

**FEBRUARY 24, 2016 CITY COUNCIL AGENDA
CERTIFICATION**

This certification is given pursuant to Chapter XI, Section 9 of the City Charter for the City Council Agenda dated February 24, 2016. We hereby certify, as to those contracts, agreements, or other obligations on this Agenda authorized by the City Council for which expenditures of money by the City are required, that all of the money required for those contracts, agreements, and other obligations is in the City treasury to the credit of the fund or funds from which the money is to be drawn, as required and permitted by the City Charter, and that the money is not appropriated for any other purpose.



A.C. Gonzalez
City Manager



Date



Jeanne Chipperfield
Chief Financial Officer



Date

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CITY SECRETARY
DALLAS, TEXAS



COUNCIL AGENDA

February 24, 2016

Date

(For General Information and Rules of Courtesy, Please See Opposite Side.)
(La Información General Y Reglas De Cortesía Que Deben Observarse
Durante Las Asambleas Del Consejo Municipal Aparecen En El Lado Opuesto, Favor De Leerlas.)

General Information

The Dallas City Council regularly meets on Wednesdays beginning at 9:00 a.m. in the Council Chambers, 6th floor, City Hall, 1500 Marilla. Council agenda meetings are broadcast live on WRR-FM radio (101.1 FM) and on Time Warner City Cable Channel 16. Briefing meetings are held the first and third Wednesdays of each month. Council agenda (voting) meetings are held on the second and fourth Wednesdays. Anyone wishing to speak at a meeting should sign up with the City Secretary's Office by calling (214) 670-3738 by 5:00 p.m. of the last regular business day preceding the meeting. Citizens can find out the name of their representative and their voting district by calling the City Secretary's Office.

Sign interpreters are available upon request with a 48-hour advance notice by calling (214) 670-5208 V/TDD. The City of Dallas is committed to compliance with the Americans with Disabilities Act.

The Council agenda is available in alternative formats upon request.

If you have any questions about this agenda or comments or complaints about city services, call 311.

Rules of Courtesy

City Council meetings bring together citizens of many varied interests and ideas. To insure fairness and orderly meetings, the Council has adopted rules of courtesy which apply to all members of the Council, administrative staff, news media, citizens and visitors. These procedures provide:

- That no one shall delay or interrupt the proceedings, or refuse to obey the orders of the presiding officer.
- All persons should refrain from private conversation, eating, drinking and smoking while in the Council Chamber.
- Posters or placards must remain outside the Council Chamber.
- No cellular phones or audible beepers allowed in Council Chamber while City Council is in session.

"Citizens and other visitors attending City Council meetings shall observe the same rules of propriety, decorum and good conduct applicable to members of the City Council. Any person making personal, impertinent, profane or slanderous remarks or who becomes boisterous while addressing the City Council or while attending the City Council meeting shall be removed from the room if the sergeant-at-arms is so directed by the presiding officer, and the person shall be barred from further audience before the City Council during that session of the City Council. If the presiding officer fails to act, any member of the City Council may move to require enforcement of the rules, and the affirmative vote of a majority of the City Council shall require the presiding officer to act." Section 3.3(c) of the City Council Rules of Procedure.

Información General

El Ayuntamiento de la Ciudad de Dallas se reúne regularmente los miércoles en la Cámara del Ayuntamiento en el sexto piso de la Alcaldía, 1500 Marilla, a las 9 de la mañana. Las reuniones informativas se llevan a cabo el primer y tercer miércoles del mes. Estas audiencias se transmiten en vivo por la estación de radio WRR-FM 101.1 y por cablevisión en la estación *Time Warner City Cable* Canal 16. El Ayuntamiento Municipal se reúne el segundo y cuarto miércoles del mes para tratar asuntos presentados de manera oficial en la agenda para su aprobación. Toda persona que desee hablar durante la asamblea del Ayuntamiento, debe inscribirse llamando a la Secretaría Municipal al teléfono (214) 670-3738, antes de las 5:00 pm del último día hábil anterior a la reunión. Para enterarse del nombre de su representante en el Ayuntamiento Municipal y el distrito donde usted puede votar, favor de llamar a la Secretaría Municipal.

Intérpretes para personas con impedimentos auditivos están disponibles si lo solicita con 48 horas de anticipación llamando al (214) 670-5208 (aparato auditivo V/TDD). La Ciudad de Dallas está comprometida a cumplir con el decreto que protege a las personas con impedimentos, *Americans with Disabilities Act*. **La agenda del Ayuntamiento está disponible en formatos alternos si lo solicita.**

Si tiene preguntas sobre esta agenda, o si desea hacer comentarios o presentar quejas con respecto a servicios de la Ciudad, llame al 311.

Reglas de Cortesía

Las asambleas del Ayuntamiento Municipal reúnen a ciudadanos de diversos intereses e ideologías. Para asegurar la imparcialidad y el orden durante las asambleas, el Ayuntamiento ha adoptado ciertas reglas de cortesía que aplican a todos los miembros del Ayuntamiento, al personal administrativo, personal de los medios de comunicación, a los ciudadanos, y a visitantes. Estos reglamentos establecen lo siguiente:

- Ninguna persona retrasará o interrumpirá los procedimientos, o se negará a obedecer las órdenes del oficial que preside la asamblea.
- Todas las personas deben abstenerse de entablar conversaciones, comer, beber y fumar dentro de la cámara del Ayuntamiento.
- Anuncios y pancartas deben permanecer fuera de la cámara del Ayuntamiento.
- No se permite usar teléfonos celulares o enlaces electrónicos (*paggers*) audibles en la cámara del Ayuntamiento durante audiencias del Ayuntamiento Municipal.

"Los ciudadanos y visitantes presentes durante las asambleas del Ayuntamiento Municipal deben obedecer las mismas reglas de comportamiento, decoro y buena conducta que se aplican a los miembros del Ayuntamiento Municipal. Cualquier persona que haga comentarios impertinentes, utilice vocabulario obsceno o difamatorio, o que al dirigirse al Ayuntamiento lo haga en forma escandalosa, o si causa disturbio durante la asamblea del Ayuntamiento Municipal, será expulsada de la cámara si el oficial que esté presidiendo la asamblea así lo ordena. Además, se le prohibirá continuar participando en la audiencia ante el Ayuntamiento Municipal. Si el oficial que preside la asamblea no toma acción, cualquier otro miembro del Ayuntamiento Municipal puede tomar medidas para hacer cumplir las reglas establecidas, y el voto afirmativo de la mayoría del Ayuntamiento Municipal precisará al oficial que esté presidiendo la sesión a tomar acción." Según la sección 3.3(c) de las reglas de procedimientos del Ayuntamiento.

SUPPLEMENTAL NOTICE

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

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

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

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

**AGENDA
CITY COUNCIL MEETING
WEDNESDAY, FEBRUARY 24, 2016
ORDER OF BUSINESS**

Agenda items for which individuals have registered to speak will be considered no earlier than the time indicated below:

9:00 a.m. **INVOCATION AND PLEDGE OF ALLEGIANCE**

OPEN MICROPHONE

MINUTES

Item 1

CONSENT AGENDA

Items 2 - 42

ITEMS FOR INDIVIDUAL CONSIDERATION

No earlier
than 9:15 a.m.

Items 43 - 51

PUBLIC HEARINGS AND RELATED ACTIONS

1:00 p.m.

Items 52 - 56

NOTE: A revised order of business may be posted prior to the date of the council meeting if necessary.

AGENDA
CITY COUNCIL MEETING
FEBRUARY 24, 2016
CITY OF DALLAS
1500 MARILLA
COUNCIL CHAMBERS, CITY HALL
DALLAS, TEXAS 75201
9:00 A. M.

Invocation and Pledge of Allegiance (Council Chambers)

Agenda Item/Open Microphone Speakers

VOTING AGENDA

1. Approval of Minutes of the February 10, 2016 City Council Meeting

CONSENT AGENDA

Aviation

2. Authorize **(1)** an increase in the annual lease rental rates at Dallas Love Field from **(a)** \$0.40 square feet per year to \$0.65 square feet per year for unimproved land; **(b)** \$0.65 square feet per year to \$0.80 square feet per year for improved land; **(c)** \$3.50 square feet per year to \$4.25 square feet per year for storage hangar; **(d)** \$3.75 square feet per year to \$5.00 square feet per year for maintenance hangar space; and **(e)** \$8.00 square feet per year to \$8.50 square feet per year for office space at Dallas Love Field, effective April 1, 2016 - Estimated Revenue: \$10,000,000 (over a ten year period); and **(2)** an increase in the annual lease rental rates at Dallas Executive Airport from **(a)** \$0.13 square feet per year to \$0.30 square feet per year for unimproved land; and **(b)** \$0.17 square feet per year to \$0.40 square feet per year for improved land at Dallas Executive Airport, effective April 1, 2016 - Estimated Revenue: \$35,000,000 (over a ten year period)

CONSENT AGENDA (Continued)**Business Development & Procurement Services**

3. Authorize a three-year service contract for sewer camera maintenance, repairs and parts - CLS Sewer Equipment Co., Inc. in the amount of \$492,400, Green Equipment Company in the amount of \$400,000 and Atlas Inspection Technologies, LLC in the amount of \$241,500, lowest responsible bidders of three - Total not to exceed \$1,133,900 - Financing: Current Funds (\$6,000), Water Utilities Current Funds (\$565,500), Stormwater Drainage Management Current Funds (\$492,400) and Aviation Current Funds (\$70,000) (subject to annual appropriations)
4. Authorize a five-year service contract for event set-up at the Kay Bailey Hutchison Convention Center Dallas - Member's Building Maintenance, LLC, most advantageous proposer of three - Not to exceed \$3,644,805 - Financing: Convention and Event Services Current Funds (subject to annual appropriations)
5. Authorize a three-year master agreement for the purchase of granulated and liquid fertilizers for use throughout the City - Greensmiths, Inc. in the amount of \$194,052, BWI Dallas/Ft. Worth in the amount of \$201,527, Harrell's, LLC in the amount of \$110,707, Helena Chemical Company in the amount of \$98,068, Turfgrass Solutions, Inc. in the amount of \$79,190, Turf Care of Texas, LLC in the amount of \$77,935, N-Gulf, LLC dba Ameriturf in the amount of \$69,930, Winfield Solutions LLC in the amount of \$91,545, LCS Lawn Care Supply, Inc. in the amount of \$17,332 and SiteOne Landscape Supply, LLC in the amount of \$10,043, lowest responsible bidders of ten - Total not to exceed \$950,329 - Financing: Current Funds
6. Authorize a three-year master agreement for mobile concrete - Custom-Crete Redi-Mix, LLC, lowest responsible bidder of three - Not to exceed \$17,363,139 - Financing: Current Funds (\$10,847,603), Water Utilities Current Funds (\$5,796,457), Stormwater Drainage Management Current Funds (\$588,670) and Aviation Current Funds (\$130,409)
7. Authorize an increase to the master agreement with Pollock Investments dba Pollock Paper Distributors in the amount of \$314,154, from \$1,570,770 to \$1,884,924, Eagle Brush & Chemical, Inc. in the amount of \$307,985, from \$1,539,925 to \$1,847,910, MANS Distributors, Inc. in the amount of \$86,420, from \$432,100 to \$518,520 and San Benito Textile, Inc. in the amount of \$12,610, from \$63,050 to \$75,660 for janitorial supplies - Total not to exceed \$721,169, from \$3,605,845 to \$4,327,014 - Financing: Current Funds (\$285,583), Aviation Current Funds (\$354,887), Water Utilities Current Funds (\$67,790), Convention and Event Services Current Funds (\$7,356) and Stormwater Drainage Management Current Funds (\$5,553)

CONSENT AGENDA (Continued)**City Controller's Office**

8. An ordinance amending the City's credit agreements with JPMorgan Bank and Wells Fargo Bank with respect to the City's General Obligation Commercial Paper Notes, Series 2010A and 2010C to **(1)** extend the term of the credit agreements until December 2, 2017 and resolving other matters related to the issuance, sale, security and delivery of the Notes; **(2)** revise the fees paid for the Credit Agreements; **(3)** revise the Offering Memorandum for the Notes to reflect the amendment; **(4)** approve the payment of issuance costs in connection with the issuance of the short term obligations; and **(5)** provide an effective date - Total program costs not to exceed \$4,244,500 - Financing: Current Funds (\$92,500 upfront closing costs plus estimated annual fees of \$2,076,000 for a two year total cost of \$4,152,000) (subject to annual appropriations)

Economic Development**FY 2015 Tax Increment Financing Zone Annual Reports**

9. * A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Three (Oak Cliff Gateway TIF District), submitted by the Oak Cliff Gateway TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
10. * A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Four, (Cedars TIF District), submitted by the Cedars TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
11. * A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Five, (City Center TIF District), submitted by the City Center TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
12. * A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Six, (Farmers Market TIF District), submitted by the Farmers Market TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

CONSENT AGENDA (Continued)**Economic Development** (Continued)**FY 2015 Tax Increment Financing Zone Annual Reports** (Continued)

13. * A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Seven, (Sports Arena TIF District), submitted by the Sports Arena TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
14. * A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eight, (Design District TIF District), submitted by the Design District TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
15. * A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Nine, (Vickery Meadow TIF District), submitted by the Vickery Meadow TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
16. * A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Ten, (Southwestern Medical TIF District), submitted by the Southwestern Medical TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
17. * A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eleven, (Downtown Connection TIF District), submitted by the Downtown Connection TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
18. * A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Twelve, (Deep Ellum TIF District), and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

CONSENT AGENDA (Continued)**Economic Development** (Continued)**FY 2015 Tax Increment Financing Zone Annual Reports** (Continued)

19. * A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Thirteen, (Grand Park South TIF District), and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
20. * A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Fourteen, (Skillman Corridor TIF District), submitted by the Skillman Corridor TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
21. * A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Fifteen, (Fort Worth Avenue TIF District), submitted by the Fort Worth Avenue TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
22. * A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Sixteen, (Davis Garden TIF District), submitted by the Davis Garden TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
23. * A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Seventeen, (TOD TIF District), submitted by the TOD TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
24. * A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eighteen, (Maple/Mockingbird TIF District), submitted by the Maple/Mockingbird TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

CONSENT AGENDA (Continued)**Economic Development** (Continued)**FY 2015 Tax Increment Financing Zone Annual Reports** (Continued)

25. * A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Nineteen, (Cypress Waters TIF District), submitted by the Cypress Waters TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
26. * A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Twenty (Mall Area Redevelopment TIF District), submitted by the Mall Area Redevelopment TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

Housing/Community Services

27. Authorize the first amendment to the contract with the Department of State Health Services to accept additional grant funds awarded for the continuation of the Special Supplemental Nutrition Program for the Women, Infants and Children Program for an Innovation Center for the period October 1, 2015 through September 30, 2016 - Not to exceed \$150,000, from \$15,599,144 to \$15,749,144 - Financing: Department of State Health Services Grant Funds
28. Authorize a public hearing to be held on March 23, 2016 to receive comments on the proposed sale of ten unimproved properties (list attached) acquired by the taxing authorities from the Sheriff to South Dallas Fair Park Inncity Community Development Corporation, a qualified non-profit organization, under the HB110 process of the City's Land Transfer Program and the release of the City's non-tax liens included in the foreclosure judgment and post-judgment non-tax liens, if any - Financing: No cost consideration to the City

Library

29. Authorize **(1)** the acceptance of a grant from Humanities Texas (HTx), funded by the National Endowment for the Humanities for the Day of the Book/Dia del Libro Family Reading Program (HTx Grant No. 2016-4954/CFDA No. 45.129) in the amount of \$4,284, for the period January 1, 2016 through May 31, 2016; **(2)** project cost-sharing in the amount of \$5,554 through in-kind contributions; and **(3)** execution of the grant agreement - Total not to exceed \$4,284 - Financing: National Endowment for the Humanities (\$4,284) and In-Kind Contributions (\$5,554)

CONSENT AGENDA (Continued)

Office of Financial Services

30. Authorize a public hearing to be held on March 23, 2016 to receive comments on the FY 2016-17 Operating, Capital, and Grant / Trust budgets - Financing: No cost consideration to the City

Park & Recreation

31. Authorize a contract for golf course renovations to include the replacement of existing greens and bunkers at Cedar Crest Golf Course located at 1800 Southerland Avenue - Signet Golf Associates II, Inc., lowest responsible bidder of four - Not to exceed \$525,494 - Financing: Golf Improvement Funds (2016-7047) (PKR-2016-00000032)

Public Works Department

32. A resolution: **(1)** designating a new hearing officer to hear contested civil red light camera citations under the City's automated red light camera enforcement program and contested school bus stop arm citations under the City's school bus stop arm program; and **(2)** removing one hearing officer who is no longer employed by the City - Financing: No cost consideration to the City

Sanitation Services

33. Authorize a professional services contract with Burns & McDonnell Engineering Company, Inc. for technical consulting services to evaluate key operational and financial components of the City's solid waste system, including bulk and brush collection alternatives, collections fleet maintenance and replacement program, and refuse and recycling collection operations - Not to exceed \$96,500 - Financing: Sanitation Current Funds (subject to appropriations)
34. Authorize a professional services contract with Modern Geosciences, LLC for environmental consulting services for the McCommas Bluff Landfill - Not to exceed \$96,600 - Financing: Sanitation Current Funds (subject to appropriations) (2016-11822) (SAN-2016-0000097)

Street Services

35. An ordinance amending Chapter 28 of the Dallas City Code to **(1)** regulate the speed and direction of vehicles on certain streets, expressways, and freeways; **(2)** designate school traffic zones; and **(3)** designate one-way streets and alleys (lists attached) - Financing: No cost consideration to the City

CONSENT AGENDA (Continued)**Sustainable Development and Construction**

36. Authorize acquisition from the State of Texas, of approximately 560,399 square feet located near the intersection of Greenville Avenue and Markville Drive for the 12000 Greenville Project - Not to exceed \$3,386,000 (\$3,365,000 plus closing costs and title expenses not to exceed \$21,000) - Financing: Water Utilities Capital Improvement Funds
37. A resolution declaring approximately 2,306 square feet of undevelopable City-owned land unwanted and unneeded located near the intersection of Hutchins and Eads Avenues, and authorizing its sale to Skyview Development LLC, the abutting owner - Revenue: \$2,306
38. An ordinance abandoning a portion of a utility easement to Sikka Investments, LLC, the abutting owner, containing approximately 3,391 square feet of land, located near the intersection of C. F. Hawn Freeway and Murdock Road - Revenue: \$5,400, plus the \$20 ordinance publication fee

Trinity Watershed Management

39. Authorize a construction contract with Jeske Construction Company, lowest responsible bidder of four, for the construction of stormwater drainage mains, water and wastewater main improvements, street reconstruction and landscape improvements for the Peavy Road at Galway Drive to Fuller Drive Storm Drainage Project - Not to exceed \$1,936,755 - Financing: 2006 Bond Funds (\$189,353), General Obligation Commercial Paper Funds (\$909,167), Water Utilities Capital Improvement Funds (\$804,335) and Water Utilities Capital Construction Funds (\$33,900)
40. Authorize a construction contract with MACVAL Associates, LLC, lowest responsible bidder of three, for the construction of stormwater drainage improvements, alley reconstruction, and landscape improvements for the Ash Creek Estates at Meadow Way Storm Drainage Project - Not to exceed \$786,445 - Financing: 2006 Bond Funds (\$586,040) and General Obligation Commercial Paper Funds (\$200,405)
41. Authorize a contract with McMahon Contracting, LP, lowest responsible bidder of four, for the construction of a bridge replacement, stormwater drainage, channel improvements, water and wastewater improvements, street reconstruction and landscape improvements for the Elmwood Branch Bridge at Franklin Floodplain Management Project - Not to exceed \$1,537,360 - Financing: 2006 Bond Funds (\$92,626), General Obligation Commercial Paper Funds (\$1,257,700), Water Utilities Capital Construction Funds (\$18,186) and Water Utilities Capital Improvement Funds (\$168,848)

CONSENT AGENDA (Continued)

Water Utilities

42. Authorize a Pipeline Crossing Agreement with Union Pacific Railroad Company to allow the City of Dallas to construct, maintain, and operate a proposed water pipeline under railroad tracks and right-of-way in Beeman Avenue at the Union Pacific Railroad crossing - Financing: This action has no cost consideration to the City

ITEMS FOR INDIVIDUAL CONSIDERATION

City Secretary's Office

43. Consideration of appointments to boards and commissions and the evaluation and duties of board and commission members (List of nominees is available in the City Secretary's Office)

Business Development & Procurement Services

44. Authorize a two-year master agreement for clamps, couplings, sleeves and adapters - Fortiline, Inc. in the amount of \$326,372 or \$331,372 (Tie bid - line 140), Ferguson Enterprises in the amount of \$120,677 or \$125,677 (Tie bid - line 140), Powerseal Pipeline Products Corp. in the amount of \$90,991 and HD Supply Waterworks, LTD in the amount of \$68,878, lowest responsible bidders of four - Total not to exceed \$611,918 - Financing: Water Utilities Current Funds

DESIGNATED PUBLIC SUBSIDY MATTERS

Economic Development

45. Authorize a New Markets Tax Credit (NMTC) transaction between the Dallas Development Fund (DDF) and its subsidiaries, JPMorgan Chase and its subsidiaries, and C.H. Guenther & Sons, Inc. and its affiliates (Developer) for the construction of improvements and equipment related to a food manufacturing facility located at 4616 Langdon Road (Project) - Financing: No cost consideration to the City
46. Authorize a New Markets Tax Credit (NMTC) transaction between the Dallas Development Fund (DDF) and its subsidiaries, an affiliate of an NMTC Investor (the "Bank"), and Resource Center, and its affiliates (Developer) for the construction of improvements related to a new Resource Center facility and other improvements (Project) - Financing: No cost consideration to the City
47. Authorize Supplemental Agreement No. 2 to the contract with Southern Dallas Development Corporation to: **(1)** extend the term of the fourth and final renewal option from March 30, 2016 through September 30, 2016; and **(2)** continue administration and loan servicing of the Community Development Block Grant funded Business Revolving Loan Program - Financing: No cost consideration to the City

ITEMS FOR INDIVIDUAL CONSIDERATION (Continued)

DESIGNATED PUBLIC SUBSIDY MATTERS (Continued)

Economic Development (Continued)**Sports Arena TIF District - Victory Sub-District**

Note: Item Nos. 48 and 49 must be considered collectively.

48. * Authorize an amendment of the terms of the grant agreement with Victory Park UST Joint Venture I, L.P. for the Victory Placemaking Project, previously authorized by Resolution No. 15-0688 on April 8, 2015, to limit the consideration for the approved TIF Subsidy in the amount of \$5,974,804 to the design and modification of existing public infrastructure and streetscape improvements within the district, including the purchase of streetscape amenities (planters, benches, kiosks and directories, district markers and other fixtures, furnishings and equipment) for the project since such improvements benefit the entire district and were not necessitated by any one particular private investment project - Financing: No cost consideration to the City
49. * Authorize an amendment to the terms of the grant agreement with Victory Park UST Joint Venture I, LP, (UST) for the Victory South Parking Garage to **(1)** replace the requirement to increase the property value of Blocks D, G, K and M by \$50M with the requirement to invest a minimum of \$100M in the development of Block M only; and **(2)** require investment in Block K for construction of a parking facility providing district parking as consideration for such amendment - Financing: No cost consideration to the City

Sustainable Development and Construction

50. Authorize an historic preservation tax exemption for the Adolphus Hotel located at 1315 Commerce Street and 1321 Commerce Street for a ten-year period on 100% of the land and structure value - Revenue Foregone: First year tax revenue foregone estimated at \$213,217 (Estimated revenue foregone over ten years is \$2,132,166)
51. Authorize an historic preservation tax exemption for 1314 West Davis Street for a ten-year period on 100% of the land and structure value - Revenue Foregone: First year tax revenue foregone estimated at \$8,289 (Estimated revenue foregone over ten years is \$82,888)

PUBLIC HEARINGS AND RELATED ACTIONS**Sustainable Development and Construction**ZONING CASES - CONSENT

52. A public hearing to receive comments regarding an application for and an ordinance granting an amendment to a development plan for Tract 12 of Planned Development District No. 508 on the northeast corner of Singleton Boulevard and North Westmoreland Road
Recommendation of Staff and CPC: Approval
Z156-117(DL)
53. A public hearing to receive comments regarding an application for and an ordinance granting the repeal of Specific Use Permit No. 2158 for a tattoo studio on property zoned Tract A in Planned Development District No. 269, the Deep Ellum/Near East Side District on the south line of Elm Street, east of North Good Latimer Expressway
Recommendation of Staff and CPC: Approval
Z156-133(OTH)
54. A public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for a tattoo studio on property zoned Tract A in Planned Development District No. 269, the Deep Ellum/Near East Side District on the south line of Elm Street, east of North Good Latimer Expressway
Recommendation of Staff and CPC: Approval for a three-year period, subject to a site plan and conditions
Z156-134(OTH)
55. A public hearing to receive comments regarding an application for and an ordinance granting an amendment to the development and landscape plans on property zoned Subarea A-2 of Planned Development District No. 741 at the west corner of Saintsbury Street and Cypress Waters Boulevard
Recommendation of Staff and CPC: Approval
Z156-144(LE)

ZONING CASES - INDIVIDUAL

56. A public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for a mini-warehouse use on property zoned Subdistrict 2B in Planned Development District No. 714, the West Commerce Street/Fort Worth Avenue Special Purpose District on the south side of Fort Worth Avenue, east of North Montclair Avenue
Recommendation of Staff: Approval for a ten-year period, subject to a site plan and conditions
Recommendation of CPC: Approval for a five-year period with eligibility for an automatic renewal for one additional five-year period, subject to a revised site plan and conditions
Z156-143(WE)

Tax Foreclosure and Seizure Property Resale
Agenda Item # 28

<u>Parcel No.</u>	<u>Address</u>	<u>Non-Profit Organization</u>	<u>Mapsco</u>	<u>DCAD Amount</u>	<u>Sale Amount</u>	<u>Vac/ Imp</u>	<u>Zoning</u>
1.	3604 Frank	South Dallas Fair Park Innercity Community Development Corporation	46V	\$5,000	\$1,000.00	V	PD-595
2.	4347 Frank	South Dallas Fair Park Innercity Community Development Corporation	46R	\$10,160	\$1,000.00	V	PD-595
3.	4405 Frank	South Dallas Fair Park Innercity Community Development Corporation	46R	\$5,000	\$1,000.00	V	PD-595
4.	4409 Frank	South Dallas Fair Park Innercity Community Development Corporation	46R	\$5,000	\$1,000.00	V	PD-595
5.	4414 Frank	South Dallas Fair Park Innercity Community Development Corporation	46R	\$3,750	\$1,000.00	V	PD-595

Tax Foreclosure and Seizure Property Resale
 Agenda Item # 28 (Continued)

<u>Parcel No.</u>	<u>Address</u>	<u>Non-Profit Organization</u>	<u>Mapsco</u>	<u>DCAD Amount</u>	<u>Sale Amount</u>	<u>Vac/ Imp</u>	<u>Zoning</u>
6.	4415 Frank	South Dallas Fair Park Innercity Community Development Corporation	46R	\$5,000	\$1,000.00	V	PD-595
7.	4418 Frank	South Dallas Fair Park Innercity Community Development Corporation	46R	\$5,000	\$1,000.00	V	PD-595
8.	4435 Frank	South Dallas Fair Park Innercity Community Development Corporation	46R	\$5,000	\$1,000.00	V	PD-595
9.	4431 Frank	South Dallas Fair Park Innercity Community Development Corporation	46R	\$5,000	\$1,000.00	V	PD-595
10.	4519 Frank	South Dallas Fair Park Innercity Community Development Corporation	46R	\$5,000	\$1,000.00	V	PD-595

SECTION 28-44
STREETS OTHER THAN EXPRESSWAYS AND FREEWAYS - ADDITIONS
Agenda Item # 35

<u>Street Name</u>	<u>Extent</u>	<u>Speed Limit</u>	<u>Council District</u>
Dickerson Street	McCallum Boulevard to 270 feet south of Hiddencreek Drive	35	12
E. Belt Line Road	1250 feet east of Sanders Loop to 450 feet east of S. Northlake Road	50	6
Elsie Faye Heggins Street	Lamar Street to 500 feet south of Lyons Street	35	7
Martin Luther King Jr. Boulevard	Overpass at Lamar Street to Cedar Crest Boulevard	35	4, 7

SECTION 28-44
STREETS OTHER THAN EXPRESSWAYS AND FREEWAYS - DELETIONS

<u>Street Name</u>	<u>Extent</u>	<u>Speed Limit</u>	<u>Council District</u>
Hatcher Street	Lamar Street to 500 feet of Lyons Street	35	7
Martin Luther King Jr. Boulevard	Overpass at Lamar Street to Cedar Crest Boulevard	40	4, 7

SECTION 28-45
SPEEDS - EXPRESSWAY AND FREEWAYS - ADDITIONS
 Agenda Item # 35 (Continued)

<u>Street Name</u>	<u>Extent</u>	<u>Speed Limit</u>	<u>Council District</u>
C. F. Hawn Freeway (US 175)	S. Central Expressway (SH 310) to Prairie Creek Road	Set by Texas Transportation Commission Minute Order No. 114203	5, 7
C. F. Hawn Freeway (US 175)	Prairie Creek Road to Dallas south city limit	Set by Texas Transportation Commission Minute Order No. 114203	5, 8
Dallas Ft. Worth Turnpike (IH 30)	West city limit to Stemmons Freeway (IH 35E)	Set by Texas Transportation Commission Minute Order No. 114203	1, 3, 6
E. R. L. Thornton Freeway (IH 30)	First Avenue to Rockwall county line	Set by Texas Transportation Commission Minute Order No. 114203	2, 7, 9
Interstate Highway 30	Dallas County line to Rockwall west city limits	Set by Texas Transportation Commission Minute Order No. 114203	9
Julius Schepps Freeway (IH 45)	E. R. L. Thornton Freeway (IH 30) to Hutchins north city limits	Set by Texas Transportation Commission Minute Order No. 114203	2, 4, 7, 8

SECTION 28-45
SPEEDS - EXPRESSWAY AND FREEWAYS - ADDITIONS
 Agenda Item # 35 (Continued)

<u>Street Name</u>	<u>Extent</u>	<u>Speed Limit</u>	<u>Council District</u>
Lyndon B. Johnson Freeway (IH 20)	Grand Prairie east city limit to Duncanville west city limit	Set by Texas Transportation Commission Minute Order No. 114203	3
Lyndon B. Johnson Freeway (IH 20)	Duncanville east city limit to Lancaster west city limit	Set by Texas Transportation Commission Minute Order No. 114203	8
Lyndon B. Johnson Freeway (IH 20)	Lancaster east city limit to Hutchins west city limit	Set by Texas Transportation Commission Minute Order No. 114203	8
Lyndon B. Johnson Freeway (IH 20)	Hutchins east city limit to Balch Springs west city limit	Set by Texas Transportation Commission Minute Order No. 114203	8
Lyndon B. Johnson Freeway (IH 635)	Farmers Branch city limit to Stemmons Freeway (IH 35E)	Set by Texas Transportation Commission Minute Order No. 114203	6
Lyndon B. Johnson Freeway (IH 635)	N. Central Expressway (US 75) to Kingsley Road	Set by Texas Transportation Commission Minute Order No. 114203	10, 11
Lyndon B. Johnson Freeway (IH 635)	Stemmons Freeway (IH 35E) to N. Central Expressway (US 75)	Set by Texas Transportation Commission Minute Order No. 114203	6

SECTION 28-45
SPEEDS - EXPRESSWAY AND FREEWAYS - ADDITIONS
 Agenda Item # 35 (Continued)

<u>Street Name</u>	<u>Extent</u>	<u>Speed Limit</u>	<u>Council District</u>
Marvin D. Love Freeway (US 67)	S. R. L. Thornton Freeway (IH 35E) to Dallas south city limit	Set by Texas Transportation Commission Minute Order No. 114203	3, 4, 8
N. Central Expressway (IH 345)	Woodall Rodgers Freeway (Spur 366) to E. R. L. Thornton Freeway (IH 30)	Set by Texas Transportation Commission Minute Order No. 114203	2, 14
N. Central Expressway (US 75)	Richardson south city limit to Woodall Rodgers Freeway (Spur 366)	Set by Texas Transportation Commission Minute Order No. 114203	11, 13, 14
S. R. L. Thornton (IH 35E)	E. R. L. Thornton Freeway (IH 30) to Dallas south city limit	Set by Texas Transportation Commission Minute Order No. 114203	1, 2, 3, 4, 8
Spur 408	Walton Walker Boulevard (Loop 12) to Lyndon B. Johnson Freeway (IH 20)	Set by Texas Transportation Commission Minute Order No. 114229	3
Walton Walker Boulevard (Loop 12)	Spur 408 to Irving south city limit	Set by Texas Transportation Commission Minute Order No. 114229	3, 6

SECTION 28-45
SPEEDS - EXPRESSWAY AND FREEWAYS - DELETIONS
 Agenda Item # 35 (Continued)

<u>Street Name</u>	<u>Extent</u>	<u>Speed Limit</u>	<u>Council District</u>
Central Expressway (US 75)	North city limits to Lyndon B. Johnson Freeway	Set by Texas Transportation Commission Minute Order No. 106410, as amended	1
Central Expressway (US 75)	Lyndon B. Johnson Freeway to Woodall Rodgers Freeway	Set by Texas Transportation Commission Minute Order No. 106769, as amended	10, 11, 13, 14
Central Expressway (Elevated Bypass)	Central Expressway (north) at Woodall Rodgers Freeway to Central Expressway (south) at Grand Avenue	Set by Texas Transportation Commission Minute Order No. 106769, as amended	2, 7
C. F. Hawn Freeway (US 175)	Central Expressway (S. M. Wright Freeway) to Lyndon B. Johnson Freeway (IH20)	Set by Texas Transportation Commission Minute Order No. 106769, as amended	5, 8
C. F. Hawn Freeway (US 175)	Lyndon B. Johnson Freeway (IH 20) to the city limits	Set by Texas Transportation Commission Minute Order No. 106410, as amended	5, 7

SECTION 28-45
SPEEDS - EXPRESSWAY AND FREEWAYS - DELETIONS
 Agenda Item # 35 (Continued)

<u>Street Name</u>	<u>Extent</u>	<u>Speed Limit</u>	<u>Council District</u>
Interstate Highway 20	All portions within the city limits	Set by Texas Transportation Commission Minute Order No. 106410, as amended	8
Interstate Highway 30	Stemmons Freeway to the west city limits	Set by Texas Transportation Commission Minute Order No. 106769, as amended	3, 8
Interstate Highway 30	2000 feet west of Chaha Road to 6300 feet west of Lakeside Drive	Set by Texas Transportation Commission Minute Order No. 106410, as amended	1, 3, 6
Julius Schepps Freeway (IH 45)	Central Expressway to Lyndon B. Johnson Freeway (IH 20)	Set by Texas Transportation Commission Minute Order No. 106769, as amended	2, 4, 7, 8, 14
Julius Schepps Freeway (IH 45)	Lyndon B. Johnson Freeway (IH 20) to the south city limits	Set by Texas Transportation Commission Minute Order No. 106410, as amended	8
Lyndon B. Johnson Freeway (IH 635)	The west city limits to Stemmons Freeway (IH 35E)	Set by Texas Transportation Commission Minute Order No. 106410, as amended	6

SECTION 28-45
SPEEDS - EXPRESSWAY AND FREEWAYS - DELETIONS
 Agenda Item # 35 (Continued)

<u>Street Name</u>	<u>Extent</u>	<u>Speed Limit</u>	<u>Council District</u>
Lyndon B. Johnson Freeway (IH 635)	Stemmons Freeway (IH 35E) to the east city limits	60	6
Marvin D. Love Freeway (US 67)	R. L. Thornton Freeway to Interstate Highway 20	Set by Texas Transportation Commission Minute Order No. 106769, as amended	3, 4, 8
Marvin D. Love Freeway (US 67)	Interstate Highway 20 to the south city limits	Set by Texas Transportation Commission Minute Order No. 106410, as amended	3, 4, 8
R. L. Thornton Freeway (IH 35E)	Interstate Highway 20 to the south city limits	Set by Texas Transportation Commission Minute Order No. 106410, as amended	8
R. L. Thornton Freeway (IH 35E)	Stemmons Freeway to Interstate Highway 20	Set by Texas Transportation Commission Minute Order No. 106769, as amended	1, 2, 3, 4, 8
R. L. Thornton Freeway (IH 30)	First Avenue to the east city limits	Set by Texas Transportation Commission Minute Order No. 106769, as amended	2, 7

SECTION 28-45
SPEEDS - EXPRESSWAY AND FREEWAYS - DELETIONS
Agenda Item # 35 (Continued)

<u>Street Name</u>	<u>Extent</u>	<u>Speed Limit</u>	<u>Council District</u>
Spur 408	Walton Walker Boulevard to Interstate Highway 20	Set by Texas Transportation Commission Minute Order No. 106769, as amended	3
Walton Walker Boulevard (Loop 12)	The city limits of Irving, Texas to Spur 408	Set by Texas Transportation Commission Minute Order No. 106769, as amended	3, 6

SECTION 28-50 SCHOOL ZONES - ADDITIONS

Agenda Item # 35 (Continued)

<u>Location</u>	<u>School</u>	<u>Council District</u>	<u>Cause</u>
2400-2800 Al Lipscomb Way	Billy E. Dade Middle	7	Street Name Change
4400-4600 Bernal Drive	Eladio R. Martinez Learning Center	6	Extent Correction
3900-4200 Blue Ridge Boulevard	Thomas Tolbert Elementary	3	Extent Correction
3700-3900 Boulder Drive	T. W. Browne Middle	3	Extent Correction
9000-9100 Church Road	Merriman Park Elementary	10	New Zone
11300-11600 Dennis Road	Herbert Marcus Elementary	13	Extent Correction
2400-2500 Elsie Faye Heggins St.	Lincoln High	7	Street Name Change
2700-3000 Elsie Faye Heggins St.	Lincoln High	7	Street Name Change
3200-3300 Elsie Faye Heggins St.	Lincoln High	7	Street Name Change
1500-1600 S. Ervay Street	Vogel Alcove	2	School Reopened
3700-3800 S. Franklin Street	Daniel Webster Elementary	3	Extent and Street Name Corrections
9400 Hargrove Drive	Uplift Triumph Preparatory	2	New Zone

SECTION 28-50 SCHOOL ZONES - ADDITIONS

Agenda Item # 35 (Continued)

<u>Location</u>	<u>School</u>	<u>Council District</u>	<u>Cause</u>
7300-7400 La Vista Drive	Eduardo Mata Elementary	2	New Zone
11600-11800 Neering Drive	M. T. Reilly Elementary	9	New Zone
800-1100 Nomas Street	Lorenzo DeZavala Elementary	6	Extent Correction
3200-3300 N. Hampton Road	L. G. Pinkston High	6	Extent and Street Name Corrections
2800-2900 St. David Drive	Zan Wesley Holmes, Jr. Middle	3	New Zone
3400 Sheila Lane	Uplift Education	2	New Zone
2900-3000 S. Hampton Road	Jimmie Tyler Brashear Elementary	3, 4	Extent Correction
4000-4100 S. Hampton Road	St. Elizabeth Catholic	3, 4	Extent Correction
3000-3300 W. Jefferson	George Peabody Boulevard Elementary	1	Extension of Existing Zone
100-300 W. Lawson Road	Dr. Linda Henrie Elementary	8	New School
4900-5000 W. Lovers Lane	Providence Christian School of Texas	2	New Zone

SECTION 28- 50 SCHOOL ZONES- DELETIONS

Agenda Item # 35 (Continued)

<u>Location</u>	<u>School</u>	<u>Council District</u>	<u>Cause</u>
4300-4700 Bernal Drive	Eladio R. Martinez Learning Center	6	Extent Correction
4000 Blue Ridge Boulevard	Thomas Tolbert Elementary	3	Extent Correction
3700-3900 Boulder Drive	T. W. Browne Middle	3	Extent Correction
11300-11600 Dennis Road	Herbert Marcus Elementary	3	Extent Correction
3700-3800 Franklin Avenue	Daniel Webster Elementary	3	Extent and Name Suffix Correction
4300-4400 Gilbert Avenue	Irma L Rangel Young Women's Leadership	14	School Closed
2400-2800 Grand Avenue	Billy E. Dade Middle	7	Street Name Change
2900-3100 N. Hampton Road	L. G. Pinkston High	6	Extent Correction
2400-2500 Hatcher Street	Lincoln High	7	Street Name Change
2700-3000 Hatcher Street	Lincoln High	7	Street Name Change
3200-3300 Hatcher Street	Lincoln High	7	Street Name Change
2800-3000 Morgan Drive	Alta Mesa Learning Center	8	Learning Center Closed
800-1100 Nomas Street	Lorenzo DeZavala Elementary	6	Extent Correction

SECTION 28- 50 SCHOOL ZONES - DELETIONS

Agenda Item # 35 (Continued)

<u>Location</u>	<u>School</u>	<u>Council District</u>	<u>Cause</u>
4000-4100 S. Hampton Road	St. Elizabeth Catholic	3, 4	Extent Correction
2900 S. Hampton Road	Jimmie Tyler Brashear Elementary	3, 4	Block Number Change and Extent Correction
3000-3100 W. Jefferson Boulevard	George Peabody Elementary	1	Extension of Existing Zone

SECTION 28-59
ONE WAY STREETS AND ALLEYS - ADDITIONS
Agenda Item # 35 (Continued)

<u>Street Name</u>	<u>Extent</u>	<u>Direction</u>	<u>Council District</u>
Anthony Street	Eighth Street to Ninth Street	North	4

SECTION 28-59 ONE WAY STREETS AND ALLEYS

DELETIONS

<u>Street Name</u>	<u>Extent</u>	<u>Direction</u>	<u>Council District</u>
Anthony Street	Eighth Street to Ninth Street	South	4
Victory Avenue	North Houston Street to Continental Avenue	South	2, 14
N. Houston Street	Continental Avenue to Victory Avenue West	North	2, 14

SECTION 28-60
ONE WAY STREETS IN SCHOOL ZONES - ADDITIONS
 Agenda Item # 35 (Continued)

<u>Street Name</u>	<u>Extent</u>	<u>Direction</u>	<u>Council District</u>	<u>Cause</u>
Bertrand Avenue	2nd Avenue to Spring Garden Avenue	West	7	New Zone
Grigsby Avenue	Bryan Street to Live Oak Street	North	2	Street Name Suffix Change

SECTION 28-60
ONE WAY STREETS IN SCHOOL ZONES - DELETIONS

<u>Street Name</u>	<u>Extent</u>	<u>Direction</u>	<u>Council District</u>	<u>Cause</u>
Grigsby Street	Bryan Street to Live Oak Street	North	2	Street Name Suffix Change
Hopeful Vista Lane	Lenosa Lane to Kleberg Road	South	8	No Longer School Zone
Lenosa Lane	Belt Line Road to Carleta Drive	West	8	No Longer School Zone
Morgan Drive	Texoma Way to San Jose Avenue	West	8	No Longer School Zone
Park Row Avenue	Jeffries Street to Malcolm X Boulevard	West	7	School Relocated
Wayside Drive	North Leg to the South Leg of Mesa Circle	North	2	School Closed

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

1. Contemplated or pending litigation, or matters where legal advice is requested of the City Attorney. Section 551.071 of the Texas Open Meetings Act.
2. The purchase, exchange, lease or value of real property, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.072 of the Texas Open Meetings Act.
3. A contract for a prospective gift or donation to the City, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.073 of the Texas Open Meetings Act.
4. Personnel matters involving the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear a complaint against an officer or employee. Section 551.074 of the Texas Open Meetings Act.
5. The deployment, or specific occasions for implementation of security personnel or devices. Section 551.076 of the Texas Open Meetings Act.
6. Deliberations regarding Economic Development negotiations. Section 551.087 of the Texas Open Meetings Act.

