a "Capital Campaign" obligation to secure \$30M in pledged contributions from donors by December 31, 2018.

The Minimum Annual Redemption amounts are recited in Section 5.27 of the Debt Restructuring Agreements in the following amounts:

Date	Center's Min. Redemption
12/31/2016	\$2,990,658
12/31/2017	\$4,969,000
12/31/2018	\$6,093,452
12/31/2019	\$6,098,000
12/31/2020	\$7,522,000
12/31/2021	\$3,606,890
12/31/2022	\$2,000,000
12/31/2023	\$1,520,000
12/31/2024	\$1,200,000
12/31/2025	\$1,600,000
09/1/2026	\$2,400,000
<b>Total:</b>	<b>\$39,727,000</b>



Update on AT&T Performing Arts Center (ATTPAC) Contract Amendment  
October 21, 2016

Please contact me if you have any questions or concerns.



Joey Zapata  
Assistant City Manager

c: Honorable Mayor and Members of the City Council  
A.C. Gonzalez, City Manager  
Larry Casto, City Attorney  
Craig D. Kinton, City Auditor  
Rosa A. Rios, City Secretary  
Daniel F. Solis, Administrative Judge  
Ryan S. Evans, First Assistant City Manager

Eric D. Campbell, Assistant City Manager  
Jill A. Jordan, P.E., Assistant City Manager  
Mark McDaniel, Assistant City Manager  
M. Elizabeth Reich, Chief Financial Officer  
Sana Syed, Public Information Officer  
Elsa Cantu, Assistant to the City Manager – Mayor & Council

