

Klyde Warren Park: Phase II

Development and Use Agreement Amendments

Park and Recreation Board

October 10, 2019



Purpose

- Provide background information on Klyde Warren Park – Phase 1
- Provide information on Klyde Warren Park – Phase 2
- Provide deal points for Supplemental Agreements to the Development and Use Agreements
- Timeline
- Next Steps



Klyde Warren Park – Phase 1

- Public-private partnership created 5.2 acres of park over Woodall Rodgers Freeway between the Arts District and Uptown
 - Woodall Rodgers Park Foundation (WRPF) – Private Partner



2009



2012

3



City of Dallas

Background – Previous Agreements

- **Original Agreements between the City of Dallas and Woodall Rodgers Park Foundation:**
 - May 2007 Separate Development *and* Use Agreements approved by City Council as one action
- **Supplemental Agreements to Development Agreement:**
 - September 2008 Supplemental Agreement No. 1 (by Administrative Action)
 - October 2008 Supplemental Agreement No. 2 (by City Council)
- **Supplemental Agreements to Use Agreement:**
 - March 2010 Supplemental Agreement No. 1 (by Administrative Action)
 - May 2014 Supplemental Agreement No. 2 (by Administrative Action)

Note: Refer to Appendix A for additional information on prior agreements



Klyde Warren Park – Phase 1

- Funding for Phase 1 included:
 - City of Dallas \$ 20M
 - Texas Department of Transportation (TxDOT) \$ 20M
 - American Recovery and Reinvestment Act (ARRA – Stimulus Funds) \$ 17M
 - Private Funds \$ 55M
 - **Total Funding** **\$112M**



Klyde Warren Park – Phase 1

- Implementation of Phase 1:

- Construction of Structure/Deck managed by TxDOT Oct 2009 to Dec 2011
- Construction of Park managed by City Dec 2010 to Oct 2012
- Park Opening Oct 2012

- Responsibilities for Operations and Maintenance:

- Woodall Rodgers Park Foundation funds, operates & maintains the park
- TxDOT continues to maintain the highway lanes and retaining walls
- City of Dallas maintains the deck and life safety elements



1,300 Free Events & Programs Each Year



2019 Signature Events



**MEMORIAL DAY
MUSIC FEST**
MAY 26, 2019



**INDEPENDENCE DAY
CELEBRATION**
JUNE 29, 2019



**LABOR DAY
FOOD TRUCK RALLY**
SEPTEMBER 2, 2019



**HOLIDAY SHOW &
TREE LIGHTING**
DECEMBER 7, 2019

FREE TO
THE
PUBLIC!