AGENDA DATE February 24, 2016

ITEM	OK	IND	DISTRICT	TYPE	DEPT.	DOLLARS	LOCAL	MWBE	DESCRIPTION
#									
1			All	V	NA	NA	NA	NA	Approval of Minutes of the February 10, 2016 City Council Meeting
2			2, 3	C	AVI	REV \$45,000,000	NA	NA	Authorize (1) an increase in the annual lease rental rates at Dallas Love Field from (a) \$0.40 square feet per year to \$0.65 square feet per year for unimproved land; (b) \$0.65 square feet per year to \$0.80 square feet per year for improved land; (c) \$3.50 square feet per year to \$4.25 square feet per year for storage hangar; (d) \$3.75 square feet per year to \$5.00 square feet per year for maintenance hangar space; and (e) \$8.00 square feet per year to \$8.50 square feet per year for office space at Dallas Love Field, effective April 1, 2016 - Estimated Revenue: \$10,000,000 (over a ten year period); and (2) an increase in the annual lease rental rates at Dallas Executive Airport from (a) \$0.13 square feet per year to \$0.30 square feet per year for unimproved land; and (b) \$0.17 square feet per year to \$0.40 square feet per year for improved land at Dallas Executive Airport, effective April 1, 2016 - Estimated Revenue: \$35,000,000 (over a ten year period)
3			All	C	PBD, AVI, PKR, TWM, WTR	\$1,133,900.00	43.43%	0.00%	Authorize a three-year service contract for sewer camera maintenance, repairs and parts - CLS Sewer Equipment Co., Inc. in the amount of \$492,400, Green Equipment Company in the amount of \$400,000 and Atlas Inspection Technologies, LLC in the amount of \$241,500, lowest responsible bidders of three - Total not to exceed \$1,133,900 - Financing: Current Funds (\$6,000), Water Utilities Current Funds (\$565,500), Stormwater Drainage Management Current Funds (\$492,400) and Aviation Current Funds (\$70,000) (subject to annual appropriations)
4			2	C	PBD, CES	\$3,644,805.00	100.00%	100.00%	Authorize a five-year service contract for event set-up at the Kay Bailey Hutchison Convention Center Dallas - Member's Building Maintenance, LLC, most advantageous proposer of three - Not to exceed \$3,644,805 - Financing: Convention and Event Services Current Funds (subject to annual appropriations)
5			All	C	PBD, PKR	\$950,328.25	53.08%	0.24%	Authorize a three-year master agreement for the purchase of granulated and liquid fertilizers for use throughout the City - Greensmiths, Inc. in the amount of \$194,052, BWI Dallas/Ft. Worth in the amount of \$201,527, Harrell's, LLC in the amount of \$110,707, Helena Chemical Company in the amount of \$98,068, Turfgrass Solutions, Inc. in the amount of \$79,190, Turf Care of Texas, LLC in the amount of \$77,935, N-Gulf, LLC dba Ameriturf in the amount of \$69,930, Winfield Solutions LLC in the amount of \$91,545, LCS Lawn Care Supply, Inc. in the amount of \$17,332 and SiteOne Landscape Supply, LLC in the amount of \$10,043, lowest responsible bidders of ten - Total not to exceed \$950,329 - Financing: Current Funds
6			All	C	PBD, AVI, FIR, PKR, STS, TWM, WTR	\$17,363,138.95	96.11%	3.89%	Authorize a three-year master agreement for mobile concrete - Custom-Crete Redi-Mix, LLC, lowest responsible bidder of three - Not to exceed \$17,363,139 - Financing: Current Funds (\$10,847,603), Water Utilities Current Funds (\$5,796,457), Stormwater Drainage Management Current Funds (\$588,670) and Aviation Current Funds (\$130,409)
7			All	C	PBD, AVI, CES, TWM, WTR	\$721,169.00	89.71%	22.63%	Authorize an increase to the master agreement with Pollock Investments dba Pollock Paper Distributors in the amount of \$314,154, from \$1,570,770 to \$1,884,924, Eagle Brush & Chemical, Inc. in the amount of \$307,985, from \$1,539,925 to \$1,847,910, MANS Distributors, Inc. in the amount of \$86,420, from \$432,100 to \$518,520 and San Benito Textile, Inc. in the amount of \$12,610, from \$63,050 to \$75,660 for janitorial supplies - Total not to exceed \$721,169, from \$3,605,845 to \$4,327,014 - Financing: Current Funds (\$285,583), Aviation Current Funds (\$354,887), Water Utilities Current Funds (\$67,790), Convention and Event Services Current Funds (\$7,356) and Stormwater Drainage Management Current Funds (\$5,553)
8			N/A	C	CON	\$4,244,500.00	NA	NA	An ordinance amending the City's credit agreements with JPMorgan Bank and Wells Fargo Bank with respect to the City's General Obligation Commercial Paper Notes, Series 2010A and 2010C to (1) extend the term of the credit agreements until December 2, 2017 and resolving other matters related to the issuance, sale, security and delivery of the Notes; (2) revise the fees paid for the Credit Agreements; (3) revise the Offering Memorandum for the Notes to reflect the amendment; (4) approve the payment of issuance costs in connection with the issuance of the short term obligations; and (5) provide an effective date - Total program costs not to exceed \$4,244,500 - Financing: Current Funds (\$92,500 upfront closing costs plus estimated annual fees of \$2,076,000 for a two year total cost of \$4,152,000) (subject to annual appropriations)

AGENDA DATE February 24, 2016

ITEM	IND								DESCRIPTION
#	OK	DEF	DISTRICT	TYPE	DEPT.	DOLLARS	LOCAL	MWBE	
9			1	C	ECO	NC	NA	NA	A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Three (Oak Cliff Gateway TIF District), submitted by the Oak Cliff Gateway TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
10			2	C	ECO	NC	NA	NA	A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Four, (Cedars TIF District), submitted by the Cedars TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
11			2, 14	C	ECO	NC	NA	NA	A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Five, (City Center TIF District), submitted by the City Center TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
12			2	C	ECO	NC	NA	NA	A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Six, (Farmers Market TIF District), submitted by the Farmers Market TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
13			2, 6, 14	C	ECO	NC	NA	NA	A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Seven, (Sports Arena TIF District), submitted by the Sports Arena TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
14			2, 6	C	ECO	NC	NA	NA	A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eight, (Design District TIF District), submitted by the Design District TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
15			13	C	ECO	NC	NA	NA	A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Nine, (Vickery Meadow TIF District), submitted by the Vickery Meadow TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
16			2	C	ECO	NC	NA	NA	A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Ten, (Southwestern Medical TIF District), submitted by the Southwestern Medical TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
17			2, 14	C	ECO	NC	NA	NA	A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eleven, (Downtown Connection TIF District), submitted by the Downtown Connection TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
18			2, 7, 14	C	ECO	NC	NA	NA	A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Twelve, (Deep Ellum TIF District), and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

AGENDA DATE February 24, 2016

ITEM	IND								DESCRIPTION
#	OK	DEF	DISTRICT	TYPE	DEPT.	DOLLARS	LOCAL	MWBE	
19			7	C	ECO	NC	NA	NA	A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Thirteen, (Grand Park South TIF District), and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
20			9, 10, 13, 14	C	ECO	NC	NA	NA	A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Fourteen, (Skillman Corridor TIF District), submitted by the Skillman Corridor TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
21			1, 6	C	ECO	NC	NA	NA	A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Fifteen, (Fort Worth Avenue TIF District), submitted by the Fort Worth Avenue TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
22			1, 3	C	ECO	NC	NA	NA	A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Sixteen, (Davis Garden TIF District), submitted by the Davis Garden TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
23			2, 3, 4, 8, 14	C	ECO	NC	NA	NA	A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Seventeen, (TOD TIF District), submitted by the TOD TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
24			2	C	ECO	NC	NA	NA	A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eighteen, (Maple/Mockingbird TIF District), submitted by the Maple/Mockingbird TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
25			6	C	ECO	NC	NA	NA	A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Nineteen, (Cypress Waters TIF District), submitted by the Cypress Waters TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
26			8, 11	C	ECO	NC	NA	NA	A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Twenty (Mall Area Redevelopment TIF District), submitted by the Mall Area Redevelopment TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
27			All	C	HOU	GT	NA	NA	Authorize the first amendment to the contract with the Department of State Health Services to accept additional grant funds awarded for the continuation of the Special Supplemental Nutrition Program for the Women, Infants and Children Program for an Innovation Center for the period October 1, 2015 through September 30, 2016 - Not to exceed \$150,000, from \$15,599,144 to \$15,749,144 - Financing: Department of State Health Services Grant Funds
28			7	C	HOU	NC	NA	NA	Authorize a public hearing to be held on March 23, 2016 to receive comments on the proposed sale of ten unimproved properties acquired by the taxing authorities from the Sheriff to South Dallas Fair Park Innercity Community Development Corporation, a qualified non-profit organization, under the HB110 process of the City's Land Transfer Program and the release of the City's non-tax liens included in the foreclosure judgment and post-judgment non-tax liens, if any - Financing: No cost consideration to the City

AGENDA DATE February 24, 2016

ITEM	IND								DESCRIPTION
#	OK	DEF	DISTRICT	TYPE	DEPT.	DOLLARS	LOCAL	MWBE	
29			All	C	LIB	GT	NA	NA	Authorize (1) the acceptance of a grant from Humanities Texas (HTx), funded by the National Endowment for the Humanities for the Day of the Book/Dia del Libro Family Reading Program (HTx Grant No. 2016-4954/CFDA No. 45.129) in the amount of \$4,284, for the period January 1, 2016 through May 31, 2016; (2) project cost-sharing in the amount of \$5,554 through in-kind contributions; and (3) execution of the grant agreement - Total not to exceed \$4,284 - Financing: National Endowment for the Humanities (\$4,284) and In-Kind Contributions (\$5,554)
30			N/A	C	OFS	NC	NA	NA	Authorize a public hearing to be held on March 23, 2016 to receive comments on the FY 2016-17 Operating, Capital, and Grant / Trust budgets - Financing: No cost consideration to the City
31			4	C	PKR	\$525,493.20	0.00%	13.81%	Authorize a contract for golf course renovations to include the replacement of existing greens and bunkers at Cedar Crest Golf Course located at 1800 Southerland Avenue - Signet Golf Associates II, Inc., lowest responsible bidder of four - Not to exceed \$525,494 - Financing: Golf Improvement Funds (2016-7047) (PKR-2016-00000032)
32			All	C	PBW	NC	NA	NA	A resolution: (1) designating a new hearing officer to hear contested civil red light camera citations under the City's automated red light camera enforcement program and contested school bus stop arm citations under the City's school bus stop arm program; and (2) removing one hearing officer who is no longer employed by the City - Financing: No cost consideration to the City
33			8	C	SAN	\$96,500.00	100.00%	0.00%	Authorize a professional services contract with Burns & McDonnell Engineering Company, Inc. for technical consulting services to evaluate key operational and financial components of the City's solid waste system, including bulk and brush collection alternatives, collections fleet maintenance and replacement program, and refuse and recycling collection operations - Not to exceed \$96,500 - Financing: Sanitation Current Funds (subject to appropriations)
34			8	C	SAN	\$96,600.00	0.00%	0.00%	Authorize a professional services contract with Modern Geosciences, LLC for environmental consulting services for the McCommas Bluff Landfill - Not to exceed \$96,600 - Financing: Sanitation Current Funds (subject to appropriations) (2016-11822) (SAN-2016-0000097)
35			All	C	STS	NC	NA	NA	An ordinance amending Chapter 28 of the Dallas City Code to (1) regulate the speed and direction of vehicles on certain streets, expressways, and freeways; (2) designate school traffic zones; and (3) designate one-way streets and alleys - Financing: No cost consideration to the City
36			10	C	DEV, WTR	\$3,386,000.00	NA	NA	Authorize acquisition from the State of Texas, of approximately 560,399 square feet located near the intersection of Greenville Avenue and Markville Drive for the 12000 Greenville Project - Not to exceed \$3,386,000 (\$3,365,000 plus closing costs and title expenses not to exceed \$21,000) - Financing: Water Utilities Capital Improvement Funds
37			4	C	DEV	REV \$2,306	NA	NA	A resolution declaring approximately 2,306 square feet of undevelopable City-owned land unwanted and unneeded located near the intersection of Hutchins and Eads Avenues, and authorizing its sale to Skyview Development LLC, the abutting owner - Revenue: \$2,306
38			8	C	DEV	REV \$5,400	NA	NA	An ordinance abandoning a portion of a utility easement to Sikka Investments, LLC, the abutting owner, containing approximately 3,391 square feet of land, located near the intersection of C. F. Hawn Freeway and Murdock Road - Revenue: \$5,400, plus the \$20 ordinance publication fee
39			9	C	TWM, WTR, PBW	\$1,936,755.00	99.95%	34.70%	Authorize a construction contract with Jeske Construction Company, lowest responsible bidder of four, for the construction of stormwater drainage mains, water and wastewater main improvements, street reconstruction and landscape improvements for the Peavy Road at Galway Drive to Fuller Drive Storm Drainage Project - Not to exceed \$1,936,755 - Financing: 2006 Bond Funds (\$189,353), General Obligation Commercial Paper Funds (\$909,167), Water Utilities Capital Improvement Funds (\$804,335) and Water Utilities Capital Construction Funds (\$33,900)
40			9	C	TWM	\$786,444.30	100.00%	38.86%	Authorize a construction contract with MACVAL Associates, LLC, lowest responsible bidder of three, for the construction of stormwater drainage improvements, alley reconstruction, and landscape improvements for the Ash Creek Estates at Meadow Way Storm Drainage Project - Not to exceed \$786,445 - Financing: 2006 Bond Funds (\$586,040) and General Obligation Commercial Paper Funds (\$200,405)

AGENDA DATE February 24, 2016

ITEM	IND								DESCRIPTION
#	OK	DEF	DISTRICT	TYPE	DEPT.	DOLLARS	LOCAL	MWBE	
41			1	C	TWM, PBW, WTR	\$1,537,359.07	64.75%	25.00%	Authorize a contract with McMahon Contracting, LP, lowest responsible bidder of four, for the construction of a bridge replacement, stormwater drainage, channel improvements, water and wastewater improvements, street reconstruction and landscape improvements for the Elmwood Branch Bridge at Franklin Floodplain Management Project - Not to exceed \$1,537,360 - Financing: 2006 Bond Funds (\$92,626), General Obligation Commercial Paper Funds (\$1,257,700), Water Utilities Capital Construction Funds (\$18,186) and Water Utilities Capital Improvement Funds (\$168,848)
42			2	C	WTR	NC	NA	NA	Authorize a Pipeline Crossing Agreement with Union Pacific Railroad Company to allow the City of Dallas to construct, maintain, and operate a proposed water pipeline under railroad tracks and right-of-way in Beeman Avenue at the Union Pacific Railroad crossing - Financing: This action has no cost consideration to the City
43			N/A	I	SEC	NC	N/A	N/A	Consideration of appointments to boards and commissions and the evaluation and duties of board and commission members (List of nominees is available in the City Secretary's Office)
44			All	I	PBD, WTR	\$611,917.18	65.41%	0.00%	Authorize a two-year master agreement for clamps, couplings, sleeves and adapters - Fortiline, Inc. in the amount of \$326,372 or \$331,372 (Tie bid - line 140), Ferguson Enterprises in the amount of \$120,677 or \$125,677 (Tie bid - line 140), Powerseal Pipeline Products Corp. in the amount of \$90,991 and HD Supply Waterworks, LTD in the amount of \$68,878, lowest responsible bidders of four - Total not to exceed \$611,918 - Financing: Water Utilities Current Funds
45			8	I	ECO	NC	NA	NA	Authorize a New Markets Tax Credit (NMTC) transaction between the Dallas Development Fund (DDF) and its subsidiaries, JPMorgan Chase and its subsidiaries, and C.H. Guenther & Sons, Inc. and its affiliates (Developer) for the construction of improvements and equipment related to a food manufacturing facility located at 4616 Langdon Road (Project) - Financing: No cost consideration to the City
46			2	I	ECO	NC	NA	NA	Authorize a New Markets Tax Credit (NMTC) transaction between the Dallas Development Fund (DDF) and its subsidiaries, an affiliate of an NMTC Investor (the "Bank"), and Resource Center, and its affiliates (Developer) for the construction of improvements related to a new Resource Center facility and other improvements (Project) - Financing: No cost consideration to the City
47			All	I	ECO	NC	NA	NA	Authorize Supplemental Agreement No. 2 to the contract with Southern Dallas Development Corporation to: (1) extend the term of the fourth and final renewal option from March 30, 2016 through September 30, 2016; and (2) continue administration and loan servicing of the Community Development Block Grant funded Business Revolving Loan Program - Financing: No cost consideration to the City
48			2, 6, 14	I	ECO	NC	NA	NA	Sports Arena TIF District - Victory Sub-District: Authorize an amendment of the terms of the grant agreement with Victory Park UST Joint Venture I, L.P. for the Victory Placemaking Project, previously authorized by Resolution No. 15-0688 on April 8, 2015, to limit the consideration for the approved TIF Subsidy in the amount of \$5,974,804 to the design and modification of existing public infrastructure and streetscape improvements within the district, including the purchase of streetscape amenities (planters, benches, kiosks and directories, district markers and other fixtures, furnishings and equipment) for the project since such improvements benefit the entire district and were not necessitated by any one particular private investment project - Financing: No cost consideration to the City
49			2, 6, 14	I	ECO	NC	NA	NA	Sports Arena TIF District - Victory Sub-District: Authorize an amendment to the terms of the grant agreement with Victory Park UST Joint Venture I, LP, (UST) for the Victory South Parking Garage to (1) replace the requirement to increase the property value of Blocks D, G, K and M by \$50M with the requirement to invest a minimum of \$100M in the development of Block M only; and (2) require investment in Block K for construction of a parking facility providing district parking as consideration for such amendment - Financing: No cost consideration to the City
50			14	I	DEV	REV \$-213,217	NA	NA	Authorize an historic preservation tax exemption for the Adolphus Hotel located at 1315 Commerce Street and 1321 Commerce Street for a ten-year period on 100% of the land and structure value - Revenue Foregone: First year tax revenue foregone estimated at \$213,217 (Estimated revenue foregone over ten years is \$2,132,166)
51			1	I	DEV	REV \$-8,288.80	NA	NA	Authorize an historic preservation tax exemption for 1314 West Davis Street for a ten-year period on 100% of the land and structure value - Revenue Foregone: First year tax revenue foregone estimated at \$8,289 (Estimated revenue foregone over ten years is \$82,888)

AGENDA DATE February 24, 2016

ITEM	IND								DESCRIPTION
#	OK	DEF	DISTRICT	TYPE	DEPT.	DOLLARS	LOCAL	MWBE	
52			6	PH	DEV	NC	NA	NA	A public hearing to receive comments regarding an application for and an ordinance granting an amendment to a development plan for Tract 12 of Planned Development District No. 508 on the northeast corner of Singleton Boulevard and North Westmoreland Road
53			2	PH	DEV	NC	NA	NA	A public hearing to receive comments regarding an application for and an ordinance granting the repeal of Specific Use Permit No. 2158 for a tattoo studio on property zoned Tract A in Planned Development District No. 269, the Deep Ellum/Near East Side District on the south line of Elm Street, east of North Good Latimer Expressway
54			2	PH	DEV	NC	NA	NA	A public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for a tattoo studio on property zoned Tract A in Planned Development District No. 269, the Deep Ellum/Near East Side District on the south line of Elm Street, east of North Good Latimer Expressway
55			6	PH	DEV	NC	NA	NA	A public hearing to receive comments regarding an application for and an ordinance granting an amendment to the development and landscape plans on property zoned Subarea A-2 of Planned Development District No. 741 at the west corner of Saintsbury Street and Cypress Waters Boulevard
56			6	PH	DEV	NC	NA	NA	A public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for a mini-warehouse use on property zoned Subdistrict 2B in Planned Development District No. 714, the West Commerce Street/Fort Worth Avenue Special Purpose District on the south side of Fort Worth Avenue, east of North Montclair Avenue

TOTAL \$37,034,909.95

AGENDA ITEM # 2

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 2, 3

DEPARTMENT: Aviation

CMO: Ryan S. Evans, 671-9837

MAPSCO: 34E; 63L

SUBJECT

Authorize **(1)** an increase in the annual lease rental rates at Dallas Love Field from **(a)** \$0.40 square feet per year to \$0.65 square feet per year for unimproved land; **(b)** \$0.65 square feet per year to \$0.80 square feet per year for improved land; **(c)** \$3.50 square feet per year to \$4.25 square feet per year for storage hangar; **(d)** \$3.75 square feet per year to \$5.00 square feet per year for maintenance hangar space; and **(e)** \$8.00 square feet per year to \$8.50 square feet per year for office space at Dallas Love Field, effective April 1, 2016 - Estimated Revenue: \$10,000,000 (over a ten year period); and **(2)** an increase in the annual lease rental rates at Dallas Executive Airport from **(a)** \$0.13 square feet per year to \$0.30 square feet per year for unimproved land; and **(b)** \$0.17 square feet per year to \$0.40 square feet per year for improved land at Dallas Executive Airport, effective April 1, 2016 - Estimated Revenue: \$35,000,000 (over a ten year period)

BACKGROUND

On December 11, 2002, the Dallas City Council approved Resolution No. 02-3525 which authorized an increase in the improved and unimproved annual ground rental rates at Dallas Love Field from \$0.26 to \$0.46 per square foot and \$0.20 to \$0.26 per square foot, respectively. These rates have remained in effect since their implementation date of March 1, 2003. The current annual hangar rental rate at Dallas Love Field is \$2.24 per square foot and the office lease rate is \$5.08 per square foot. The Rates and Charges Study recommended lease rates based on market value.

On April 23, 2008, the City Council approved Resolution No. 08-1225 which authorized an appraisal services contract with ABS Consultancy, Inc. d/b/a Airport Business Solutions, to estimate the annual lease rates at Dallas Love Field for improved land, unimproved land, hangar and office space, excluding the terminal facilities, based on fair market value. The resulting report recommended annual lease rates at \$0.65 per square foot for improved ground, \$0.40 per square foot per unimproved ground, \$3.50 per square foot for storage hangars, \$3.75 per square foot for maintenance hangars and \$8.00 per square foot for office space.

BACKGROUND (Continued)

On August 27, 2008, the Dallas City Council approved Resolution No. 08-2226 which authorized an increase in the improved and unimproved annual ground rental rates at Dallas Love Field from (1) \$.32 to \$.40 square feet per year for unimproved land, (2) \$.46 square feet per year to \$.65 square feet per year for improved land, (3) \$2.24 square feet per year to \$3.50 square feet per year for storage hangar, (4) \$2.24 square feet per year to \$3.75 square feet per year for maintenance hangar space; and (5) \$5.08 square feet per year to \$8.00 square feet per year for office space at Dallas Love Field.

On June 18, 2015, in consideration of the expiration and impact of the Wright Amendment on the market at Dallas Love Field and in consideration that there had not been a lease rental rate increase in approximately fifteen years and the market impact of the runway reconstruction project at Dallas Executive Airport, the Department of Aviation authorized an amended appraisal services contract with Airport Business Solutions, to estimate the annual lease rates for improved land, unimproved land, hangar and office space, excluding the terminal facilities, based on fair market value.

The resulting report recommended an increase in annual lease rates at Dallas Love Field of: \$0.80 per square foot for improved ground; \$0.65 per square foot per unimproved ground; \$4.25 per square foot for storage hangars; \$5.00 per square foot for maintenance hangars; and \$8.50 per square foot for office space. The resulting report also recommended an increase in annual lease rates at Dallas Executive Airport of: \$0.40 per square foot for improved ground; and \$0.30 per square foot per unimproved ground. The Department of Aviation recommends these lease rates at Dallas Love Field shall be effective on April 1, 2016.

PRIOR ACTION / REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Approved the Rental Rate Revision, by Resolution No. 81-0572, on February 18, 1981.

Briefed to the Business and Commerce Committee on November 4, 2002.

Approved the Rental Rate Revision, by Resolution No. 02-3525, on December 11, 2002.

Approved the Rates and Charges Study, by Resolution No. 07-1722, on June 13, 2007.

Authorized the contract for Appraisal Services, by Resolution No. 08-1225, on April 23, 2008.

Briefed to the Economic Development Committee on August 18, 2008.

Approved Rental Rate Revision, by Resolution No. 08-2226, on August 27, 2008.

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

Information about this item will be provided to the Transportation and Trinity River Project Committee on February 22, 2016.

FISCAL INFORMATION

Dallas Love Field - \$10,000,000.00 - Estimated Revenue (over a ten year period)

Dallas Executive Airport - \$35,000,000.00 - Estimated Revenue (over a ten year period)

February 24, 2016

WHEREAS, the City Council of the City of Dallas is authorized under Chapter 5, "Aircraft and Airports", of the Dallas City Code, as amended, to impose rental charges for the utilization of City-owned premises at Dallas Love Field Airport in Dallas, Texas; and,

WHEREAS, it is deemed advisable that the schedule of fees presently in effect at Dallas Love Field and Dallas Executive Airport be increased.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is hereby authorized to implement the following schedule of fees in connection with the leasing and operation for aviation related uses of property at Dallas Love Field, to be effective as of April 1, 2016:

<u>Unimproved Land</u>	<u>Improved Land</u>	<u>Storage Hangar</u>	<u>Maintenance Hangar</u>	<u>Office Space</u>
\$0.65 per square foot per year	\$0.80 per square foot per year	\$4.25 per square foot per year	\$5.00 per square foot per year	\$8.50 per square foot per year

Section 2. That the City Manager is hereby authorized to implement the following schedule of fees in connection with the leasing and operation for aviation related uses of property at Dallas Executive Airport, to be effective as of April 1, 2016:

<u>Unimproved Land</u>	<u>Improved Land</u>
\$0.30 per square foot per year	\$0.40 per square foot per year

Section 3. That the rental rates provided in this resolution shall be effective until authority to adjust the rental rates is granted to the City Manager by the Dallas City Council.

Section 4. That the Chief Financial Officer is hereby authorized to deposit all revenues received to: Aviation Operating Fund 0130; Dept. AVI; Unit 7725; Revenue Source 7814.

Section 5. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

AGENDA ITEM # 3

KEY FOCUS AREA: E-Gov

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): All

DEPARTMENT: Business Development & Procurement Services
Aviation
Park & Recreation
Trinity Watershed Management
Water Utilities

CMO: Jeanne Chipperfield, 670-7804
Ryan S. Evans, 671-9837
Willis Winters, 670-4071
Mark McDaniel, 670-3256

MAPSCO: N/A

SUBJECT

Authorize a three-year service contract for sewer camera maintenance, repairs and parts - CLS Sewer Equipment Co., Inc. in the amount of \$492,400, Green Equipment Company in the amount of \$400,000 and Atlas Inspection Technologies, LLC in the amount of \$241,500, lowest responsible bidders of three - Total not to exceed \$1,133,900 - Financing: Current Funds (\$6,000), Water Utilities Current Funds (\$565,500), Stormwater Drainage Management Current Funds (\$492,400) and Aviation Current Funds (\$70,000) (subject to annual appropriations)

BACKGROUND

This action does not encumber funds; the purpose of a service contract is to establish firm pricing for services for a specific term, which are ordered on an as needed basis.

This service contract will provide sewer camera maintenance, repairs and parts for sewer camera systems utilized by various departments. The video cameras are used for the inspection of sewer/wastewater lines and storm drains for structural integrity and/or failures. Additionally, as part of the structural integrity inspection process, Water Utilities and Trinity Watershed Management use the cameras as a proactive measure to aid in preventative maintenance against build-up of debris in sewer mains and storm drains from overflows.

These cameras aid in identifying potential backups before they occur, odor control and prioritizing maintenance cleaning and repair. Removing blockages and debris from storm drains, sewer/wastewater lines helps to maintain line capacity and reduce the potential for localized flooding.

BACKGROUND (Continued)

The City utilizes 20 main line cameras, 29 lateral cameras which contain crawlers, cables and winches, 7 video vans, 10 cameras, 9 underground carriages and 2 push cameras. Cameras and/or cables are serviced monthly due to environmental conditions in which this equipment is used. Normal damage is caused by caved in pipe, protruding lateral pipe cables and frequent utilization.

Maintaining this equipment in operational readiness is essential in ensuring the City's 4,200 miles of wastewater mains and 1,800 miles of storm sewers are structurally sound and operating as intended.

This solicitation was structured in a manner which required bidders to submit a response using unit pricing. This bid resulted in a 3.00% increase over comparable unit prices for services. Additionally, this solicitation also required bidders to submit discounts/mark ups on parts to be ordered from manufacturer's catalogs. Therefore this bid also resulted in an average percentage discount from manufacturer's catalog of 1.00% compared to an average markup of 1.43% for the bid awarded in 2013.

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 468 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, notifications were sent by the BDPS' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

This solicitation closed prior to the wage floor policy approved by City Council on November 10, 2015, by Resolution No. 15-2141. Prior to Council approval of the wage floor, City contracts did not include language that required contractors to identify their rate of pay or the number of employees assigned on City contracts. CLS Sewer Equipment Co., Inc., Green Equipment Company and Atlas Inspection Technologies, LLC have agreed to pay their employees a minimum wage of \$10.37 per hour.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On April 24, 2013, City Council authorized a three-year service contract for sewer camera maintenance, repair services and parts by Resolution No. 13-0696.

Information about this item will be provided to the Budget, Finance and Audit Committee on February 16, 2016.

FISCAL INFORMATION

\$ 6,000.00 - Current Funds (subject to annual appropriations)
\$565,500.00 - Water Utilities Current Funds (subject to annual appropriations)
\$492,400.00 - Stormwater Drainage Management Current Funds (subject to annual appropriations)
\$ 70,000.00 - Aviation Current Funds (subject to annual appropriations)

M/WBE INFORMATION

59 - Vendors contacted
59 - No response
0 - Response (Bid)
0 - Response (No bid)
0 - Successful

468 - M/WBE and Non-M/WBE vendors were contacted

The recommended awardees have fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826 as amended.

ETHNIC COMPOSITION

CLS Sewer Equipment Co., Inc.

White Male	9	White Female	2
Black Male	1	Black Female	0
Hispanic Male	1	Hispanic Female	0
Other Male	0	Other Female	0

Green Equipment Company

White Male	14	White Female	2
Black Male	0	Black Female	0
Hispanic Male	0	Hispanic Female	0
Other Male	0	Other Female	0

Atlas Inspection Technologies, LLC

White Male	6	White Female	2
Black Male	0	Black Female	0
Hispanic Male	2	Hispanic Female	0
Other Male	0	Other Female	0

BID INFORMATION

The following bids were received from solicitation number BM1523 and were opened on November 6, 2015. This service contract is being awarded to the lowest responsive and responsible bidders by group. Information related to this solicitation is available upon request.

*Denotes successful bidders

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
*CLS Sewer Equipment Co., Inc.	726 South Sherman St. Richardson, TX 75081	Multiple Groups
*Green Equipment Company	2563 Gravel Dr. Fort Worth, TX 76118	Multiple Groups
*Atlas Inspection Technologies, LLC	15825 State Hwy. 249 Suite 25 Houston, TX 77086	Multiple Groups

OWNERS

CLS Sewer Equipment Co., Inc.

Jerry Sonnier, President
Jennifer Sonnier, Treasurer

Green Equipment Company

Edgar L. Green, President
Zane S. Smith, Vice President
Carol Morris, Treasurer

Atlas Inspection Technologies, LLC

Darren Billings, President
Robert L. Arnold, Jr., Vice-President
Robert Graham Arnold, Secretary

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a three-year service contract for sewer camera maintenance, repairs and parts - CLS Sewer Equipment Co., Inc. in the amount of \$492,400, Green Equipment Company in the amount of \$400,000 and Atlas Inspection Technologies, LLC in the amount of \$241,500, lowest responsible bidders of three - Total not to exceed \$1,133,900 - Financing: Current Funds (\$6,000), Water Utilities Current Funds (\$565,500), Stormwater Drainage Management Current Funds (\$492,400) and Aviation Current Funds (\$70,000) (subject to annual appropriations)

CLS Sewer Equipment Co., Inc. is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce. Green Equipment Company and Atlas Inspection Technologies, LLC are non-local, non-minority firms, have signed the "Business Inclusion & Development" documentation, and propose to use their own workforces.

PROJECT CATEGORY: Other Services

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$492,400.00	43.43%
Total non-local contracts	\$641,500.00	56.57%
TOTAL CONTRACT	\$1,133,900.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

None

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	\$0.00	0.00%	\$0.00	0.00%

February 24, 2016

WHEREAS, on April 24, 2013, City Council authorized a three-year service contract for sewer camera maintenance, repair services and parts by Resolution No. 13-0696; and,

WHEREAS, on December 9, 2015, Administrative Action Nos. 15-7269, 15-7270 and 15-7271 authorized an increase to the service contracts in an amount of \$50,000.00, increasing the contract amounts from \$719,349.00 to \$769,349.00;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is authorized to execute a service contract with CLS Sewer Equipment Co., Inc. (VS0000018694) in the amount of \$492,400.00, Green Equipment Company (266153) in the amount of \$400,000.00 and Atlas Inspection Technologies, LLC (VS0000076769) in the amount of \$241,500.00 for sewer camera maintenance, repairs and parts for a term of three years in a total amount not to exceed \$1,133,900.00, upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to CLS Sewer Equipment Co., Inc., Green Equipment Company and Atlas Inspection Technologies, LLC, shall be based only on the amount of the services directed to be performed by the City and properly performed by CLS Sewer Equipment Co., Inc., Green Equipment Company and Atlas Inspection Technologies, LLC under the contract.

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$1,133,900.00 (subject to annual appropriations) from Service Contract number BM1523.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

AGENDA ITEM # 4

KEY FOCUS AREA: E-Gov

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 2

DEPARTMENT: Business Development & Procurement Services
Convention and Event Services

CMO: Jeanne Chipperfield, 670-7804
Ryan S. Evans, 671-9837

MAPSCO: 45 P

SUBJECT

Authorize a five-year service contract for event set-up at the Kay Bailey Hutchison Convention Center Dallas – Member's Building Maintenance, LLC, most advantageous proposer of three - Not to exceed \$3,644,805 - Financing: Convention and Event Services Current Funds (subject to annual appropriations)

BACKGROUND

This action does not encumber funds; the purpose of a service contract is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis.

This service contract provides event set-up at the Kay Bailey Hutchison Convention Center Dallas (the Convention Center). The Convention Center has over 2.2 million square feet of space that requires event set-up and hosts in excess of one million visitors each year, creating significant economic impact and contributes to the vitality of the downtown area and surrounding communities.

Event set-up services will consist of setting up chairs, tables, stages and various furnishing for a variety of convention meetings and events. Event set-up will include exhibit halls, public areas, and meeting rooms. The vendor is required to provide supplies, equipment and necessary labor, and observe safe work practices including the proper use of safety equipment and observe all rules and regulations at the Convention Center.

This solicitation was structured in a manner which required proposers to submit a response using unit pricing. This proposal resulted in a 75.83% increase over comparable unit prices for the contract awarded in 2014.

BACKGROUND (Continued)

A seven member committee from the following departments reviewed and evaluated the proposals:

- Aviation (1)
- Convention and Event Services (2)
- Office of Cultural Affairs (1)
- Equipment & Building Services (1)
- Business Development and Procurement Services (2)*

*Business Development and Procurement Services only evaluated the pricing and the Business Inclusion and Development Plan.

The successful proposer was selected by the committee on the basis of demonstrated competence and qualifications under the following criteria:

- Experience/qualifications 30%
- Pricing 30%
- Staffing plan/approach 25%
- Business Inclusion-and Development Plan 15%

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 793 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, notifications were sent by the BDPS' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council - Southwest, to ensure maximum vendor outreach.

The recommended vendor meets the wage floor rate of \$10.37 approved by City Council on November 10, 2015, by Resolution No. 15-2141.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 14, 2013, an item for janitorial and event set up services at the Kay Bailey Hutchison Convention Center Dallas was deferred by Mayor Pro Tem Atkins.

On August 21, 2013, City Council rejected the bids for janitorial and event set up services at the Kay Bailey Hutchison Convention Center Dallas by Resolution No. 13-1395.

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

On August 28, 2013, City Council authorized Supplemental Agreement No. 1 to increase the service contract to extend the contract term through February 28, 2014, for janitorial and event set up services at the Kay Bailey Hutchison Convention Center Dallas by Resolution No. 13-1507.

On March 3, 2014, this item was included as a briefing memo to the Budget, Finance, and Audit Committee.

On March 26, 2014, City Council rejected the proposals for event set up and janitorial services at the Kay Bailey Hutchison Convention Center Dallas by Resolution No. 14-0497.

On May 14, 2014, City Council authorized a five-year service contract for event set up and janitorial services at Kay Bailey Hutchison Convention Center Dallas by Resolution No. 14-0739.

On October 28, 2015, City Council authorized the rejection of the only responsive bid received for event set-up services at the Kay Bailey Hutchison Convention Center Dallas by Resolution No. 15-1938.

Information about this item will be provided to the Budget, Finance and Audit Committee on February 16, 2016.

FISCAL INFORMATION

\$3,644,805.00 - Convention and Event Services Current Funds (subject to annual appropriations)

M/WBE INFORMATION

209 - Vendors Contacted

208 - No response

1 - Response (Bid)

0 - Response (No Bid)

1 - Successful

793 M/WBE and Non-M/WBE vendors were contacted

The recommended awardee has fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826 as amended.

ETHNIC COMPOSITION

Member's Building Maintenance, LLC

White Male	21	White Female	16
Black Male	150	Black Female	140
Hispanic Male	210	Hispanic Female	220
Other Male	143	Other Female	84

PROPOSAL INFORMATION

The following proposals were received from solicitation number BQZ1606 and were opened on January 7, 2016. This service contract is being awarded in its entirety to the most advantageous proposer.

*Denotes successful proposer

<u>Proposers</u>	<u>Address</u>	<u>Score</u>	<u>Amount</u>
*Member's Building Maintenance, LLC	11363 Denton Dr. Suite 127 Dallas, TX 75229	93.46%	\$3,644,805.00
American Commercial Maintenance, Inc.	545 E. John Carpenter Fwy. Suite 300 Irving, TX 75062	67.00%	\$3,287,633.50
United Maintenance Company, Inc.	1550 S. Indiana Ave. Chicago, IL 60605	45.21%	\$4,521,189.80

OWNER

Member's Building Maintenance, LLC

Odes H. Kim, President
Harvey Burger, Vice President
Secretary, Ann Kim

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a five-year service contract for event set-up at the Kay Bailey Hutchison Convention Center Dallas – Member's Building Maintenance, LLC, most advantageous proposer of three - Not to exceed \$3,644,805 - Financing: Convention and Event Services Current Funds (subject to annual appropriations)

Member's Building Maintenance, LLC, is a local, minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractor.

PROJECT CATEGORY: Other Services

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$3,644,805.00	100.00%
Total non-local contracts	\$0.00	0.00%
TOTAL CONTRACT	\$3,644,805.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Magic Building Service	PFMB62610N0716	\$911,201.25	25.00%
Member's Building Maintenance, LLC.	PMMB62244N0616	\$2,733,603.75	75.00%
Total Minority - Local		\$3,644,805.00	100.00%

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$3,644,805.00	100.00%	\$3,644,805.00	100.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	\$3,644,805.00	100.00%	\$3,644,805.00	100.00%

February 24, 2016

WHEREAS, on August 21, 2013, City Council rejected the bids for janitorial and event set up services at the Kay Bailey Hutchison Convention Center Dallas by Resolution No. 13-1395; and,

WHEREAS, on August 28, 2013, City Council authorized Supplemental Agreement No. 1 to increase the service contract to extend the contract term through February 28, 2014, for janitorial and event set up services at the Kay Bailey Hutchison Convention Center Dallas by Resolution No. 13-1507; and,

WHEREAS, on March 26, 2014, City Council rejected the proposals for event set up and janitorial services at the Kay Bailey Hutchison Convention Center Dallas by Resolution No. 14-0497; and,

WHEREAS, on May 14, 2014, City Council authorized a five year service contract for event set up and janitorial services at Kay Bailey Hutchison Convention Center Dallas by Resolution No. 14-0739; and,

WHEREAS, on October 28, 2015, City Council authorized the rejection of the only responsive bid received for event set-up services at the Kay Bailey Hutchison Convention Center Dallas by Resolution No. 15-1938;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is authorized to execute a service contract with Member's Building Maintenance, LLC (243814) for event set-up at the Kay Bailey Hutchison Convention Center Dallas for a term of five years in an amount not to exceed \$3,644,805.00 upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Member's Building Maintenance, LLC shall be based only on the amount of the services directed to be performed by the City and properly performed by Member's Building Maintenance, LLC under the contract.