SERVICES: ESTIMATED ANNUAL VALUE

DRAFT

Category	Services	Description	Rate	Estimated Services Value	Estimated Additional Variable Usage Value			Value Metrics	Notes
					10% OCA Participation	25% OCA Participation	50% OCA Participation		
Marketing Services	E-Blasts & OCA Culture Calendar	Center to coordinate, content manage and execute monthly e-blast of OCA cultural listings for 65 OCA supported cultural organizations to Center's database of 170,000+. Creating and maintaining an OCA Culture Calendar on the Center's homepage. Includes staffing, contracting website functionality, content management and feed fees.	65 Eligible OCA Groups - COP (Tiers 1, 2 and 3) and CPP.	\$ 26,693	\$ 178,830	\$ 408,755	\$ 843,058	Google analytics reports for e-blasts and OCA Culture Calendar visits, List of participating organizations; timesheets; invoices from web-development/maintenance company. Patron zip codes when possible.	
Community Services	Dallas Arts Month	Working with the Mayor's Office, Office of Cultural Affairs and arts organizations, Center will provide consulting expertise and marketing and ticketing services to support Dallas Arts Month.	Annual event	\$ 31,604				Ticketing contract; Google analytics for e-blasts; timesheets for pr, marketing, creative services and social media	
	DPD Let's Talk	Providing up to \$10K in labor, resources and services for DPD's Let's Talk Program on an annual basis. \$25,200 in rent waived under use agreement. DPD to cover additional costs.	Annual event	\$ 10,000				Invoice with waived direct costs	
	OCA Rush Tickets	Last minute, reduced cost tickets to artists and employees of OCA supported cultural organizations for Broadway, TITAS Presents and Center Presents shows (as available). Includes creation and maintenance of official artist list, email alerts and box office support. Target price: \$25. Does not include tickets of resident company, rental or private productions.	Estimated at \$75 a ticket with \$50 saving each. Estimated at 34 shows, 800 tickets.	\$ 40,000				Box office reports. Value is the difference between true ticket cost and cost paid, waived ticketing fees.	OCA Rush Tickets made available but not claimed shall not be credited against City's Annual Payment.
	Donated Tickets	Tickets provided to community through the Center's Community Partners, Open Stages (education) and nonprofit ticket programs. Averages vary per program.	Estimated 3,063 tickets for 2016/2017. Value varies per program.	\$ 131,420				Box office reports. Value is the true ticket cost and waived fees. For donated tickets, average value is estimated at \$75.	Metrics on utilization of donated tickets shall be provided to the City annually.
Performance Space	Community Stage	Providing performance space for the top student performing arts ensembles in North Texas. May include public, private and charter schools as well as student ensembles of nonprofit arts groups with preference given to Dallas-based schools and groups. Performances will take place before Broadway, TITAS Presents and Center Presents shows in the Winspear Opera House. Curation standards to be set in consultation with Office of Cultural Affairs.	10 Performances Minimum.	\$ 39,325				Invoice of direct costs and human resources.	Events and programs not open to the general public shall not be credited against City's Annual Payment.  Credit against City's Annual Payment may be made if performance space is reserved, but subsequently cancelled within 45 days of event. Events cancelled more than 45 days in advance of event shall not be credited against City's Annual Payment.  This service is provided in addition to City's right to use and occupy the Center, or parts thereof, as provided in Section 6.14 of the Use Agreement. City's use of Center as provided in Section 6.14 of the Use Agreement shall not be credited against City's Annual Payment, unless additional services are provided as stated herein and approved by the Director.
	Curated Performance Project (currently known as Elevator Project)	Curating presentations in performance spaces on the Center's campus. Strong emphasis on OCA supported performance groups and artists that are: Small, emerging and/or historically marginalized, presenting new works or proposing unique use of the spaces. Includes ticketing, some marketing, operational and staff support. Subject to space availability. Name and project details still being structured. Center may explore additional unique opportunities with additional OCA supported groups, in consultation with the OCA.	Target is 5-8 project shows a year. Estimates will vary depending on space and discipline. Value to be based on the Center's annual rental pricing schedule.	\$ 122,050				Invoice of direct costs; lost opportunity costs; human resources; box office reports with patron zip codes.	Events and programs not open to the general public shall not be credited against City's Annual Payment.  Credit against City's Annual Payment may be made if performance space is reserved, but subsequently cancelled within 90 days of event. Events cancelled more than 90 days in advance of event shall not be credited against City's Annual Payment.  This service is provided in addition to City's right to use and occupy the Center, or parts thereof, as provided in Section 6.14 of the Use Agreement. City's use of Center as provided in Section 6.14 of the Use Agreement shall not be credited against City's Annual Payment, unless additional services are provided as stated herein and approved by the Director.
Ticketing	TicketDFW.com	Center will offer discounted ticketing services for OCA COP Tier 1 and Tier 2, and CPP groups. Includes options for free and paid e-ticketing for General Admission and Reserved seating, print-at-home, venue mapping, reporting and analytics, client manager support and marketing support with e-blasts to TicketDFW patron database of 35,000 and placement on TicketDFW web site. Ticketing is only for events and programs accessible to the public.	57 Eligible COP Tier 1 and 2, CPP groups.	\$ 13,320	\$ 288,650	\$ 721,750	\$ 1,443,650	Ticketing contracts; Google analytics for e-blasts and website visits	Events and programs not open to the general public shall not be credited against City's Annual Payment.  No credit against City's Annual Payment shall be given for ticketing services for events which are subsequently cancelled prior to issuance of tickets.
	Facility Fee	Per the Center's Use Agreement: At the City's request, the Center will engage with the Center's resident companies and presenting partners to discuss price increases in the Facility Fee. Those discussions will focus on the impact to the companies and partners, the public as well as timing, price elasticity, consumer demand/supply and more. We will coordinate discussions of potential increases with Office of Cultural Affairs and the City Manager's office.	Feasibility and value to be determined.	\$ -				Cost per ticket, tracked by sales.	
City Services - Operational Support	DCPH Parking Support	10 additional spaces to DCPH to provide parking for OCA supported nonprofit organizations renting the hall.	10 spaces @ 12 months of daytime monthly rate of \$180 (+) 255 nights at evening event rate of \$17 a space.	\$ 64,950				Value of monthly parking	
	DCPH Parking Support	Complimentary parking in DCPH for City of Dallas events. Up to six events a year with 250 spaces. Pending availability, and some restrictions may apply to accommodate productions in Center venues.	6 events with 250 spaces at \$17 a space.	\$ 25,500				Track date/time of events	
	Patron Services - Analysis	Center's Front of House team will examine and analyze the patron services systems for OCA venues - DCPH, Meyerson and Majestic. Includes secret shopper, review of systems, policies and procedures, develop metrics and deliver report of findings and recommendations. Could be extended to other venues in future years at OCA request.	Estimated consultant rate 90 team (of 4) hours at going rate of \$300 per team hour.	\$ 27,000				Invoice for consulting services	
	Patron Services - Training	OCA front of house staff and volunteers participate in AT&T Performing Arts Center Patron Relations Training. Training every two years.	Estimated at 56 current staff @ \$302.50 cost per trainee (includes materials). Staffed trained on a 2-year rotation.	\$ 8,470				Cost per trainee	
				\$ 540,332	\$ 467,480	\$ 1,130,505	\$ 2,286,708		