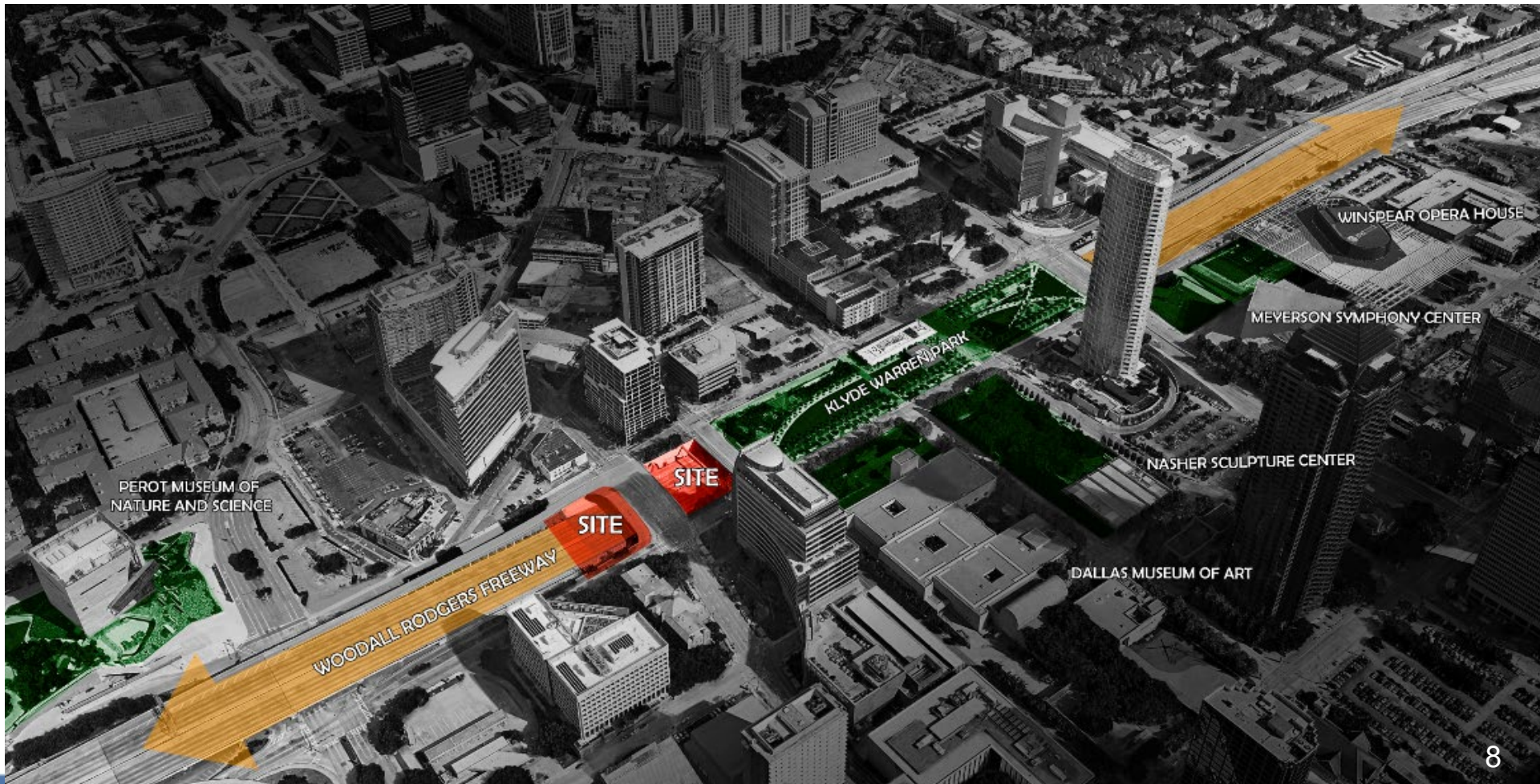


**SUMMER
MOVIE SERIES**
SATURDAYS, JUNE | JULY | AUGUST



Phase 2.0

Addition of 1.5 acres of deck to the west of St. Paul Street



PHASE 2 SITE MAP

Expanded Children's Park

Signature water feature



35,075 square foot deck for a pavilion with Visitor Experience Center, cafe, patio, private event space, and a rooftop park

Expanded and relocated dog park

36,555 square foot deck of green space, called the West Lawn, for markets, festivals and events