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$3,644,805.00 (subject to annual appropriations) from Service Contract number BQZ1606.

February 24, 2016

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

AGENDA ITEM # 5

KEY FOCUS AREA: Clean, Healthy Environment

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): All

DEPARTMENT: Business Development & Procurement Services
Park & Recreation

CMO: Jeanne Chipperfield, 670-7804
Willis Winters, 670-4071

MAPSCO: N/A

SUBJECT

Authorize a three-year master agreement for the purchase of granulated and liquid fertilizers for use throughout the City – Greensmiths, Inc. in the amount of \$194,052, BWI Dallas/Ft. Worth in the amount of \$201,527, Harrell's, LLC in the amount of \$110,707, Helena Chemical Company in the amount of \$98,068, Turfgrass Solutions, Inc. in the amount of \$79,190, Turf Care of Texas, LLC in the amount of \$77,935, N-Gulf, LLC dba Ameriturf in the amount of \$69,930, Winfield Solutions LLC in the amount of \$91,545, LCS Lawn Care Supply, Inc. in the amount of \$17,332 and SiteOne Landscape Supply, LLC in the amount of \$10,043, lowest responsible bidders of ten - Total not to exceed \$950,329 - Financing: Current Funds

BACKGROUND

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, for a specific term, which are ordered on an as needed basis.

This master agreement will provide for the purchase of granulated and liquid fertilizers for use throughout the City, such as:

- Park and Recreation department maintains the grounds at six 18-hole golf courses, various acres of City park property and flower beds at the historic Fair Park
- Fertilizers supply plant nutrients essential to the growth of grass to assist with the control of erosion and aesthetics throughout the City

BACKGROUND (Continued)

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 367 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, notifications were sent by the Business Development and Procurement Services' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

PRIOR ACTION / REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On February 12, 2014, City Council executed the casting of lots to identify the recommended vendor resulting from tie bids on lines 6, 7, 8, 9, 11, 12, 23, 25, 39, 40, 41, 42, 43, 44 and 45, for bid BP1404, for a two-year master agreement for the purchase of granulated and liquid fertilizer by Resolution No. 14-0338.

On February 26, 2014, City Council authorized a two-year master agreement for granulated and liquid fertilizer by Resolution No. 14-0366.

On February 10, 2016, City Council executed the casting of lots to identify the recommended vendor resulting from tie bids on lines 17, 18, 19, 20, 22, 23, 24, 73, 74, 75, 76, 77, 79 and 139, for bid BA1602, for a three-year master agreement for the purchase of granulated and liquid fertilizer by Resolution No. 16-0307.

Information about this item will be provided to the Budget, Finance and Audit Committee on February 16, 2016.

Scheduled for Park and Recreation Board approval on February 18, 2016.

FISCAL INFORMATION

\$950,328.25 - Current Funds

M/WBE INFORMATION

32 - Vendors contacted
31 - No response
1 - Response (Bid)
0 - Response (No bid)
1 - Successful

M/WBE INFORMATION (Continued)

367 - M/WBE and Non-M/WBE vendors were contacted.

The recommended awardees have fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826 as amended.

ETHNIC COMPOSITION

Greensmiths, Inc.

White Male	5	White Female	0
Black Male	0	Black Female	0
Hispanic Male	1	Hispanic Female	0
Other Male	0	Other Female	0

BWI Dallas/Ft. Worth

White Male	30	White Female	9
Black Male	1	Black Female	0
Hispanic Male	17	Hispanic Female	1
Other Male	0	Other Female	0

Harrell's, LLC

White Male	108	White Female	34
Black Male	24	Black Female	2
Hispanic Male	14	Hispanic Female	2
Other Male	2	Other Female	0

Helena Chemical Company

White Male	8	White Female	1
Black Male	0	Black Female	0
Hispanic Male	0	Hispanic Female	0
Other Male	0	Other Female	0

Turfgrass Solutions, Inc.

White Male	1	White Female	1
Black Male	0	Black Female	0
Hispanic Male	0	Hispanic Female	0
Other Male	0	Other Female	0

ETHNIC COMPOSITION (Continued)

Turf Care of Texas, LLC

White Male	1	White Female	0
Black Male	0	Black Female	0
Hispanic Male	0	Hispanic Female	0
Other Male	0	Other Female	0

N-Gulf, LLC dba Ameriturf

White Male	13	White Female	3
Black Male	1	Black Female	0
Hispanic Male	1	Hispanic Female	0
Other Male	0	Other Female	0

Winfield Solutions LLC

White Male	9	White Female	1
Black Male	2	Black Female	0
Hispanic Male	0	Hispanic Female	0
Other Male	0	Other Female	0

LCS Lawn Care Supply, Inc.

White Male	1	White Female	0
Black Male	0	Black Female	0
Hispanic Male	4	Hispanic Female	2
Other Male	0	Other Female	0

SiteOne Landscape Supply, LLC

White Male	1,878	White Female	281
Black Male	90	Black Female	16
Hispanic Male	356	Hispanic Female	29
Other Male	71	Other Female	21

BID INFORMATION

The following bids were received from solicitation number BA1602 and were opened on December 11, 2015. This master agreement is being awarded to the lowest responsive and responsible bidders by line. Information related to this solicitation is available upon request.

*Denotes successful bidders

BID INFORMATION (Continued)

<u>Bidders</u>	<u>Address</u>	<u>Amount of Bid</u>
*Greensmiths, Inc.	1419 Upfield Drive Carrollton, TX 75006	Multiple Lines
*BWI Dallas/Ft. Worth	1418 Upfield Drive Carrollton, TX 75006	Multiple Lines
*Harrell's, LLC	720 Kraft Road Lareland, FL 33815	Multiple Lines
*Helena Chemical Company	225 Schilling Boulevard Suite 300 Golierville, TN 38017	Multiple Lines
*Turfgrass Solutions, Inc.	3125 Woodland Heights Circle Colleyville, TX 76034	Multiple Lines
*Turf Care of Texas, LLC	1400 Berwick Drive McKinney, TX 75070	Multiple Lines
*N-Gulf, LLC dba Ameriturf	1874 Highway 77 South Italy, TX 76651	Multiple Lines
*Winfield Solutions LLC	1221 Champion Circle Suite 107 Carrollton, TX 75006	Multiple Lines
*LCS Lawn Care Supply, Inc.	11084 Grader Street Dallas, TX 75238	Multiple Lines
*SiteOne Landscape Supply, LLC	10588 Shady Trail Dallas, TX 75220	Multiple Lines

OWNERS**Greensmiths, Inc.**

Jim Montgomery, President
TL Morgan, Vice President

OWNERS (Continued)

BWI Dallas/Ft. Worth

Jim Bunch, President
Robert Bunch, President
Mike Mize, Vice President

Harrell's, LLC

Jack Harrell Jr, Chief Executive Officer
Dave Schermerhorn, Vice President

Helena Chemical Company

Mike McCarty, President
Dave Thomas, Vice President

Turfgrass Solutions, Inc.

Sara L. Parker, President
Richard D. Parker, Vice President

Turf Care of Texas, LLC

Todd Gilmour, President

N-Gulf, LLC dba Ameriturf

George Scruggs, President
Jordon Droll, Vice President

Winfield Solutions LLC

Chris Policinski, President
Dan Knutson, Vice President

LCS Lawn Care Supply, Inc.

Juan Alberto Kerbow, President
Alexander Kerbow, Secretary

SiteOne Landscape Supply, LLC

Doug Black, Chief Executive Officer
Briley Brisendine, Vice President

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a three-year master agreement for the purchase of granulated and liquid fertilizers for use throughout the City – Greensmiths, Inc. in the amount of \$194,052, BWI Dallas/Ft. Worth in the amount of \$201,527, Harrell's, LLC in the amount of \$110,707, Helena Chemical Company in the amount of \$98,068, Turfgrass Solutions, Inc. in the amount of \$79,190, Turf Care of Texas, LLC in the amount of \$77,935, N-Gulf, LLC dba Ameriturf in the amount of \$69,930, Winfield Solutions LLC in the amount of \$91,545, LCS Lawn Care Supply, Inc. in the amount of \$17,332 and SiteOne Landscape Supply, LLC in the amount of \$10,043, lowest responsible bidders of ten - Total not to exceed \$950,329 - Financing: Current Funds

LCS Lawn Care Supply, Inc., Winfield Solutions LLC and Greensmiths, Inc. are local, non-minority firms, have signed the "Business Inclusion & Development" documentation, and propose to use their own workforces. Harrell's, LLC, Helena Chemical Company, Turfgrass Solutions, Inc., Turf Care of Texas, LLC, N-Gulf, LLC dba Ameriturf and SiteOne Landscape Supply, LLC are non-local, non-minority firms, have signed the "Business Inclusion & Development" documentation, and propose to use their own workforces. BWI Dallas/Ft. Worth is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractor.

PROJECT CATEGORY: Goods

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$504,455.45	53.08%
Total non-local contracts	\$445,872.80	46.92%
TOTAL CONTRACT	\$950,328.25	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Richochet Fuel Districutors	WFWB63913Y0117	\$2,272.15	0.45%
Total Minority - Local		\$2,272.15	0.45%

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$2,272.15	0.45%	\$2,272.15	0.24%
Total	\$2,272.15	0.45%	\$2,272.15	0.24%

February 24, 2016

WHEREAS, on February 12, 2014, City Council executed the casting of lots to identify the recommended vendor resulting from tie bids on lines 6, 7, 8, 9, 11, 12, 23, 25, 39, 40, 41, 42, 43, 44 and 45, for bid BP1404, for a two-year master agreement for the purchase of granulated and liquid fertilizer by Resolution No. 14-0338; and,

WHEREAS, on February 26, 2014, City Council authorized a two-year master agreement for granulated and liquid fertilizer by Resolution No. 14-0366; and,

WHEREAS, on February 10, 2016, City Council executed the casting of lots to identify the recommended vendor resulting from tie bids on lines 17, 18, 19, 20, 22, 23, 24, 73, 74, 75, 76, 77, 79 and 139, for bid BA1602, for a three-year master agreement for the purchase of granulated and liquid fertilizer by Resolution No. 16-0307;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That a master agreement for the purchase of granular and liquid fertilizer for use throughout the City is authorized with Greensmiths, Inc. (269732) in the amount of \$194,052.00, BWI-Dallas/Ft. Worth (501400) in the amount of \$201,526.73, Harrell's, LLC (VC0000013094) in the amount of \$110,707.50, Helena Chemical Company (351406) in the amount of \$98,067.50, Turfgrass Solutions, Inc. (VS0000021981) in the amount of \$79,190.00, Turf Care of Texas, LLC (VS0000019543) in the amount of \$77,935.00, N-Gulf, LLC dba Ameriturf (VS0000045957) in the amount of \$69,930.00, Winfield Solutions LLC (VC0000009702) in the amount of \$91,544.52, LCS Lawn Care Supply, Inc. (VC13911) in the amount of \$17,332.20 and SiteOne Landscape Supply, LLC (VS0000077016) in the amount of \$10,042.80, for a term of three years in a total amount not to exceed \$950,328.25.

Section 2. That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for granular and liquid fertilizers. If a written contract is required or requested for any or all purchases of granular and liquid fertilizers under the master agreement instead of individual purchase orders, the City Manager is authorized to execute the contract upon approval as to form by the City Attorney.

Section 3. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$950,328.25 from Master Agreement number BA1602.

Section 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

AGENDA ITEM # 6

KEY FOCUS AREA: Public Safety

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): All

DEPARTMENT: Business Development & Procurement Services
Aviation
Fire
Park & Recreation
Street Services
Trinity Watershed Management
Water Utilities

CMO: Jeanne Chipperfield, 670-7804
Ryan S. Evans, 671-9837
Eric Campbell, 670-3255
Willis Winters, 670-4071
Jill A. Jordan, P.E., 670-5299
Mark McDaniel, 670-3256

MAPSCO: N/A

SUBJECT

Authorize a three-year master agreement for mobile concrete - Custom-Crete Redi-Mix, LLC, lowest responsible bidder of three - Not to exceed \$17,363,139 - Financing: Current Funds (\$10,847,603), Water Utilities Current Funds (\$5,796,457), Stormwater Drainage Management Current Funds (\$588,670) and Aviation Current Funds (\$130,409)

BACKGROUND

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, for a specific term, which are ordered on an as needed basis.

This master agreement will provide mobile concrete citywide at work sites as requested. This concrete will also be available for pick-up by City departments and/or delivered to various locations throughout the City. Ready mix and volumetrically mixed concrete are mix designs of various strengths and setting times. This agreement also includes flowable fill which is a cement based product used to backfill utility trenches and other excavations.

BACKGROUND (Continued)

Street Services utilizes concrete to repair City-owned and maintained infrastructure, primarily streets and alleys. Trinity Watershed Management will use the concrete for citywide preventative and reactive maintenance, four dams, and public owned creeks and channels contained within the Trinity River levee system. Parks and Recreation department will use the agreement for various projects throughout the park system such as pads for picnic tables, benches and trash receptacles, light pole foundations, trails and sidewalks.

Other uses include:

- Concrete mix used for portable building foundations, outside generator pads, and needed ADA ramps
- Projects within the airport for preventive and reactive maintenance on streets, runways, taxiways, vehicle service roads and general repairs
- Variety of maintenance and replacement activities relative to pavement, manhole and pipeline infrastructure

This solicitation was structured in a manner which required bidders to submit a response using unit pricing. This bid resulted in a 2.8% increase over comparable unit prices for the bid awarded in 2013.

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 698 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, notifications were sent by the Business Development and Procurement Services' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On October 26, 2011, City Council authorized a two-year master agreement for mobile concrete by Resolution No. 11-2819.

On November 12, 2013, City Council authorized a two-year master agreement for concrete by Resolution No. 13-1915.

Information about this item will be provided to the Budget, Finance and Audit Committee on February 16, 2016.

FISCAL INFORMATION

\$10,847,602.95 - Current Funds
\$ 5,796,457.00 - Water Utilities Current Funds
\$ 588,670.00 - Stormwater Drainage Management Current Funds
\$ 130,409.00 - Aviation Current Funds

M/WBE INFORMATION

228 - Vendors contacted
228 - No response
0 - Response (Bid)
0 - Response (No bid)
0 - Successful

698 - M/WBE and Non-M/WBE vendors were contacted

The recommended awardee has fulfilled the requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826 as amended.

ETHNIC COMPOSITION

Custom-Crete Redi-Mix, LLC

White Male	27	White Female	1
Black Male	9	Black Female	1
Hispanic Male	18	Hispanic Female	0
Other Male	0	Other Female	0

BID INFORMATION

The following bids were received from solicitation number BQ1602 and were opened on November 13, 2015. This master agreement is being awarded to the lowest responsive and responsible bidder by group. Information related to this solicitation is available upon request.

*Denotes successful bidder

<u>Bidders</u>	<u>Address</u>	<u>Amount of Bid</u>
*Custom-Crete Redi-Mix, LLC	2624 Joe Field Rd. Dallas, TX 75229	Multiple Groups

BID INFORMATION (Continued)

<u>Bidders</u>	<u>Address</u>	<u>Amount of Bid</u>
Argos Ready Mix (SC) Corp.	8500 Freeport Pkwy. N. Suite 200 Irving, TX 75063	Multiple Groups
H&H Pool Decks, Inc.	2804 Prestige Rd. Fort Worth, TX 76244	Multiple Groups

OWNER**Custom-Crete Redi-Mix, LLC**

William J. Sandbrook, President
Ronnie Pruitt, Vice President
Paul M. Jolas, Secretary
Katherine Kantor, Treasurer

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a three-year master agreement for mobile concrete - Custom-Crete Redi-Mix, LLC, lowest responsible bidder of three - Not to exceed \$17,363,139 - Financing: Current Funds (\$10,847,603), Water Utilities Current Funds (\$5,796,457), Stormwater Drainage Management Current Funds (\$588,670) and Aviation Current Funds (\$130,409)

Custom-Crete Redi-Mix, LLC is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractor.

PROJECT CATEGORY: Goods

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$16,688,138.95	96.11%
Total non-local contracts	\$675,000.00	3.89%
TOTAL CONTRACT	\$17,363,138.95	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

None

Non-Local Contractors / Sub-Contractors

<u>Non-local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Horizon Trucking, LLC.	HMDB35948Y0516	\$675,000.00	100.00%
Total Minority - Non-local		\$675,000.00	100.00%

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$675,000.00	3.89%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	\$0.00	0.00%	\$675,000.00	3.89%

February 24, 2016

WHEREAS, on October 26, 2011, City Council authorized a two-year master agreement for mobile concrete by Resolution No. 11-2819; and,

WHEREAS, on November 12, 2013, City Council authorized a two-year master agreement for concrete by Resolution No. 13-1915; and,

WHEREAS, on December 8, 2015, Administrative Action No. 16-5033 authorized an extension of the master agreement for ninety days from December 8, 2015 to March 7, 2016;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That a master agreement for the purchase of mobile concrete is authorized with Custom-Crete Redi-Mix, LLC (VC13900) for a term of three years in an amount not to exceed \$17,363,138.95.

Section 2. That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for mobile concrete. If a written contract is required or requested for any or all purchases of mobile concrete under the master agreement instead of individual purchase orders, the City Manager is authorized to execute the contract upon approval as to form by the City Attorney.

Section 3. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$17,363,138.95 from Master Agreement number BQ1602.

Section 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

AGENDA ITEM # 7

KEY FOCUS AREA: Clean, Healthy Environment

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): All

DEPARTMENT: Business Development & Procurement Services
Aviation
Convention and Event Services
Trinity Watershed Management
Water Utilities

CMO: Jeanne Chipperfield, 670-7804
Ryan S. Evans, 671-9837
Mark McDaniel, 670-3256

MAPSCO: N/A

SUBJECT

Authorize an increase to the master agreement with Pollock Investments dba Pollock Paper Distributors in the amount of \$314,154, from \$1,570,770 to \$1,884,924, Eagle Brush & Chemical, Inc. in the amount of \$307,985, from \$1,539,925 to \$1,847,910, MANS Distributors, Inc. in the amount of \$86,420, from \$432,100 to \$518,520 and San Benito Textile, Inc. in the amount of \$12,610, from \$63,050 to \$75,660 for janitorial supplies - Total not to exceed \$721,169, from \$3,605,845 to \$4,327,014 - Financing: Current Funds (\$285,583), Aviation Current Funds (\$354,887), Water Utilities Current Funds (\$67,790), Convention and Event Services Current Funds (\$7,356) and Stormwater Drainage Management Current Funds (\$5,553)

BACKGROUND

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, for a specific term, which are ordered on an as needed basis.

The increase to the master agreement is necessary in order to allow sufficient time to complete the solicitation process. This master agreement will provide janitorial supplies Citywide. Many facilities such as fire stations, Bahama Beach Water Park and City Hall conduct their own janitorial services and require supplies to maintain the facility in a clean and inviting condition.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On January 25, 2012, City Council authorized a three-year master agreement for janitorial supplies by Resolution No. 12-0270.

On September 24, 2014, City Council authorized a three-year master agreement for janitorial supplies by Resolution No. 14-1590.

Information about this item will be provided to the Budget, Finance and Audit Committee on February 16, 2016.

FISCAL INFORMATION

\$ 285,582.93 - Current Funds

\$ 354,887.26 - Aviation Current Funds

\$ 67,789.89 - Water Utilities Current Funds

\$ 7,355.92 - Convention and Event Services Current Funds

\$ 5,553.00 - Stormwater Drainage Management Current Funds

ETHNIC COMPOSITION

Pollock Investments dba Pollock Paper Distributors

White Male	95	White Female	70
Black Male	40	Black Female	14
Hispanic Male	72	Hispanic Female	10
Other Male	1	Other Female	3

Eagle Brush & Chemical, Inc.

White Male	5	White Female	4
Black Male	1	Black Female	0
Hispanic Male	4	Hispanic Female	0
Other Male	0	Other Female	0

MANS Distributors, Inc.

White Male	0	White Female	0
Black Male	0	Black Female	0
Hispanic Male	0	Hispanic Female	0
Other Male	4	Other Female	6

ETHNIC COMPOSITION (Continued)

San Benito Textile, Inc.

White Male	0	White Female	0
Black Male	0	Black Female	0
Hispanic Male	1	Hispanic Female	8
Other Male	0	Other Female	0

OWNERS

Pollock Investments dba Pollock Paper Distributors

Lawrence Pollock III, President
Tracy Evatt, Vice President

Eagle Brush & Chemical, Inc.

Ben R. Carriker, President
Rosanne Benoit, Vice President

MANS Distributors, Inc.

Suresh Kara, President
Purnima Kara, Chief Executive Officer

San Benito Textile, Inc.

Carlos Sanchez, President
Dolores Sanchez, Vice President

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize an increase to the master agreement with Pollock Investments dba Pollock Paper Distributors in the amount of \$314,154, from \$1,570,770 to \$1,884,924, Eagle Brush & Chemical, Inc. in the amount of \$307,985, from \$1,539,925 to \$1,847,910, MANS Distributors, Inc. in the amount of \$86,420, from \$432,100 to \$518,520 and San Benito Textile, Inc. in the amount of \$12,610, from \$63,050 to \$75,660 for janitorial supplies - Total not to exceed \$721,169, from \$3,605,845 to \$4,327,014 - Financing: Current Funds (\$285,583), Aviation Current Funds (\$354,887), Water Utilities Current Funds (\$67,790), Convention and Event Services Current Funds (\$7,356) and Stormwater Drainage Management Current Funds (\$5,553)

Pollock Investments dba Pollock Paper Distributors is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce. Eagle Brush & Chemical, Inc. is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractor. MANS Distributors, Inc. is a local, minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce. San Benito Textile, Inc. is a non-local, minority firm, has signed the Business Inclusion & Development" documentation, and proposes to use their own workforce.

PROJECT CATEGORY: Goods

LOCAL/NON-LOCAL CONTRACT SUMMARY - THIS ACTION ONLY

	<u>Amount</u>	<u>Percent</u>
Local contracts	\$646,962.00	89.71%
Non-local contracts	\$74,207.00	10.29%
TOTAL THIS ACTION	\$721,169.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION THIS ACTION

Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
MANS Distributors, Inc.	IFMB62336N0616	\$86,420.00	13.36%
Total Minority - Local		\$86,420.00	13.36%

Non-Local Contractors / Sub-Contractors

<u>Non-local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
San Benito Textile, Inc.	HFSWM58801016	\$12,610.00	16.99%
Amarillo Mop & Broom Company	WFWBC214561216	\$61,597.00	83.01%
Total Minority - Non-local		\$74,207.00	100.00%

TOTAL M/WBE PARTICIPATION

	<u>This Action</u>		<u>Participation to Date</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$12,610.00	1.75%	\$75,660.00	1.75%
Asian American	\$86,420.00	11.98%	\$518,520.00	11.98%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$61,597.00	8.54%	\$384,997.00	8.90%
Total	\$160,627.00	22.27%	\$979,177.00	22.63%

February 24, 2016

WHEREAS, on January 25, 2012, City Council authorized a three-year master agreement for janitorial supplies by Resolution No. 12-0270; and,

WHEREAS, on September 24, 2014, City Council authorized a three-year master agreement for janitorial supplies by Resolution No. 14-1590;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That following approval as to form by the City Attorney, the City Manager is hereby authorized to increase the master agreement with Pollock Investments dba Pollock Paper Distributors (063760) in the amount of \$314,154.00, from \$1,570,770.00 to \$1,884,924.00, Eagle Brush & Chemical, Inc. (009948) in the amount of \$307,985.00, from \$1,539,925.00 to \$1,847,910.00, MANS Distributors, Inc. (331904) in the amount of \$86,420.00, from \$432,100.00 to \$518,520.00 and San Benito Textile, Inc. (VS0000085406) in the amount of \$12,610.00, from \$63,050.00 to \$75,660.00 for janitorial supplies Citywide, in a total amount not to exceed \$721,169.00, increasing the master agreement from \$3,605,845.00 to \$4,327,014.00.

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$721,169.00 from Master Agreement number BT1409.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

AGENDA ITEM # 8

KEY FOCUS AREA: E-Gov

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): N/A

DEPARTMENT: City Controller

CMO: Jeanne Chipperfield, 670-7804

MAPSCO: N/A

SUBJECT

An ordinance amending the City's credit agreements with JPMorgan Bank and Wells Fargo Bank with respect to the City's General Obligation Commercial Paper Notes, Series 2010A and 2010C to **(1)** extend the term of the credit agreements until December 2, 2017 and resolving other matters related to the issuance, sale, security and delivery of the Notes; **(2)** revise the fees paid for the Credit Agreements; **(3)** revise the Offering Memorandum for the Notes to reflect the amendment; **(4)** approve the payment of issuance costs in connection with the issuance of the short term obligations; and **(5)** provide an effective date - Total program costs not to exceed \$4,244,500 - Financing: Current Funds (\$92,500 upfront closing costs plus estimated annual fees of \$2,076,000 for a two year total cost of \$4,152,000) (subject to annual appropriations)

BACKGROUND

The commercial paper program provides interim financing for capital projects with the commercial paper being retired by the issuance of long-term debt. The use of commercial paper permits a more cost efficient use of capital as short-term debt is issued to closely match the amount and timing of the payment of capital project contracts. Commercial paper notes are normally sold at interest rates that are lower than rates available at the same time on long-term debt. Outstanding commercial paper is reissued at maturity until retired by permanent long-term financing.

BACKGROUND (Continued)

This action establishes the tenor of the program for the issuance of the remaining \$335,310,000 in the 2012 Bond Program, and \$102,000,000 in the 2006 Bond Program, which is estimated to be within a three year period. The City reserves the right to renew the commercial paper program for a longer period of time if seen fit for future bond programs. With the execution of credit agreements based upon commercial paper series, the City will maintain two series of commercial paper (Series A and Series C). The credit agreements with J.P. Morgan Chase Bank, and Wells Fargo N.A. are for a twenty-four month period.

On January 20, 2010 City Council was briefed on the Capital Improvement Program and future bond sales. The briefing included information on alternative funding mechanisms in which city staff recommended moving forward with a general obligation commercial paper program.

On September 1, 2010 City Council was briefed on the Capital Improvement Program Update which included information about the general obligation commercial paper program, timing and costs implementation, and responses from the Request for Proposals.

On October 25, 2010 the Budget, Finance and Audit Committee was briefed on the selected vendors for dealer, liquidity provider and issuing/paying agent.

On November 10, 2010 City Council approved Ordinance No. 28060 authorizing the issuance of General Obligation Commercial Paper Notes Series 2010A, Series 2010B, and Series 2010C short term obligations in an aggregate amount not to exceed \$350,000,000 authorizing such short term obligations to be issued, sold, and delivered in the form of commercial paper notes; making certain covenants and agreements in connection therewith; which is estimated to be within a three year period; resolving other matters related to the issuance, sale, security and delivery of such short term obligations, including (a) authorizing a thirty-six-month \$150,000,000 Credit Agreement with J.P. Morgan Chase Bank, N.A., a thirty-six-month \$100,000,000 Credit Agreement with U.S. Bank National Association, and a thirty-six-month \$100,000,000 Credit Agreement with Wells Fargo Bank, N.A., (b) the appointment of U.S. Bank National Association as the Issuing and Paying Agent and authorizing the execution of the Issuing and Paying Agent Agreement, and, (c) the appointment of Jefferies & Company, Inc. as the dealer and authorizing the execution of a Dealer Agreement; approving the payment of issuance costs in connection with the issuance of the short term obligations; approving the use of an Offering Memorandum in connection with the sale of the short term obligations; and providing an effective date.

On June 3, 2013 the Budget, Finance and Audit Committee was briefed on the renewal of the commercial paper dealer, liquidity providers, and issuing and paying agent.

BACKGROUND (Continued)

On June 12, 2013 City Council approved the first amendment to Ordinance No. 28060 authorizing the issuance of the issuance of General Obligation Commercial Paper Notes Series 2010A, and Series 2010C short term obligations in an aggregate amount not to exceed \$350,000,000 authorizing such short term obligations to be issued, sold, and delivered in the form of commercial paper notes; making certain covenants and agreements in connection therewith; which is estimated to be within a three year period; resolving other matters related to the issuance, sale, security and delivery of such short term obligations, including (a) authorizing a thirty-six-month \$200,000,000 Credit Agreement with J.P. Morgan Chase Bank, N.A., and a thirty-six-month \$150,000,000 Credit Agreement with Wells Fargo Bank, N.A., (b) the continued use of U.S. Bank National Association as the Issuing and Paying Agent and authorizing the execution of the Issuing and Paying Agent Agreement, and, (c) the appointment of Jefferies & Company, Inc. as the dealer under the existing Dealer Agreement; approving the payment of issuance costs in connection with the issuance of the short term obligations; approving the use of an Offering Memorandum in connection with the sale of the short term obligations; and providing an effective date.

On February 16, 2016 the Budget, Finance and Audit Committee will be briefed on the extension of the commercial paper dealer, liquidity providers, and issuing and paying agent agreements.

ESTIMATED SCHEDULE OF PROJECT

February	24, 2016 – Council Approves Ordinance
March	1, 2016 – Effective Date of Amended Agreements

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

City Council was briefed on January 20, 2010.

City Council was briefed on September 1, 2010.

Budget, Finance and Audit Committee was briefed on October 25, 2010.

City Council approved Ordinance No. 28060 on November 10, 2010.

Budget, Finance and Audit Committee was briefed on June 3, 2013.

City Council approved first amendment to Ordinance No. 28060 on June 12, 2013.

Information about this item will be briefed to the Budget, Finance and Audit Committee on February 16, 2016.

FISCAL INFORMATION

\$4,244,500.00 – Current Funds (subject to annual appropriations)

Total costs for the \$350,000,000 general obligation commercial paper program are not to exceed \$4,244,500.00 (\$92,500.00 upfront closing costs plus annual fees of \$2,076,000.00 for a two year total cost of \$4,152,000.00).

M/WBE INFORMATION

Total not-to-exceed M/WBE costs are \$16,000.00. The total financial advisory not-to-exceed amount includes \$16,000.00 or 17.3% to be paid to Estrada Hinojosa which acts as co-financial advisor. (See Attachment I)

All work related to the Issuing and Paying Agent Agreement will be performed by U.S. Bank National Association and all work related to the Credit Agreement will be performed by J.P. Morgan Chase Bank and Wells Fargo Bank.

Schedule I

**General Obligation Commercial Paper Program,
Series 2010A and Series 2010C**

	COSTS/FEES
	Council Action
<u>ESTIMATED CLOSING COSTS</u>	<u>2016</u>
Co-Bond Counsel	
Bracewell & Giuliani L.L.P. (Vendor # VS0000056820)	\$7,500
Co-Financial Advisors	
First Southwest Company (Vendor #193056)	24,000
Estrada Hinojosa (Vendor #259910)	16,000
Liquidity Facility Syndicate Legal Counsel	7,500
Printing Fees	2,500
Rating Fees	
Fitch Ratings (Vendor #14720)	25,000
Standard & Poor's (Vendor #954974)	5,000
Moody's Investors Service (Vendor #951236)	5,000
Total Estimated Upfront Closing Costs	\$92,500
<u>ANNUAL FEES</u>	
Liquidity Facility	
JPMorgan Chase (Vendor #VS0000045871)	\$1,095,000
Wells Fargo (Vendor #VS0000047523)	823,000
Subtotaled Liquidity Facility Fees	1,918,000
Variance of Annual Liquidity Facility Fees from 2013	203,000
Credit Facility Agreement Amendment Fees	6,000
Issuing and Paying Agent	
US Bank (Vendor #VS0000047523)	5,000
Dealer	
Jefferies & Company, Inc. (Vendor #VC0000010717)	140,000
Cusip Numbers	2,000
Administration Fee	5,000
Total Estimated Annual Fees	\$2,076,000
2-year period	\$4,152,000
Estimated Grand Total	\$2,168,500

Total M/WBE Participation as % of Total Issuance Costs: 17.3%

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ORDINANCE OF THE CITY OF DALLAS, TEXAS
APPROVING AND AUTHORIZING SECOND AMENDMENTS
TO THE CREDIT AGREEMENTS AND FEE LETTERS
RELATING TO THE CITY'S COMMERCIAL PAPER
PROGRAM AND GENERAL OBLIGATION COMMERCIAL
PAPER NOTES, SERIES 2010A and 2010C, AND RESOLVING
OTHER MATTERS RELATING THERETO

WHEREAS, the City of Dallas, Texas (the "City") has previously authorized a general obligation commercial paper program by the adoption of its ordinance (the "Note Ordinance") authorizing the City of Dallas, Texas General Obligation Commercial Paper Notes, Series 2010A and 2010C (the "Notes") adopted November 10, 2010; and

WHEREAS, the Note Ordinance also approved credit agreements by and between the City and JPMorgan Chase Bank, National Association (the "JPMorgan Credit Agreement"), U.S. Bank National Association (the "U.S. Bank Credit Agreement") and Wells Fargo Bank National Association (the "Wells Fargo Credit Agreement" and together with the JPMorgan Credit Agreement, and U.S. Bank Credit Agreement the "Credit Agreements"), all dated December 1, 2010; and

WHEREAS, the City and JPMorgan Chase Bank and Wells Fargo Bank have also entered into fee letters (the "Fee Letters") with respect to the Credit Agreements that set forth the fees paid by the City to JPMorgan Chase Bank and Wells Fargo Bank; and

WHEREAS, on July 9, 2013 the City, JPMorgan Chase Bank and Wells Fargo Bank previously entered into that certain First Amendment to the JPMorgan Credit Agreement and Wells Fargo Credit Agreement, respectively, and have previously entered into Amended and Restated Fee Letters; and

WHEREAS, pursuant to the First Amendments, the Credit Agreements expire on December 2, 2016 and the City and JPMorgan Chase Bank and Wells Fargo Bank now desire to enter into a second amendment to each Credit Agreement (the "Second Amendments") in order to amend the JPMorgan Credit Agreement and the Wells Fargo Credit Agreement to extend the expiration date; and

WHEREAS, the City and JPMorgan Chase Bank and Wells Fargo Bank also desire to enter into the Second Amendments to amend the Credit Agreements to provide for additional notice to the Banks upon the issuance of Notes; and

WHEREAS, the City and JPMorgan Chase Bank and Wells Fargo Bank also desire to enter into the Second Amended and Restated Fee Letters (the "Second Amended and Restated Fee Letters") in order to amend the Amended and Restated Fee Letters to reduce the facility fees paid by the City pursuant to the Amended and Restated Fee Letters; and

WHEREAS, the City Council has determined that it is in the best interests of the City to authorize the amendments to the JPMorgan Credit Agreement and the Wells Fargo Credit Agreement and their respective Fee Letters pursuant to the Second Amendments and the Second Amended and Restated Fee Letters attached hereto; and

WHEREAS, the meeting at which this Ordinance is considered is open to the public as required by law, and public notice of the time, place and purpose of said meeting was given as required by Chapter 551, Texas Government Code, as amended; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS, TEXAS:

Section 1. The findings and determinations set forth in the preambles hereto are hereby incorporated by reference for all purposes.

Section 2. The Second Amendments to the JPMorgan Credit Agreement and the Wells Fargo Credit Agreement, and their respective Second Amended and Restated Fee Letters, the form, terms and provisions of which as are presented at this meeting and attached hereto as Exhibits A and B, are hereby authorized and approved. The City Manager is hereby authorized and directed to execute and deliver the Second Amendments and Second Amended and Restated Fee Letters, as well as new Bank Notes in substantially the form set forth in the Second Amendments, all with such changes as he may approve.

Section 3. The City's Financial Advisors, Bond Counsel and staff are hereby authorized and directed to take any and all action and execute such certificates, instruction letters or agreements as may be required to carry out the purposes of this Ordinance, including the preparation of a revised offering memorandum to reflect the amendments described herein and to reflect new ratings on the Commercial Paper Notes, provided that no information with respect to JPMorgan Chase Bank or Wells Fargo Bank shall be updated without the consent of such parties. City staff is hereby authorized and directed to approve payment of the costs associated with this Ordinance upon presentation of invoices for such costs.

PASSED AND ADOPTED THIS 24th day of February, 2016.

[Signature pages follows]

City Manager,
City of Dallas, Texas

ATTEST:

City Secretary,
City of Dallas, Texas

EXHIBIT A
SECOND AMENDMENT TO JPMORGAN CREDIT AGREEMENT AND FEE LETTER

SECOND AMENDMENT

dated March 1, 2016

to

CREDIT AGREEMENT

dated as of

December 1, 2010

between

CITY OF DALLAS, TEXAS

and

JPMORGAN CHASE BANK, N.A

relating to:

General Obligation Commercial Paper Notes
Series 2010A

This **SECOND AMENDMENT**, dated March 1, 2016 (the "*Second Amendment*"), to **CREDIT AGREEMENT**, dated as of December 1, 2010 (the "*Original Agreement*"), is entered into by and between **CITY OF DALLAS, TEXAS** (the "*City*") and **JPMORGAN CHASE BANK, N.A.** (including its successors and assigns, the "*Bank*"). Terms used herein with initial capital letters and not otherwise defined shall have the respective meanings attributed thereto in the Agreement (as such term is defined below).

I. RECITALS

WHEREAS, the City authorized the issuance of the "General Obligation Commercial Paper Notes, Series 2010A" in an aggregate principal amount not to exceed \$200,000,000 (the "*Notes*"), pursuant to Ordinance No. 28060, adopted by the City Council of the City on November 10, 2010, as amended and supplemented from time to time (the "*Ordinance*"); and

WHEREAS, the City and the Bank entered into the Credit Agreement, dated as of December 1, 2010 (the "*Original Agreement*" and, as the same was amended and supplemented by the First Amendment to Credit Agreement dated July 9, 2013, the "*Agreement*"), pursuant to which the Bank agreed, subject to certain conditions, to make advances from time to time to provide funds for the payment of the Notes on the maturity dates thereof; and

WHEREAS, the City has requested that the Bank adjust the Facility Fee (as such term is defined in the Second Amended and Restated Fee Letter) and extend the Expiry Date, and the Bank is willing to do so on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the respective agreements contained herein and in the Agreement, and intending to be legally bound, the City and the Bank hereby agree as follows.

II. AMENDMENTS

The Agreement is hereby amended as follows:

- (1) **Section 1.1 of the Agreement is hereby amended by the addition of the following definitions which are to be situated within Section 1.1 on an alphabetical basis:**

"Fitch" means Fitch Ratings, Inc., its successors and assigns.

"Rating Agencies" means Moody's, S&P and Fitch.

"Second Amendment" means the Second Amendment to the Credit Agreement by and between the City and the Bank, dated March 1, 2016.

"Second Amendment Effective Date" means March 1, 2016.

"Second Amended and Restated Fee Letter" means the letter, dated the Second Amendment Effective Date, between the Bank and the City regarding the fees, costs and expenses associated with the Agreement.

- (2) **Section 1.1 of the Agreement is hereby amended by deleting the definitions of “Expiry Date,” “Fee Letter” and “Rating Agencies” and replacing the same as follows:**

“Expiry Date” means the earlier to occur of: (a) December 2, 2017, as such date may be extended pursuant to Section 3.1(c) hereof and (b) the Termination Date.

“Fee Letter” means the Second Amended and Restated Fee Letter.

“Rating Agencies” means Moody’s, S&P and Fitch.

- (3) **Article 6 of the Agreement is hereby amended by adding the following Section 6.28 at the end of that section:**

“Section 6.28 Notice of Issuance. The City shall provide no fewer than ninety (90) days’ written notice to the Bank of its intention to increase the amount of the Commercial Paper Notes outstanding; provided, that the failure of the City to provide such written notice, or the issuance of Commercial Paper Notes in excess of the amount reflected in the notice, shall not result, in and of itself, in the Bank having the ability to issue a Non-Issuance Instruction. Failure to provide notice as provided above shall not constitute a Default or an Event of Default hereunder.”

- (4) **Exhibit C to the Agreement is hereby deleted and replaced with Exhibit C hereto.**

- (5) **Section 6.20 of the Credit Agreement is hereby amended by deleting Section 6.20 in its entirety and replacing it with the following:**

“Section 6.20. Upon the request of the Bank, the City will (a) promptly provide a CUSIP number for the Bank Note and (b) use its best efforts to provide a rating applicable to the Bank Note of no less than “BBB” by S&P, “Baa3” by Moody’s and “BBB+” by Fitch.”

- (6) **Section 7.1(g) of the Credit Agreement is hereby amended by deleting Section 7.1(g) in its entirety and replacing it with the following:**

“(g) The rating (without regard to credit enhancement) assigned to any of the long-term general obligation Debt of the City by S&P, Fitch or Moody’s shall fall below “A” by S&P, “A2” by Moody’s or “A+” by Fitch; or”

- (7) **Section 7.3(e) of the Credit Agreement is hereby amended by deleting Section 7.3(e) in its entirety and replacing it with the following:**

(e) The rating (without regard to credit enhancement) assigned to any of the long-term general obligation Debt of the City by S&P, Moody's or Fitch shall be withdrawn, suspended, or fall below "BBB-" by S&P, "Baa3" by Moody's and "BBB-" by Fitch, unless such Rating Agency states, in the case of a withdrawal or suspension that, such withdrawal or suspension is for reasons that are not credit related; or"

Unless otherwise specifically set forth herein, references hereinafter to the Agreement shall be deemed to be references to the Agreement as amended hereby and by the Second Amended and Restated Fee Letter and terms defined in the Agreement shall, unless otherwise modified in this Second Amendment, be used herein as defined therein.