NOTE: All services subject to change following final discussions with the Office of Cultural Affairs.

Total with 10% Variable	Total with 25% Variable	Total with 50% Variable
\$ 1,007,812	\$ 1,670,837	\$ 2,827,040

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**THIRD AMENDMENT**  
**TO THE**  
**PERFORMING ARTS CENTER USE AGREEMENT**  
**between**  
**THE CITY OF DALLAS**  
**and**  
**DALLAS CENTER FOR THE PERFORMING ARTS FOUNDATION, INC.**  
**Dated as of October \_\_, 2016**

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SUBJECT TO FINAL DCPAF AND CITY COUNCIL APPROVAL

**THIRD AMENDMENT  
TO THE  
PERFORMING ARTS CENTER USE AGREEMENT**

THIS THIRD AMENDMENT TO THE PERFORMING ARTS CENTER USE AGREEMENT (this "Amendment") is entered into as of October \_\_, 2016, by and between the City of Dallas, Texas, a municipal corporation of the State of Texas and a home rule city (the "City"), and Dallas Center for the Performing Arts Foundation, Inc., a Texas non-profit corporation d/b/a The AT&T Performing Arts Center (the "DCPAF").

**RECITALS**

A. The City and the DCPAF are parties to that certain Performing Arts Center Use Agreement dated as of December 15, 2005, as heretofore amended (the "Use Agreement") concerning the management, maintenance, use and operation of certain improvements in the area commonly known as the Dallas Arts District. This Amendment is an amendment to the Use Agreement. Capitalized terms used but not defined in this Amendment shall have the meanings assigned to such terms in the Use Agreement. The Parties acknowledge that no notices of default have been provided pursuant to Article 15 of the Use Agreement, and agree that any remedy for performance or non-performance occurring prior to the execution of this Amendment is waived.

B. Pursuant to that certain Performing Arts Center Development Agreement dated as of December 15, 2005, the DCPAF raised private donations in excess of \$330,000,000, which the DCPAF used to design, construct and commence operations at multiple performing arts venues and related improvements in the Dallas Arts District.

C. The DCPAF's historic efforts have greatly advanced the City's efforts to complete the Dallas Arts District for the benefit of community members and the many performing arts organizations that provide programming in the Dallas Arts District.

D. The DCPAF has requested that the City provide certain additional funding to the DCPAF to ensure the DCPAF is able to continue performing its central role in supporting the performing arts in Dallas. The City and the DCPAF desire to agree on terms and conditions related to such additional funding and the additional benefits the DCPAF will provide the City in connection with such additional funding.

E. On [\_\_\_\_\_], 2016, the City Council of the City approved Resolution No. [\_\_\_\_\_], authorizing the City Manager to execute this Amendment on behalf of and as the official act of the City.