Rendering – View Looking West



Rendering: View Looking East



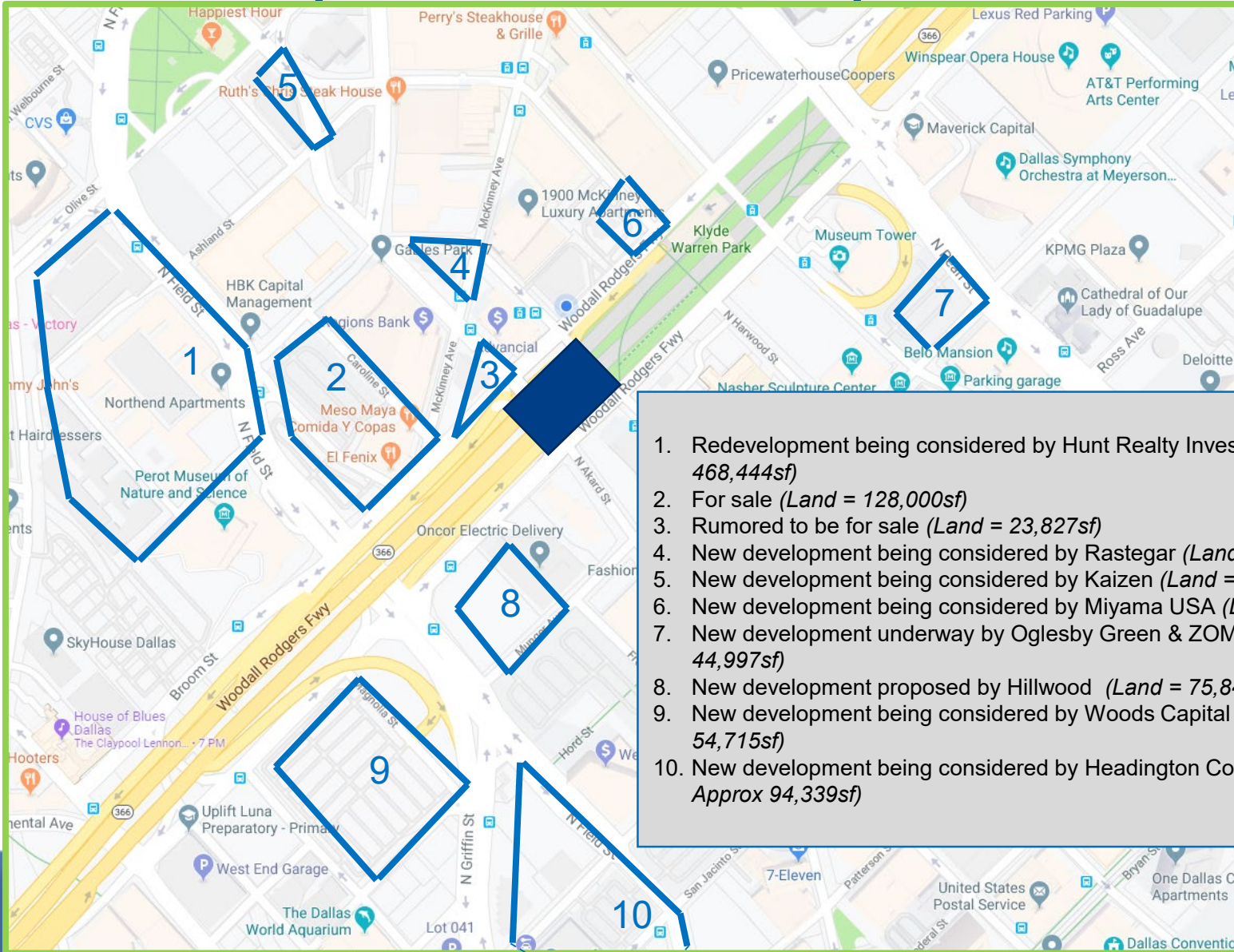
Rendering - View from Rooftop



Rendering: West Lawn (Not Final)



New Development and Re-development Near Site



1. Redevelopment being considered by Hunt Realty Investments (*Land = 468,444sf*)
2. For sale (*Land = 128,000sf*)
3. Rumored to be for sale (*Land = 23,827sf*)
4. New development being considered by Rastegar (*Land = 19,471sf*)
5. New development being considered by Kaizen (*Land = Approx 25,000sf*)
6. New development being considered by Miyama USA (*Land = 40,075sf*)
7. New development underway by Oglesby Green & ZOM Living (*Land = 44,997sf*)
8. New development proposed by Hillwood (*Land = 75,842sf*)
9. New development being considered by Woods Capital & Kaizen (*Land = 54,715sf*)
10. New development being considered by Headington Companies (*Land = Approx 94,339sf*)



A Catalyst for Appreciation: Assessed Value and Tax Revenue

- Conservative value of these projects near Klyde Warren Park is \$2.7 billion, resulting in annual tax revenues of \$38M for the 5 taxing entities, which includes \$10.4M for the City of Dallas



Deal Points for Supplemental Agreements to Original Development and Use Agreements

- Supplemental Agreement No. 3 to both the Development and Use Agreement with Woodall Rodgers Park Foundation (WRPF) to include:
 - “Project” area to include original Park plus:
 - 1.5 acres of new deck over Woodall Rodgers Freeway
 - New dog park area at Pearl and Eastbound frontage road
 - Term:
 - Management Term remains the same under the current Use Agreement
 - Forty (40) years from date of original agreement with 5 consecutive 10-year renewal options



Deal Points for Supplemental Agreements to Original Development and Use Agreements - continued

- Development of Phase 2:
 - Design of Structure/Deck and Park managed and funded by WRPF
 - Construction of Structure/Deck managed by TxDOT
 - City of Dallas funds to contribute to the construction costs under an Advanced Funding Agreement with TxDOT
 - Construction of Park managed and funded by WRPF
- Responsibilities for Operations and Maintenance:
 - Woodall Rodgers Park Foundation to fund, operate and maintain the park
 - TxDOT continues to maintain the highway lanes and retaining walls
 - City of Dallas to maintain the deck and life safety elements



Deal Points for Supplemental Agreement to Original Use Agreement

- Naming Rights:
 - In lieu of WRPF having naming rights with City Manager's approval in original Use Agreement :
 - WRPF has right to name the Plaza area and individual elements under \$500,000
 - WRPF has right to name the Plaza area and individual elements in excess of \$500,000, with consent by Park Director
- WRPF has the right to enter into vendor and concession contracts for KWP2, which terms shall not be longer than the term of the Use Agreement with the City
 - Original Agreement also included right to enter into vendor and concession contracts



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Deal Points for Supplemental Agreement to Development Agreement

Funding

Public (*For construction of deck*)

- \$30 Million North Central Texas Council of Governments (COG)
 - \$3 Million (to be paid back via TIF funds)
 - TIF application submitted
 - \$7 Million (to be paid back via other sources)
- \$10 Million City of Dallas 2017 Bond Program
 - Required match funding from non-City sources must be in place prior to City bond funds being expended for the Project