III. CONDITIONS TO DELIVERY OF THIS SECOND AMENDMENT

The amendments to the Agreement provided for in Section II hereof shall become effective on the Second Amendment Effective Date; *provided*, that each of the following conditions shall be fulfilled to the satisfaction of the Bank:

(a) Documentation from the City. The Bank shall have received:

(i) executed counterpart of this Second Amendment and the Second Amended and Restated Fee Letter, and the original duly executed Bank Note, each signed by an Authorized Representative,

(ii) opinion of Bond Counsel, dated the Second Amendment Effective Date and in form satisfactory to the Bank,

(iii) all other legal matters pertaining to the execution and delivery of this Second Amendment, the Second Amended and Restated Fee Letter and the Bank Note and the execution and delivery hereof and thereof by the Bank (if applicable) shall constitute conclusive evidence that all such legal matters have been completed to the satisfaction of the Bank, and

(iii) (a) written evidence that the City is authorized to enter into this Second Amendment and the Second Amended and Restated Fee Letter and perform its obligations under the Agreement, as amended by this Second Amendment, and (b) an incumbency certificate of the officer of the City executing this Second Amendment and the Second Amended and Restated Fee Letter.

(b) Documentation from the Bank. The City shall have received:

(i) executed counterpart of this Second Amendment and the Second Amended and Restated Fee Letter, each signed by an authorized officer of the Bank,

(ii) opinion of Bank Counsel, dated the Second Amendment Effective Date and in form satisfactory to the City,

(iii) all other legal matters pertaining to the execution and delivery of this Second Amendment and the Second Amended and Restated Fee Letter and the execution and delivery hereof and thereof by the City shall constitute conclusive evidence that all such legal matters have been completed to the satisfaction of the City, and

(iv) The Bank has delivered or will have delivered the Certificate of Interested Parties Form 1295 (the "Disclosure Form") pursuant to Section 2252.908, Texas Government Code, as amended and certification of filing generated by the Texas Ethics Commission's ("TEC") electronic portal, signed by an authorized agent of the Bank, prior to the execution and delivery of this Second Amendment by the City and the Bank.

(c) Representations and Warranties True.

(i) (A) The representations and warranties of the City contained in Article V of the Agreement and (B) the representations and warranties contained in this Second Amendment shall, in each case, be true and correct in all material respects with the same effect as though made on and as of the Second Amendment Effective Date, except to the extent a representation or warranty relates specifically to an earlier date (in which case, such representation or warranty shall have been true and correct in all material respects as of such earlier date).

(ii) In addition to the foregoing representations, the City hereby represents and warrants as follows:

(A) the execution, delivery and performance by the City of this Second Amendment, the Second Amended and Restated Fee Letter and the Bank Note have been duly authorized by all necessary action by the City and do not contravene, or result in the violation of or constitute a material default under, any provision of applicable law or regulation, the Act or any order, rule or regulation of any court, governmental agency or instrumentality or any agreement, resolution or instrument to which the City is a party or by which it or any of its property is bound,

(B) the City has performed, and is in compliance with, all agreements and conditions set forth in the Ordinance, the Agreement, the Bank Note and the Note Agreements it is required to satisfy in connection therewith and the Agreement, as amended by this Second Amendment, the Second Amended and Restated Fee Letter and the Bank Note constitute the legal, valid and binding obligations of the City and are enforceable against the City in accordance with their respective terms,

(C) (i) no material "event of default" specified in the Ordinance and no event which, with the giving of notice or lapse of time or both would become such a material "event of default," has occurred and is continuing, and (ii) no Default or Event of Default shall have occurred and be continuing under the Agreement on and as of the Second Amendment Effective Date, and

(D) no authorization, consent, approval, permit, license, or exemption of, or filing or registration with, any court or governmental department, commission, board, bureau, agency or instrumentality that has not been obtained or issued is or will be necessary for the valid execution, delivery or performance by the City of this Second Amendment, Bank Note and the Second Amended and Restated Fee Letter, and the City has provided, or will cause to be provided, prior to the Second Amendment Effective Date, written notice of this Second Amendment to each of the Dealer, the Issuing and Paying Agent, and any Rating Agency rating the Notes.

(d) Absence of Certain Events. In addition to the foregoing, (i) the Bank shall have determined, as of the Second Amendment Effective Date, that no law, regulation, ruling or other action of the United States, the State of New York or the State of Texas or any political subdivision or other Governmental Authority therein or thereof shall be in effect or shall have occurred, the effect of which would be to prevent the Bank from fulfilling its obligations under this Agreement, as amended by this Second Amendment, the Second Amended and Restated Fee Letter, the Bank Note or the Note Agreements to which each such entity is a party and (ii) no material adverse change in the laws, rules, guidelines, or regulations (or their interpretation or administration) currently in effect and applicable to the parties hereto, and the transactions contemplated hereby, as determined in sole discretion of the Bank, reasonably exercised, shall have occurred such that it makes it impossible or illegal for the Bank to perform its obligations under the Agreement and this Second Amendment.

(e) Waiver of Notice. By virtue of its execution and delivery of this Second Amendment, the Bank hereby waives, to the extent required, all notice provisions (both written and oral) required or set forth in Section 3.1(c) of the Original Agreement regarding the extension of the Expiry Date.

(f) Fees. The City shall have paid in full, in immediately available funds, on or before the Second Amendment Effective Date, or alternative arrangements satisfactory therefor shall have been made with the Bank on or before the Second Amendment Effective Date, for the payment of all amounts owing to the Bank pursuant to the Second Amended and Restated Fee Letter.

IV. HEADINGS

Section headings in this Second Amendment are included herein for convenience of reference only and shall not have any effect for purposes of interpretation or construction of the terms of this Second Amendment.

V. COUNTERPARTS

This Second Amendment may be executed in one or more counterparts, each of which taken together shall constitute one original and all of which shall constitute one and the same instrument.

VI. OFFERING MEMORANDUM

The City hereby approves revisions to the Offering Memorandum for the Notes to reflect the amendments made hereto, provided that any revisions to information concerning the Bank must be approved by the Bank in writing prior to distribution of the Offering Memorandum.

VI. SEVERABILITY

In case any one or more of the provisions contained herein should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired hereby.

VII. MISCELLANEOUS

(a) The parties hereto acknowledge and confirm that, from and after the Second Amendment Effective Date, any reference in the Agreement, the Second Amended and Restated Fee Letter, the Bank Note or the Note Agreements to the “Agreement” shall mean and refer to, collectively, the Agreement, as amended hereby, and the Second Amended and Restated Fee Letter.

(b) From and after the Second Amendment Effective Date, the Agreement shall remain in full force and effect and unaffected hereby except as set forth herein.

(c) This Second Amendment shall be subject to Sections 8.13, 8.15 and 8.16 of the Agreement, as if the text of said Sections was set forth herein in full.

[Remainder of page intentionally left blank; signature page follows.]

IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to be executed by their respective duly authorized signatories as of the day and year first written above.

CITY OF DALLAS, TEXAS

By: _____
A.C. Gonzalez
City Manager

JPMORGAN CHASE BANK, N.A.,

By: _____

Vice President

APPROVED AS TO FORM:

Warren M.S. Ernst
City Attorney
City of Dallas, Texas

Assistant City Attorney

EXHIBIT C

FORM OF BANK NOTE

March 1, 2016

CITY OF DALLAS
GENERAL OBLIGATION COMMERCIAL PAPER NOTES, SERIES 2010A

The CITY OF DALLAS, TEXAS, acknowledges itself indebted and for value received promises to pay to JPMorgan Chase Bank, National Association (the “Bank”) in lawful money of the United States of America, the lesser of (i) \$214,794,521, as such amount may be permanently reduced pursuant to Section 3.6 of that certain Credit Agreement, dated as of December 1, 2010 (as amended by the First Amendment, dated July 9, 2013 and the Second Amendment, dated March 1, 2016, the “Credit Agreement”), between the City of Dallas, Texas and the Bank and (ii) the unpaid principal balance of each Advance and Term Loan under the Commitment made by the Bank to the City of Dallas, Texas under the Credit Agreement, in accordance with Section 3.5 of the Credit Agreement, subject to prepayment and acceleration as provided in the Credit Agreement. The City of Dallas, Texas, promises to pay interest on the unpaid principal amount of each such Advance or Term Loan on the dates and at the rate or rates provided for in the Credit Agreement. Within the limits of and to the extent permitted by the Credit Agreement, the City of Dallas, Texas may borrow, repay and re-borrow under the Credit Agreement with respect to Advances under the Commitment. All such payments of principal shall be made in immediately available funds at the office of the Bank pursuant to Section 3.8 of the Credit Agreement and shall be computed in accordance with and subject to the terms and conditions of the Credit Agreement.

This Note is being issued pursuant to the Credit Agreement to provide a revolving liquidity line of credit to the City of Dallas, Texas to fund the payment, at stated maturity, of the principal and accrued interest of the City of Dallas, Texas General Obligation Commercial Paper Notes, Series 2010A.

Provision has been made for the payment of principal of this Note sufficient to provide for the payment of principal hereof, as such principal matures, and such security interests have been irrevocably pledged for such payment. It is hereby certified that every requirement of law relating to the issue hereof has been duly complied with and that this Note is within every applicable debt or other limit.

IN WITNESS WHEREOF, THE CITY OF DALLAS, TEXAS has caused this Note to be signed in its name by its City Manager and attested to by its City Secretary, and be sealed with the seal of the City, and this Note to be dated the date and year first written above.

CITY OF DALLAS, TEXAS

(SEAL)

By: _____

ATTEST

By: _____

ADVANCES AND PAYMENTS OF PRINCIPAL

#5094158.5

[illegible]

JPMorgan Chase Bank, N.A.
Second Amended and Restated Fee Letter

March 1, 2016

City of Dallas, Texas
1500 Marilla Street
Dallas, Texas 75201

Ladies and Gentlemen:

Reference is made to that certain Credit Agreement, dated as of December 1, 2010, as amended by the First Amendment to the Credit Agreement dated July 9, 2013, and as amended by the Second Amendment to the Credit Agreement dated March 1, 2016 (as amended or supplemented the “*Agreement*”), by and between the City of Dallas, Texas (the “*City*”) and JPMorgan Chase Bank, N.A. (the “*Bank*”). Any capitalized term below that is defined in the Agreement (as amended on the date hereof) shall have the same meaning when used herein. This letter is the Second Amended and Restated Fee Letter described in the Agreement, as amended on the date hereof.

In order to induce the Bank to enter into the Second Amendment and to continue to provide liquidity support for the City’s General Obligation Commercial Paper Notes, Series 2010A, the City agrees to make the following payments at the following times:

(a) *Facility Fee.* The City hereby agrees to pay to the Bank a non-refundable facility fee (the “Facility Fee”) in an amount equal the rate per annum associated with the applicable Level as set forth below on the daily amount of the Commitment (computed on the basis of a year of three hundred sixty (360) days of twelve (12) months and actual days elapsed and excluding, for this purpose, any outstanding Advances under the Commitment):

For the period commencing on and including March 1, 2016, the Facility Fee Rate equal the rate per annum corresponding to the Level associated with the Rating (as defined below) as follows:

LEVEL	S&P RATING	MOODY’S RATING	FITCH RATING	FACILITY FEE
I	AA or above	Aa2 or above	AA+ or above	0.50%
II	AA-	Aa3	AA	0.65%
III	A+	A1	AA-	0.85%
IV	A	A2	A+	1.05%
V	A-	A3	A	1.25%

VI	BBB+	Baa1	A-	1.50%
VII	BBB	Baa2	BBB+	1.75%
VIII	BBB- or below	Baa3 or below	BBB	2.00%
IX			BBB- or below	2.25%

The term “*Rating*” shall mean the lowest long-term rating (the “*Rating*”) assigned, without regard to credit enhancement, to the City’s long-term general obligation debt. In the event of a split Rating (*i.e.*, one of the Rating Agencies’ Ratings is at a different level than the Rating of another of the other Rating Agencies), the Facility Fee shall be based upon: (i) the level in which the lower rating appears, if the City’s long-term general obligation debt is rated only by two Rating Agencies and (ii) the second highest of the three then-current levels if the City’s long-term general obligation debt is rated by all three Rating Agencies. Any change in the Facility Fee resulting from a change in a Rating shall be and become effective as of and on the date of the announcement of the change in such Rating. References to Ratings above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system by any such Rating Agency, each of the Ratings from the Rating Agency in question referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect. The City acknowledges, and the Bank agrees, that as of the March 1, 2016, the Facility Fee is that specified above for Level I. Upon the occurrence and during the continuance of an Event of Default or in the event that any Rating is suspended, withdrawn or is otherwise unavailable (but excluding any suspension, withdrawal or other unavailability to the extent that the applicable Rating Agency stipulates in writing that such action occurred in each case for non-credit related reasons), the Facility Fee shall be increased from the rate then in effect by an additional one percent (1.00%) per annum.

The Facility Fee shall be payable (A) quarterly, in arrears, on each of the first Business Day of January, April, July, and October, and (B) on the Expiry Date or the date of the earlier expiration or termination in whole of the Commitment where the Bank has no further obligation under the Agreement to fund Advances. The Facility Fee, together with interest on the Facility Fees, shall accrue interest at the Default Rate from the date payment is due until payment in full is actually made.

(a) *Legal Fees.* On or before the Second Amendment Effective Date, the fees and expenses of counsel to the Bank, in an amount not to exceed \$7,500.

(b) *Advance Fee.* The City hereby agrees to pay a non-refundable fee of \$300 to the Bank for each Advance under the Agreement payable on the date of such Advance; *provided, however*, that the fee payable pursuant to this section shall not be required if an Advance is made as a result of a downgrade of the senior, unsecured short-term rating of the Bank to below “P-1” by Moody’s, “F1+” by Fitch or “A-1” by S&P.

(c) *Amendment and Transfer Fee.* The City agrees to pay, or cause to be paid, to the Bank, on the date of each amendment, supplement or modification to the Agreement, or execution of any standard waiver or consent, a non-refundable fee equal to \$3,000 plus, in each case, the reasonable fees and expenses of counsel to the Bank; *provided, however*, that the fee payable pursuant to this section shall not be required in connection with an amendment executed solely for the purpose of extending the Expiry Date in accordance with the terms of the Agreement.

(e) *Termination.* The City shall not terminate the Agreement prior to the Expiry Date unless the City agrees to pay to the Bank, in addition to all other obligations that may be due and payable at such time, a termination fee (the “*Termination Fee*”) equal to the Facility Fee for the period commencing on the Second Amendment Effective Date through the Expiry Date, less any Facility Fees already paid by the City to the Bank during such period. Notwithstanding the foregoing provisions of this paragraph (e), no Termination Fee will be required to be paid by the City if (A) (i) Moody’s shall have lowered or withdrawn the short-term rating on the Notes below “P-1” as a result of the reduction by Moody’s of the senior, unsecured short-term rating of the Bank; (ii) Fitch shall have lowered or withdrawn the short-term rating on the Notes below “F1+” as a result of the reduction by Fitch of the senior, unsecured short-term rating of the Bank or (iii) S&P shall have lowered or withdrawn the short-term rating on the Notes below “A-1” as a result of the reduction by S&P of the senior, unsecured short-term rating of the Bank; or (B) the City elects to repay, restructure or defease the Notes in full or in part from a source of fixed rate funds that does not involve the issuance by a bank or other financial institution other than the Bank of a letter of credit, liquidity facility, credit facility or a bank direct purchase; *provided, however*, all obligations owed by the City under the Agreement and this Second Amended and Restated Fee Letter including, without limitation, all principal and interest evidenced by the Bank Note, shall be paid by the City to the Bank at or prior to the date of termination.

All fees payable under this Second Amended and Restated Fee Letter and the Agreement are to compensate the Bank for its commitment to lend, will be nonrefundable and will be deemed earned when paid.

This Second Amended and Restated Fee Letter shall be governed by and construed in accordance with the laws of the State of Texas, without regard to any otherwise applicable principles of conflicts of laws; *provided* that, notwithstanding the foregoing, the obligations of the Bank hereunder shall be governed by and construed in accordance with the laws of the State of New York, without regard to any otherwise applicable principles of conflicts of laws.

This Second Amended and Restated Fee Letter may be executed in any number of counterparts, each of which shall be an original, and all of which, when taken together, shall constitute one agreement. Delivery of an executed signature page of this Second Amended and Restated Fee Letter by electronic transmission shall be effective as delivery of a manually executed counterpart hereof.

This Second Amended and Restated Fee Letter is delivered to the City on the understanding that except as required by law, regulation or a court of competent jurisdiction or in

connection with a dispute, including but not limited to legal proceedings, between the City and the Bank, neither this Second Amended and Restated Fee Letter nor any of its terms shall be disclosed to any other financial institution nor posted to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system. The Bank acknowledges that the Second Amended and Restated Fee Letter is subject to open records requests received by the City. Should this Second Amended and Restated Fee Letter be disclosed pursuant to such a request, the City shall have no responsibility or liability for the further dissemination of this Second Amended and Restated Fee Letter or any of the information contained therein to other persons.

Please confirm that the foregoing is the City's mutual understanding by signing and returning to the Bank an executed counterpart of this Second Amended and Restated Fee Letter. This Second Amended and Restated Fee Letter shall become effective as of the date first above referenced upon the Bank's receipt of an executed counterpart of this Second Amended and Restated Fee letter.

This Second Amended and Restated Fee Letter shall supersede all provisions of the Fee Letter dated December 2, 2010 (the "Original Fee Letter"), and the Amended and Restated Fee Letter dated July 9, 2013 (the "Amended and Restated Fee Letter") between the City and the Bank. From and after the Second Amendment Effective Date, all references made to the of the Original Fee Letter or Amended and Restated Fee Letter in any Related Document or in any other instrument or document shall, without more, be deemed to refer to this Second Amended and Restated Fee Letter.

[SIGNATURE PAGE FOLLOWS]

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By: _____

Name: _____

Title: _____

Accepted and agreed to
as of the date first
written above by:

CITY OF DALLAS, TEXAS

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:

Warren M.S. Ernst
City Attorney
City of Dallas, Texas

Assistant City Attorney

EXHIBIT B
SECOND AMENDMENT TO WELLS FARGO CREDIT AGREEMENT AND FEE LETTER

SECOND AMENDMENT

dated March 1, 2016

to

CREDIT AGREEMENT

dated as of

December 1, 2010

between

CITY OF DALLAS, TEXAS

and

WELLS FARGO BANK, N.A

relating to:

General Obligation Commercial Paper Notes
Series 2010C

This **SECOND AMENDMENT**, dated March 1, 2016 (the "*Second Amendment*"), to **CREDIT AGREEMENT**, dated as of December 1, 2010 (the "*Original Agreement*"), is entered into by and between **CITY OF DALLAS, TEXAS** (the "*City*") and **WELLS FARGO BANK, N.A.** (including its successors and assigns, the "*Bank*"). Terms used herein with initial capital letters and not otherwise defined shall have the respective meanings attributed thereto in the Agreement (as such term is defined below).

I. RECITALS

WHEREAS, the City authorized the issuance of the "General Obligation Commercial Paper Notes, Series 2010C" in an aggregate principal amount not to exceed \$150,000,000 (the "*Notes*"), pursuant to Ordinance No. 28060, adopted by the City Council of the City on November 10, 2010, as amended and supplemented from time to time (the "*Ordinance*"); and

WHEREAS, the City and the Bank entered into the Credit Agreement, dated as of December 1, 2010 (the "*Original Agreement*" and, as the same was amended and supplemented by the First Amendment to the Credit Agreement dated July 9, 2013, the "*Agreement*"), pursuant to which the Bank agreed, subject to certain conditions, to make advances from time to time to provide funds for the payment of the Notes on the maturity dates thereof; and

WHEREAS, the City has requested that the Bank adjust the Facility Fee (as such term is defined in the Second Amended and Restated Fee Letter) and extend the Expiry Date, and the Bank is willing to do so on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the respective agreements contained herein and in the Agreement, and intending to be legally bound, the City and the Bank hereby agree as follows.

II. AMENDMENTS

The Agreement is hereby amended as follows:

- (1) **Section 1.1 of the Agreement is hereby amended by the addition of the following definitions which are to be situated within Section 1.1 on an alphabetical basis:**

"Fee Letter" means the Second Amended and Restated Fee Letter.

"Fitch" means Fitch Ratings, Inc., its successors and assigns.

"Second Amendment" means the Second Amendment to the Credit Agreement by and between the City and the Bank, dated March 1, 2016.

"Second Amendment Effective Date" means March 1, 2016, subject to Section III(f) herein.

"Second Amended and Restated Fee Letter" means the letter, dated the Second Amendment Effective Date, from the Bank to the City regarding fees, costs and expenses.

- (2) **Section 1.1 of the Agreement is hereby amended by deleting the definitions of “Expiry Date,” “Fee Letter” and “Rating Agencies” and replacing the same as follows:**

“Expiry Date” means the earliest to occur of: (a) December 2, 2017, as such date may be extended pursuant to Section 3.1(c) hereof and (b) the Termination Date.

“Rating Agencies” means Moody’s, S&P and Fitch.

- (3) **Article 6 of the Agreement is hereby amended by adding the following Section 6.28 at the end of that section:**

6.28. Notice of Issuance. The City shall provide no fewer than ninety (90) days’ written notice to the Bank of its intention to increase the amount of the Commercial Paper Notes outstanding; provided, that the failure of the City to provide such written notice, or the issuance of Commercial Paper Notes in excess of the amount reflected in the notice, shall not result, in and of itself, in the Bank having the ability to issue a Non-Issuance Instruction. Failure to provide notice as provided above shall not constitute a Default or an Event of Default hereunder.”

- (4) **Exhibit C to the Agreement is hereby deleted and replaced with Exhibit C hereto.**

- (5) **Section 6.20 of the Credit Agreement is hereby amended by deleting Section 6.20 in its entirety and replacing it with the following:**

“Section 6.20. Upon the request of the Bank, the City will (a) promptly provide a CUSIP number for the Bank Note and (b) use its best efforts to provide a rating applicable to the Bank Note of no less than “BBB” by S&P, “Baa3” by Moody’s and “BBB+” by Fitch.”

- (6) **Section 7.1(g) of the Credit Agreement is hereby amended by deleting Section 7.1(g) in its entirety and replacing it with the following:**

“(g) The rating (without regard to credit enhancement) assigned to any of the long-term general obligation debt of the City by S&P, Fitch or Moody’s shall fall below “A” by S&P, “A2” by Moody’s or “A+” by Fitch; or”

- (7) **Section 7.3(e) of the Credit Agreement is hereby amended by deleting Section 7.3(e) in its entirety and replacing it with the following:**

(e) The rating (without regard to credit enhancement) assigned to any of the long-term general obligation debt of the City by S&P,

Moody's or Fitch shall be withdrawn, suspended, or fall below "BBB-" by S&P "Baa3" by Moody's and "BBB-" by Fitch, unless such Rating Agency states, in the case of a withdrawal or suspension that, such withdrawal or suspension is for reasons that are not credit related; or"

- (8) Section 8.1 of the Credit Agreement is hereby amended by deleting the information regarding the Bank and replacing with the following:**

If to the Bank: Wells Fargo Bank, National Association
1445 Ross Avenue, Suite 2314
MAC T9216-234
Dallas, Texas 75202
Attention: Aaron P. Cook
Telephone: (214) 661-1245

Unless otherwise specifically set forth herein, references hereinafter to the Agreement shall be deemed to be references to the Agreement as amended hereby and by the Second Amended and Restated Fee Letter and terms defined in the Agreement shall, unless otherwise modified in this Second Amendment, be used herein as defined therein.

III. CONDITIONS TO DELIVERY OF THIS SECOND AMENDMENT

The amendments to the Agreement provided for in Section II hereof shall become effective on the Second Amendment Effective Date; *provided*, that each of the following conditions shall be fulfilled to the satisfaction of the Bank:

- (a) Documentation from the City. The Bank shall have received:

(i) executed counterpart of this Second Amendment and the Second Amended and Restated Fee Letter, and the original duly executed Bank Note, each signed by an Authorized Representative,

(ii) opinion of Bond Counsel, dated the Second Amendment Effective Date and in form satisfactory to the Bank, and

(iii) all other legal matters pertaining to the execution and delivery of this Second Amendment, the Second Amended and Restated Fee Letter and the Bank Note and the execution and delivery hereof and thereof by the Bank (if applicable) shall constitute conclusive evidence that all such legal matters have been completed to the satisfaction of the Bank.

(iv) (a) written evidence that the City is authorized to enter into this Second Amendment and the Second Amended and Restated Fee letter and perform its obligations under the Agreement, as amended by this Second Amendment, and (b) an incumbency certificate of the officer of the City executing this Second Amendment and the Second Amended and Restated Fee Letters.

(v) The Bank shall have received evidence satisfactory to it that the City has complied with its obligations under Texas Government Code Section 2252.908 as such obligations relate to this Second Amendment.

(b) Documentation from the Bank. The City shall have received:

(i) executed counterpart of this Second Amendment and the Second Amended and Restated Fee Letter, each signed by an authorized officer of the Bank,

(ii) opinion of Bank Counsel, dated the Second Amendment Effective Date and in form satisfactory to the City,

(iii) all other legal matters pertaining to the execution and delivery of this Second Amendment and the Second Amended and Restated Fee Letter and the execution and delivery hereof and thereof by the City shall constitute conclusive evidence that all such legal matters have been completed to the satisfaction of the City, and

(iv) The Bank has delivered or will have delivered the Certificate of Interested Parties Form 1295 (the “*Disclosure Form*”) pursuant to Section 2252.908, Texas Government Code, as amended and certification of filing generated by the Texas Ethics Commission’s (“*TEC*”) electronic portal, signed by an authorized agent of the Bank, prior to the execution and delivery of this Second Amendment by the City and the Bank.

(c) Representations and Warranties True.

(i) (A) The representations and warranties of the City contained in Article V of the Agreement and (B) the representations and warranties contained in this Second Amendment shall, in each case, be true and correct in all material respects with the same effect as though made on and as of the Second Amendment Effective Date, except to the extent a representation or warranty relates specifically to an earlier date (in which case, such representation or warranty shall have been true and correct in all material respects as of such earlier date).

(ii) In addition to the foregoing representations, the City hereby represents and warrants as follows:

(A) the execution, delivery and performance by the City of this Second Amendment, the Second Amended and Restated Fee Letter and the Bank Note have been duly authorized by all necessary action by the City and do not contravene, or result in the violation of or constitute a material default under, any provision of applicable law or regulation, the Act or any order, rule or regulation of any court, governmental agency or instrumentality or any agreement, resolution or instrument to which the City is a party or by which it or any of its property is bound,

(B) the City has performed, and is in compliance with, all agreements and conditions set forth in the Ordinance, the Agreement, the Bank Note and the Note Agreements it is required to satisfy in connection therewith and the Agreement, as amended by this Second Amendment, the Second Amended and Restated Fee Letter and

the Bank Note constitute the legal, valid and binding obligations of the City and are enforceable against the City in accordance with their respective terms,

(C) (i) no material “event of default” specified in the Ordinance and no event which, with the giving of notice or lapse of time or both would become such a material “event of default,” has occurred and is continuing, and (ii) no Default or Event of Default shall have occurred and be continuing under the Agreement on and as of the Second Amendment Effective Date, and

(D) no authorization, consent, approval, permit, license, or exemption of, or filing or registration with, any court or governmental department, commission, board, bureau, agency or instrumentality that has not been obtained or issued is or will be necessary for the valid execution, delivery or performance by the City of this Second Amendment, Bank Note and the Second Amended and Restated Fee Letter, and the City has provided, or will cause to be provided, prior to the Second Amendment Effective Date, written notice of this Second Amendment to each of the Dealer, the Issuing and Paying Agent, and any Rating Agency rating the Notes.

(d) Absence of Certain Events. In addition to the foregoing, (i) the Bank shall have determined, as of the Second Amendment Effective Date, that no law, regulation, ruling or other action of the United States, the State of New York or the State of Texas or any political subdivision or other Governmental Authority therein or thereof shall be in effect or shall have occurred, the effect of which would be to prevent the Bank from fulfilling its obligations under this Agreement, as amended by this Second Amendment, the Second Amended and Restated Fee Letter, the Bank Note or the Note Agreements to which each such entity is a party and (ii) no material adverse change in the laws, rules, guidelines, or regulations (or their interpretation or administration) currently in effect and applicable to the parties hereto, and the transactions contemplated hereby, as determined in sole discretion of the Bank, reasonably exercised, shall have occurred such that it makes it impossible or illegal for the Bank to perform its obligations under the Agreement and this Second Amendment.

(e) Waiver of Notice. By virtue of its execution and delivery of this Second Amendment, the Bank hereby waives, to the extent required, all notice provisions (both written and oral) required or set forth in Section 3.1(c) of the Original Agreement regarding the extension of the Expiry Date.

(f) Fees. The City shall have paid in full, in immediately available funds, on or before the Second Amendment Effective Date, or alternative arrangements satisfactory therefor shall have been made with the Bank on or before the Second Amendment Effective Date, for the payment of all amounts owing to the Bank pursuant to the Second Amended and Restated Fee Letter. The fees as set forth in the Second Amended and Restated Fee Letter shall be retroactive and effective as of January 1, 2016.

IV. HEADINGS

Section headings in this Second Amendment are included herein for convenience of reference only and shall not have any effect for purposes of interpretation or construction of the terms of this Second Amendment.

V. COUNTERPARTS

This Second Amendment may be executed in one or more counterparts, each of which taken together shall constitute one original and all of which shall constitute one and the same instrument.

VI. OFFERING MEMORANDUM

The City hereby approves revisions to the Offering Memorandum for the Notes to reflect the amendments made hereto, provided that any revisions to information concerning the Bank must be approved by the Bank prior to distribution of the Offering Memorandum.

VI. SEVERABILITY

In case any one or more of the provisions contained herein should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired hereby.

VII. MISCELLANEOUS

(a) The parties hereto acknowledge and confirm that, from and after the Second Amendment Effective Date, any reference in the Agreement, the Second Amended and Restated Fee Letter, the Bank Note or the Note Agreements to the “Agreement” shall mean and refer to, collectively, the Agreement, as amended hereby, and the Second Amended and Restated Fee Letter.

(b) From and after the Second Amendment Effective Date, the Agreement shall remain in full force and effect and unaffected hereby except as set forth herein.

(c) This Second Amendment shall be subject to Sections 8.13, 8.15 and 8.16 of the Agreement, as if the text of said Sections was set forth herein in full.

[Remainder of page intentionally left blank; signature page follows.]

IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to be executed by their respective duly authorized signatories as of the day and year first written above.

CITY OF DALLAS, TEXAS

By: _____
A.C. Gonzalez
City Manager

WELLS FARGO BANK, N.A.,

By: _____
Aaron Cook
Vice President

APPROVED AS TO FORM:

Warren M.S. Ernst
City Attorney
City of Dallas, Texas

Assistant City Attorney

EXHIBIT C

FORM OF BANK NOTE

March 1, 2016

CITY OF DALLAS GENERAL OBLIGATION COMMERCIAL PAPER NOTES, SERIES 2010C

The CITY OF DALLAS, TEXAS, acknowledges itself indebted and for value received promises to pay to Wells Fargo Bank, National Association (the “Bank”) in lawful money of the United States of America, the lesser of (i) \$161,095,891, as such amount may be permanently reduced pursuant to Section 3.6 of that certain Credit Agreement, dated as of December 1, 2010 (as amended by the First Amendment, dated July 9, 2013 and the Second Amendment, dated March 1, 2016, the “Credit Agreement”), between the City of Dallas, Texas and the Bank and (ii) the unpaid principal balance of each Advance and Term Loan under the Commitment made by the Bank to the City of Dallas, Texas under the Credit Agreement, in accordance with Section 3.5 of the Credit Agreement, subject to prepayment and acceleration as provided in the Credit Agreement. The City of Dallas, Texas, promises to pay interest on the unpaid principal amount of each such Advance or Term Loan on the dates and at the rate or rates provided for in the Credit Agreement. Within the limits of and to the extent permitted by the Credit Agreement, the City of Dallas, Texas may borrow, repay and re-borrow under the Credit Agreement with respect to Advances under the Commitment. All such payments of principal shall be made in immediately available funds at the office of the Bank pursuant to Section 3.8 of the Credit Agreement and shall be computed in accordance with and subject to the terms and conditions of the Credit Agreement.

This Note is being issued pursuant to the Credit Agreement to provide a revolving liquidity line of credit to the City of Dallas, Texas to fund the payment, at stated maturity, of the principal and accrued interest of the City of Dallas, Texas General Obligation Commercial Paper Notes, Series 2010C.

Provision has been made for the payment of principal of this Note sufficient to provide for the payment of principal hereof, as such principal matures, and such security interests have been irrevocably pledged for such payment. It is hereby certified that every requirement of law relating to the issue hereof has been duly complied with and that this Note is within every applicable debt or other limit.

IN WITNESS WHEREOF, THE CITY OF DALLAS, TEXAS has caused this Note to be signed in its name by its City Manager and attested to by its City Secretary, and be sealed with the seal of the City, and this Note to be dated the date and year first written above.

CITY OF DALLAS, TEXAS

(SEAL)

By: _____

ATTEST

By: _____

ADVANCES AND PAYMENTS OF PRINCIPAL

#5112616.7

Wells Fargo Bank, N.A.
Second Amended and Restated Fee Letter

Dated March 1, 2016

City of Dallas, Texas
1500 Marilla Street
Dallas, Texas 75201

Ladies and Gentlemen:

Reference is made to the Credit Agreement dated December 1 2010, as amended by the First Amendment to the Credit Agreement dated July 9, 2013, and as amended by the Second Amendment to the Credit Agreement dated of March 1, 2016 (as amended or supplemented, the “*Agreement*”), by and between the City of Dallas, Texas (the “*City*”) and Wells Fargo Bank, National Association (the “*Bank*”). Any capitalized term below that is defined in the Agreement shall have the same meaning when used herein. This letter is the Amended and Restated Fee Letter described in the Agreement.

In order to induce the Bank to enter into the Agreement and to provide liquidity support for the City’s General Obligation Commercial Paper Notes, Series 2010C, the City agrees to make the following payments at the following times:

(a) *Facility Fee*. The City hereby agrees to pay to the Bank a non-refundable facility fee (the “*Facility Fee*”) in an amount equal the rate per annum associated with the applicable Level as set forth below on the daily amount of the Commitment (computed on the basis of a year of three hundred sixty (360) days of twelve (12) months and actual days elapsed and excluding, for this purpose, any outstanding Advances under the Commitment):

For the period commencing on and including January 1, 2016, the Facility Fee Rate equal the rate per annum corresponding to the Level associated with the Rating (as defined below) as follows:

LEVEL	S&P RATING	MOODY’S RATING	FITCH RATING	FACILITY FEE
I	AA or above	Aa2 or above	AA+ or above	0.50%
II	AA-	Aa3	AA	0.65%
III	A+	A1	AA-	0.85%
IV	A	A2	A+	1.05%
V	A-	A3	A	1.25%
VI	BBB+	Baa1	A-	1.50%

VII	BBB	Baa2	BBB+	1.75%
VIII	BBB- or below	Baa3 or below	BBB	2.00%
IX			BBB- or below	2.25%

The term “Rating” shall mean the lowest long-term rating (the “Rating”) assigned, without regard to credit enhancement, to the City’s long-term general obligation debt. In the event of a split Rating (i.e., one of the Rating Agencies’ Ratings is at a different level than the Rating of another of the other Rating Agencies), the Facility Fee shall be based upon: (i) the level in which the lower rating appears, if the City’s long-term general obligation debt is rated only by two Rating Agencies and (ii) the second highest of the three then-current levels if the City’s long-term general obligation debt is rated by all three Rating Agencies. Any change in the Facility Fee resulting from a change in a Rating shall be and become effective as of and on the date of the announcement of the change in such Rating. References to Ratings above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system by any such Rating Agency, each of the Ratings from the Rating Agency in question referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect. The City acknowledges, and the Bank agrees, that as of January 1, 2016, the Facility Fee is that specified above for Level I. Upon the occurrence and during the continuance of an Event of Default or in the event that any Rating is suspended, withdrawn or is otherwise unavailable (but excluding any suspension, withdrawal or other unavailability to the extent that the applicable Rating Agency stipulates in writing that such action occurred in each case for non-credit related reasons), the Facility Fee shall be increased from the rate then in effect by an additional one percent (1.00%) per annum.

The Facility Fee shall be payable (A) quarterly, in arrears, on each of the first Business Day of January, April, July, and October, and (B) on the Expiry Date or the date of the earlier expiration or termination in whole of the Commitment where the Bank has no further obligation under the Agreement to fund Advances. The Facility Fee, together with interest on the Facility Fees, shall accrue interest at the Default Rate from the date payment is due until payment in full is actually made.

(b) *Legal Fees.* On or before the Second Amendment Effective Date, the fees and expenses of counsel to the Bank, in an amount not to exceed \$7,500.

(c) *Advance Fee.* The City hereby agrees to pay a non-refundable advance fee of \$300 to the Bank for each Advance under the Agreement on the date of such Advance; *provided, however,* that the fee payable pursuant to this section shall not be required if an Advance is made as a result of a downgrade of the senior, unsecured short-term rating of the Bank to below “P-1” by Moody’s, “F1+” by Fitch or “A-1” by S&P.

(d) *Amendment and Transfer Fee.* The City agrees to pay, or cause to be paid, to the Bank, on the date of each amendment, supplement or modification to the Agreement, or execution of any standard waiver or consent, a non-refundable fee equal to \$3,000 plus, in each case, the reasonable fees and expenses of counsel to the Bank; *provided, however,* that the fee

payable pursuant to this section shall not be required in connection with an amendment executed solely for the purpose of extending the Expiry Date in accordance with the terms of the Agreement.

(e) *Termination.* The City shall not terminate the Agreement prior to the Expiry Date unless the City agrees to pay to the Bank, in addition to all other obligations that may be due and payable at such time, a termination fee (the “*Termination Fee*”) equal to the Facility Fee for the period commencing on the Second Amendment Effective Date through the Expiry Date, less any Facility Fees already paid by the City to the Bank during such period. Notwithstanding the foregoing provisions of this paragraph (e), no Termination Fee will be required to be paid by the City if (A) (i) Moody’s shall have lowered or withdrawn the short-term rating on the Notes below “P-1” as a result of the reduction by Moody’s of the senior, unsecured short-term rating of the Bank; (ii) Fitch shall have lowered or withdrawn the short-term rating on the Notes below “F1+” as a result of the reduction by Fitch of the senior, unsecured short-term rating of the Bank or (iii) S&P shall have lowered or withdrawn the short-term rating on the Notes below “A-1” as a result of the reduction by S&P of the senior, unsecured short-term rating of the Bank; or (B) the City elects to repay, restructure or defease the Notes in full or in part from a source of fixed rate funds that does not involve the issuance by a bank or other financial institution other than the Bank of a letter of credit, liquidity facility, credit facility or a bank direct purchase; *provided, however*, all obligations owed by the City under the Agreement and this Second Amended and Restated Fee Letter including, without limitation, all principal and interest evidenced by the Bank Note, shall be paid by the City to the Bank at or prior to the date of termination.

All fees payable under this Second Amended and Restated Fee Letter and the Agreement are to compensate the Bank for its commitment to lend, will be nonrefundable and will be deemed earned when paid.

This Second Amended and Restated Fee Letter shall be governed by and construed in accordance with the laws of the State of Texas, without regard to any otherwise applicable principles of conflicts of laws; provided that, notwithstanding the foregoing, the obligations of the Bank hereunder shall be governed by and construed in accordance with the laws of the State of New York, without regard to any otherwise applicable principles of conflicts of laws.

This Second Amended and Restated Fee Letter may be executed in any number of counterparts, each of which shall be an original, and all of which, when taken together, shall constitute one agreement. Delivery of an executed signature page of this Second Amended and Restated Fee Letter by electronic transmission shall be effective as delivery of a manually executed counterpart hereof.

This Second Amended and Restated Fee Letter shall supersede all provisions of the Fee Letter dated December 2, 2010 (the “Original Fee Letter”), and the Amended and Restated Fee Letter dated July 9, 2013 between the City and the Bank (the “Amended and Restated Fee Letter”). From and after the Second Amendment Effective Date, all references made to the of the Original Fee Letter or Amended and Restated Fee Letter in any Related Document or in any

other instrument or document shall, without more, be deemed to refer to this Second Amended and Restated Fee Letter from the City.

Please confirm that the foregoing is the Bank's mutual understanding by signing and returning to the Bank an executed counterpart of this Second Amended and Restated Fee Letter. This Second Amended and Restated Fee Letter shall become effective as of the date first above referenced upon the Bank's receipt of an executed counterpart of this Second Amended and Restated Fee Letter from the City.

This Second Amended and Restated Fee Letter shall supersede all provisions of the Fee Letter dated December 2, 2010 (the "*Original Fee Letter*"), and the Amended and Restated Fee Letter dated July 9, 2013 between the City and the Bank. From and after the Amendment Date, all references made to the of the Original Fee Letter or Amended and Restated Fee Letter in any Related Document or in any other instrument or document shall, without more, be deemed to refer to this Agreement.

[Signature Page Follows]

Very truly yours,

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: _____
Aaron P. Cook
Vice President

Accepted and agreed to as of the date first
written above by:

CITY OF DALLAS, TEXAS

By: _____
Name: _____
Title: _____

APPROVED AS TO FORM:

Warren M.S. Ernst
City Attorney
City of Dallas, Texas

Assistant City Attorney

Signature Page to Wells Fargo Second Amended and Restated Fee Letter

AGENDA ITEM # 9

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 1

DEPARTMENT: Office of Economic Development

CMO: Ryan S. Evans, 671-9837

MAPSCO: 44 U V Y Z 45 W 54 C D F G H 55 A

SUBJECT

A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Three (Oak Cliff Gateway TIF District), submitted by the Oak Cliff Gateway TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as to the State Comptroller. The City Council approved Ordinance No. 21466 on November 11, 1992, establishing Tax Increment Financing Reinvestment Zone Number Three, (Oak Cliff Gateway TIF District), as amended. On February 12, 1997, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 23724, as amended.

The Oak Cliff Gateway TIF District's assessed 2015 tax value was \$341,947,744, an increase of \$196,708,042 (135%) over the adjusted base year values (1992 and 2014) and an increase of \$68,251,650 (25%) over the previous year's (2014) final total assessed value.