**AGREEMENT**

NOW, THEREFORE, in consideration of the recitals set forth above and the mutual terms, conditions, covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged and confessed by each of the parties to this Amendment, the parties have agreed and do hereby agree as follows:

SUBJECT TO FINAL DCPAF AND CITY COUNCIL APPROVAL

1. Article 6 of the Use Agreement is amended by adding the following new Section 6.15:

“6.15 DCPAF Collaboration with City’s Office of Cultural Affairs. Beginning on or before November 1, 2016, and continuing for each year during which the City pays to the DCPAF the Annual Payment described in Section 8.1 of this Agreement, the DCPAF will assist the City’s efforts to promote and support nonprofit arts and cultural organizations in the City. DCPAF agrees to work collaboratively with the City’s Office of Cultural Affairs to identify additional services most needed by local arts and cultural organizations and agrees to provide those services, subject to mutual approval by the Director of Cultural Affairs (the “Director”) and the DCPAF (the “Programs”). The Programs shall be described in a document substantially in the form of Exhibit A-1 to this Amendment. Each year during which the DCPAF provides the Programs, the DCPAF and the Director (or successor officer) will consult (a) at least twice annually to evaluate participation in the Programs by targeted organizations along with their future needs, and (b) on an annual basis to determine appropriate and necessary adjustments to the Programs and consider additional charges or fees on the DCPAF campus, as mutually agreed between the City Manager and the DCPAF, which adjustments shall not require a formal amendment to this Use Agreement. The value of the services provided in the Programs shall be credited each year against the City’s Annual Payment in the amount approved at the reasonable discretion of the Director; provided, that if the value of the services, as determined in the reasonable discretion of the Director, exceed \$1,500,000 in any year, the Director may apply up to \$300,000 of such excess value to the DCPAF’s obligation to provide services under the Program in the following year; provided, further, that if the value of the services for any year, as determined in the reasonable discretion of the Director, is less than \$1,500,000 due to the DCPAF’s failure to perform in any material respect the services to be provided by the DCPAF as described in the Program for such year, the Director may require the DCPAF to furnish up to \$300,000 of additional services in the Program for the following year.”

2. Section 8.1 of the Use Agreement is amended by adding the following sentences at the end of Section 8.1:

“In addition to the Annual City Operating Expenses, in consideration of the DCPAF’s ongoing work in operating the Center for the benefit of the performing arts in Dallas, in consideration of the Center’s offering and implementing the Programs as described in Section 6.15 hereof, and in consideration of the other benefits to the City as provided in this Agreement (as amended), the City shall pay to the DCPAF, on or before November 1 of each year beginning on November 1, 2016, and continuing through and including November 1, 2025, an annual amount equal to \$1,500,000 (the “Annual Payment”); provided, that beginning with the Annual Payment to be paid on or before November 1, 2017, the City’s obligation to make each such Annual Payment shall be subject to the conditions set forth in Section 8.6 of this Agreement. The DCPAF may use the Annual Payment funds for any operating expenses related to the Center. The Annual Payment

SUBJECT TO FINAL DCPAF AND CITY COUNCIL APPROVAL

shall be in addition to the Initial Annual Cap set forth in Section 8.2, but shall not be subject to adjustment as part of the Baseline Utility Cost or Baseline Other Operating Cost set forth in Section 8.2.”

3. Section 8.2 of the Use Agreement is amended by deleting the introductory phrase: “Notwithstanding anything to the contrary” from the first sentence of Section 8.2

4. Section 8.4 of the Use Agreement is amended as follows:

“8.4 Total Funding. The Annual City Operating Expenses provided in this Article, the Annual Payment provided in this Article, the Capital Maintenance expense provided in Section 10.3, and the cost of property insurance provided in Section 9.1 represent the City’s total funding requirements under this Agreement and are subject to annual appropriation and funding by City Council, in its discretion. All other necessary expenses of the Center shall be paid by the DCPAF. Notwithstanding the foregoing, the DCPAF from time to time may apply to Office of Cultural Affairs (“OCA”) for additional funding for programs or special projects, all in accordance with OCA’s established funding policy for cultural institutions, as such policy may change from time.”

5. Article 8 of the Use Agreement is amended by adding the following new Section 8.5:

“8.5 Certificate of Redemption. On or before December 31 of each year beginning on December 31, 2016, and continuing through December 31, 2025, the Center will notify the City Manager in writing in substantially the form of Exhibit B-1 (a “Certificate of Redemption”) certifying the total amount (in dollars) of bonds redeemed under the amended Letter of Credit Reimbursement Agreements between the DCPAF and each of JPMorgan Chase Bank, N.A. and Bank of America, N.A. (together, the “Banks” and such agreements, the “Debt Restructuring Agreements”) during the preceding twelve-month period.”