Private (*For construction of all park amenities*)

- \$20 million pledged from existing donor secured
- \$10 million naming opportunity in discussions
- Capital campaign to kick-off this fall for remaining funds



Milestones (Since Nov 2018)

- Committees formed and meeting regularly
- Concept designs for deck and pavilion complete
- Council Member briefings
- Formal neighborhood meetings began February 20, 2019 and continue
- Met with Urban Design Peer Review Panel (UDPRP) on March 29, 2019



Timeline

Task (Responsible Party)	Dates	Status
Start Deck Design (WRPF)	January 2019	Commenced
Life Safety/Ventilation Engineering (WRPF)	January 2019 – Jan 2020	Commenced
Environmental Clearance (WRPF)	January 2019 – March 2020	Commenced
Construction Plans (WRPF)	September 2019 – December 2020 (Expedited) September 2019 – 1 st Quarter 2021 (Typical)	Pavilion Deck – Commenced West Lawn Deck – Commenced
TxDOT Bid Letting (TxDOT)	January 2021 – April 2021 (Expedited Schedule) 2 nd Quarter 2021 (Typical)	
Start Deck Construction (TxDOT)	May 2021 (Expedited) August 2021 (Typical)	
Substantial Completion of Deck (TxDOT)	4 th Quarter 2022 (Expedited) 2 nd Quarter 2023 (Typical)	
Park Improvements/Amenities (WRPF)	14-16 months	



Next Steps

- Park and Recreation Board and City Council approvals of Supplemental Agreements to the Development and Use Agreements
 - Board: October 10, 2019
 - Council: November 13, 2019
- Park and Recreation Board and City Council approvals of an Advanced Funding Agreement (AFA) and an Operations and Maintenance Agreement with Texas Department of Transportation for structure and deck
- Press conference scheduled for October 15 to release final designs and announce a lead gift from the private sector.
- Private fundraising launch this fall



Q&A



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Appendices

- Appendix A List of Previous Agreements
- Appendix B Development and Use Agreement Site Plan



Appendix A

- ## Previous Agreements

- On May 23, 2007, by Resolution No. 07-1536, the City Council approved the Woodall Rodgers Deck Plaza **Development and Use** Agreements between the City and the Woodall Rodgers Park Foundation (WRPF) for the development, operation and maintenance of Woodall Rodgers Deck Park (Klyde Warren Park).
- On September 18, 2008, Supplemental Agreement No 1 approved by Administrative Action No. 08-2655, allowed for modifications to the existing Woodall Rodgers Deck Plaza **Development** Agreement. This modification included deleting the entire fifth sentence of Section 2.2 and substituting the following sentence: "Prior to the awarding of Phase I contract by the City, the Woodall Rodgers Park Foundation shall raise and deposit with the City 40% of the estimated cost (\$751,745) to cover its portion of the construction cost for Phase I, which is approximately \$300,590."
- On October 8, 2008, by Resolution No. 08-2791, the City Council approved Supplemental Agreement No. 2 to the **Development** Agreement to amend Sections 2.2 and 2.3 of the Agreement, entitled "WRPF Project Contribution" and "Estimated Funding Allocation," respectively, to: (i) reflect reductions in budgeted construction costs of approximately \$11.3 million; (ii) reallocate Phase 2 work to Phase 3; (iii) acknowledge an additional \$10 million in funding secured from TXDOT by the WRPF, resulting in a total STEP grant allocation of \$20 million; (iv) reflect design and pre-construction cost contributions and/or contractual obligations made by WRPF in excess of \$8 million; and (v) reflect the obligation of the Foundation to fund all costs in excess of the City's and TxDOT's project contributions for Phases 1-4 and to apply the full balance of the Foundation's \$20 million minimum in private funding obligation to Phase 5.



Appendix A - continued

- Previous Agreements

- On March 11, 2010, by Administrative Action No. 12-1845, the parties entered into Supplemental Agreement No. 1 to amend Section 5.09 of the **Use** Agreement to clarify that WRPF may sell or possess alcoholic beverages; authorize others to do so; and authorize the consumption of alcoholic beverages on part of the Park area, subject to complying with applicable laws.
- On May 29, 2014, By Administrative Action No. 14-5949, the parties entered into Supplemental Agreement No. 2 to the **Use** Agreement to clarify that the areas shown on the revised Exhibit A attached to the Development Agreement were available to WRPF for all uses previously contained in the Use Agreement and for WRPF's maintenance services, concession services, loading and unloading and other staging needs.



Appendix B

Development and Use Agreement Site Plan