With the participation of the City and Dallas County, this increase will result in the collection of approximately \$1,648,256 total in incremental revenue for the Oak Cliff Gateway TIF District for the 2015 tax year.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On November 11, 1992, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Three, the Oak Cliff Gateway TIF District, by Ordinance No. 21466, as amended.

On February 12, 1997, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Oak Cliff Gateway TIF District by Ordinance No. 23724, as amended.

On January 14, 2016, the Oak Cliff Gateway TIF District Board of Directors recommended that the FY 2015 Annual Report be accepted and approved.

Information about this item will be provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

No cost consideration to the City

February 24, 2016

WHEREAS, the City recognizes the importance of its role in local economic development initiatives and programs; and

WHEREAS, the City has established Tax Increment Financing Reinvestment Zone Number Three (Oak Cliff Gateway TIF District) and established a Board of Directors for the District to promote development or redevelopment in the Oak Cliff Gateway area pursuant to Ordinance No. 21466, authorized by the City Council on November 11, 1992, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code as amended; and

WHEREAS, on February 12, 1997, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Oak Cliff Gateway TIF District by Ordinance No. 23724, as amended; and

WHEREAS, the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

WHEREAS, on January 14, 2016, the Oak Cliff Gateway TIF District Board of Directors passed a motion accepting the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Three and recommending approval of same by the City Council.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Three (Oak Cliff Gateway TIF District), City of Dallas, Texas, as of September 30, 2015, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

Section 2. That the City Manager is hereby authorized to submit the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Three to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and the State Comptroller, as required by state law.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Oak Cliff Gateway TIF District FY 2015 Annual Report



City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 670-1685
<http://www.dallas-ecodev.org>

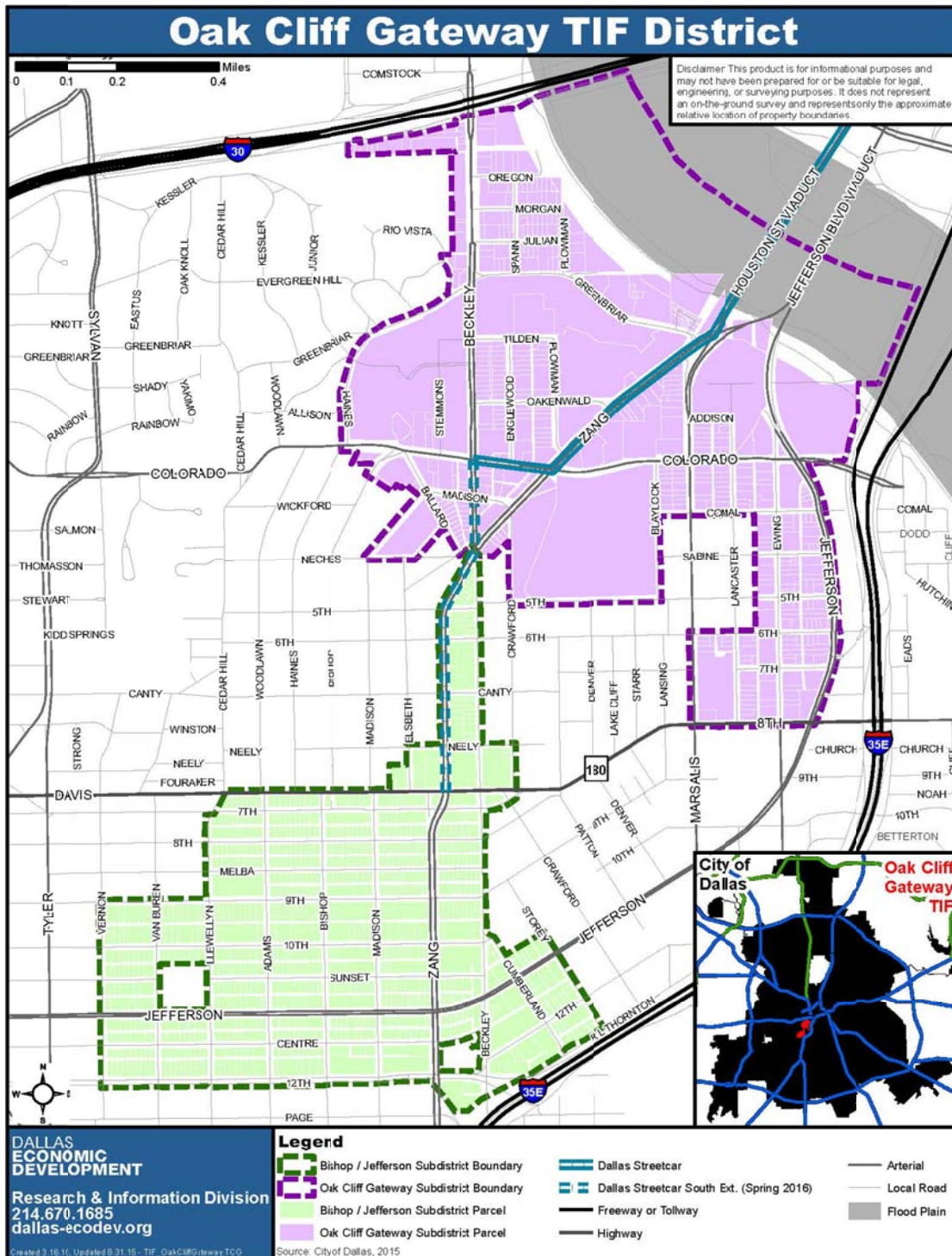
October 1, 2014 to September 30, 2015

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Front cover shows a rendering for the Bishop Arts Phase I project

Reinvestment Zone Number Three Oak Cliff Gateway Tax Increment Financing District



Mission Statement

The mission of Oak Cliff Gateway Tax Increment Financing District is the promotion of the redevelopment, growth and stabilization of the area. Accompanying goals are (1) growth of the value of the area's tax base through the promotion of residential and retail development and a positive reversal of urban decay through the placement of critical infrastructure improvements; (2) implementation of the pertinent recommendations of the Urban Land Institute (ULI) Study on the tracts of land composing the northern and northwestern portions of the district, and (3) establishment of direct linkages with the Trinity River Corridor and the capitalization of that effort toward growth and increased tax base value in the district.

The district was created by City Council Ordinance Number 21466, November 11, 1992. The district was created for a period of twenty years with an expiration date of December 31, 2012. On February 12, 1997, the City Council, by Ordinance Number 23033, approved the project Plan and Reinvestment Zone Financing Plan.

In 1998, the district was amended to remove two properties and in 2005 the Plan was amended to modify the budget to allow for environmental remediation and façade improvements and to allow for the sale of TIF bonds.

The Plan and the district were further amended in 2009 to extend the term of the district for an additional ten years. This amendment increased the budget from, returned two previously removed properties back into the district, created a TIF grant program, and decreased the participation rate of the taxing jurisdictions for the extension period.

In 2014, an expansion of the TIF district and plan amendment was approved to create two subdistricts within the Oak Cliff Gateway TIF District: (a) Oak Cliff Gateway Sub-District (original district boundary) and (b) the Bishop/Jefferson Sub-district (an expansion area of approximately 193 acres to accommodate future development planned in the Bishop Arts and Jefferson Corridor area). The term of the Oak Cliff Gateway Sub-district was further extended by five years to December 31, 2027 and the termination date for the Bishop/Jefferson Sub-district was established as December 31, 2044.

In August 2015, an additional boundary amendment was approved to add approximately 4.9 acres of currently vacant and under-utilized land to the Oak Cliff Gateway Sub-District for the development of the Oxygen project.

District Accomplishments

During FY 2015, a development agreement was approved for Bishop Arts Phase I, the first catalyst project in the newly created Bishop/Jefferson Sub-district. A development agreement for the Oxygen project in the amended Oak Cliff Gateway Sub-district was also approved.

Engineering work is underway on a streetscape project for Beckley Avenue and Colorado Avenue. Construction is anticipated to start in early 2016 and end in 2017. This project will provide wide sidewalks, street trees, pedestrian lighting, and crosswalks for Colorado Boulevard from Zang Boulevard to Ballard Avenue, on Zang Boulevard from Colorado Boulevard to Beckley Avenue, and on Beckley Avenue from Zang Boulevard to Colorado Avenue. In addition, select sidewalk areas on Beckley Avenue north of Colorado Boulevard to Greenbriar Lane will be repaired. It is funded through a combination of 2006 general obligation bond funds and a Sustainable Development grant from the North Central Texas Council of Governments.

Construction on the first phase of the Oak Cliff Streetcar began in the summer of 2012 and completed in late 2014. The first streetcar segment is now operational and runs from Union Station, across the Houston Street Viaduct, along Zang Boulevard and Colorado Boulevard, to Beckley Avenue.

Phase II of the streetcar, from Methodist Regional Medical Center to Bishop Arts at Davis Street/Zang Boulevard, is scheduled for substantial completion by summer 2016.

Oak Cliff Gateway TIF District Projects¹						
Projects Within TIF District Utilizing TIF Funding						
Project	Location	Calendar Year Complete	Status	Units/ SF²	Approx. Value³	TIF Investment⁴
Walgreens	1306 North Beckley Avenue	1999	Complete	13,833 SF retail	\$1,381,010	\$34,811
Oak Cliff TIF Infrastructure Project	Greenbriar Lane (Beckley to Zang)	2004	Complete	N/A	N/A	\$2,251,207
Lake Cliff Tower Residential	329 East Colorado Boulevard	2006	Complete	54 units	\$8,134,648	\$4,299,742
Grand Bank Lake Cliff Tower	1300 North Zang Boulevard	2008	Complete	6,822 SF commercial	\$2,023,830	\$0 ⁽⁶⁾
Bishop Colorado Retail Plaza	1222 North Bishop Avenue	2009	Complete	15,720 SF retail	\$3,200,000	\$350,000
Zang Triangle	390 E. Oakenwald	2012	Complete	256 units 3,000 flex	\$31,781,980	\$7,250,000
Alexan Trinity	323-333 E. Greenbriar Lane	2014	Complete	167 units	\$17,636,850	\$4,000,000
Bishop Arts Ph I	Blocks at Bishop Ave./Melba St./Madison St./9 th St.	2017	Site work underway	218 units; 26,670 sf retail	\$26,696,018	\$5,000,000 ⁽⁷⁾

Oxygen	N. Beckley Ave. at Turnpike Ave.	2018	Approved	250 units	\$26,324,419	\$4,600,000
Subtotal				945 units 66,045 SF retail/flex/ commercial	\$117,178,755	\$27,785,760

Projects Within TIF District Not Utilizing TIF Funding⁵						
Project	Location	Calendar Year Complete	Status	Units/ SF	Approx. Value³	TIF Investment
The Catering Company	1407 North Zang Boulevard	1998	Complete	3,614 SF retail	\$333,930	\$0
K-Clinic Rehab Clinic	214 W. Colorado Boulevard	1998	Complete	6,876 SF medical office	\$477,500	\$0
Oak Cliff Academy, Inc.	808 N. Ewing Avenue	2000	Complete	32,500 SF school	\$4,966,000	\$0
Oak Farms Dairy Expansion	1114 North Lancaster	2000	Complete	60,000 SF industrial	\$2,196,890	\$0
Options Real Estate Holdings	1322 North Beckley Avenue	2002	Complete	2,756 SF office	\$200,000	\$0
Grand Peaks at Kessler Park	1520 North Beckley Avenue	2002	Complete	338 units	\$33,800,000	\$0
John Barr & Associates Expansion	203 E. Colorado Boulevard	2003	Complete	19,449 SF office	\$600,000	\$0
Grand Peaks at Founders Park	1401 North Zang Boulevard	2004	Complete	336 units	\$28,632,150	\$0
Beckley Properties	1101- 1121 North Beckley Avenue	2007	Complete	15,282 SF retail/ commercial	\$666,040	\$0
City Credit Union	126 E. Colorado Boulevard	2008	Complete	3,000 SF commercial	\$884,750	\$0
Trinity Town Homes	439, 443 East Greenbriar Lane and 401-446 E Trinity River Circle	2007	Complete	23 town home units	\$6,551,345	\$0
Trinity Town Homes II	381 East Greenbriar Lane	2017	7 Units Completed 53 planned	60 town home units	\$20,000,000	\$0

Methodist Medical Hospital – Pavilion III	1441 N. Beckley Avenue	2008	Complete	109,774 SF medical office	\$10,230,610	\$0
Methodist Medical Hospital - Sammons Trauma & Critical Care Tower	1441 N. Beckley Avenue	2014	Complete	248,000 SF emergency and trauma care center	\$106,766,634 ⁹	\$0
Baylor Institute for Rehabilitation	222 E Colorado Boulevard	2014	Complete	2,564 sf rehabilitation clinic	\$388,740	\$0
Papa John's Pizza	1127 N Beckley	2014	Complete	1,200 sf restaurant	\$352,790	\$0
Jefferson Tower redevelopment (activation of 1 st & 2 nd Floors)	301, 351, 375 W. Jefferson Blvd.	2014-15	Complete	17 live/work lofts; 15,869 sf upgraded retail	Added value \$1,198,730	\$0 ⁷
Less Property Demolished, or Relocated						
Child Care	1321 North Zang Boulevard	1999	Demolished	(4,812 SF school)	(\$445,600)	\$0
Subtotal			774 units 520,884 SF commercial		\$218,246,109	\$0
Total - All Projects Utilizing and Not Utilizing TIF Funding						
Total			1,719 units 586,929 SF commercial		\$335,424,864	\$27,785,760
¹ All information updated as of September 30, 2015. ² Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage. ³ Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF district for redevelopment projects once pre-existing value, the demolition of structures and/or any exemption value is netted out. ⁴ Principal amount not to be exceeded per the development agreement for projects not yet closed out. TBD indicates that development agreement has not yet been adopted. Asterisk indicates investment also includes interest not shown. ⁵ Selected significant projects included. ⁶ Tax-exempt property. ⁷ Includes other incentives not shown. Contact City of Dallas Office of Economic Development for more information. ⁸ Infrastructure funded as a part of the \$4.1 million for Lake Cliff Tower. ⁹ Non-taxable value; includes \$75M for construction and \$30M for equipment and finish-out.						

Projects Adjacent to the Oak Cliff Gateway TIF District						
Project	Location	Calendar Year Complete	Status	Units/ SF	Approx. Value	TIF Investment
Dallas Orthopedic Surgery Associates	810 North Zang Boulevard	2006	Complete	18,000 SF medical office	\$1,375,000	\$0
Perry Homes	1130-1148 and 1203-1215 North Bishop Avenue	2006	Complete	15 town home units	\$3,966,090	\$0
Lake Cliff Medical, L.P.	815 North Beckley Avenue	2007	Complete	7,500 SF medical office	\$1,145,380	\$0
Total				15 units 25,500 SF medical office	\$6,486,470	\$0

Infrastructure Projects in the Oak Cliff Gateway TIF District Using Other Sources of Funding						
Project	Location	Calendar Year Complete	Status	Project Description	Source of Funds	Amount
Colorado Boulevard	I-35 to Blaylock Street	2002	Complete	Streetscape: Paving, Lighting, Trees and Irrigation	1995 Bond Funds	\$500,000
Streetscape	Streets around Methodist Hospital	2017	Engineering Underway	Streetscape: Paving, Lighting, Trees and Irrigation	2006 Bond Funds	\$1,600,000
					NCTCOG Sustainable Devel. Grant	\$1,750,000
Oak Cliff Streetcar Phase I	Union Station to Methodist Regional Medical Center	2014	Complete	Route runs from Union Station, across Houston St Viaduct, along Zang Boulevard and Colorado Boulevard, to Beckley Avenue	TIGER I Grant	\$26,000,000
					RTR Local Funds	\$13,600,000
					DART Love Field	\$9,000,000
Oak Cliff Streetcar Phase II	Methodist Regional Medical Center to Bishop Arts	2016	Construction to begin fall 2015 with substantial completion estimated summer 2016	Route runs from Methodist Regional Medical Center, south on Beckley Avenue, then south on Zang Boulevard to Davis	Texas Mobility Funds	\$15,000,000
					Total	\$67,450,000

Value and Increment Revenue Summary

The TIF district's assessed 2015 tax value was \$224,710,036 for the Oak Cliff Gateway Sub-district (original boundary area). This represents an increase of \$40,097,623 or 460% over the base year value and an increase of 33% over last year's final value. The district was expanded in 2014 to include a new Bishop Arts/Jefferson Sub-district with an estimated taxable base of \$105,142,079 and assessed 2015 tax value of \$117,237,708, an increase of \$12,095,629 or 12%. The combined adjusted taxable base value for the entire district is approximately \$145,239,702 and assessed 2015 value of \$341,947,744 yields a 135.4% increase over the adjusted base taxable value. Base value may be corrected in the future pending any litigation or tax roll corrections. This increase includes the construction of Zang Triangle, Alexan Trinity, the Jefferson Tower redevelopment and property value increases on several other properties throughout the district.

With the participation of the City and Dallas County, this increase will result in the collection of approximately \$1,648,256 total in incremental revenue for the district for the 2015 tax year.

Objectives, Programs, and Success Indicators

The Oak Cliff Gateway TIF District was established by Ordinance Number 21466 on November 11, 1992. The Oak Cliff Gateway TIF District expiration date was set as December 31, 2012, but the district has been extended for an additional 10 years to December 31, 2022. The TIF Project Plan and Reinvestment Zone Financing Plan was originally approved by Ordinance Number 23033 on February 12, 1997. The most recent TIF Project Plan and Reinvestment Zone Financing Plan amendment included revised development goals, listed below, for the district:

The following specific objectives and development program set the framework for the planned public improvements within the Oak Cliff Gateway TIF District and, in italics, specific actions addressing these objectives:

- Improve the infrastructure within and adjacent to the district to promote investment.

Street reconstruction projects on Beckley Avenue, Zang Boulevard, Greenbriar Lane, Tilden Street, Jefferson Boulevard and Colorado Boulevard (Blaylock Street to I-35) are completed. Median improvements and streetscape were completed in FY 2009 along both sides of Zang Boulevard from Colorado Boulevard to Oakenwald and on Colorado Boulevard itself as a part of the Lake Cliff Tower development. More infrastructure and streetscape improvements were completed in 2009 in association with the Bishop Colorado Retail Plaza project at 1222 North Bishop Avenue. Streetscape improvements along Zang Boulevard, adjacent to the Zang Triangle project, were completed in 2012. In FY 2006, the staff secured \$1,600,000 in 2006 City Bond funds, and in FY 2011 staff and Lang Partners (the developer for

Zang Triangle) secured an additional \$1,750,000 in NCTCOG Sustainable Development grant funding for streetscape improvements in selected areas near Methodist Medical Center. Engineering work for this Sustainable Development project is under way. During 2014, construction was completed on the first phase of the Oak Cliff streetcar project from downtown to the intersection of Colorado Boulevard and Beckley Avenue. Construction continues on the adjacent roadway. The second phase of the streetcar project is anticipated for substantial completion in summer 2016.

Oak Cliff Streetcar



- The amended Plan has a goal of adding 1,572,556 square feet of new residential construction (both single family/townhome units and apartment units). Previously the goal was to add 2,500 market rate apartments and 250 townhome units.

Since the start of the district, a total of 1,168 apartment units have been constructed. An additional 468 apartment units are planned. A total of 30 townhome units have been completed and another 53 are planned



Alexan Trinity Apartments, completed 2014



Zang Triangle Apartments , completed 2012



Trinity Town Homes II – 7 Units
381 East Greenbriar Lane

- The amended Plan goal is to add 393,139 square feet of new commercial construction, to include retail, restaurant, and office space

To date 560,259 square feet of retail/commercial space or office space including medical office facilities has been added in the district and another 26,670 square feet is planned as part of the Bishop Arts Phase I project (exceeding the Plan goal). Alexan Trinity adds 6 additional live/work units, for a total of 8,493 square feet of potential commercial space.



Charles A. Sammons Trauma & Critical Care Tower,
(Image courtesy Methodist Health System)



Jefferson Tower, new ground floor retail

The Oak Cliff Gateway TIF District Board of Directors met four times (special call meetings) during FY 2015:

The board includes up to 5 representatives to be appointed by the Council and one each appointed by the governing bodies of Dallas County, Dallas County Community College District, Dallas County Hospital District, and Dallas ISD.

The following members represent the City on the board:

- Don Raines, City representative (Chair), (attended 4 of 4 meetings)
- April Allen – City representative, (attended 3 of 4 meetings)
- Cristine Baril – City representative, (attended 4 of 4 meetings)
- Alexander Kosarow - City representative, (attended 4 of 4 meetings)
- Daniel Powell - City representative, (attended 4 of 4 meetings),

The following board members represent the taxing jurisdictions:

- Orlando Alameda – DISD representative (Attended 4 of 4 meetings)
- Rick Loessberg – Dallas County representative (Attended 2 of 4 meetings)
- Steve Park – DCCCD representative (attended 4 of 4 meetings)
- Sue Pickens – DCHD representative (Attended 2 of 4 meetings)

During FY 2015 the City Council approved 21 items directly or indirectly associated with the Oak Cliff Gateway TIF District. The council actions are listed below.

- On October 8, 2014, Council approved Ordinance 29494 abandoning two sanitary sewer easements to Rawlins Hall, LLC, the abutting owner, containing a total of approximately 4,534 square feet of land, located near the intersection of Greenbriar Lane and Zang Boulevard - Revenue: \$5,400, plus the \$20 ordinance publication fee (*Project: Trinity Townhomes II*)

- On October 22, 2014, Council approved Ordinance 29508 abandoning a portion of a drainage easement to ATA Apartments Limited Partnership, the abutting owner, containing approximately 1,399 square feet of land, located near the intersection of Greenbriar Lane and Dealey Avenue - Revenue: \$5,400, plus the \$20 ordinance publication fee (*Project: Alexan Trinity Apartments*)
- On November 12, 2014, Council approved Resolution 14-1891 authorizing a public hearing to be held on December 10, 2014 to receive comments on amendments to Tax Increment Financing Reinvestment Zone Number Three (Oak Cliff Gateway TIF District) and the Project Plan and Reinvestment Zone Financing Plan for the Oak Cliff Gateway TIF District to: (1) create two sub-districts within the Oak Cliff Gateway TIF District: (a) Oak Cliff Gateway Sub-district (original district boundary) and (b) Bishop/Jefferson Sub-district; (2) increase the geographic area of the Oak Cliff Gateway TIF District to add approximately 193 acres to create the Bishop/Jefferson Sub-district to accommodate anticipated development; (3) extend the termination date of the Oak Cliff Gateway TIF District from the City Council-established termination date of December 31, 2022 to December 31, 2027 for the Oak Cliff Gateway Sub-district as an exception to the City of Dallas TIF Policy and establish a termination date for the Bishop/Jefferson Sub-district of December 31, 2044; (4) maintain the percentage of tax increment contributed by the City of Dallas during the extended term of the Oak Cliff Gateway Sub-district, establish the percentage of tax increment contributed by the City of Dallas during the term of the Bishop/Jefferson Sub-district, and establish other taxing jurisdictions' participation percentages; (5) increase the Oak Cliff Gateway TIF District's total budget from \$10,066,977 NPV (approximately \$33,432,572 total dollars) to \$28,621,027 NPV (approximately \$76,665,998 total dollars), an increase of \$18,554,050 NPV (approximately \$43,233,426 total dollars); (6) authorize an amendment to the participation agreement with Dallas County as a component of this budget increase; (7) restructure the TIF budget to consolidate and broaden categories of eligible project costs into the Oak Cliff Gateway Sub-district (original boundary area); a new category for the Bishop/Jefferson Sub-district; and retain the Education and Administration categories; and (8) make corresponding modifications to the Oak Cliff Gateway TIF District boundary, budget and Project and Reinvestment Zone Financing Plans consistent with the requirements and limitations of the Act; and at the close of the hearing, consideration of an ordinance amending Ordinance Nos. 21466 and 23033, as amended, to reflect these amendments
- On November 12, 2014, Council approved Resolution 14-1919 authorizing Supplemental Agreement No. 1 to the professional services contract with Salcedo Group, Inc. for additional engineering services along Jefferson Boulevard from Zang Boulevard to Adams Avenue for streetscape improvements - Not to exceed \$207,920, from \$299,881 to \$507,801 - Financing: General Obligation Commercial Paper Funds

- On December 10, 2014, Council held a public hearing and approved Ordinance 29594 on amendments to Tax Increment Financing Reinvestment Zone Number Three (Oak Cliff Gateway TIF District, or District) and the Project Plan and Reinvestment Zone Financing Plan (Project Plan) for the Oak Cliff Gateway
- On December 10, 2014, Council approved Resolution 14-2180 authorizing a development agreement with Bishop Arts Village LLC and/or its affiliates in an amount not to exceed \$5,000,000, payable from future Oak Cliff Gateway TIF District funds in consideration of the development of Bishop Arts Project Phase I on property generally bounded by Bishop Avenue, 9th Street, Melba Street, and Madison Avenue in Tax Increment Financing Reinvestment Zone Number Three (Oak Cliff Gateway TIF District) - Not to exceed \$5,000,000 - Financing: Oak Cliff Gateway TIF District Funds (subject to appropriations) (*Project: Bishop Arts Phase I*)
- On December 10, 2014, Council approved Resolution 14-2181 authorizing a Chapter 380 economic development grant agreement in an amount not to exceed \$2,000,000 with Bishop Arts Village LLC related to the development of Bishop Arts Project Phase I on property generally bounded by Bishop Avenue, 9th Street, Melba Street, and Madison Avenue in Southern Dallas pursuant to Chapter 380 of the Texas Local Government Code in accordance with the City's Public/Private Partnership Program - Not to exceed \$2,000,000 - Financing: General Obligation Commercial Paper (subject to appropriations) (*Project: Bishop Arts Phase I*)
- On February 25, 2015 Council approved Resolution 15-0350 accepting the FY 2014 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Three (Oak Cliff Gateway TIF District), submitted by the Oak Cliff Gateway TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law
- On February 25, 2015 Council approved Resolution 15-0411 authorizing amendments to the TIF development agreement and the second Chapter 380 grant agreement ("the Grant II") with Bishop Arts Village LLC, previously approved on December 10, 2014, by Resolution Nos. 14-2180 and 14-2181, to (1) remove the cross defaults between the agreements; (2) reduce the requirements for and accelerate the payment of Grant II; (3) accept a second lien on the project site to secure Grantee's performance regarding the Mixed Income Housing Guidelines throughout the affordability period; (4) allow for the extension of project deadlines up to one year as needed to accommodate city-initiated utility and street construction immediately adjacent to the Bishop Arts Phase I site; and (5) change the entity name from Bishop Arts Village LLC to Bishop Arts (*Project: Bishop Arts Phase I*)

- On February 25, 2015 Council approved Resolution 15-0412 authorizing a resolution confirming the City's intent to utilize an amount not to exceed \$4,100,000 in general obligation bond funds for the design and construction of paving and drainage improvements and related public infrastructure improvements for the Bishop Arts area, subject to future city council approval of the construction contract awards for these improvements. (*Project: related to support for Bishop Arts Phase I*)
- On February 25, 2015 Council approved Resolution 15-0413 authorizing Supplemental Agreement No. 4 to the professional services contract with Pacheco Koch Consulting Engineers for additional engineering services for paving, drainage, streetscape, water and wastewater improvements on Bishop Avenue from Eighth Street to Jefferson Boulevard and other nearby Bishop Arts area streets – Not to exceed \$494,885, from \$508,410 to \$1,003,295 - Financing: 2006 Bond Funds (\$489,335) and Water Utilities Capital Improvement Funds (\$5,550)
- On April 8, 2015 Council approved Resolution 15-0709 authorizing an Interlocal Agreement with Dallas Area Rapid Transit for construction services for extension of the Dallas Union Station to Oak Cliff Streetcar Project (Union station to North Oak Cliff) - Financing: This action has no cost consideration to the City (see fiscal information for potential future costs) (*Project: Oak Cliff Streetcar*)
- On April 22, 2015 Council approved Resolution 15-0820 authorizing additional amendments to the second Chapter 380 grant agreement ("Grant II") with Bishop Arts LLC, previously approved on December 10, 2014, by Resolution Nos. 14-2180 and 14-2181 and amended on February 25, 2015, by Resolution No. 15-0411, to: (1) reduce the City's second lien position on its deed of trust securing the Mixed Income Housing Guidelines to a more junior lien position behind all construction loans for the project; (2) clarify that the City's lien will be recorded concurrently with the Grant II disbursement and after \$30 million in construction costs have been spent; (3) require the developer to record deed restrictions securing the Mixed Income Housing Guidelines if, after the Grant II funds have been disbursed, the City finds that the City's lien position is further subordinated to mechanics and materialmen liens or any liens other than liens for construction loans and developer, after a 30-day notice and opportunity to cure period, has not cured such liens; and (4) provide for meaningful and effective enforcement action in the Grant II Agreement (*Project: Bishop Arts Phase I*)
- On May 13, 2015 Council approved Ordinance 29743 granting an amendment to and an expansion of Planned Development District No. 468, the Oak Cliff Special Purpose District, with deed restrictions on a portion, Specific Use Permit No. 10 for a nursing home, Specific Use Permit No. 1032 for a utility or government installation, Specific Use Permit No. 1623 for a financial institution with a drive-in

window, Specific Use Permit No. 1679 for a financial institution with a drive-in window, H/84 Lake Cliff Historic District, and H/71 Betterton House Historic District; Planned Development District No. 160 with Specific Use Permit No. 2079 for a child-care facility; Planned Development District No. 340; Planned Development District No. 364; Planned Development District No. 830; an R-5(A) Single Family District; an R-7.5(A) Single Family District; a TH-2(A) Townhouse District; a CH Clustered Housing District; an MF-2(A) Multifamily District; a CR Community Retail District with deed restrictions; an IR Industrial Research District; a CS Commercial Service District with deed restriction; an LO-1 Office District with deed restrictions; an RR Regional Retail District; an MU-1 Mixed-Use District with deed restrictions; an MU-2 Mixed-Use District; and a P(A) Parking District generally bounded by Interstate 30 to the north, the east levee of the Trinity River to the northeast, Interstate 35 to the east, Marsalis Street to the west, Eighth Street and Seventh Street to the south, Zang Boulevard to the west, Davis Street to the south, Elsbeth Street to the west, Neches Street to the south, Madison Street to the west, between blocks BLK M/3363 LOT 1& 2 to the south, between blocks BLK M/3363 TR 23-A and 24 to the south, Bishop Avenue to the west, Colorado Boulevard to the north, both sides of Beckley Avenue to the west including property facing Interstate 30 service road. *This item was considered by the City Council at public hearings on February 25, 2015; March 25, 2015, and was taken under advisement again on April 22, 2015 with ordinance returning on May 13, 2015.*

- On May 27, 2015 Council approved Resolution 15-1007 authorizing Supplemental Agreement No. 3 to the professional services contract with LCA Environmental, Inc. for the removal of non-aqueous phase liquid gasoline and delineation of the extent of non-aqueous phase liquid and petroleum-related chemicals in groundwater at 138 West Davis Street for the southern extension of the streetcar project - Not to exceed \$157,480, from \$163,426 to \$320,906 - Financing: General Obligation Commercial Paper Funds (*Project: Oak Cliff Streetcar*)
- On August 12, 2015 Council approved Resolution 15-1352 authorizing a public hearing to be held on August 26, 2015 to receive comments on amendments to Tax Increment Financing Reinvestment Zone Number Three (Oak Cliff Gateway TIF District) and the Project Plan and Reinvestment Zone Financing Plan for the Oak Cliff Gateway TIF District to: (1) increase the geographic area of the Oak Cliff Gateway TIF District to add approximately 4.9 acres of currently vacant and underutilized land to the Oak Cliff Gateway Sub-District for the development of the Oxygen project; and (2) make corresponding modifications to the Oak Cliff Gateway TIF District boundary and Project and Reinvestment Zone Financing Plans consistent with the requirements and limitations of the Act; and at the close of the hearing, consideration of an ordinance amending Ordinance Nos. 21466 and 23033, as amended, to reflect these amendments

- On August 12, 2015 Council approved Resolution 15-1413 authorizing the disbursement of funds to Dallas Area Rapid Transit for the design of water and wastewater main relocations necessary for the Dallas transportation Investment Generated Economic Recovery (TIGER) grant funded modern Streetcar Project, from Union Station to North Oak Cliff, in accordance with the terms and conditions of the existing Interlocal Agreements - Not to exceed \$94,372 - Financing: Water Utilities Capital Improvement Funds (*Project: Oak Cliff Streetcar*)
- On August 12, 2015 Council approved Resolution 15-1432 authorize an infrastructure cost participation agreement with Bishop Arts Village LLC dba as Bishop Arts LLC and/or its affiliates (Developer) in an amount not to exceed the lesser of: (1) 30% of the eligible public infrastructure improvements of the Bishop Avenue/Melba Street Project or; (2) the actual amount expended on storm water drainage improvements along Bishop Avenue from 9th Street to Melba Street up to \$325,000, in accordance with the Developer Participation provisions in Chapter 212.071 of the Local Government Code and payable only after completion of such public infrastructure improvements as evidenced by a certificate of acceptance - Not to exceed \$325,000 - Financing: General Obligation Commercial Paper Funds (*Project: Bishop Arts Phase I*)
- On August 12, 2015, Council held a public hearing and approved Ordinance 29829 amending the City of Dallas' Thoroughfare Plan to change the dimensional classifications of (1) Beckley Avenue from IH-30 to Greenbriar Lane from a six-lane divided roadway [M-6-D(A)] within 100-feet of right-of-way to a special six-lane undivided (SPCL 6U) roadway with a center turn lane, a cycle track and recommended off-peak parking within 100-feet of right-of-way; (2) Beckley Avenue from Greenbriar Lane to Colorado Boulevard from a six-lane divided roadway [M-6-D(A)] within 100-feet of right-of-way to a special six-lane divided (SPCL 6D) roadway with a cycle track within 100-feet of right-of-way and 72 feet of pavement; (3) Beckley Avenue from Colorado Boulevard to Zang Boulevard from a six-lane divided roadway [M-6-D(A)] within 100-feet of right-of-way to a special six-lane divided (SPCL 6D) roadway with cycle track within 88-feet of right-of-way and 64 feet of pavement; (4) Zang Boulevard from Jefferson/Houston Viaduct to Oakenwald Street from a six-lane divided roadway [M-6-D(A)] within 100-feet of right-of-way to a special four-lane divided (SPCL 4D) roadway with protected bicycle facility and a dedicated streetcar lane within 100-feet of right-of-way and 80-feet of pavement; (5) Zang Boulevard from Oakenwald Street to Beckley Avenue from a six-lane divided roadway [M-6-D(A)] within 100-feet of right-of way to a special four-lane divided (SPCL 4D) roadway with bicycle lanes within 100-feet of right-of-way and 80-feet of pavement; and (6) Zang Boulevard from Beckley Avenue to Davis Street from a six-lane divided roadway [M-6-D(A)] within 100-feet of right-of way to a special four-lane divided (SPCL 4D) roadway with parking in 100-feet of right of- way with 72-feet of

pavement; and at the close of the hearing, authorize an ordinance implementing the change.

- On August 26, 2015, Council held a public hearing and approved Ordinance 29843 on amendments to Tax Increment Financing Reinvestment Zone Number Three (Oak Cliff Gateway TIF District) and the Project Plan and Reinvestment Zone Financing Plan for the Oak Cliff Gateway TIF District to: (1) increase the geographic area of the Oak Cliff Gateway TIF District to add approximately 4.9 acres of currently vacant and under-utilized land to the Oak Cliff Gateway Sub-District for the development of the Oxygen project; and (2) make corresponding modifications to the Oak Cliff Gateway TIF District boundary and Project and Reinvestment Zone Financing Plans consistent with the requirements and limitations of the Act; and at the close of the hearing, consideration of an ordinance amending Ordinance Nos. 21466 and 23033, as amended, to reflect these amendments
- On August 26, 2015, Council approved Resolution 15-1606 authorizing a development agreement with RWI Green Development LLC and/or its affiliates in an amount not to exceed \$4,600,000, payable from future Oak Cliff Gateway TIF District funds in consideration of the development of the Oxygen project on property currently addressed at 1945, 1947, 1951, 2001, 2003, and 2007 North Beckley Avenue and 140 Turnpike Avenue in Tax Increment Financing Reinvestment Zone Number Three (Oak Cliff Gateway TIF District) - Not to exceed \$4,600,000 - Financing: Oak Cliff Gateway TIF District Funds (subject to appropriations)



Rendering of the planned Oxygen project

Budget and Spending Status

Oak Cliff Gateway TIF District Projected Increment Revenues to Retire TIF Fund Obligations			
Category	TIF Budget ¹	Allocated	Balance
Oak Cliff Gateway Sub-district: <ul style="list-style-type: none"> • Public Infrastructure Improvements <i>including Streets, Streetscape, Water, Wastewater, Utility Burial</i> • Façade Improvements • Environmental Remediation and Demolition • Pedestrian Linkages/Lighting • Economic Development Grants 	\$33,759,436	\$22,919,760	\$10,839,676
Bishop/Jefferson Sub-district: <ul style="list-style-type: none"> • Public Infrastructure Improvements <i>including Streets, Streetscape, Water, Wastewater, Utility Burial</i> • Façade Improvements • Environmental Remediation and Demolition • Pedestrian Linkages/Lighting • Economic Development Grants 	\$36,881,087	\$5,000,000	\$31,881,087
Educational/Training Facilities	\$740,584	\$0	\$740,584
Administration and implementation ²	\$2,777,190	\$858,706	\$1,157,329
Total Project Costs	\$74,158,297	\$28,778,466	\$45,379,831
¹ Budget shown above in current dollars; TIF Project Plan shows the budget in net present value. ² TIF administration costs shown are expended or committed through FY 2015.			

Oak Cliff Gateway TIF District Amended Project Plan Budget	
Category	TIF NPV Budget*
Oak Cliff Gateway Sub-district: <ul style="list-style-type: none"> Public Infrastructure Improvements including Streets, Streetscape, Water, Wastewater, Utility Burial Façade Improvements Environmental Remediation and Demolition Pedestrian Linkages/Lighting Economic Development Grants 	\$9,116,977
Bishop/Jefferson Sub-district: <ul style="list-style-type: none"> Public Infrastructure Improvements including Streets, Streetscape, Water, Wastewater, Utility Burial Façade Improvements Environmental Remediation and Demolition Pedestrian Linkages/Lighting Economic Development Grants 	\$18,554,050
Educational/Training Facilities	\$200,000
Administration and Implementation	\$750,000
Total	\$28,621,027
* As approved in the most recent amended Project Plan and Reinvestment Zone Financing Plan.	

Oak Cliff Gateway TIF District M/WBE Participation				
Project	Contractor	Contract Award Amount	Minority Participation in Dollars (% of contract)	
Oak Cliff TIF Project	Tiseo Paving Company	\$1,964,830	\$383,731	(19.53%)
Lake Cliff Tower Project	CST Environmental	\$648,800	\$533,768	(82.27%)
Lake Cliff Tower Project	Mid-Continental Phase II-IV	\$2,184,825	\$535,500	(24.51%)
Lake Cliff Tower Streetscape	Texas Standard	\$363,530	\$363,530	(100.00%)
Zang Triangle	Billy Nabors Demolition and Mission Site Services	\$1,537,981	\$652,841	(42.45%)
Alexan Trinity	Salcedo Group Mission Site Services	\$369,396	\$225,130	(60.95%)
Totals (% of all contracts)		\$7,069,362	\$2,694,500	38.12%
1. M/WBE participation is shown above for public improvements. It was not applicable for Walgreens. 2. The City's Business Inclusion and Development program provides goals for minority and women-owned business participation.				

FY 2016 Work Program

- Continue coordination efforts for implementation of current and potential development projects.
- Continue to actively market the district with emphasis on high-density mixed-use development with a sustainable mix of retail, commercial/office and residential development in key target areas.
- Work closely with the City of Dallas Public Works and Transportation department to coordinate the completion of infrastructure improvements funded by the City's 2006 Bond Program and the North Central Texas Council of Government's Sustainable Development Grant for the area.
- Coordination with the City of Dallas Trinity River Development Office and Park Department to ensure a cohesive and coordinated effort and to ensure that the TIF District Project Plan and Master Plan are not adversely affected or compromised and to ensure the planned pedestrian and vehicular linkages to the Trinity River Corridor are preserved.
- Continue to evaluate updated plans for the Horseshoe Project, the Texas Department of Transportation scheduled reconstruction of I-30 from Sylvan Avenue to I-35 and I-35 from Eighth Avenue to I-30. Assess the impact on developable properties adjacent to both I-30 and to I-35.

Pending TIF Items

- Consideration of the FY 2015 Oak Cliff Gateway TIF District Annual Report and a recommendation to the Dallas City Council for approval.
- Consideration of a TIF funding proposal for the Bishop Arts Station project (Alamo Manhattan, developer).