6. Article 8 of the Use Agreement is amended by adding the following new Section 8.6:

“8.6 Condition to Future Annual Payments. On or before July 1 of each year beginning on July 1, 2017, and continuing through July 1, 2025, the Center will notify the City Manager in writing in substantially the form of Exhibit C-1 (a “Request Notice”) whether the Center is requesting that the City pay to the Center the Annual Payment to be paid on or before the following November 1. On or before August 1 of each year beginning on August 1, 2017, and continuing through August 1, 2025, the Center will notify the City Manager in writing in substantially the form of Exhibit D-1 (a “Compliance Notice”) whether an “Event of Default” has occurred under the Debt Restructuring Agreements and, if so, whether such Event of Default has been cured by the DCPAF or waived by the Banks on or before the date of such Compliance Notice. Beginning with the Annual Payment to be made on or before November 1, 2017, the City’s



**SUBJECT TO FINAL DCPAF AND CITY COUNCIL APPROVAL**

commitment to make each Annual Payment shall be excused for any year during which (a) the Center does not deliver a Request Notice, or (b) the Center does not deliver a Compliance Notice confirming to the City that either (i) no Event of Default has occurred under the Debt Restructuring Agreements, or (ii) an Event of Default (if any) has been cured by the DCPAF or waived by the Banks, or (c) the Director is not reasonably satisfied with the Programs proposed to be delivered in the next year.

7. As a material inducement to the City for entering into this Amendment, the DCPAF hereby represents and warrants to the City that the DCPAF has entered into the Debt Restructuring Agreements, which are in full force and effect. Under the Debt Restructuring Agreements, the DCPAF has agreed to pay a total of \$76.0 million (including an initial \$26.0 million payment) to redeem such bonds and the Banks have agreed to pay an aggregate amount equal to \$45.0 million to redeem such bonds. The Banks are obligated under the Debt Restructuring Agreements to pay the Banks' portion of the overall contribution over time, commencing in 2019 and in an annual amount equal to a portion of the DCPAF's bond redemption during the previous year. Upon the DCPAF's full performance of its obligations under the Debt Restructuring Agreements, the existing indebtedness incurred in connection with construction of the Center will be fully extinguished. DCPAF shall promptly notify the Director of any amendments to, or events of default under, the Debt Restructuring Agreements.

8. Section 15.2 of the Use Agreement is amended by adding the following provision to the end of Section 15.2:

“In addition to the foregoing, during the period from October 26, 2016, through November 1, 2025, the City may terminate the City's obligation to make Annual Payments pursuant to Section 8.1 if the DCPAF (a) amends the Debt Restructuring Agreements (as in effect on October 26, 2016) to have the effect of not extinguishing, upon full performance of the terms of such Debt Restructuring Agreements, all the indebtedness incurred in connection with construction of the Center, or (b) incurs additional indebtedness for purposes of new capital expenditures at the Center (excluding any capital maintenance the DCPAF chooses to fund upon any failure by the City to perform the City's capital maintenance obligations under this Use Agreement).”

9. Article 15 of the Use Agreement is amended by adding the following provisions:

15.3 “(d) any failure by the City to pay the Annual Payment described in Article 8.1 of the Use Agreement shall not constitute an Event of Default under the Use Agreement, nor shall such failure entitle DCPAF to the remedies described in Article 15.5 of the Use Agreement”

15.5 “(b)(5) all of the City's out-of-pocket expenses paid under the Use Agreement.

10. All other terms, covenants, conditions and obligations of the Use Agreement between the City and the DCPAF shall remain in full force and effect and the Use Agreement, as previously amended, and this Amendment shall be construed together as a single contractual agreement.

**DRAFT 10/19/16**  
**SUBJECT TO FINAL DCPAF AND CITY COUNCIL APPROVAL**

\* \* \* \* \*

**SUBJECT TO FINAL DCPAF AND CITY COUNCIL APPROVAL**

This Amendment has been executed and delivered as of the date first written above. The City, signing by and through its City Manager, is duly authorized to execute this Amendment by Resolution No. [\_\_\_\_\_], adopted by the City Council on [\_\_\_\_\_], 2016.