FY 2015 Financials

City of Dallas, Texas
 Oak Cliff Area Gateway Tax Increment Financing District
 Reinvestment Zone Number Three
 As of September 30, 2015

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

1. Amount and source of revenue in the tax increment fund established for the zone:

\$1,665	Interest Income
\$1,240,478	Ad Valorem Taxes (Collected in FY'2014-15 based on 2014 tax year Final Tax Roll)
<u>\$1,242,142</u>	Total Revenue

2. Amount and purpose of expenditures from the fund:

\$97,551	Administrative Expense
\$1,096,386	Non-Capital outlay*
\$83,884	Capital outlay *
\$0	Additional Subsidy in Form of Grant (in lieu of interest expense)
<u>\$1,277,820</u>	Total Expenditures

* These expenditures are for the following Projects:

Zang Triangle Project	\$1,096,386
Alexan Trinity Project	\$83,884
Total	<u>\$1,180,270</u>

3. a. Amount of Principal and Interest due-on outstanding bonded indebtedness is as follows:

Oak Cliff Gateway TIF District has incurred no bonded indebtedness as of September 30, 2015.

b. The zone has the following contingent obligations reimbursed from available TIF funds as of September 30, 2015:

Project Description	Balance Due (Since Inception)		Payments/Adjustments To Date				Net Bal. Due
	Principal	Accrued Add'l Subsidy (1)	Total Due	Principal	Accrued Add'l Subsidy (1)	Total Paid	
Jefferson at Kessler Heights	\$1,500,000	\$676,404	\$2,176,404	\$1,500,000	\$676,404	\$2,176,404	\$0
Lake Cliff Tower Redevelopment	\$3,950,086	\$862,205	\$4,812,291	\$3,950,086	\$862,205	\$4,812,291	\$0
Bishop Colorado Retail Plaza	\$350,000	\$0	\$350,000	\$350,000	\$0	\$350,000	\$0
Zang Triangle Project	\$7,250,000	\$0	\$7,250,000	\$5,954,992	\$0	\$5,954,992	\$1,295,008
Alexan Trinity Project	\$4,000,000	\$0	\$4,000,000	\$83,884	\$0	\$83,884	\$3,916,116
Totals	\$17,050,086	\$1,538,609	\$18,588,695	\$11,838,962	\$1,538,609	\$13,377,571	\$5,211,124

c. The Zone entered into a development agreement with Lang Partners, LLC for the Zang Triangle project in an amount not to exceed \$7,250,000 and began reimbursing the developer in fiscal year 2012. The developer is anticipated to be paid off by June of 2017.

d. The Zone entered into a development agreement with ATA Apartments Limited Partnership for the Alexan Trinity project in an amount not to exceed \$4,000,000. The zone began reimbursements in fiscal year 2015 and the developer is anticipated to be paid off by June of 2018.

e. The Zone entered into a development agreement with Bishop Arts, LLC for the Bishop Arts Phase I project in an amount not to exceed \$5,000,000 with reimbursement to begin after project completion and upon availability of TIF funds.

f. The Zone entered into a development agreement with RWI Green Development LLC for the Oxygen project in an amount not to exceed \$4,600,000 with reimbursement to begin after project completion and upon availability of TIF funds.

(1) Additional Subsidy in Form of Grant (in lieu of interest expense)

4. Tax increment base and current captured appraised value retained by the zone:

Taxing Jurisdiction	Taxable	Base Years	Est. Captured
	Value 2015	1992 & 2014 Value	Value 2015**
City of Dallas-Zone A & B	\$224,710,036	\$40,097,623	\$184,612,413
City of Dallas-Bishop/Jefferson Sib-district	\$117,237,708	\$105,142,079	\$12,095,629
Dallas County-Zone A & B	\$224,710,036	\$40,097,623	\$184,612,413
Dallas County-Bishop/Jefferson Sib-district	\$117,125,464	\$105,024,069	\$12,101,395

** Based on Certified Taxable Values. Final values will be determined on February 01, 2016.

5. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

Taxing Jurisdiction	Assessment	Amount of
	Per \$100	Estimated 2015 Increment***
City of Dallas-Zone A & B	0.79700	\$1,250,657
City of Dallas-Bishop/Jefferson Sib-district	0.79700	\$86,762
Dallas County-Zone A & B	0.24310	\$291,715
Dallas County-Bishop/Jefferson Sib-district	0.24310	\$19,122
Total for all Jurisdictions	\$2.08020	\$1,648,256

*** Participation rates are as follows:

Taxing Jurisdiction	Rate	Tax Years
City of Dallas-Zone A & B	85%	2014-2044
City of Dallas-Bishop/Jefferson Sub-district	90%	2014-2044
Dallas County-Zone A & B	65%	2014-2034
Dallas County-Bishop/Jefferson Sib-district	65%	2014-2034

B. The total amount of estimated tax increment to be billed for the 2015 tax year is \$1,648,256 For the 2014, the zone collected increment of \$1,240,478.

City of Dallas, Texas

Oak Cliff Area Gateway Tax Increment Financing District Fund

Balance Sheet as of September 30, 2015 (Unaudited)

With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Assets:					
Pooled cash and cash equivalents	\$62,739	\$14,645	\$51,303	\$1,721,013	\$482,293
Interest receivable	\$190	\$78	\$81	\$56	\$1,585
Total assets	<u>\$62,929</u>	<u>\$14,723</u>	<u>\$51,384</u>	<u>\$1,721,069</u>	<u>\$483,878</u>
Liabilities and Fund Balance (Deficit):					
Liabilities:					
Accounts and contracts payable	\$83,884	\$0	\$0	\$1,685,000	\$0
Due to general fund	\$12,165	\$12,165	\$12,165	\$0	\$0
Advances from developers	\$0	\$0	\$0	\$0	\$0
Accrued liability	(\$2,879)	(\$2,879)	(\$2,879)	(\$2,879)	(\$2,879)
Total liabilities	<u>\$93,170</u>	<u>\$9,286</u>	<u>\$9,286</u>	<u>\$1,682,121</u>	<u>(\$2,879)</u>
Fund Balance (Deficit):					
Fund Balance (Deficit)	<u>(\$30,241)</u>	<u>\$5,437</u>	<u>\$42,098</u>	<u>\$38,949</u>	<u>\$486,758</u>
Total Liabilities and Fund Equity	<u>\$62,929</u>	<u>\$14,723</u>	<u>\$51,384</u>	<u>\$1,721,069</u>	<u>\$483,878</u>
	\$0	\$0	\$0	\$0	\$0

Oak Cliff Area Gateway Tax Increment Financing District Fund

Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)

For the Period September 30, 2015 (Unaudited)

With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)

	<u>ITD</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Revenues:						
Tax increment-Governmental	\$6,970,802	\$972,026	\$667,459	\$811,126	\$433,545	\$516,230
Tax increment-Intergovernmental	\$6,466,661	\$268,452	\$169,546	\$1,586,058	\$836,965	\$997,827
Interest income	\$402,917	\$1,329	\$386	\$3,549	\$5,010	\$1,584
Grant from City/Developer contribution	\$309,480	\$0	\$0	\$0	\$0	\$184,480
Net increase(decrease) in fair value of investments	\$6,080	\$335	(\$67)	(\$1,135)	(\$188)	\$1,374
Total revenues	<u>\$14,155,941</u>	<u>\$1,242,142</u>	<u>\$837,323</u>	<u>\$2,399,598</u>	<u>\$1,275,332</u>	<u>\$1,701,495</u>
Expenditures:						
Administrative expenses	\$858,706	\$97,551	\$60,694	\$36,132	\$38,141	\$52,465
Non-Capital outlay	\$8,060,229	\$1,096,386	\$438,290	\$2,360,317	\$177,398	\$0
Capital outlay	\$3,891,289	\$83,884	\$375,000	\$0	\$1,507,602	\$0
Interest and fiscal charges	\$1,376,146	\$0	\$0	\$0	\$0	\$106,359
Total expenditures	<u>\$14,186,370</u>	<u>\$1,277,820</u>	<u>\$873,984</u>	<u>\$2,396,449</u>	<u>\$1,723,141</u>	<u>\$158,824</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(\$30,429)</u>	<u>(\$35,678)</u>	<u>(\$36,661)</u>	<u>\$3,149</u>	<u>(\$447,809)</u>	<u>\$1,542,671</u>
Fund balance (Deficit) at beginning of year as previously reported	\$0	\$5,437	\$42,098	\$38,949	\$486,758	(\$1,055,914)
Prior period restatement	\$188	\$0	\$0	\$0	\$0	\$0
Fund balance (Deficit) at beginning of year, as restated	<u>\$188</u>	<u>\$5,437</u>	<u>\$42,098</u>	<u>\$38,949</u>	<u>\$486,758</u>	<u>(\$1,055,914)</u>
Fund balance (deficit) at end of year	<u>(\$30,241)</u>	<u>(\$30,241)</u>	<u>\$5,437</u>	<u>\$42,098</u>	<u>\$38,949</u>	<u>\$486,758</u>

Note: Fiscal year 2014-15 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.

City of Dallas, Texas
Oak Cliff Gateway Area Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2015
(Unaudited)

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.
2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).
3. The Zone's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.
4. The Zone's Financial Plan permits expenditures not to exceed \$2,777,190 (in current \$) over the life of the TIF to reimburse the City for administrative costs. The Zone began reimbursing the General Fund in fiscal year 1998-99. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.
5. All project costs resulting in capital improvements that are owned by the City of Dallas are capitalized.

AGENDA ITEM # 10

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 2

DEPARTMENT: Office of Economic Development

CMO: Ryan S. Evans, 671-9837

MAPSCO: 45 Q R and T– V

SUBJECT

A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Four, (Cedars TIF District), submitted by the Cedars TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 21492 on December 9, 1992, establishing Tax Increment Financing Reinvestment Zone Number Four, (Cedars TIF District), as amended. On April 9, 1997, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 23092, as amended.

The Cedars TIF District's 2015 assessed taxable value was \$105,112,608. This represents an increase of \$69,811,848 (197.8%) over the 1992 base year value and an increase of \$19,182,832 (22.3%) over the taxable value for 2014. The increase over the previous year's taxable value is largely attributed to appreciation of properties that comprise the Beat at South Side Station (\$4,537,290), South Side Flats by Jefferson (\$3,594,560) and Belleview (\$3,396,960) projects. With the participation of the City and Dallas County, the increase over the base year value will result in the collection of approximately \$628,150 in total incremental revenue for the District.

PRIOR ACTION/REVIEW (COUNCIL. BOARDS, COMMISSIONS)

On December 9, 1992, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Four, the Cedars TIF District by Ordinance No. 21492, as amended.

On April 9, 1997, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Cedars TIF District by Ordinance No. 23092, as amended.

On December 7, 2015, the Cedars TIF District Board of Directors recommended that the FY 2015 Annual Report be accepted and approved.

Information about this item will be provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

No cost consideration to the City

February 24, 2016

WHEREAS, the City recognizes the importance of its role in local economic development initiatives and programs; and

WHEREAS, the City has established Tax Increment Financing Reinvestment Zone Number Four, ("Cedars TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment in the Cedars area pursuant to Ordinance No. 21492, authorized by the City Council on December 9, 1992, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

WHEREAS, on April 9, 1997, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Cedars TIF District by Ordinance No. 23092, as amended; and

WHEREAS, the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

WHEREAS, on December 7, 2015, the Cedars TIF District Board of Directors passed a motion accepting the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Four and recommending approval of same by the City Council.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Four, (Cedars TIF District), City of Dallas, Texas, as of September 30, 2015, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

Section 2. That the City Manager is hereby authorized to submit the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Four to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and to the State Comptroller, as required by state law.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Cedars TIF District FY 2015 Annual Report



The South Side Flats by Jefferson Project
(Source: JPI)

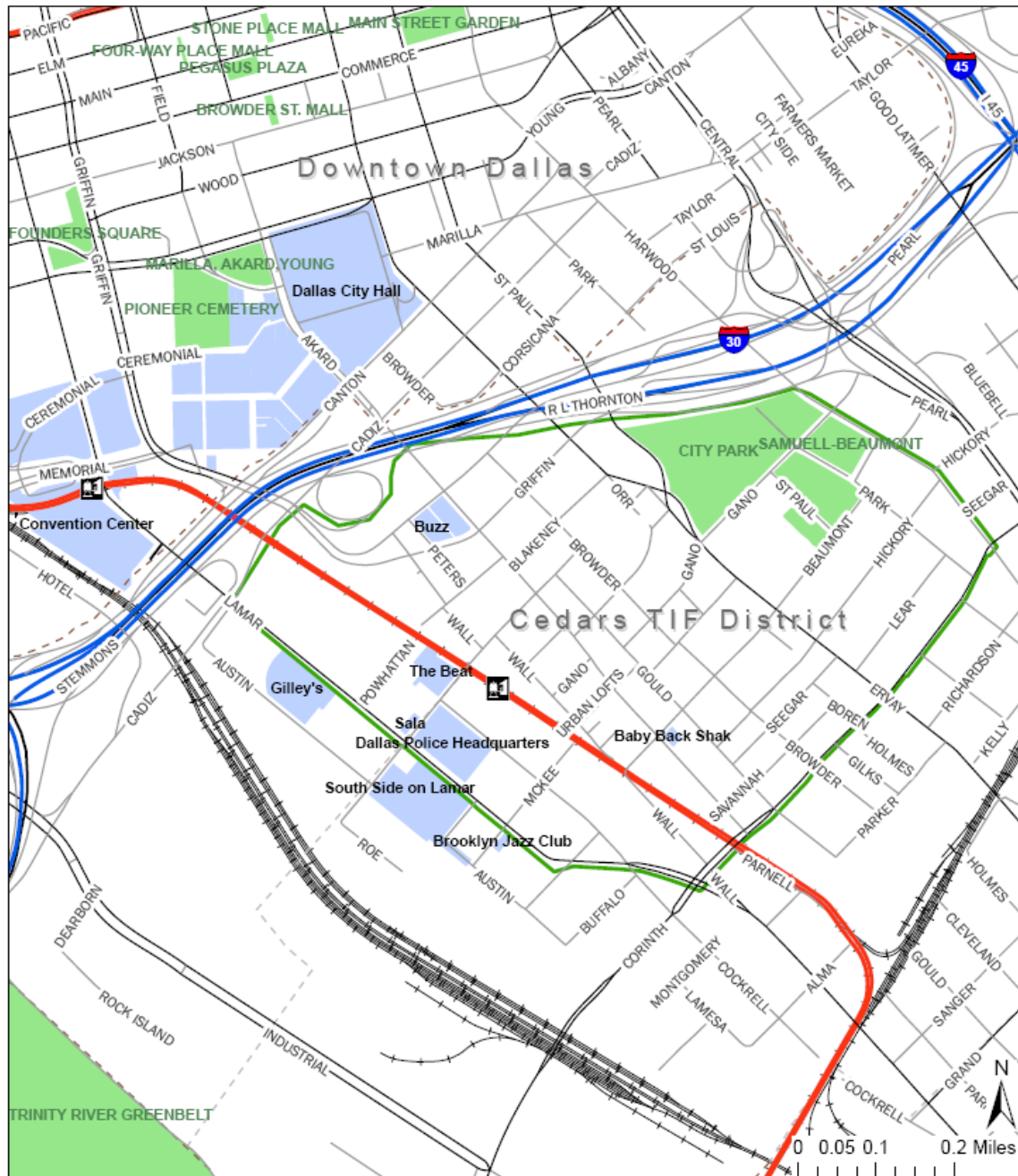


City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 670-4551
<http://www.dallas-ecodev.org/>

October 1, 2014 to September 30, 2015

Cedars Tax Increment Financing District



Cedars TIF District

- Cedars DART Station
- Cedars TIF Boundary
- DART Red Line



City of Dallas

Office of Economic Development
October 2008

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Mission

The mission of the Cedars TIF District is to capitalize on its proximity to Downtown Dallas and major transportation arteries to attract new residential and commercial development, facilitate growth and increase its tax base.

The Dallas City Council established the Cedars TIF District and the Board of Directors by Ordinance No. 21492, on December 9, 1992, as amended. The TIF District took effect on January 1, 1993 and is scheduled to terminate on December 31, 2022 (including collection of the 2022 increment in calendar year 2023 and any related matters to be concluded in 2023).

The District's participating taxing jurisdictions are the City of Dallas, Dallas County, Dallas County Hospital District (DCHD) and Dallas Independent School District (DISD). The annual participation rates for the taxing jurisdictions are as follows:

- The City's annual participation rate was 100% in 1993 through 2012. Its participation rate decreased to 90% in 2013 and thereafter.
- Dallas County's participation rate was 65% in 1993 through 2012. The county's annual participation rate increased to 75% in 2013 and thereafter.
- DCHD's participation rate was 65% in 1993 through 2012.
- DISD's County's participation rate was 50% in 1993 through 2012.

District Accomplishments

Since the District's creation City Council has approved nine projects and two initiatives for TIF funding (please refer to the Past, Current and Anticipated Projects section on Pages 6 – 10).

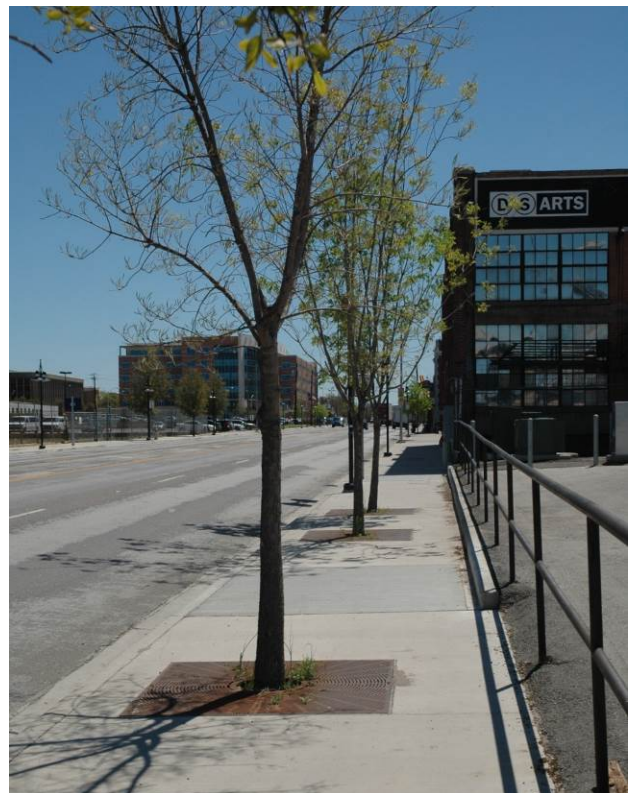
On June 22, 2011, City Council approved an amendment to the Cedars TIF District Project Plan and Reinvestment Zone Financing Plan to:

1. Extend the term of the TIF District for a 10 year period from December 31, 2012 through December 31, 2022;
2. Decrease the City of Dallas' participation after tax year 2012 from 100% to 90%;
3. Direct the City Manager to negotiate an increase in Dallas County's participation rate after tax year 2012 from 65% to 75%; and
4. Amend the Cedars TIF Infrastructure Improvements - Street Construction/ Streetscape/ Water/Wastewater/ Drainage Improvements/ East-West Corridor

Construction budget line item to include Public Open Spaces and Economic Development Grants.

The term extension will allow for additional development activities which are needed to continue the District's revitalization. It would also increase the District's ability to expend its budget of \$7,216,097 (net present value) and satisfy the goal of redeveloping the area into an attractive business and residential community that can serve as a vital connection between Downtown Dallas and the rest of City.

Additionally, the planning and design work for a 2006 Bond project that will extend Bellevue Street from Akard Street to Ervay Street continued during the fiscal year. It is anticipated the extension will improve the east-west flow of traffic through the District. The 1400 Bellevue project, which was completed during the fiscal year, will be located along the street's new segment.



The Southside Pedestrian Improvement Project –
Lamar Street Before and After Utility Pole Removal
(Source: DART)

Past, Current and Anticipated Projects

Projects Within the TIF District Utilizing TIF Funding ¹						
Project	Location	Calendar Year Complete	Status	Units/Square Feet ²	Approximate Investment / Assessed Value ³	TIF Investment ⁴
Metroplex Greenhaven Landscaping Service	1919 South Harwood Street	2002	Complete	11,368 square feet of commercial space	\$477,610 (assessed value)	\$12,089
McKee Row Homes I	1500-1510 McKee Street	2005	Complete	6 row homes	\$816,800 (assessed value)	\$143,350
McKee Row II	1512-1516 McKee Street	2006	Complete	3 row homes	\$348,040 (assessed value)	\$10,045
Seegar Row Homes	1525-1603 Seegar Street	2006	Complete	7 row homes	\$806,140 (assessed value)	\$25,000
Buzz	1111 South Akard Street	2007	Complete	49 condos	\$7,407,590 (assessed value)	\$459,061
Millers Ferry Row	1803-1823 South Ervay Street, 1602 Beaumont Street and 1817 Millers Ferry Row	2007	Complete	13 row homes	\$2,318,670 (assessed value)	\$185,490
The Beat at South Side Station	1001 Bellevue Street	2009	Complete	75 condos	\$17,527,840 (assessed value)	\$798,257
The Bellevue (aka 1400 Bellevue)	1400 Bellevue Street	2015	Complete	164 apartments, and 5,000 square feet of flex space	\$5,825,000 (assessed value)	\$1,657,916
Bellevue Browder District-wide Improvements	Along Bellevue Street from Browder Street to South Akard Street; Gould Street from Bellevue Street to Sullivan Drive; Browder Street from Bellevue Street to Sullivan Drive; and Sullivan Drive from Browder Street to South Ervay Street	2015	Complete	N/A	\$848,746 (approximate investment)	\$441,225

Projects Within the TIF District Utilizing TIF Funding ¹ (continued)						
Project	Location	Calendar Year Complete	Status	Units/Square Feet ²	Approximate Investment / Assessed Value ³	TIF Investment ⁴
Plaza Hotel	1011 South Akard Street	TBD	Under Construction	220 hotel rooms and 1,800 square feet of commercial space	\$34,085,071 (approximate planned investment)	\$2,285,071
Galleries on Hickory	1509, 1513, 1517, 1521 and 1527 Hickory St; and 1814, 1818 and 1820 Browder St	TBD	Under construction	18 detached single-family units (for sale)	\$6,931,700 (approximate investment)	\$490,700
Subtotal				335 residential units, 220 hotel rooms, and 18,168 square feet of commercial and flex space	\$77,393,207	\$6,508,204

Projects Within the TIF District Utilizing Tax Abatements ¹						
Project	Location	Calendar Year Complete	Status	Units/Square Feet ²	Approximate Investment / Assessed Value ³	Approximate Tax Abatement
South Side Flats by Jefferson ⁵	1210 South Lamar	2016	Under construction	290 apartments and 6,560 square feet of retail space	\$39,536,000 (approximate investment)	\$1,938,897
Subtotal				290 residential units and 6,560 square feet of retail space	\$39,536,000	\$1,938,897

Projects Within the TIF District That Are Not Utilizing TIF Funding⁶						
Project	Location	Calendar Year Complete	Status	Units/Square Feet²	Approximate Investment / Assessed Value³	TIF Investment⁴
1519 Beaumont St	1519 Beaumont Street	1995 and 2010	Complete	5 apartments	\$1,116,260 (assessed value)	\$0
Cedars Corner (Hotel Newland)	1108 South Akard Street	1998	Complete	20 apartments	\$616,380 (assessed value)	\$0
Dallas Police Association Headquarters ⁷	1412 North Griffin Street	2003	Complete	11,150 square feet of office space	\$645,640 (assessed value)	\$0
Resource One Credit Union expansion	1200 Bellevue Street	2003	Complete	13,430 square feet of office space	\$470,050 (assessed value)	\$0
Dallas Police Headquarters ⁷	1400 South Lamar Street	2003	Complete	358,758 square feet of office space	\$16,547,480 (assessed value)	\$0
Cedars Social	1326 South Lamar Street	2005	Complete	3,000 square feet of commercial space	\$42,250 (assessed value)	\$0
Urban Lofts – Akard	1203-1223 and 1204-1218 Urban Lofts Drive	2008	Complete	15 town homes	\$2,917,610 (assessed value)	\$0
Off the Bone BBQ	1734 South Lamar Street	2008	Complete	829 square feet of commercial space	\$123,700 (assessed value)	\$0
Edison's	1724 Cockrell Avenue	2008	Complete	15,000 square feet of commercial space	\$612,600 (assessed value)	\$0
Browder Park Place	1815 Browder Street	TBD	Under construction	6 town homes	Not Available	\$0
Urban Lofts – Wall	Hyde Court (Wall Street & McKee Street)	TBD	Planned	12 town homes	\$2,700,000 (approximate planned investment)	TBD
Dallas Heritage Village Education & Visitor Center Expansion ⁷	1515 South Harwood Street	TBD	Planned	9,000 square feet of commercial space	\$5,000,000 (approximate planned investment)	TBD
David Weekly Homes	918 Powhattan	TBD	Planned	43 detached homes	TBD	TBD
Subtotal				101 residential units, 383,338 square feet of office space and 27,829 square feet of commercial space	\$30,791,970	\$0

Projects Adjacent to the TIF District ⁶						
Project	Location	Calendar Year Complete	Status	Units/Square Feet ²	Approximate Investment / Assessed Value ³	TIF Investment ⁴
Southside on Lamar (includes the Urban Market on its lower level)	1409 South Lamar Street	2001	Complete	455 loft apartments and 2,000 square feet of retail	\$31,759,850 (assessed value)	\$0
Gilley's	1135 South Lamar Street	2003	Complete	91,650 square feet	\$2,850,000 (assessed value)	\$0
Poor David's Pub	1319 South Lamar Street	2004	Complete	5,382 square feet	\$197,970 (assessed value)	\$0
Club Jos Rieles	1701 South Lamar Street	2005	Complete	4,840 square feet	\$312,580 (assessed value)	\$0
DCCCD Offices ⁷	1601 South Lamar Street	2008	Complete	83,383 square feet	\$4,096,250 (assessed value)	\$0
The Dallas Convention Center Hotel(Omni Dallas Hotel)	555 South Lamar Street	2011	Complete	1,001 hotel rooms	\$200,000,000 (assessed value)	\$0
NYLO Dallas South Side Hotel	1325 South Lamar Street	2012	Complete	76 hotel rooms	\$5,000,00 (assessed value)	\$0
Subtotal				455 residential units; 103,872 square feet of commercial space; 83,383 square feet of office space; and 1,001 hotel rooms	\$244,216,650	\$0
¹ All information updated as of September 30, 2015. ² Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage. ³ Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). ⁴ Principal amount that is not to be exceeded per the development agreement. TBD indicates that development agreement has not yet been adopted. Asterisk indicates investment also includes interest not shown ⁵ Project is receiving a ten-year real property tax abatement from the City. ⁶ Selected significant projects included. ⁷ Project is tax-exempt; value given is either DCAD market value or an approximation of the anticipated market value.						

TIF District Initiatives				
Activity	Scope	Status	Investment	Source
Cedars Traffic Study	Whole District	Complete	\$88,149	Cedars TIF funds
South Side Pedestrian Improvement Project (funded through a Sustainable Development Grant from NCTCOG using federal Congestion Mitigation and Air Quality funds (CMAQ))	South Lamar Street and Belleview Street	Complete	\$4,532,170	Federal grant
			\$500,000	1995 Bond funds (local match)
			\$66,521	Cedars TIF funds (approved in FY 2007)
			\$566,521	Matthews Southwest
			\$230,000	1998 Bond funds
			\$207,830	Cedars TIF funds / District-wide Improvements Set-aside (approved in FY 2012)
			\$207,830	Matthew Southwest (additional match)
Total:			\$6,399,021	

Value and Increment Revenue Summary

The Cedars TIF District's 2015 assessed taxable value was \$105,112,608. This represents an increase of \$69,811,848 (197.8%) over the 1992 base year value and an increase of \$19,182,832 (22.3%) over the taxable value for 2014. The increase over the previous year's taxable value is largely attributed to appreciation of properties that comprise the Beat at South Side Station (\$4,537,290), South Side Flats by Jefferson (\$3,594,560) and Belleview (\$3,396,960) projects. With the participation of the City and Dallas County, the increase over the base year value will result in the collection of approximately \$628,150 in total incremental revenue for the District.

Objectives, Programs and Success Indicators

The Cedars Final Project Plan and Reinvestment Zone Financing Plan was approved on April 9, 1997. The Plan has been amended three times, most recently on June 22, 2011. Its defined development goals are summarized below:

- Improve the infrastructure within and adjacent to the District to promote new investment.

A list of the specific projects that have contributed to the fulfillment of the goal is as follows:

- *On October 23, 2013, City Council approved up to \$490,700 in TIF Funding for the Galleries on Hickory project. The project includes infrastructure and streetscaping improvements at: (1) 1509, 1513, 1517, 1521 and 1527 Hickory Street; (2) 1814, 1818, and 1820 Browder Street; (3) the adjoining alley between Browder Street and Ervay Street; (4) along Hickory Street beyond the project site; and (5) a second alley between Beaumont Street and Hickory Street. This has led to the construction of one home single-family new to date.*
- *On September 25, 2013, City Council approved up to \$441,225 in TIF Funding for the Belleview Browder District-wide Improvements project. The project, which was completed during the fiscal year, included the construction of several needed public improvements (franchise utility relocation, street lighting, street improvements, streetscape improvements and water-wastewater/drainage improvements) that were not included in the 1400 Belleview project's original scope of work. These improvements replaced sub-standard public infrastructure and provided much of the needed infrastructure to allow the redevelopment of approximately 6.05 acres of property that is adjacent to the project.*
- *On September 25, 2013, City Council approved up to \$2,285,071 in TIF Funding for the Plaza Hotel project which will include infrastructure and streetscape improvements along South Akard Street and West Griffin Street. The project commenced during the fiscal year.*
- *On June 27, 2012, City Council approved up to \$207,830 in additional TIF funding to match up to \$207,830 in additional funding from Matthew Southwest for cost overruns related to the Southside Pedestrian Improvement project. City Council had previously approved \$66,521 in TIF funding for the project on May 23, 2007. This leveraged approximately \$5,098,691 in private and federal funds for sidewalk and streetscape improvements on Lamar Street and along Belleview Street from the Convention Center to the Cedars DART station. The project was completed during FY 2013.*

- On June 22, 2011, City Council approved up to \$1,657,916 in TIF funding for the 1400 Bellevue project which included infrastructure improvements along Bellevue Street from Browder Street to Akard Street, Gould Street from Bellevue Street to Sullivan Street, and Browder Street from Bellevue Street to Sullivan Street. The project was completed during the fiscal year.
 - On April 11, 2007, City Council approved up to \$192,000 in TIF funding for the Millers Ferry Row Town Homes project which included streetscape improvements along Ervay Street. The project was completed during FY 2007.
 - On August 9, 2006, City Council approved up to \$1,500,000 in TIF funding for The Beat at South Side Station project which included street and streetscape improvements on Bellevue Street, Lamar Street, and Powhattan Street. On August 27, 2008, City Council approved an extension for the deadlines to complete the project and reduced its TIF funding by \$700,000. The project was completed during FY 2009.
 - On September 14, 2005, City Council approved up to \$564,462 in TIF funding for the Buzz Condominiums project which included street and streetscape improvements on Akard Street and Griffin Street. On November 29, 2006, the Cedars TIF Board approved an extension for the deadlines to complete the project and reduced its TIF funding by \$100,000. The project was completed during FY 2007.
- Add 700 residential units

Since inception 357 residential units have been completed within the Cedars TIF District. Construction has commenced on an additional 314 units while another 55 units are planned. Collectively, the 726 units represent 103.7% of the goal. Multifamily developers continued to show interest in the District for town home style developments and more dense mid to high-rise developments.

In addition, the South Side on Lamar project has added 455 residential units adjacent to the District.

To date 812 residential units have been completed within or adjacent to the Cedars TIF District. An additional 314 residential units are currently under construction while another 55 are planned.



The 1400 Belleview Project
(Source: 1400 Belleview GP, LLC)



The first home completed as part of the Galleries on Hickory Project
(Source: City of Dallas)

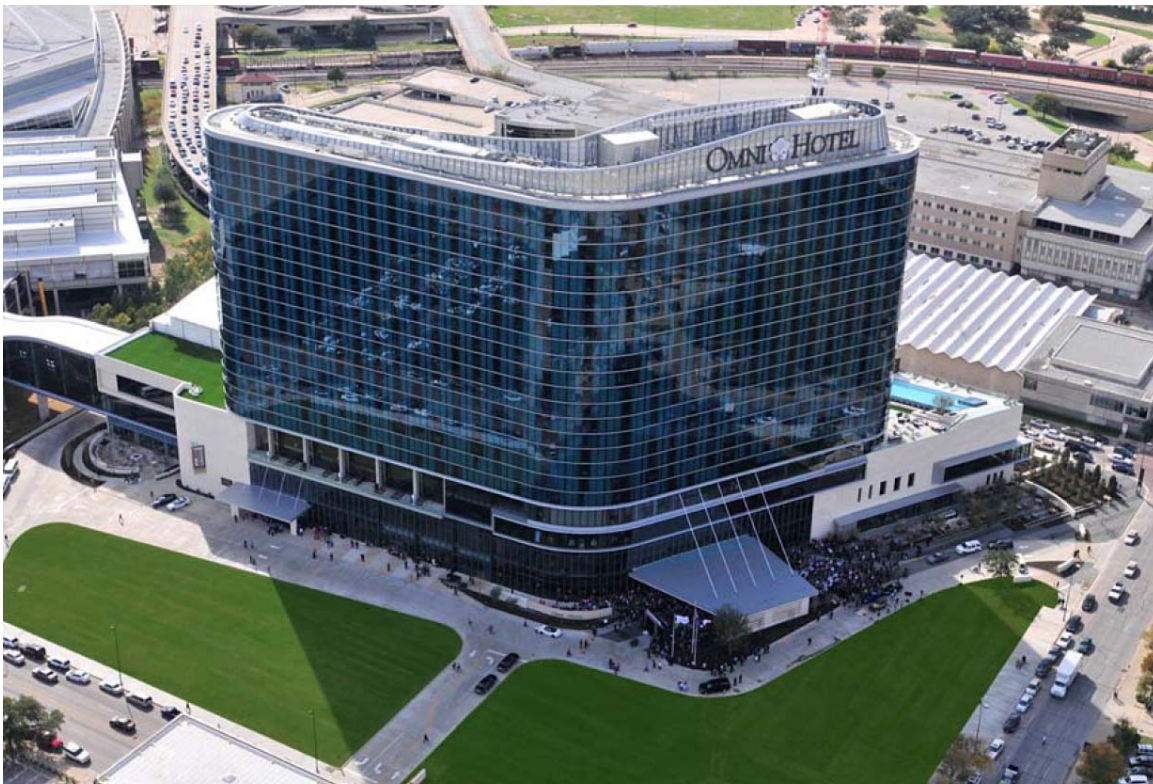
- Add 400 hotel/motel rooms

There are currently 220 hotels rooms under construction within the Cedars TIF District as part of the Plaza Hotel project (55.0% of the goal). No additional hotel/motel rooms have been added within the District since its inception nor are there any others planned.

In addition, 1,077 hotel/motel rooms have been added adjacent to the District since its inception. A list of the specific projects is as follows:

- *The NYLO Dallas South Side Hotel, which is located at the northwest corner of Lamar Street and Bellevue Street, opened in FY 2012. The boutique-style hotel contains 76 guest rooms.*
- *The Dallas Convention Center Hotel, which is located north of the District along Lamar Street, opened in FY 2011. The 4-star hotel features 1,001 guest rooms, 100,000 square feet of meeting space and multiple dining options.*

To date 1,077 motel/hotel rooms have been added within or adjacent to the Cedars TIF District. An additional 220 hotel/motel rooms are under construction while no others are currently planned.



The Dallas Convention Center Hotel
(Source: www.dallasnews.com)

- Add 55,000 square feet of retail space

Since inception approximately 35,197 square feet of retail and flex space has been added to the Cedars TIF District. An additional 8,360 square feet is under construction while another 9,000 is planned. Collectively, this represents 95.6% of the goal. A list of the specific projects is as follows:

- *On September 25, 2013, City Council approved up to \$2,285,071 in TIF funding for the Plaza Hotel project. It will include approximately 1,800 square feet of commercial space within repurposed shipping containers on the southeast corner of the hotel's parking lot.*
- *Cedars Social opened in October 2010. It is located on the northeast corner of Lamar Street and Belleview Street within the building that was vacated by Sala. The renovated restaurant represents approximately 3,000 square feet of retail space that was retained in the District.*
- *Off the Bone Barbeque, which is located at 1734 South Lamar Street, enclosed its patio space during FY 2011. The renovation enabled the restaurant to nearly double its size to 829 square feet.*
- *Metroplex Greenhaven Landscaping Service (located at 1919 South Harwood Street) added 11,368 square feet of retail space within the District since its creation while Edison's reception hall (located at 1725 Cockrell Avenue) added 15,000 square feet.*
- *The Belleview project was completed during the fiscal year. It added approximately 5,000 square feet of flex space within the District.*
- *The South Side Flats by Jefferson project will add 6,560 square feet of retail space within the District while the expansion of the Dallas Heritage Village Education & Visitor Center is expected to add an additional 9,000 square feet.*

In addition, approximately 103,872 square feet of retail and entertainment space was added adjacent to the District while another 38,000 is under construction. A list of the specific projects is as follows:

- *On April 22, 2015, City Council approved up to \$1,405,000 in TIF funding and a Chapter 380 grant for up to \$450,000 in support of the Alamo Drafthouse Cinema project. The project is under construction at the south corner of Cadiz and Lamar Streets (TOD TIF District). It will include approximately 38,000 square feet of commercial space and entertainment space.*

- *Gilley's, which is located at 1135 South Lamar Street, added approximately 91,650 square feet of entertainment space immediately southwest of the District. The venue was completed in 2001.*
- *Poor David's Pub, which is located at 1707 South Lamar Street, added approximately 5,382 square feet of entertainment space just southwest of the District. The venue was completed in 2004.*
- *Club Jos Rieles opened at 1701 South Lamar Street opened during fiscal year 2014. It retained approximately 4,840 square feet of entertainment space immediately southwest of the District. The building was previously occupied by the Bellagio Entertainment Center and Brooklyn Jazz Café.*
- *Urban Market opened at 1409 South Lamar on the lower level of Southside on Lamar in September 2008. It added 2,000 square feet of grocery store space adjacent to the District.*

To date approximately 139,069 square feet of retail, entertainment and flex space has been added within or adjacent to the Cedars TIF District. An additional 46,360 square feet is under construction while another 9,000 is planned

- Add 300,000 square feet of service center/flex office space

Since inception approximately 383,338 square feet of service center/flex office space has been added within the Cedars TIF District (127.8% of the goal). A list of the specific projects, which were all completed in 2003, is as follows:

- *Dallas Police Association Headquarters added 11,150 square feet of office space.*
- *Resource One Credit Union's expansion added 13,430 square feet of office space.*
- *Dallas Police Headquarters added 358,758 square feet of office space.*

In addition, the renovation of the Dallas County Community College District (DCCCD) building at 1601 South Lamar Street added approximately 83,363 square feet of office space adjacent to the District.

To date 466,701 square feet of service center/flex office space has been completed within or adjacent to the Cedars TIF District. Currently there are

no additional service center/flex office space under construction or planned.



Jack Evans Police Headquarters – Dallas Police Department
[Source: crimeblog.dallasnews.com (Photo by Stewart F. House/Getty Images)]



Dallas County Community College District
(Source: www.corgan.com)

Year-End Summary of Meetings

Based on amended composition the Cedars TIF Board can consist of up to nine members, including six City of Dallas appointees and one appointee each from Dallas County, the Dallas Independent School District (DISD) and the Dallas County Hospital District appointee (DCHD). The TIF Board, which consisted of the following members, met once during the fiscal year:

- Orlando Alameda, DISD appointee (attended the meeting)
- Michael J. Barrett, Chair and City appointee (attended the meeting)
- Chase Evans, City appointee (attended the meeting)
- Rick Loessberg, Dallas County appointee (did not attend the meeting)
- Jill B. Louis, City appointed (did not attend the meeting)
- Kenneth D. Martin, Vice Chair and City appointee (attended the meeting)
- John E. McBride, City appointee (attended the meeting)
- Sue Pickens, DCHD (attended the meeting)
- Mark R. Stephens, City appointee (attended the meeting)

The Dallas City Council approved four items during the fiscal year related to the District. The items are summarized below:

- On November 12, 2014, the City Council approved Resolution Number 14-1890, authorizing certain amendments to the terms of the development agreement with TEOF Hotel LLC for the Plaza Hotel Project, previously approved on September 25, 2013, by Resolution Nos. 13-1711 and 13-1712, in Tax Increment Financing Reinvestment Zone Number Four (Cedars TIF District) to: (1) extend the project deadlines by one year; (2) require the Developer/Owner to secure an Ascend Collection Hotel or an equivalent brand for the hotel's operator as approved by the Director of the Office of Economic Development by April 1, 2015; (3) authorize the City to reimburse the Developer/Owner up to \$1,000,000 for expenditures related to the Project's public infrastructure improvements pursuant to a monthly draw schedule approved by the Director of the Office of Economic Development and/or submission of invoices for work completed, subject to the availability of funding in the Cedars TIF District Fund; and (4) allow upon project completion, reimbursement of TIF-eligible project costs in excess of \$1,000,000 in five annual payments in the amount of \$257,014, subject to the availability of

funding in the Cedars TIF District Fund - Financing: No cost consideration to the City

- On November 12, 2014, the City Council approved Resolution Number 14-1928, authorizing an amendment to Resolution No. 14-0928, previously approved on June 11, 2014, to amend the Special Warranty Deed to the City from Matthews CCH Partners, L.P., for approximately 22,478 square feet of land improved with two buildings located near the intersection of Bellevue and Browder Streets for the widening and extension of Bellevue Street - Financing: No cost consideration to the City
- On January 14, 2015, the City Council approved Resolution Number 15-0147, authorizing (1) the acceptance of \$11,000,000 of Community Development Block Grant Section 108 Guaranteed Loan Program Funds (Section 108 Loan Funds) from the U.S. Department of Housing and Urban Development (HUD) for the Plaza Hotel commercial development project (Hotel Project); (2) a loan agreement with TEOF Hotel, LP (the Section 108 Borrower) in the amount of \$11,000,000 of Section 108 Loan Funds (the Section 108 Borrower Loan) for development of the Hotel Project to assist with rehabilitation of a vacant commercial building located at 1011 South Akard Street including economic development, loan interest reserve and financial costs for the Section 108 public offering that will create an estimated 220 permanent full-time equivalent jobs with 51% to be held by or made available to low- and moderate-income persons with incomes at 80% or less of Area Median Family Income as established by HUD; (3) the City Manager to enter into all necessary agreements with HUD including a Funding Approval/Agreement, a Fiscal Agency Agreement, a Promissory Note, up to two letters of agreement, for establishment of a custodial account, documents relating to additional security if required by HUD, and a letter requesting advance funds for interim financing; (4) the City Manager to establish appropriations for Section 108 Loan Funds; and (5) the City Controller to deposit and disburse funds from an identified account with total disbursements not to exceed \$11,000,000 in Section 108 Loan Funds - Not to exceed \$11,000,000 - Financing: Community Development Block Grant Section 108 Guaranteed Loan Funds
- On February 25, 2015, the City Council approved Resolution Number 15-0351, accepting the FY 2014 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Four, (Cedars TIF District), submitted by the Cedars TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City



The Plaza Hotel Project
(Source: City of Dallas)

Pending TIF Items

Approval of the FY 2015 Annual Report is the Cedars TIF District's only pending item.

Budget and Spending Status

The Cedars TIF District's Project Plan and Reinvestment Zone Financing Plan established a budget for the public improvement expenditures that are necessary to support private investment. The District's budget and spending to date are provided on the following charts:

Cedars TIF District Projected Increment Revenues to Retire TIF Fund Obligations			
Category	TIF Budget (Total Dollars)	Allocated	Balance
Infrastructure Improvements - Street Construction/Streetscape/Water/Wastewater/Drainage Improvements/East-West Corridor Construction/ Public Open Spaces/ Economic Development Grants	\$20,110,586	\$6,870,704	\$13,239,882
Environmental Remediation	\$1,000,000	\$0	\$1,000,000
Education/Educational Facility Improvements/Public Improvements Adjacent to Educational Facilities	\$1,500,000	\$0	\$1,500,000
Administration and Implementation*	\$1,187,237	\$858,841	\$328,396
Total Project Costs	\$23,797,823	\$7,729,545	\$16,068,278
<p><i>The Cedars TIF term was extended by a ten-year period and is now set to terminate in 2022. Estimated TIF Collections show potential capacity in the district based on current projections, not actual current cash status. Actual capacity to be determined by new construction. Values adjusted as of September 30, 2015 to reflect current projections.</i></p> <p><i>*TIF administration costs shown are expensed through FY 2015.</i></p>			

Cedars TIF District Project Plan Budget	
Category	TIF Budget (NPV)
Infrastructure Improvements – Street Construction/Streetscape/Water/Wastewater/Drainage Improvements/East-West Corridor Construction/Public Open Spaces/Economic Development Grants	\$4,356,097
Environmental Remediation	\$1,000,000
Education/Educational Facility Improvements/Public Improvements Adjacent to Educational Facilities	\$1,500,000
Administration and Implementation	\$360,000
Total Project Costs	\$7,216,097
<i>All values discounted to 1992 dollars at 5.00% annually. Actual expenditures will depend on the timing of project costs.</i>	

FY 2016 Work Program

The FY 2016 Work Program for the Cedars TIF District includes:

- Continue working with the Public Works and Transportation Department to finalize the alignment design for the Belleview Street extension between Akard and Ervay Streets.
- Continue encouraging development projects within the District in accordance with its final Project Plan and Reinvestment Zone Financing Plan.

Appendix: Financials

City of Dallas, Texas									
Cedars Tax Increment Financing District									
Reinvestment Zone Number Five									
As of September 30, 2015									
Chapter 311.016 of V.C.T.A. requires the following									
as part of the annual report on the status of the TIF									
Information is contained in detail on the attached									
financial statements.									
1. Amount and source of revenue in the tax increment fund established for the zone:									
	\$12,668	Interest Income							
	\$431,205	Ad Valorem Taxes (Collected in FY'2014-15 based on 2014 Final Tax Roll)							
	<u>\$443,872</u>	Total Revenue							
2. Amount and purpose of expenditures from the fund:									
	\$49,711	Administrative Expense							
	\$0	Non-Capital outlay							
	\$24,728	Capital outlay *							
	\$0	Additional Subsidy in Form of Grant (in lieu of interest expense)							
	<u>\$74,438</u>	Total Expenditures							
* Capital outlay during FY'2014-15 was for the following projects:									
		1400 Belleview Public Improvements		\$23,040					
		McKee Street Public Improvements		\$1,688					
		Total		<u>\$24,728</u>					
3. a. Amount of Principal and Interest due-on outstanding bonded indebtedness is as follows:									
Cedars TIF District has incurred no bonded indebtedness as of September 30, 2015.									
b. The Zone has entered into an agreement with CMAQ for the sustainable development on Lamar street under a grant of \$66,521 with anticipated completion in 2015.									
c. The Zone entered into an agreement with 1400 Belleview GP, LLC to dedicate an amount not to exceed \$441,225 for the Belleview Browder District-wide Improvements project. Reimbursement of its TIF-eligible project costs began in fiscal year 2014 and is expected to be fully reimbursed during fiscal year 2015 from available TIF funds.									
d. The Zone entered into an agreement with TEOF Hotel LLC to dedicate an amount not to exceed \$2,285,071 for the Plaza Hotel project. Reimbursement of up to \$1,000,000 for the project's public infrastructure improvements will be made pursuant to an approved monthly draw schedule and/or submission of invoices for completed work, subject to the availability of TIF funds. After the project's completion, the reimbursement of \$1,285,071 for TIF-eligible project costs will be made in five annual payments of \$257,014, subject to the availability of TIF funds.									
e. The Zone entered into a development agreement with Dig It! Development, LLC to dedicate an amount not to exceed \$490,700 for the Galleries on Hickory project. Reimbursement of the project's TIF-eligible project costs will begin after its completion, subject to the availability of TIF funds.									

4. Tax increment base and current captured appraised value retained by the Zone:				
	Taxable	Base Year	Est. Captured	
Taxing Jurisdiction	Value 2015	1992 Value	Value 2015**	
City of Dallas	\$105,112,608	\$35,300,760	\$69,811,848	
Dallas County	\$105,170,108	\$35,300,760	\$69,869,348	
** Based on Certified Tax Values. Final values will be determined on February 01, 2016.				
5. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:				
A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:				
	Assessment	Amount of		
Taxing Jurisdiction	Per \$100	Estimated 2015 Increment		
City of Dallas	0.71730	\$500,760		
Dallas County	0.18233	\$127,389		
Total for all Jurisdictions	\$0.89963	\$628,150		
B. The total amount of estimated tax increment to be billed for the 2015 tax year is \$628,150. For the 2014 tax year, the zone collected \$431,205 in increment.				

City of Dallas, Texas						
Cedars Tax Increment Financing District Fund						
Balance Sheet as of September 30, 2015 (Unaudited)						
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)						
		2015	2014	2013	2012	2011
Assets:						
Pooled cash and cash equivalents		\$1,767,577	\$1,407,849	\$2,217,696	\$2,516,226	\$1,771,667
Interest receivable		\$2,154	\$1,507	\$2,500	\$2,702	\$5,459
Total assets		\$1,769,732	\$1,409,356	\$2,220,197	\$2,518,928	\$1,777,126
Liabilities and Fund Balance (Deficit):						
Liabilities:						
Accounts and contracts payable		\$0	\$0	\$459,760	\$0	\$4,145
Due to general fund		\$12,770	\$12,770	\$12,770	\$0	\$0
Accrued liability		\$0	\$9,059	\$7,297	\$0	\$0
Total liabilities		\$12,770	\$21,829	\$479,828	\$0	\$4,145
Fund Balance (Deficit):						
Fund Balance - Restricted		\$1,756,961	\$1,387,527	\$1,740,369	\$2,518,928	\$1,772,981
Total Liabilities and Fund Equity		\$1,769,732	\$1,409,356	\$2,220,196	\$2,518,928	\$1,777,126
		(\$0)	(\$0)	(\$0)	(\$0)	(\$0)

City of Dallas, Texas						
Cedars Tax Increment Financing District Fund						
Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)						
For the Period September 30, 2015 (Unaudited)						
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)						
	<u>ITD</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Revenues:						
Tax increment-Governmental	\$3,538,171	\$352,698	\$325,263	\$307,123	\$355,544	\$352,926
Tax increment-Intergovernmental	\$2,689,839	\$78,506	\$116,633	\$377,101	\$435,454	\$419,909
Interest income	\$181,663	\$8,808	\$6,290	\$11,682	\$11,300	\$13,403
Grant from City	\$125,000	\$0	\$0	\$0	\$0	\$0
Net increase (decrease) in fair value of investments	\$142	\$3,860	(\$1,993)	(\$2,684)	(\$229)	\$563
Total revenues	\$6,534,814	\$443,872	\$446,193	\$693,223	\$802,068	\$786,802
Expenditures:						
Administrative expenses	\$858,841	\$49,711	\$44,715	\$59,414	\$50,226	\$72,345
Non-Capital Outlay	\$209,309	\$0	\$0	\$0	\$861	\$0
Capital outlay	\$3,706,503	\$24,728	\$754,319	\$1,412,368	\$5,033	\$821,530
Interest and fiscal charges	\$3,472	\$0	\$0	\$0	\$0	\$0
Total expenditures	\$4,778,125	\$74,438	\$799,034	\$1,471,782	\$56,121	\$893,875
Excess (Deficiency) of Revenues over Expenditures	\$1,756,689	\$369,434	(\$352,841)	(\$778,559)	\$745,947	(\$107,073)
Fund balance (Deficit) at beginning of year as previously reported	\$0	\$1,387,527	\$1,740,369	\$2,518,928	\$1,772,981	\$1,880,054
Prior period restatement	\$272	\$0	\$0	\$0	\$0	\$0
Fund balance (Deficit) at beginning of year, as restated	\$272	\$1,387,527	\$1,740,369	\$2,518,928	\$1,772,981	\$1,880,054
Fund balance (deficit) at end of year	\$1,756,961	\$1,756,961	\$1,387,527	\$1,740,369	\$2,518,928	\$1,772,981
Note: Fiscal year 2014-15 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.						

Notes to Financials

City of Dallas, Texas
Cedars Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2015
(Unaudited)

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.
2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).
3. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.
4. The Zone's Financial Plan provides for staffing and other administrative expenses by the City of Dallas not to exceed \$1,187,237 (in current \$) over the life of the TIF. The City began billing the Zone for administrative costs in FY 1999. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.
5. "Due to general fund" amount of \$12,770 at September 30, 2015 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.
6. The Zone has no advances outstanding as of September 30, 2015.
7. All project costs resulting in capital improvements that are owned by the City are capitalized by the City.

AGENDA ITEM # 11

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 2, 14

DEPARTMENT: Office of Economic Development

CMO: Ryan S. Evans, 671-9837

MAPSCO: 45 K L P Q

SUBJECT

A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Five, (City Center TIF District), submitted by the City Center TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 22802 on June 26, 1996, establishing Tax Increment Financing Reinvestment Zone Number Five, (City Center TIF District). On February 12, 1997, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 23034, as amended.

The City Center TIF District's assessed tax value in 2015 was \$1,239,414,953. This represents an increase of 83.7% (\$564,663,459) over the assessed value of the adjusted base year value of \$674,751,494 and a decrease of 8.4% (\$114,358,764) from the previous year 2014 value, due to the adjusted base. If parcels had not been removed for the adjusted base, the City Center TIF District value would have increased by \$101,491,206 (8.9%) between 2014 and 2015. With the participation of the City and Dallas County, the District's value will result in the collection of approximately \$4,247,823 (City \$3,624,261; County \$623,562) in incremental revenue for the City Center TIF District for the 2015 tax year.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 26, 1996, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Five, the City Center TIF District by Ordinance No. 22802, as amended.

On February 12, 1997, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the City Center TIF District, as amended by Ordinance No. 23034, as amended.

On January 14, 2016, the City Center TIF District Board of Directors recommended the FY 2015 Annual Report be accepted and approved.

Information about this item will be provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

No cost consideration to the City

February 24, 2016

WHEREAS, the City recognizes the importance of its role in local economic development initiatives and programs; and

WHEREAS, the City has established Tax Increment Financing Reinvestment Zone Number Five, (City Center TIF District or District) and established a Board of Directors for the District to promote development or redevelopment in the City Center area pursuant to Ordinance No. 22802, authorized by the City Council on June 26, 1996, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

WHEREAS, on February 12, 1997, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the City Center TIF District by Ordinance No. 23034, as amended; and

WHEREAS, the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

WHEREAS, on January 14, 2016 the City Center TIF District Board of Directors passed a motion accepting the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Five and recommending approval of same by the City Council.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Five, (City Center TIF District), City of Dallas, Texas, as of September 30, 2015, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

Section 2. That the City Manager is hereby authorized to submit the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Five, to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District; and the State Comptroller, as required by state law.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

**Exhibit A
City Center TIF District
FY 2015 Annual Report**



City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 670-1221
<http://www.dallas-ecodev.org/>

October 1, 2014 to September 30, 2015

Map of Reinvestment Zone Number Five City Center Tax Increment Financing District

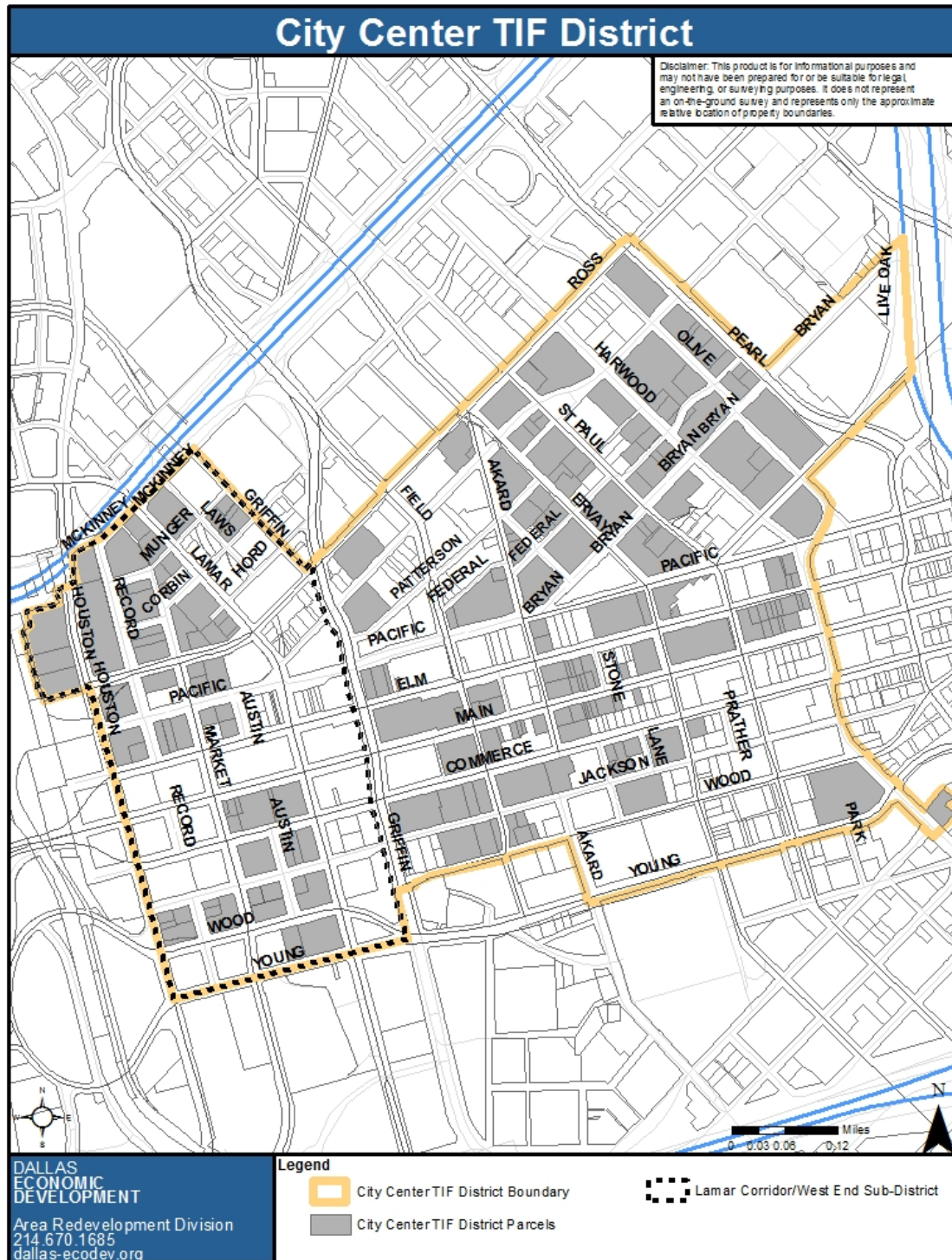


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Mission Statement

The mission of the City Center TIF District is to promote redevelopment, stabilization, and growth of the downtown area. An accompanying goal is the stabilization and growth of the value of the area's tax base and a positive reversal of urban decay. During the 2013 fiscal year the district's mission was expanded to include creation of a strong real estate investment climate in the West End Area, establishment of a sustainable neighborhood that connects the core of downtown, to the Farmers Market, Cedars area along Lamar Street, West End, Victory Park, and Design District across the Trinity River to West Dallas while providing more residential, retail and office opportunities.

The Dallas City Council established the City Center TIF District by Ordinance Number 22802 on June 26, 1996. The City Center TIF District took effect on January 1, 1997. In 2012, the termination date of the City Center Sub-District was extended for 10 years to December 31, 2022 (including collection of the 2022 increment in calendar year 2023 and any related matters to be concluded in 2023) or when the budget of the zone has been collected. The Lamar Corridor/West End Sub-district term was established for 25 years, January 1, 2012 to December 31, 2037, unless any Sub-district is terminated prior to such date. The City of Dallas and Dallas County are the two remaining participating jurisdictions.

District Accomplishments

The City Center TIF District has been an instrumental part in creating a positive climate in the historic downtown core, Lamar Corridor and West End Historic District. From its inception through FY 2015, thirty-seven projects have generated approximately \$842.4M in new investment.

On November 12, 2014, the City Center TIF District Project and Financing Plan was amended, removing certain parcels from the City Center TIF District boundary and thereby adjusting the base year value. The 12 accounts (9 addresses) were removed because redevelopment of the properties was not anticipated or would not occur during the remaining term of the City Center sub-district. Additionally, the City Center sub-district does not have the financial capacity to support redevelopment of any of the properties that were removed from the District boundary.

During the fiscal year, two projects in the district were approved for TIF funding.

Thanksgiving Tower (1601 Elm Street)

Thanksgiving Tower, a 50-story office tower originally built in 1982, was designed as a Class AA office building. 1601 Elm Holdings, LP acquired the property and is restoring and renovating the



1,374,520 gross square feet office building with the goal of increasing occupancy. The work includes façade and ground floor improvements to create a better pedestrian environment and connections within the downtown core while adding retail space. The \$173,745,558 project (\$96M investment required for TIF funding) is expected to be complete July 2016.



Dalpark Garage Public Parking Lease Extension

In 2003, the City entered into a public parking lease agreement for the use of 225 parking spaces in the Dalpark Garage located at 1600 Commerce Street. Since that time the City has continued to extend the parking lease to supplement the on-street parking provided in the Main Street core area, adjusting the terms as necessary.



In April 2011, City Council adopted the Downtown Dallas Parking Strategic Plan in conjunction with the Downtown Dallas 360 Plan. With the Downtown Dallas Parking Strategic Plan, a parking demand model was developed and reaffirmed the presence of a localized parking supply deficit in the Main Street area. The Parking Initiatives Set-Aside (a specific line item in the City Center TIF District budget) is being used to fund the renewal of the DalPark Parking Agreement for the option term. On June 10, 2015, City Council approved the extension to the parking agreement with DalPark Partners, Ltd, owner of the DalPark Garage for the lease of 150 public parking spaces in the DalPark Garage for an additional five-year period.

Several other City Center TIF District Projects are under construction:

Hartford Building



Renovation of an office building constructed in 1960, that was 50% leased with some floors closed off from use for over a decade into updated office and retail space. The project includes improvements to an existing park near the building. Construction began during the fiscal year and the building improvements are slated for completion December 2015. Total project cost is \$5,561,448.

Mid Elm Lofts

The project involves rehabilitation and redevelopment of the three historic buildings addressed 1512, 1514, and 1516 Elm Street into 25 lofts and ground floor, basement and roof top retail/restaurant space. Total project cost is estimated to be \$13,900,000.



211 North Ervay

211 N. Ervay is an 18-story building constructed in 1958. The renovation of the building includes 15,000 square feet of retail/restaurant space and 144,000 square feet of office/commercial space. The total investment is \$9,665,000 and the project completion is December 2016.



Fairfield Residences at West End



New construction of a 200,000 square foot residential (approximately 259 units) project and 130,000 square foot parking structure. The total investment is \$35,000,000. Project completion is June 2016.

Browder Street Plaza Improvements and Retail Activation



In March 2012, the Office of Economic Development, in conjunction with Downtown Dallas, Inc., Downtown 360 Plan and the City Design Studio, issued a Request for Proposal for Browder Street Plaza retail development and leasing/management opportunities. The retail component of Browder Street Plaza, between Commerce Street and Jackson Street, is intended to add activity along this pedestrian thoroughfare and complement the improvements now underway on the site. The City of Dallas has allocated \$500,000 for the public space improvements, based on Hocker Design Group's conceptual design for landscaping, shade, street furniture, paving, and other pedestrian and plaza improvements. Hamilton DPL Development Inc. and Hamilton DPL, LP won the

solicitation with its proposed retail activation plan which focused on retail kiosks and food trucks within Browder Street Plaza. It is anticipated that the public improvements will be complete spring 2016. The City continues to work with Hamilton on the retail activation, maintenance and operation agreement for the site and on the allowance of food trucks in this area.



Note that project details described as District Accomplishments may differ from the City Center TIF District Project chart that begins on the following page. The above describes the required thresholds for TIF funding rather than the total expected project investment, residential units, retail square footage, etc.

City Center TIF District Projects¹						
Projects Within TIF District Utilizing TIF Funding						
Project	Location	Calendar Year Complete	Status	Units/ SF²	Approx. Value³	TIF Investment⁴
Kirby Building	1509 Main Street	1999	Completed	156 apartment units; 15,000 SF retail	\$11,570,000	\$470,891
Wilson Building	1623 Main Street	1999	Completed	135 apartment units; 10,000 SF retail	\$17,000,000	\$3,883,691
Magnolia Building	1401 Commerce Street	1999	Completed	330 hotel rooms	\$29,100,000	\$594,486
Stone Street Gardens	1525 Main, 1520 Elm Streets	2002	Completed	29,000 SF retail	\$2,399,990	\$292,062
Universities Center at Dallas	1901 Main Street	2002	Completed	20,000 SF educational space	See 1900 Elm Street	\$2,236,550
Merriman Architects	300 N. Field Street	2002	Completed	40,000 SF office space	\$1,400,000	\$50,000
Davis Building	1309 Main Street	2003	Completed	183 apartment units; 15,000 SF retail	\$25,300,000	\$1,350,000
Hart Furniture Building	1929-1933 Elm Street	2003	Completed	16,600 SF retail	\$1,538,250	\$1,392,443
Thompson Bldg	1520-22 Main Street	2004	Completed	19,000 SF retail	\$2,300,000	\$1,171,629
Dallas Power & Light Bldgs	1506 & 1512 Commerce Street	2005	Completed	154 apartment units; 28,000 SF retail	\$12,628,000	\$6,864,909
Interurban Building	1500 Jackson	2005	Completed	134 apartments units; 20,000 SF grocery store	\$15,285,630	\$5,536,038
Gulf States	1415 Main Street	2007	Completed	64 apartment units; 5,000 SF retail	\$7,000,000	\$5,075,848
Republic Tower	350 N. Ervay Street	2007	Completed	227 apartment units	\$40,300,000	\$5,114,468
1608 Main Street & Pedestrian	1608 Main Street	2008	Completed (Shell & Interior)	8,000 SF retail; 4,000 SF office	\$1,500,000	\$1,555,512
Joule Hotel	1530 and 1524 Main Street	2008	Completed	114 hotel rooms; 15,000 SF retail	\$17,283,580	\$9,375,792

Mosaic (Fidelity Union)	318 North Akard Streets	2007	Completed	440 apartment units; 23,000 SF retail	\$55,000,000	\$9,000,000
Metropolitan	1200 Main Street	2007	Completed	273 condo units; 10,000 SF retail	\$42,073,668	\$4,750,000
Liberty State Bank Relocation Project	600 S. Harwood Street	2014	Completed	2,000 SF retail; 2,000 SF office	\$1,000,000	\$985,000
711 Elm Street	711 Elm Street	2015	Complete	3,000 SF retail	\$1,725,730	\$124,000
Hartford Building	400 N. St. Paul Street	2015 (adjacent park, 2016)	Under Construction	161,082 office; 12,396 SF retail	\$5,561,448	\$1,200,000
Fairfield Residences @ West End	1777 N. Record Street	2016	Under Construction	278 apartment units	\$44,264,938	\$5,500,000
211 N. Ervay Street	211 N. Ervay Street	2016	Under Construction	144,000 SF office; 22,000 retail	\$13,458,630	\$2,000,000
Thanksgiving Tower	1601 Elm Street	2016	Under Construction	200,000 SF office; 10,000 SF retail	\$96,000,000	\$6,000,000
Mid Elm Lofts	1512-1516 Elm Street	2017	Under Construction (demo)	25 apartment units; 17,736 SF retail	\$18,900,000	\$3,900,000
Subtotal		2,069 residential units; 444 hotel rooms; 20,000 SF educational; 551,082 SF office; 280,732 SF retail			\$462,589,864	\$78,423,319
Projects Within TIF District Not Utilizing TIF Funding ⁵						
Project	Location	Calendar Year Complete	Status	Units/ SF	Approx. Value	TIF Investment
Majestic Lofts (Titcher-Goettinger)	1900 Elm Street	1997	Completed	129 apartment units; 15,000 SF retail	\$13,500,000	\$0
Sheraton Hotel	400 North Olive Street	1998	Completed	1,844 hotel rooms	\$105,060,790	\$0
Santa Fe II (SoCo Lofts)	1122 Jackson Street	1999	Completed	205 condo units	\$27,139,420	\$0
2020 Live Oak	2020 Live Oak Street	2000	Completed	130,000 SF office	\$9,256,500	\$0
Jackson Street Lofts	1300 Jackson Street	2002	Completed	8 condo units; 5,000 SF retail	\$2,320,080	\$0
1505 Elm	1505 Elm Street	2004	Completed	65 condo units	\$14,066,070	\$0

Dallas Rooftop Gardens	1217 Main Street	2006	Completed	28,000 SF retail	\$1,470,000	\$0
Third Rail Lofts (additional information on following page)	1407 Main Street	2007	Completed	84 apartment units; 20,000 SF retail space	\$21,900,000	Chapter 380 funds
U.S. Post Office Building	400 N. Ervay Street	2011	Residential Complete	5,000 SF retail; 78 apartment units	\$14,288,120	\$0
First Baptist Church Expansion	1707 San Jacinto Street	2013	Completed	1,500,000 sf church space	\$100,987,880 (non-taxable)	\$0
1025 Elm Street	1025 Elm Street	2013	Completed	130 hotel rooms	\$11,832,560	\$0
One Dallas Center (Patriot Tower)	350 N. St. Paul	2014	Completed	300,000 sf office reno; 276 apartment units	\$28,685,000	10 yr tax abatement on 90% added value
One Main Place Westin Conversion	1201 Main Street	2015	Under Construction	326 hotel rooms 4,800 SF retail	\$29,340,000	\$0
Subtotal		845 residential units; 2,300 hotel rooms; 430,000 SF office; 77,800 SF retail; 1,500,000 SF church space			\$379,846,420	\$0
Projects Utilizing and Not Utilizing TIF Funding						
Total		2,914 residential units; 2,744 hotel rooms; 20,000 educational; 981,082 SF office; 358,532 SF retail; 1,500,000 SF church space			\$842,436,284	\$78,423,319
¹ All information updated as of September 30, 2015.						
² Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage.						
³ Based upon: a) market value of comparable projects for anticipated projects, b) private investment stated in the development agreement for projects that are approved or under construction, or c) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF District for redevelopment projects once pre-existing value and/or the demolition of structures is netted out. One Main Place Westin Conversion value from analysis of comp hotel values.						
⁴ Total amount reimbursed by the TIF district for the corresponding TIF project (includes accrued interest) as of September 30, 2015, except for Mosaic (approved TIF investment listed, as project has not been fully reimbursed)						
⁵ Selected significant projects included.						
⁶ Includes full value of exempt properties, including historic and homestead.						
⁷ Includes other incentives not shown. Contact City of Dallas Office of Economic Development for more information.						
⁸ Note that two previously approved City Center TIF funded projects, the Purse Building and Flora Lofts, have been removed. These projects missed one or more contingencies required under the approved resolutions. It is possible that they will reapply for City Center TIF District funding.						

District Initiatives			
Activity	Scope	TIF Investment	Status
Metropolitan Garage	Up to 600 public parking spaces	\$450,000	3-year lease expired January 2005
Retail Study	Determine needs for District	\$150,000	Complete
Parking Study	Determine needs for District	\$380,154	Complete
N/S Streetscape	5 North/South Streets from Young to Ross Avenue	\$5,403,602	Complete
Park Master Plan	Determine priority sites for District	\$182,500	Complete
Affordable Housing	% of annual increment transferred to Housing Dept. to assist with affordable housing development throughout the City	\$1,620,566	\$3,120,566 out of \$5 million funded
Dalpark Garage	Original Lease of 444 parking spaces for public use (150 short-term spaces); Amended Lease to only 150 spaces in 2010	\$2,358,780	Lease in place until 6/30/2015 (\$1,686,842 spent)
Dallas County Courthouse Plaza	Improvements to public space (lighting, trees, seating, etc.)	\$2,625,000	Complete
Fire Corridor	1600 Block of Elm Street	\$149,135	Phase I Design Complete (\$63,000 spent)
Third Rail Lofts Garage	370 public parking spaces; 95 parking spaces for adjacent residential developments	*\$8,500,000	Complete
CityPark Program	600 parking spaces (converted to public use from current garages)	*\$1,125,000	Program ended 2010 (\$1,027,818 spent)
Retail Initiative Phase I	40,000 – 60,000 s.f. of retailers through tenant start-up cost assistance	*2,500,000	32,699 square feet of occupied retail space; \$2,219,212 spent
Retail Initiative Phase II	Additional retail recruitment and retention of critical retailers	**\$700,000	25,942 square feet retained/occupied; \$548,830 spent
Urban Market Retention	Retention of Urban Market for two years	**\$550,000 City assistance	City assistance matched by private stakeholder funds; Assistance ended 2008
Vacant Building Improvement Initiative	To reduce the number of downtown vacant buildings	Staff time only	Four buildings were completely renovated/ two demolished/ six under repair
News Rack Ordinance	Reduce visual clutter by install uniformed, regulated newspaper racks	Staff time only	Uniformed newspaper racks installed.
Downtown Wayfinding Master Plan Update	Update master plan to include the expansion of DART and change in development areas downtown	\$25,000	Approved partial funding of update
Downtown Parks Master Plan Update	Re-evaluate priority park sites identified in original plan and propose any new park sites downtown	Staff Time Only	Consultants engaged and update began
Ground Floor Activation Program	Program to provide incentives to downtown building owners to renovate and tenant their vacant ground floor space	\$8,300,000 over the life of the Zone	Program implementation underway
<p>* The Third Rail Lofts Garage, CityPark Garages, and Retail Initiative will be paid from Chapter 380 funds through a release of \$12.5 million in TIF funds.</p> <p>**Phase II of the Retail Initiative and Urban Market assistance was funded through Public/Private Partnership Funds.</p>			

Value and Increment Revenue Summary

The base value is the total appraised value of all taxable real property in the Zone, as determined by the Dallas Central Appraisal District certified property tax roll. The base value is established the year the TIF is created and/or when a property is placed within a TIF boundary.

The City Center TIF District's financing plan and boundary was amended September 2013 to add properties along the Lamar Street corridor and properties in the West End Historic District. As a result of the boundary amendment, two sub-districts were created: (1) City Center Sub-district and (2) Lamar Corridor/West End Sub-district. Each sub-district has its own base value. In November 2014, the plan and boundary was further amended to remove certain parcels from the City Center Sub-district. The map on page 2 of this document depicts the boundaries of the Zone, including the boundary of each sub-district.

City Center Sub-district

The sub-district's 2014 adjusted base year value is \$577,655,884. The 2015 assessed tax value for the sub-district is \$1,112,248,173. This represents an increase of \$534,592,289 (92.5%) over the adjusted base year value. The district's value decreased by \$130,205,104 (-10.5%) from the previous year due to the boundary adjustment that took effect 2015. Based on the adjusted boundary, the City Center Sub-district value increased by \$85,267,146 (8.3%) between 2014 and 2015. The increase of the base year will result in an estimated collection of approximately \$3,993,378 (City \$3,408,560; County \$584,817) in incremental revenue.

Lamar Corridor/West End Sub-district

The sub-district's 2012 base year value is \$97,095,610. The 2015 assessed tax value for the sub-district is \$127,166,780. This represents an increase of \$30,071,170 (31.0%) over the base year value. The district's value increased by \$16,224,060 (14.6%) from the previous year. This increase will result in an estimated collection of approximately \$254,445 (City \$215,701; County \$38,745) in incremental revenue.

Objectives, Programs, and Success Indicators

On February 12, 1997, the Dallas City Council adopted Ordinance Number 23034 which approved the City Center Tax Increment Financing District Final Project Plan and Reinvestment Zone Financing Plan, as amended. The goals of the plan are as follows:

- Make the City Center area a safer place to live and work
- Improve access to the City Center area
- Improve the image of the City Center area

- Take advantage of the existing building stock
- Develop a diverse mix of land uses within the City Center area
- Increase recreational opportunities in the City Center area

The following objectives and actions items set the framework for the planned public improvements within the City Center TIF District in 1997:

- Improve street and pedestrian lighting within the City Center TIF District.

Improvements to five north/south streets (Field, Akard, Ervay, St. Paul and Harwood Streets to the Transit Mall) were completed in 2008. An extension of the north/south improvement project (from the Transit Mall to Ross Avenue) was also completed in 2008. These improvements included widened sidewalks, street repaving, street furniture, lighting, new crosswalks and street trees. Both Lamar and Griffin are planned for improvements. The 2015 Downtown 360 Plan update will further examine key corridors within the City Center TIF District and beyond and recommendations for further improvements are anticipated.

- Improve the pedestrian environment through landscaping, lighting and design standards for surface parking lots.

Ordinance No. 25487 approved by City Council on January 28, 2004, required commercial parking garages and surface parking lots to comply with certain parking lot enhancements such as improved lighting, stripping and landscaping. The ordinance also required the installation of wrought iron fencing but only if financed by the City Center TIF District. A fencing program was completed in 2007 that installed enhanced fencing along commercial surface parking lots located within the City Center TIF District.

Pedestrian improvements in the downtown core/retail district were completed for the North/South Streets between Young and Ross Avenue. This work created a retail and pedestrian friendly environment with improved lighting, sidewalks, lighting and public art (terrazzo panels) on Field, Akard, Ervay, St. Paul and Harwood Streets focusing on the core district between Elm and Commerce Streets. Browder Street pedestrian plaza is under construction to improve the block's connection and provide street-level activation between Commerce Street and Jackson Street.

- Provide public parking to encourage redevelopment of underutilized downtown office and retail space.

On October 13, 2004, City Council authorized an agreement with Downtown Dallas Inc. to implement the City Park program. The program provided public, short-term parking space in garages in the downtown retail core in support of retail redevelopment efforts within the core. The CityPark program ended in 2010, but provided \$1,027,818 over six years for the conversion of existing

private garages to public use through equipment signage, marketing and the use of the City's public parking rates. The following garages participated in the program and provided a minimum of 150 public parking spaces:

- *DalPark Garage (1600 Commerce)*
- *Davis Lot Garage (1407 Main Street)*
- *Star Parking Garage (1300 Ross Avenue)*
- *Metropolitan Garage (1310 Elm Street)*

Although the CityPark program has expired, the City continues to lease 150 low cost, transient parking spaces at the Dalpark Garage to assist with retail efforts. The Dalpark Garage lease was extended in FY 2015 for a five year period, from July 31, 2015 to June 30, 2020.

Additionally, the developer of the Third Rail Lofts (1407 Main Street) received an \$8.5 million loan with a forgivable interest component to construct a parking garage providing 370 public parking spaces for 10 years, parking for adjacent residential projects and assist in the development of 20,000 square feet of retail space. Below are parking counts for various garages.

A Downtown Parking Strategy was completed during FY 2011 as a component of the Downtown Dallas 360 Area Plan.

As a result of the extension of the City Center Sub-districts term and increase in budget, funds have been allocated to a Parking Initiative budget line item that will support expansion of public parking. The funds will be used to acquire or lease other parking spaces in the Zone or the greater downtown area if it benefits the Zone. Parking funds may be used to incentivize the construction of private parking garages that provide public parking by either over building the garage to include public spaces or dedicating spaces in the garage for public use.

- *Coordinate linkages with the new DART light rail transit mall by extending streetscape improvements from the transit mall to the Arts District, Main Street, public open spaces and City Hall.*

Construction of pedestrian linkages connecting the DART light rail transit mall with the Main Street Retail District, public open spaces, City Hall and the Convention Center are underway.

In July of 2010, the McKinney Avenue Transit Authority received a \$4.9 million grant from the Federal Transit Administration and matching grant of \$5 million from the North Central Texas Council of Government to complete the M-Line loop that branches off of McKinney Avenue at Olive Street. Construction of the Olive/St. Paul Street Loop began in 2012, with completion projected for 2014. The line improves connectivity between Uptown, Downtown, Klyde Warren Park, the Arts District and DART downtown transit mall.



The creation of a circulator system the downtown area was recommended by the Downtown Dallas 360 Area Plan. September 2013, City Council approved funding to participate in the two year pilot program D-Link, a special service from DART that provides residents, workers and visitors a way to get to some of the city's most popular arts, dining and historic destinations. The free bus route includes destinations such as American Airlines Center, Klyde Warren Park, the Perot Museum of Nature and Science, The Sixth Floor Museum, Dallas Arts District, the Bishop Arts District and many other cultural, arts and entertainment-related stops. DART, Downtown Dallas and the City of Dallas shared the \$1.4 million annual cost of the program. It is anticipated that the D-Link funding will be extended into the next fiscal year.

- Direct overall development of the City Center area through the application of design standards for public improvements and design guidelines for private development.

Standards for public improvements have been established. Development projects requesting TIF funding are required to design and construct public improvements in accordance with established guidelines. All City Center TIF District proposed projects are reviewed by the City Design Studio and the Peer Review Panel.

- Encourage development of residential housing and hotels, including conversions of existing office space.

TIF reimbursement provided through the City Center TIF District encouraged multiple residential redevelopment projects while reducing the amount of vacant obsolete space by 5.9 million square feet and increasing the number of downtown residents. Projects that converted existing office space include the following: Kirby Building, Wilson Building, Majestic Lofts, Davis Building, Santa Fe II, Gulf States Building, Dallas Power & Light Buildings, 1505 Elm Condominiums, Jackson Street Lofts, Republic Tower, Interurban Building, Mosaic, 1200 Main Street, Magnolia Hotel, Sheraton Hotel, 1516 Elm Street, Hart Furniture, Merriman Architects, 2020 Live Oak, 1217 Main, Houseman Building, 400 S. Akard, the Joule Hotel and 711 Elm.

- Encourage redevelopment of street-front retail.

A Retail Initiative aimed at stimulating the creation of a retail district in downtown Dallas, initially focusing on 40,000 to 60,000 square feet in the Main Street District, was approved in 2003. Phase I of the Initiative included \$2.5 million in funding for tenant start-up costs, rent subsidies, and a Leasing/Marketing Partner. Phase I of the Retail Initiative brought several unique retail establishments to downtown; however, most of these stores have not remained open.

Phase II of the Initiative, with \$700,000 in funding and a program goal of 16,000 to 20,000 square feet of retail, was approved. Jos. A. Bank (5,142 square feet) opened under the extended initiative. While many of the initial uses have closed, many of the spaces were able to attract new businesses without further subsidy, as a result of the initial TIF investment. Conversions of structures such as the Stone Street Gardens Buildings, the Thompson Building, 1608 Main Street, Davis Building, Dallas Power and Light Building, Metropolitan and Mosaic add to the amount of improved retail space.

The City of Dallas Main Street District Initiative Loan and Grant Program was amended to allow expenditures for a comprehensive update of the Downtown Parking Strategy and creation of a Retail Activation Strategy to identify and prioritize improvements needed to support retail recruitment efforts in the Downtown area. Both documents were completed and approved during FY 2011.

Original Tenant	Address	Square Footage	Status	Current Tenant/Activity
CADD	1608 Main Street	3,750	Open	Traffic Los Angeles
CVS	1404 Main Street	14,500	Open	CVS
Jason's Deli	1409 Main Street	5,600	Open	Jason's Deli
Jimmy John's	1414 Elm Street	1,380	Open	Jimmy John's
Jos. A. Bank	1508 Commerce Street	5,142	Open	Jos A. Bank
Swirl	1311 Main Street	5,193	Closed	Union Park Gastro Pub
Urban Market	1500 Jackson Street	20,000	Closed	Urban Orchard Market
Benji's	1511 Main Street	2,006	Closed	Accent Optical
Crimson in the City	1514 Commerce Street	2,500	Closed	Studio 1514 (Salon)
Footgear	1608 Elm Street	3,000	Closed	Scotty's Elm Street Salon
Kul Design Studio	1303 Main Street	9,706	Closed	Empire Rock Bar
TOTAL SQUARE FOOTAGE IMPROVED		72,777		
TOTAL SQUARE FOOTAGE OCCUPIED		39,321		

Additional retailers within the City Center TIF District include the Spa at the Joule Hotel, the AT&T Store at 208 S. Akard and Kettledrum Allie Boutique located in the Gulf States Building (1415 Main Street).

- Encourage redevelopment of school property and improve educational and training facilities within the district.

University of North Texas (UNT) relocated its administrative offices to the Universities Center at Dallas building and purchased the Titche-Goettinger Building located at 1900 Elm Street.

In 2014, UNT completed a \$29 million renovation of the building aimed at housing the universities new law school. In addition to the project's interior

improvements, the façade of the building facing Main Street Garden Park was renovated to include windows, opening up the building to the downtown community.

Downtown's first public law school, UNT Dallas College of Law, began its inaugural class August 2014. Improvements to the Old Municipal Building (1900 Elm Street) are underway, in anticipation of the expansion of the new law school.

- Complement and protect existing historic structures.