**CITY OF DALLAS**

By: \_\_\_\_\_  
A.C. Gonzalez  
City Manager

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
LARRY E. CASTO  
City Attorney

**THE DALLAS CENTER FOR THE  
PERFORMING ARTS FOUNDATION, INC.**

By: \_\_\_\_\_  
Douglas T. Curtis  
President and CEO

**DRAFT 10/19/16**

**SUBJECT TO FINAL DCPAF AND CITY COUNCIL APPROVAL**

**EXHIBIT A-1**

**The Programs**

EXHIBIT B-1

Form of Certificate of Redemption

December \_\_, 20\_\_

City of Dallas  
1500 Marilla  
Dallas, TX 75201  
Attn: City Manager

Re: AT&T Performing Arts Center

Reference is made to that certain Performing Arts Center Use Agreement, as amended (the "Use Agreement"), between the City of Dallas (the "City") and the Dallas Center for the Performing Arts Foundation, Inc. (the "Center"). This is a Certificate of Redemption as provided in Section 8.5 of the Use Agreement.

The Center is pleased to report to the City that during the period from \_\_\_\_\_, 20\_\_ to the date of this Certificate of Redemption, the Center and its Banks (as defined in the Use Agreement) collectively have redeemed \$\_\_\_\_\_ of the bonds issued in connection with the construction of the Center's venues and facilities.

The Center is deeply grateful for the opportunity to serve the City and the community and for the City's continued support of the Center.

The Dallas Center for the Performing Arts Foundation, Inc.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT C-1**

**Form of Request Notice**

June \_\_, 20\_\_

City of Dallas  
1500 Marilla  
Dallas, TX 75201  
Attn: City Manager

Re: AT&T Performing Arts Center

Reference is made to that certain Performing Arts Center Use Agreement, as amended (the "Use Agreement"), between the City of Dallas (the "City") and the Dallas Center for the Performing Arts Foundation, Inc. (the "Center"). This is a Request Notice as provided in Section 8.6 of the Use Agreement.

The Center hereby requests that the City pay to the Center the Annual Payment (as defined in the Use Agreement) for 20\_\_, as provided in the Use Agreement.

The Center is deeply grateful for the opportunity to serve the City and the community and for the City's continued support of the Center.

The Dallas Center for the Performing Arts Foundation, Inc.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



EXHIBIT D-1

Form of Compliance Notice

July \_\_, 20\_\_

City of Dallas  
1500 Marilla  
Dallas, TX 75201  
Attn: City Manager

Re: AT&T Performing Arts Center

Reference is made to that certain Performing Arts Center Use Agreement, as amended (the "Use Agreement"), between the City of Dallas (the "City") and the Dallas Center for the Performing Arts Foundation, Inc. (the "Center"). This is a Compliance Notice as provided in Section 8.6 of the Use Agreement.

During the period from \_\_\_\_\_ \_\_, 20\_\_, to the date of this Compliance Notice, the Debt Restructuring Agreements were not amended and no Event of Default has occurred under the Center's Debt Restructuring Agreements (as defined in the Use Agreement).

[Alternative provision: During the period from \_\_\_\_\_ \_\_, 20\_\_, to the date of this Compliance Notice, an Event of Default occurred under the Center's Debt Restructuring Agreements (as defined in the Use Agreement), but on \_\_\_\_\_ \_\_, 20\_\_, [the DCPA cured such Event of Default] [or] [the Banks (as defined in the Use Agreement) waived such Event of Default].]

The Center is deeply grateful for the opportunity to serve the City and the community and for the City's continued support of the Center.

The Dallas Center for the Performing Arts Foundation, Inc.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

# Memorandum



CITY OF DALLAS

DATE October 21, 2016

TO The Honorable Mayor and Members of the Dallas City Council

SUBJECT Trinity River Wind Festival – Saturday, October 29, 2016

The 5<sup>th</sup> Trinity River Wind Festival is scheduled for October 29, 2016 from 11:00 a.m. to 5:00 p.m. With the anticipation of good weather, the event will be held in the Dallas Floodway and along the Trinity River in the area under the Commerce Street Bridge. The festival address is 146 W. Commerce Street, Dallas, TX 75207.

This unique free festival is sponsored by the Trinity Commons Foundation, Sprint and the City of Dallas. The event centers around giant inflatable show kites and an internationally acclaimed stunt kite team. There will be public kite flying and many other family-friendly arts, crafts, exhibits, and activities. Free kites will be given to event attendees, while supplies last.

We hope you will make plans to come to the festival and enjoy the wind-driven recreational fun. There will be a cost for parking as well as food trucks, the train ride, and kite vendor purchases.

Please let me know if you have any questions. Thank you.

A handwritten signature in black ink, appearing to read 'Mark McDaniel'.

Mark McDaniel

Assistant City Manager

c: A.C. Gonzalez, City Manager  
Larry E. Casto, City Attorney  
Craig D. Kinton, City Auditor  
Rosa A. Rios, City Secretary  
Daniel F. Solis, Administrative Judge  
Ryan S. Evans, First Assistant City Manager

Eric D. Campbell, Assistant City Manager  
Jill A. Jordan, P.E., Assistant City Manager  
Joey Zapata, Assistant City Manager  
M. Elizabeth Reich, Chief Financial Officer  
Sana Syed, Public Information Officer  
Elsa Cantu, Assistant to the City Manager – Mayor & Council

2016

Trinity River

# Wind Festival

**Saturday, October 29**

**11 a.m. - 5 p.m.**

146 W. Commerce Street  
Dallas, TX 75207

**PARKING AT NEARBY LOTS**

\$4 - \$6 per car

Walk over the levee to the festival!

**FREE ADMISSION**

The festival is presented annually  
by Trinity Commons Foundation  
and City of Dallas



**TrinityRiverWindFestival.com**

**Free Kites**  
(while supplies last)

Public kite flying

Fantastic Show Kites

Amazing Birds

Kid's Fun Zone

Street Artists

Food Trucks

Trinity River Ramble Bike  
Ride - 9:00 a.m.  
[www.bikinmike.com](http://www.bikinmike.com)

Trinity River Wind Chase  
4.5 Mile Run - 11:00 a.m.  
[www.dallatrinityseries.com](http://www.dallatrinityseries.com)

Trinity Commons Foundation Welcomes  
Dallas Police Department

@dallasdp @dpdca





2016  
Trinity River  
Wind Festival

Sábado, 29 de Octubre

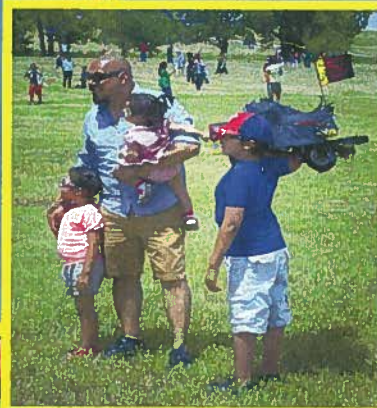
11 a.m. - 5 p.m.

146 W. Commerce Street  
Dallas, TX 75207

ESTACIONAMIENTO EN LOTES CERCANOS

\$4 - \$6 por carro  
¡Camine sobre el dique hacia el festival!

ENTRADA GRATIS  
El festival es presentado  
anualmente por Trinity Commons  
Foundation y Ciudad de Dallas



TrinityRiverWindFestival.com

Papalotes gratis  
(hasta que se agote la  
existencia)

Volar papalotes en público

Papalotes de Espectáculo

Aves Increíbles

Zona de Diversión de Niños

Artistas de la Calle

Cocina Móviles (Food  
Trucks)

Trinity River Ramble Bike  
Ride (Paseo en Biciqueta) -  
9:00 a.m.

Trinity River Wind Chase  
(Carrera de 4.5 Millas) -  
11:00 a.m.

Trinity Commons Foundation da  
bienvenida a

Dallas Police Department  
@dallasdp @dpca

Sprint