Through the efforts of the City Center TIF District and the City of Dallas Historic Preservation Program, the following historic buildings within the TIF District have been improved – Kirby Building, Wilson Building, Magnolia Building, Davis Building, Stone Street Gardens, Gulf States Building, Dallas Power & Light Buildings, Thompson Building, 1608 Main Street, Hart Furniture Building, 1530 Main Street, Republic Tower, the Interurban Building, and Mosaic (Fidelity Union Life Buildings). The Main Street National Register Historic District nomination was completed and accepted by the National Park Service. The city supported the expansion of the District to include buildings on the southern side of Downtown. The new expanded Downtown National Register Historic District was accepted by the National Park Service.

Original and amended City Center Sub-district development program includes:

- Original - 2,500 residential units
- **Amended – Add residential units to complete original goal of 2,500 residential units**

To date 2,611 residential units have been built in the City Center Sub-District, representing approximately 104% of the development program goal. Below is a chart showing residential projects completed within the City Center TIF District:

CITY CENTER – COMPLETED RESIDENTIAL UNITS			
PROJECT	LOCATION	UNITS	YEAR COMPLETED
1900 Elm (Titcher-Goettinger)	1900 Elm Street	129	1997
SoCo Lofts	1122 Jackson Street	205	2000
The Kirby – Residences on Main	1509 Main Street	156	2000
Wilson Building	1623 Main Street	135	2000
Residences on Jackson	1300 Jackson Street	8	2002
Davis Building	1309 Main Street	183	2003
1505 Elm Street Condominiums	1505 Elm Street	65	2004
Interurban Building	1500 Jackson Street	134	2005
Dallas Power & Light	1506-12 Commerce Street	154	2005
Gulf States Building	1415 Main Street	64	2007
Gables at Republic Center	325 N. St. Paul, Tower I	227	2007
Fidelity Union Life Towers (Mosaic)	Pacific/Bryan/Akard	440	2007
Metropolitan	1200 Main Street	273	2007
1407 Main Street	1407 Main Street	84	2008
U.S. Post Office Building	400 N. Ervay Street	78	2011
One Dallas Center (Patriot Tower)	350 N. St. Paul	276	2014
TOTAL RESIDENTIAL UNITS COMPLETED		2,611	

- Original – Absorption of 3.5 million square feet of the currently vacant office space in the district
- **Amended - Absorption of additional 1,000,000 square feet of vacant office space in the sub-district**

To date, 6.55 million square feet of previously vacant office space located within the City Center TIF District has been renovated representing 146% of the development goal.

Completed projects include Santa Fe II, 2020 Live Oak, Sheraton Hotel, Majestic Lofts, Kirby Building, Wilson Building, Magnolia Building, Hart Furniture, 1505 Elm, Davis Building, Dallas Power and Light, Interurban Building, Jackson Building, Republic Tower, 1530 Main Street, Gulf States, 1217 Main Street, Mosaic, 1200 Main Street, Magnolia Hotel, Sheraton Hotel, 1516 Elm Street, Hart Furniture, 1217 Main Street, Houseman Building, 400 S. Akard Street, Joule Hotel, 1025 Elm Street, U.S. Post Office Building and One Dallas Center (Patriot Tower).

- Absorption of 300,000 square feet of retail space
- **Amended – Activate 300,000 square feet of vacant ground floor and/or retail space in the downtown core.**

To date, approximately 289,600 square feet of retail space, including Neiman Marcus, has been improved, representing 96% of the development program goal. The Main Street Retail Initiative has assisted in adding retail tenants to the growing number of those already established. Jos. A. Bank, CVS, Jason's Deli and Jimmy John's opened as part of the Retail Initiative. 7-11 opened a convenience store on the ground floor of the Metropolitan.

Lamar Corridor/West End Sub-district's development program includes:

- Add 2,500 residential units to the sub-district.

Fairfield Residences at West End is the first Lamar Corridor/West End Sub-district residential project under construction since this sub-district was created. The project will add 278 apartments to the area, accounting for 11% of the sub-district goal.

- Activate 500,000 square feet of vacant ground floor and/or retail space in the sub-district.

Approximately, 3,000 square feet of vacant ground floor space has been renovated as part of the 711 Elm Street TIF project.

- Absorb vacant office space in the sub-district.

Since the inception of the Lamar Corridor/West End Sub-district and as of FY 2015, no new vacant office space has been converted.

Year-End Summary of Meetings

The City Center TIF District Board of Directors met five (5) times during FY 2015, December 11, 2014, January 8, 2015, February 12, 2015, April 9, 2015 and August 13, 2015.

The City Center TIF District Board of Directors consists of nine (9) members including six (6) City of Dallas appointees, one (1) Dallas Independent School District (DISD) appointee, one (1) Dallas County appointee and one (1) Dallas County Community College District appointee. During FY 2015, the City Center TIF Board consisted of the following members:

Board Member List

Larry James – City Appointee (Attended 5 of 5 meetings)

Jon Ruff – City Appointee (Attended 3 of 5 meetings)

Evan Beattie – City Appointee (Attended 4 out of 5 meeting)

Vacant – City Appointee

Vacant – City Appointee

Vacant – City Appointee

Orlando Alameda – DISD Appointee (Attended 5 of 5 meetings)

Rick Loessberg – Dallas County Appointee (Attended 4 of 5 meetings)

Clyde Porter – DCCCD Appointee (Attended 4 of 5 meetings)

During FY 2015, the City Council approved eight (8) items associated with the City Center TIF District. The council actions are listed below.

- On October 22, 2014, City Council approved Resolution No. 14-1787, authorizing a public hearing to be held on November 12, 2014, to receive comments on boundary amendments to City Center TIF District (the "Zone"): (1) removing certain properties from the City Center Sub-district of the Zone; (2) thereby reducing the tax increment base of the City Center Sub-district and increasing city general fund contributions to the Zone over the term of the TIF; and (3) making any other corresponding adjustments to the District's Project and Financing Plans necessary to accommodate the boundary amendments - Financing: No cost consideration to the City
- On November 12, 2014, City Council approved Resolution No. 14-1967, authorizing a public hearing to receive comments on boundary amendments to the City Center TIF District (the "Zone") to: (1) remove certain properties from the City Center Subdistrict of the Zone, thereby reducing the tax increment base of the City Center Subdistrict and increasing city general fund contributions to the Zone over the remaining term; and (2) make such other corresponding adjustments to the ordinances creating the zone and approving the project and financing plans, Ordinance Nos. 22802 and 23034, approved on June 26, 1996 and February 17, 1997, respectively, necessary to accommodate the boundary amendments - Financing: No cost consideration to the City
- On November 12, 2014, City Council approved Ordinance No. 29542 and Resolution No. 14-1967, authorizing an ordinance amending Ordinance No. 22802, as amended, previously approved on June 26, 1996, and Ordinance No. 23034, as amended, previously approved February 12, 1997, to reflect these amendments - Financing: No cost consideration to the City
- On November 12, 2014, City Council approved Resolution No. 14-1968, authorizing a development agreement with 1601 Elm Holdings, LP, to reimburse TIF eligible project costs for site and plaza improvements in an amount not to exceed \$3,000,000 and an Economic Development TIF Grant in an amount not to exceed \$3,000,000 for a total amount not to exceed \$6,000,000 for the Thanksgiving Tower renovation project (1601 Elm Street) from revenues accruing to Tax Increment Financing Reinvestment Zone Five (City Center TIF District) - Not to exceed \$6,000,000 - Financing: City Center TIF District Funds (subject to appropriations)
- On November 12, 2014, City Council approved Resolution No. 14-1969, authorizing a Chapter 380 economic development grant agreement in an amount not to exceed \$2,780,000 with 1601 Elm Holdings, LP, related to the redevelopment of the Thanksgiving Tower building (1601 Elm Street, Dallas, Texas) pursuant to Chapter 380 of the Texas Local Government Code in accordance with the City's Public/Private Partnership Program - Not to exceed \$2,780,000 - Financing: General Obligation Commercial Paper Funds (subject to appropriations)

- On February 25, 2015, City Council approved Resolution No. 15-0352, accepting the FY 2014 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Five, (City Center TIF District), submitted by the City Center TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
- On June 10, 2015, City Council approved Resolution No. 15-1073, authorizing an extension to the Parking Agreement with DalPark Partners, Ltd, owner of the DalPark Garage, previously authorized by Resolution No. 03-1923 on June 25, 2003, and previously amended by Resolution No. 10-1352 on May 26, 2010, in Tax Increment Financing Reinvestment Zone Number Five (City Center TIF District) for the lease of 150 public parking spaces in the DalPark Garage for an additional five-year period commencing July 1, 2015 (pursuant to the Option Term previously authorized by Resolution No. 10-1352) in an amount not to exceed \$900,000 (not to exceed \$15,000 monthly) - Not to exceed \$900,000 - Financing: City Center TIF District Funds
- On June 10, 2015, City Council approved Resolution No. 15-1074, authorizing the receipt and deposit of all of the City's share of monthly parking revenues (estimated monthly average parking revenue of \$11,666) from DalPark Partners, Ltd during the additional five-year period commencing July 1, 2015 - Estimated Parking Revenue: \$700,000

Budget and Spending Status

City Center TIF District Projected Increment Revenues to Retire TIF Fund Obligations				
Category	TIF Budget ¹	Expended	Allocated ³	Balance
Original City Center TIF Collection ²	\$75,696,253	\$75,696,253	\$0	\$0
Public Infrastructure Improvements	\$8,500,000	\$49,500	\$4,188,600	\$4,261,900
Parking	\$5,500,000	\$0	\$2,000,000	\$3,500,000
Redevelopment/Development Projects	\$40,972,111	\$935,500	\$16,208,294	\$23,828,317
District Wide Improvements	\$4,000,000	\$0	\$0	\$4,000,000
Affordable Housing	\$6,500,000	\$0	\$0	\$6,500,000
Ground Floor Activation	\$8,300,000	\$0	\$0	\$8,300,000
Plan Implementation/Administration ⁴	\$2,500,000	\$0	\$219,385	\$2,280,615
Total Project Costs	\$151,968,364	\$76,681,253	\$22,616,279	\$52,670,832
¹ Budget shown above in total dollars (including interest earnings and potential parking revenue), as approved in the Project Plan and Reinvestment Zone Financing Plan for the District.				
² This amount represent the total amount of TIF funds expended from 1997 to 2012.				
³ Allocated amounts are TIF funds committed to district projects through FY 2015.				
⁴ TIF administration costs shown are expended or committed through FY 2015.				

M/WBE Participation

TIF projects must comply with the Business Inclusion and Development (“BID”) Plan and the City’s Fair Share goals of certified minority/women-owned business enterprises (“M/WBE”) participation for both public and private improvements.

TIF assisted projects are not required to be publically bid. As a result TIF projects are privately bid and are monitored to ensure compliance with the City’s BID Plan and Fair Share Goals. Reporting is not required until project or benchmark completion.

City Center TIF M/WBE Participation				
Project	Contractors	Total Construction Amount	M/WBE Contract Amount	M/WBE Participation
Streetscape	HOK	\$1,584,154	\$664,945	41.97%
Kirby	Gibson	\$440,000	\$42,724	9.71%
Magnolia	Bell	\$586,300	\$96,329	16.43%
Parking	Kittelson	\$380,155	\$135,335	35.60%
Stone Street	Village Interiors	\$979,000	\$185,814	18.98%
Park Master Plan	Carter and Burgess	\$365,000	\$9,000	2.47%
Hart Furniture Bldg	Harrison Walker	\$1,143,129	\$202,615	17.72%
Thompson Building	Nedderman & Assoc.	\$2,000,464	\$241,822	12.09%
Streetscape Construction	Northern Pipeline Construction Co.	\$2,780,691	\$1,141,540	41.05%
Elm St. Fire Corridor	Architexas	\$63,000	\$17,762	28.19%
Retail Marketing/Leasing	Dallas Downtown Partnership	\$247,500	-	0.00%
DP&L	Various	\$5,169,921	\$2,724,525	52.70%
Wayfinding Signs	Bunting Graphics	\$553,886	\$72,320	13.06%
Interurban Building	Andres Construction	\$5,228,415	\$1,966,491	37.61%
Gulf States Building	Various	\$3,703,168	\$876,480	23.67%
Republic Center	Various	\$2,168,806	\$52,936	2.44%
Joule Hotel	Various	\$13,528,365	\$544,982	4.03%
N/S Streetscapes	Texas Standard Construction	\$1,619,260	\$615,318	38.00%
Metropolitan	Certified/LVI Environmental	\$3,868,400	\$967,100	25.00%
1608 Main Street Pedestrian way	Nedderman & Assoc.	\$476,700	\$132,893	27.88%
1608 Main Street	Nedderman & Assoc.	\$1,455,660	\$361,868	24.86%
Mosaic	Certified/LVI Environmental	\$8,882,955	\$2,492,880	28.06%
Liberty State Bank	Various	\$1,647,499	\$503,220	30.54%
711 Elm	Various	\$304,030.55	\$88,074	28.97%
TOTALS		\$58,872,428	\$14,048,899	23.89%

FY 2016 Work Program

The work items for FY 2016 for the City Center TIF District are as follows:

- Adoption of the City Center FY 2015 Annual Report.
- Continue support of OED office/ business retention efforts in the downtown core.
- Identify and support opportunities for improving physical connections between the Downtown Core and surrounding districts including the Convention Center, Victory, Lamar Corridor, and West End neighborhoods.
- Complete existing projects
- Identify and promote redevelopment of key properties in the District
- Implement Ground Floor Activation Strategy for district and continue to investigate monetizing program's annual funding source
- Investigate parking deficiencies in the downtown core and explore solutions, including contracting with a consulting firm to deliver specific implementation strategies for off-street parking and supporting Dallas Police Department's on-street parking initiatives.
- Complete City audit of completed TIF projects and begin reimbursement
- Continue to work with Planning and Neighborhood Vitality's Mobility Division on various downtown transportation projects:
 - Elm Street Thoroughfare Plan Amendment
 - Investigation of requested Commerce Street Thoroughfare Plan Amendment
- City Council consideration of various proposed development projects
 - Purse Building
 - Flora Lofts Public Parking Garage
 - West End Marketplace (Factory Six03)

Appendix A - District Financials

City of Dallas, Texas						
City Center Tax Increment Financing District Fund						
Balance Sheet as of September 30, 2015 (Unaudited)						
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)						
		<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Assets:						
Pooled cash and cash equivalents		\$3,385,171	\$2,143,150	\$443,278	\$654,055	\$2,068,379
Interest receivable		\$4,082	\$2,302	\$520	\$5,670	\$6,258
Accounts receivable-Parking		\$0	\$11,759	\$10,827	\$8,155	\$7,764
Total assets		\$3,389,253	\$2,157,212	\$454,625	\$667,880	\$2,082,401
Liabilities and Fund Balance (Deficit):						
Liabilities:						
Accounts payable		\$0	\$998,500	\$0	\$0	\$0
Advances from developers		\$4,360,278	\$4,725,961	\$4,872,894	\$6,348,609	\$8,095,577
Due to general fund		\$37,490	\$37,490	\$37,490	\$0	\$0
Accrued liability		(\$3,565)	(\$3,565)	(\$3,565)	(\$3,565)	(\$3,565)
Total liabilities		\$4,394,202	\$5,758,385	\$4,906,818	\$6,345,044	\$8,092,011
Fund Balance (Deficit):						
Fund Balance (Deficit)		(\$1,004,950)	(\$3,601,174)	(\$4,452,194)	(\$5,677,164)	(\$6,009,610)
Total Liabilities and Fund Equity		\$3,389,253	\$2,157,212	\$454,625	\$667,880	\$2,082,401
		(\$0)	(\$0)	(\$0)	(\$0)	(\$0)
City Center Tax Increment Financing District Fund						
Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)						
For the Period September 30, 2015 (Unaudited)						
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)						
	<u>ITD</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Revenues:						
Tax increment-Governmental	\$81,699,267	\$2,578,452	\$1,860,846	\$2,282,715	\$1,963,730	\$2,363,860
Tax increment-Intergovernmental	\$3,951,370	\$407,412	\$334,755	\$0	\$344,557	\$428,634
Affordable housing contribution	\$307,787	\$0	\$7,787	\$0	\$300,000	\$0
Interest income	\$10,085,212	\$14,768	\$0	(\$3,613)	\$9,998	\$14,221
Parking Revenue	\$1,245,398	\$132,787	\$144,957	\$136,030	\$107,943	\$90,590
Net increase in fair value of investments	(\$277,069)	\$7,262	(\$595)	(\$4,912)	(\$193)	\$1,795
Total revenue	\$97,011,965	\$3,140,681	\$2,347,750	\$2,410,220	\$2,726,035	\$2,899,100
Expenditures:						
Administrative expenses	\$2,331,893	\$57,998	\$76,004	\$85,460	\$48,421	\$54,864
Affordable housing participation	\$3,745,566	\$0	\$0	\$625,000	\$1,500,000	\$0
Non-capital outlay	\$69,112,832	\$198,714	\$1,111,251	\$162,346	\$448,753	\$142,330
Capital outlay	\$9,891,148	\$55,100	\$49,500	\$0	\$0	\$0
Interest and fiscal charges	\$8,435,078	\$232,645	\$259,975	\$312,444	\$396,415	\$422,858
Total expenditures	\$93,516,517	\$544,457	\$1,496,730	\$1,185,250	\$2,393,588	\$620,052
Excess (Deficiency) of Revenues over Expenditures	\$3,495,448	\$2,596,224	\$851,020	\$1,224,970	\$332,447	\$2,279,048
Other financing sources (uses):						
Developer Participation	\$5,416,002	\$0	\$0	\$0	\$0	\$0
Transfer out	(\$10,000,000)	\$0	\$0	\$0	\$0	\$0
Total other financing sources	(\$4,583,998)	\$0	\$0	\$0	\$0	\$0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	(\$1,088,550)	\$2,596,224	\$851,020	\$1,224,970	\$332,447	\$2,279,048
Fund balance (Deficit) at beginning of year as previously reported						
	\$0	(\$3,601,174)	(\$4,452,194)	(\$5,677,164)	(\$6,009,610)	(\$8,288,658)
Prior period restatement	\$83,600	\$0	\$0	\$0	\$0	\$0
Fund balance (Deficit) at beginning of year, as restated	\$83,600	(\$3,601,174)	(\$4,452,194)	(\$5,677,164)	(\$6,009,610)	(\$8,288,658)
Fund balance (deficit) at end of year	(\$1,004,950)	(\$1,004,950)	(\$3,601,174)	(\$4,452,194)	(\$5,677,164)	(\$6,009,610)
Note: Fiscal year 2014-15 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.						

Exhibit A

City Center TIF District

FY 2015 Annual Report

City Center Tax Increment Financing District Reinvestment Zone Number Five, City of Dallas, Texas As of September 30, 2015

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

1. Amount and source of revenue in the tax increment fund established for the zone:

\$22,030	Interest Income
132,787	Parking Income
<u>2,985,863</u>	Ad Valorem Taxes (Collected in FY'2014-15 based on 2014 Final Tax Roll)
<u>\$3,140,681</u>	Total Revenue

2. Amount and purpose of expenditures from the fund:

\$57,998	Administrative Expense
\$0	Affordable Housing Participation
\$198,714	Non-Capital outlay*
\$55,100	Capital outlay*
<u>\$232,645</u>	Additional Subsidy in Form of Grant (in lieu of interest expense)
<u>\$544,457</u>	Total Expenditures

* These expenditures are detailed as follow s:

	Total	Capital Outlay	Non-capital Outlay
Parking Subsidy-Dalpark Garage	\$129,814	\$0	\$129,814
711 Elm St. Building Redevelopment	<u>\$124,000</u>	<u>\$55,100</u>	<u>\$68,900</u>
Total Expenditures	<u>\$253,814</u>	<u>\$55,100</u>	<u>\$198,714</u>
	\$0		

3. a. Amount of Principal and Interest due-on outstanding bonded indebtedness:

None. City Center TIF District has incurred no bonded indebtedness.

b. The zone had the following contingent obligations at September 30, 2015 which are being reimbursed from available TIF funds:

Developer	Project	Balance Due (Since Inception)			Payments To Date			Net Balance Due
		Principal	Accrued Add'l Subsidy (1)	Total Due	Principal	Accrued Add'l Subsidy (1)	Total Paid	
Post Properties, Inc.	Wilson Building	\$3,400,000	\$483,691	\$3,883,691	\$3,400,000	\$483,691	\$3,883,691	\$0
Hall Financial Group	Kirby Building Redev.	\$435,797	\$35,094	\$470,891	\$435,797	\$35,094	\$470,891	\$0
Holtze Magnolia	Magnolia Building Redev.	\$570,000	\$24,486	\$594,486	\$570,000	\$24,486	\$594,486	\$0
Republic Center, LLP.	Republic Building Redev.	\$750,000	\$88,921	\$838,921	\$750,000	\$88,921	\$838,921	\$0
Stone Place Mall Investors	Stone Place Mall	\$276,000	\$16,062	\$292,062	\$276,000	\$16,062	\$292,062	\$0
Elm Street Development	Hart Furniture Building	\$1,333,191	\$59,252	\$1,392,443	\$1,333,191	\$59,252	\$1,392,443	\$0
Main Street Investors JV	Thompson Building	\$1,065,000	\$106,629	\$1,171,629	\$1,065,000	\$106,629	\$1,171,629	\$0
Hamilton DFL Development	DFRL Bldg. Restoration	\$6,503,159	\$361,750	\$6,864,909	\$6,503,159	\$361,750	\$6,864,909	\$0
TIF Hotel, Inc.	Joule Hotel Redev.	\$8,500,000	\$875,792	\$9,375,792	\$8,500,000	\$875,792	\$9,375,792	\$0
Barker-Nichols, LLC	Interurban Building	\$5,000,000	\$536,038	\$5,536,038	\$5,000,000	\$536,038	\$5,536,038	\$0
Erway Residential Partners, Inc.	Republic Center Tower I	\$4,605,000	\$509,468	\$5,114,468	\$4,605,000	\$509,468	\$5,114,468	\$0
GS Murray Development, Inc.	Gulf States Building Redev.	\$4,666,650	\$409,198	\$5,075,848	\$4,666,650	\$409,198	\$5,075,848	\$0
Gonzalo 1200 Main, LLC.	1200 Main Street Redev.	\$4,750,000	\$1,220,990	\$5,970,990	\$4,750,000	\$1,220,990	\$5,970,990	\$0
WLK Mosaic Owner, LP.	Fidelity Union Bldg. Redev.	\$9,000,000	\$3,689,833	\$12,689,833	\$4,639,722	\$3,619,051	\$8,258,773	\$4,431,060
SandCap 711 Elm Partners, LP	711 Elm Street Garage	\$124,000	\$0	\$124,000	\$124,000	\$0	\$124,000	\$0
Totals		\$50,978,797	\$8,417,203	\$59,396,000	\$46,618,519	\$8,346,422	\$54,964,941	\$4,431,060
Principal								\$4,360,278
Accrued Interest								\$70,782
Total								\$4,431,060

(1) Additional Subsidy in Form of Grant (in lieu of interest expense)

c. The Zone has entered into a development agreement for each of the following projects, but has not begun reimbursement as of September 30, 2015:

Developer	Project Name	Maximum TIF Award
Fairfield Investment Company, LLC	Fairfield Residences at West End	\$5,500,000
1601 Elm Holdings, LP	Thanksgiving Tower	\$6,000,000
Dallas Hartford, LLC	Hartford Building	\$1,200,000
Alterra 211 North Erway, LLC	211 N. Erway	\$2,000,000
RREAF Holdings (Mid Elm), LLC	Mid Elm Lofts	\$3,900,000

Note: Reimbursement shall begin after project completion and upon availability of TIF funds.

4. Tax increment base and current captured appraised value retained by the zone:

Taxing Jurisdiction	Taxable Value 2015	Base Year 1996 Value	Est. Captured Value 2015**
City of Dallas-City Center Sub-District Zone A	\$1,111,248,173	\$577,242,124	\$534,006,049
City of Dallas-City Center Sub-District Zone B	\$1,000,000	\$413,760	\$586,240
City of Dallas-Lamar Sub-District	\$127,166,780	\$97,095,610	\$30,071,170
Dallas County-City Center Sub-District Zone A	\$1,186,079,041	\$577,242,124	\$608,836,917
Dallas County-City Center Sub-District Zone B	\$1,000,000	\$413,760	\$586,240
Dallas County-Lamar Sub-District	\$127,166,780	\$97,095,610	\$30,071,170

** Based on Certified Taxable Values. Final values will be determined on February 01, 2016.

5. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:

a. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

Taxing Jurisdiction	Assessment Per \$100	% Captured Value Used	Amount of Estimated 2015 Increment
City of Dallas-City Center Sub-District Zone A	0.79700	63.76%	\$3,404,823
City of Dallas-City Center Sub-District Zone B	0.79700	71.73%	\$4,205
City of Dallas-Lamar Sub-District	0.79700	71.73%	\$215,701
Dallas County-City Center Sub-District Zone A	0.24310	10.94%	\$666,037
Dallas County-City Center Sub-District Zone B	0.24310	12.88%	\$755
Dallas County-Lamar Sub-District	0.24310	12.88%	\$38,745
Total for all Jurisdictions	<u>\$3.12030</u>	<u>\$2.43928</u>	<u>\$4,330,265</u>

b. The total amount of estimated tax increment to be billed for the 2015 tax year is \$4,330,265. For the 2014 tax year, increment in the amount of \$2,985,863 was received.

City of Dallas, Texas
City Center Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2015
(Unaudited)

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.
2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).
3. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.
4. The Zone's Financial Plan permits expenditures not to exceed \$4,660,402 over the life of the TIF to reimburse the City for administrative costs which is made up of the original allocation \$2,160,402 and an additional \$2,500,000 over the extended period of the district. The Zone began reimbursing the General Fund for administrative costs in FY'1998-99. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.
5. "Due to general fund" amount of \$37,490 at September 30, 2015 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.
6. The Zone has received advances from developers to fund improvements that have been completed. Following developer advance including principal and interest was outstanding at September 30, 2015:

\$4,431,060 for Fidelity Union Building advance bears interest at 4.87% compounded semi-annually.
6. All project costs resulting in capital improvements which are owned by the City are capitalized by the City of Dallas.

AGENDA ITEM # 12

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 2

DEPARTMENT: Office of Economic Development

CMO: Ryan S. Evans, 671-9837

MAPSCO: 45 L M Q and R

SUBJECT

A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Six, (Farmers Market TIF District), submitted by the Farmers Market TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 23521 on May 27, 1998, establishing Tax Increment Financing Reinvestment Zone Number Six, (the Farmers Market TIF District). On August 25, 1999, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 24001, as amended.

The Farmers Market TIF District's assessed 2015 tax value was \$210,277,560, an increase of \$174,563,469 over the amended base year. This property value change represents a 488.8% increase from the adjusted base value. The 2015 tax value increased \$36,413,179 (20.9%) over the 2014 tax value.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 27, 1998, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Six, the Farmers Market TIF District by Ordinance No. 23521.

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

On August 25, 1999, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Farmers Market TIF District, as amended, by Ordinance No. 24001.

On March 27, 2013, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Farmers Market TIF District, as amended, by Ordinance No. 28951.

On December 15, 2015, the Farmers Market TIF District Board of Directors recommended that the FY 2015 Annual Report be accepted and approved.

Information about this item will be provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

No cost consideration to the City

February 24, 2016

WHEREAS, the City recognizes the importance of its role in local economic development initiatives and programs; and

WHEREAS, the City has established Tax Increment Financing Reinvestment Zone Number Six, ("Farmers Market TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment in the Farmers Market area pursuant to Ordinance No. 23521, authorized by the City Council on May 27, 1998, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

WHEREAS, on August 25, 1999, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Farmers Market TIF District by Ordinance No. 24001, as amended; and

WHEREAS, on March 27, 2013, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Farmers Market TIF District by Ordinance No. 28951, as amended; and

WHEREAS, the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone and a copy of the report shall be forwarded to the State Comptroller; and

WHEREAS, on December 15, 2015, the Farmers Market TIF District Board of Directors passed a motion accepting the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Six and recommending approval of same by the City Council.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Six, (Farmers Market TIF District), City of Dallas, Texas, as of September 30, 2015, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

Section 2. That the City Manager is hereby authorized to submit the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Six to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

EXHIBIT A

Farmers Market TIF District

FY 2015 Annual Report



City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 670-1221
<http://www.dallas-ecodev.org>.

October 1, 2014 to September 30, 2015

Reinvestment Zone Number Six Farmers Market Tax Increment Financing District

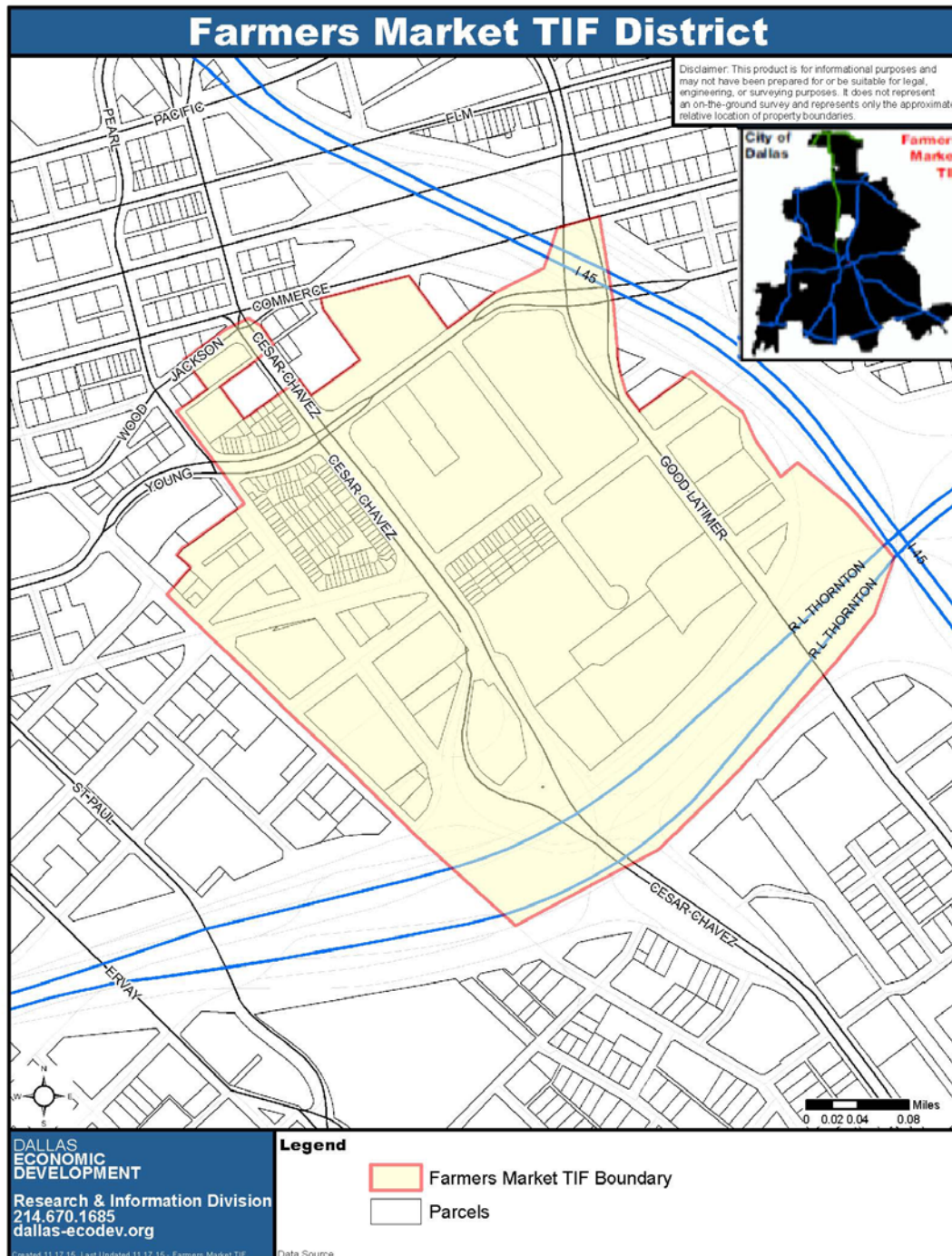


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Mission Statement

The mission of the Farmers Market Tax Increment Financing District is to provide a source of funding for public infrastructure improvements to promote the redevelopment, stabilization and growth of the Farmers Market TIF District area. An accompanying goal is the stabilization and growth of the value of the area's tax base and support of the Dallas Farmers Market.

The Dallas City Council established the Farmers Market TIF District by Ordinance Number 23521 on May 27, 1998. The Farmers Market TIF District took effect on October 1, 1998.

In 2013, the Project and Reinvestment Zone Financing Plan was amended to increase the geographic area of the Farmers Market TIF District to include properties located south and east of the existing boundary and extend the term of the District to December 31, 2028 and other related changes as approved by Ordinance 28951. In 2015, the Project and Reinvestment Zone Financing Plan was further amended to increase the geographic area of the Farmers Market TIF District to include properties located on the east side of Harwood Street, south of Canton Street and to adjust the TIF Budget to reflect an increase in TIF collections. As per the amendments, the City of Dallas and Dallas County are the two participating jurisdictions; the City's participation is 90%, and the County's participation is 40%.

Farmers Market TIF District Accomplishments

The Farmers Market TIF District was initially created to facilitate the redevelopment of vacant and underutilized land adjacent to the Dallas Farmers Market. The District was amended to promote redevelopment of the Dallas Farmers Market. With more new residential development under construction and planned, the area is maturing as a major contributor to the revitalization and growth of the downtown area.



Phase 1A of The Park at Farmers Market features 620 apartment units and a clubhouse. Public improvements in Phase 1A include the extension of Marilla Street into the project, construction of Farmers Market Way, streetscape improvements and street lighting. Construction of Phase 1B, with 284 apartment units, is completed on the site immediately south of Phase 1A.

Phase II, a 17-unit townhouse development at the northeast corner of Canton Street and South Cesar Chavez Boulevard, were completed during the summer of 2000. Public improvements for Phase II include streetscape improvements, street lighting, wastewater and water improvements.



Camden Phase 1A apartments



Camden Phase II - 17 Town Homes

Farmers Market/Deep Ellum Connector Walkway provides connectivity from the District to the Deep Ellum entertainment District, it was completed in 2002. Improvements such as lighting and benches in conjunction with the Bark Park Central project were completed and banners were installed in 2004. Recently, Deep Ellum Foundation with the support of the Farmers Market TIF funds added lighting to the Art Park and commissioned new art work.



Farmers Market/ Deep Ellum
Connector Walkway



Lighting and open space
improvements

The Harlan Building was completed in 2005. The renovation of the structure provides 10,000 square feet of retail/commercial space and 5 residential units. The public improvements associated with the project included water and wastewater improvements, paving, streetscape, demolition, environmental remediation and façade improvements.



The Harlan Building

Perry Homes has constructed forty-four, three story townhomes - the Farmers Market Way Townhomes (Cityview at Farmers Market Townhomes) at the corner of Farmers Market Way and Cesar Chavez Boulevard. The public improvements associated with the project included streetscape, paving and pedestrian lighting and utility burial on Farmers Market Way Street.



Perry Homes – Cityview at Farmers Market

An additional 28 townhomes were built in 2010 and 2011 along Young Street at Cesar Chavez.



Texas InTownHomes, LLC is constructing 108 single-family townhomes called Farmers Market Square, at the southeast corner of Canton Street and Pearl Street. The total private cost of the Farmers Market Square Project is approximately \$47.7 million. The cost of related TIF eligible public improvements is \$3,000,000. These improvements include, but are not limited to paving, streetscape and pedestrian lighting improvements on Cesar Chavez Boulevard, Canton Street, Marilla Street and Pearl Street. The project construction started in December 2011 and townhomes will be complete by 2016.



Farmers Market Redevelopment Plan is underway to revitalize the Dallas Farmers Market in to a vibrant urban neighborhood includes multiple components: (A) Shed 1 Project was renovated and is now operating as a marketplace for local farmers and farm merchants and vendors to sell produce and other farm-related products – capacity for 119 stalls; (B) Shed 2 Project for renovation for use by restaurants, specialty food vendors, other retail vendors, and a beer garden (estimated completion January 2016) – reuse of 24,148 square feet of retail space; (C) Harvest Lofts - new construction of retail, residential, and parking uses (including public parking for the market) (estimated completion May 2017) – 240 residential units and 16,000 square feet of retail space; (D) 2101 and 2111 Taylor Street Project for the development of residential uses (anticipated start March 2016) – 60 residential units and 25,000 square feet of commercial space; (E) Futsal Project/remote parking area for redevelopment for outdoor activities, specifically a community garden and futsal fields (anticipated start January 2017) and (F) Administration Building – headquarters of the North Texas Food Bank.



Mudhen (beer garden)



Street view between
Taylor Building and
Farmers Market
Shed 2
Harvest Lofts (Shed
3 and 4) in distance

Wood Partners LLC is completing construction of 313 apartments called Alta Farmers Market on a 4.7-acre site east of the Farmers Market. Initial phases of the project are complete and occupied; the entire project is expected to be finished in 2016.



Alta Farmers Market

Alliance Residential is building 340 units at the northeast corner of Cesar Chavez Boulevard and Interstate 30. The project is currently under construction with completion scheduled for 2016.



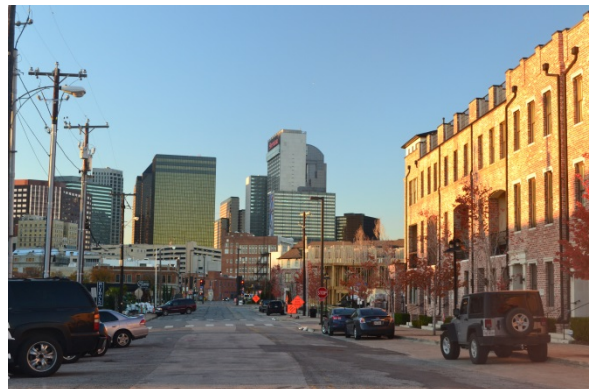
Eat the Yard is a veteran owned urban farming business to grow a diverse selection of produce and herbs, using environmentally friendly methods. The proposed project will be located at the southeast corner of Taylor Street and Good Latimer Street, two blocks from the Dallas Farmers Market.



The Pearl Street Gateway Improvement Project includes utility burial (overhead to underground conversion) on Pearl Street. The project scope includes removal of three utility poles at the intersection of Pearl Street and Marilla Street. TIF funding from the Farmers Market District-Wide Improvement Set-Aside funds in an amount not to exceed \$277,348 is being used for this project.



Before Utility Burial



After Utility Burial

Total private development in the Farmers Market TIF District completed so far is approximately \$187.5 million and an additional \$113.0 million investment is under construction or planned in the area.



Banners/Streetscape



Ruibal's at Farmers Market

Farmers Market TIF District Projects¹						
Projects Within TIF District Utilizing TIF Funding						
Project	Location	Year Complete	Status	Units/ SF²	Approx. Value³	TIF Investment⁴
Phase 1A, The Park at Farmers Market Apts.	2210 & 2410 Canton St.	2001	Completed	620 apartments	\$69,010,000	\$3,456,274
Townhomes Project, Phase IIA	2200 Canton St.	2001	Completed	17 Townhomes	\$5,187,060	\$162,225
Farmers Market/Deep Ellum Connector Walkway		2002	Completed	N/A	N/A	\$697,970 ⁵
Bark Park Central improvements in Farmers Market/Deep Ellum Connector		2004	Completed	N/A	N/A	
Harlan Building Redevelopment Project	2018 Cadiz St.	2005	Completed	5 units 10,00 SF commercial	\$1,089,000	\$649,900
Farmers Market Project Phase IB- Apartments	625 S Good Latimer Expwy.	2005	Completed	284 apartments	\$33,990,000	\$742,031
Farmers Market Way Townhomes ⁷	1000 S. Cesar Chavez Blvd.	2007	Completed	44 Townhomes	\$14,842,850	\$90,000
Farmers Market Square			Completed/ Under Construction /Planned	82 completed 17 under construction 9 planned	\$36,200,000 completed \$11,478,049 (anticipated)	\$3,000,000
Farmers Market Redevelopment Phase I		2015	Completed	Design work for the Farmers Market Redevelopment	N/A	\$1,664,832
Farmers Market Redevelopment Phase II:			Under Construction /Planned	Shed 1 Project (room for 119 stalls), Shed 2 Project (24,148 sf retail) Shed 3 and 4 (Harvest Lofts) (240 apts, 16,000	\$66,571,645 (anticipated)	\$13,335,331

				sf retail, parking for project and public; Taylor Street (60 apts, 25,000 sf commercial and Futsal Projects		
Total of projects within TIF using TIF funding 909 apartment units completed 143 townhomes completed 10,000 square feet commercial use completed 257 residential units under construction 40,148 retail/restaurant/commercial space under construction 69 residential units planned 25,000 square feet retail/restaurant/commercial space planned					\$145,476,060 Completed \$78,049,694 Under Construction and Planned	\$23,798,563
Projects Within TIF District Not Utilizing TIF Funding⁵						
2100 Downtown Townhomes	2140 Young St. (various)	2010/2011	Completed	28 Townhomes	\$ 9,980,470	\$0
Alta Farmers Market	1110 S Cesar Chavez Blvd	2015	Completed	313 Units	\$32,000,000 (anticipated)	\$0
Alliance Residential	835 S. Good Latimer		Under Construction	340 Units	\$35,000,000 (anticipated)	\$0
Eat the Yard			Planned	Urban Farm	-	\$0
Total of projects within TIF NOT using TIF funding 313 apartment units completed 28 townhomes completed 340 residential units under construction					\$41,980,470 Completed \$35,000,000 Under construction	\$0
Total 1,222 apartment units completed 171 townhomes completed 10,000 square feet commercial use completed 597 residential units under construction 40,148 retail/restaurant/commercial space under construction 69 residential units planned 25,000 square feet retail/restaurant/commercial space planned					\$187,456,530 Completed \$113,049,694 Under Construction and Planned	\$23,798,563
¹ All information updated as of September 30, 2015. ² Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage. ³ Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) City GIS & DCAD						

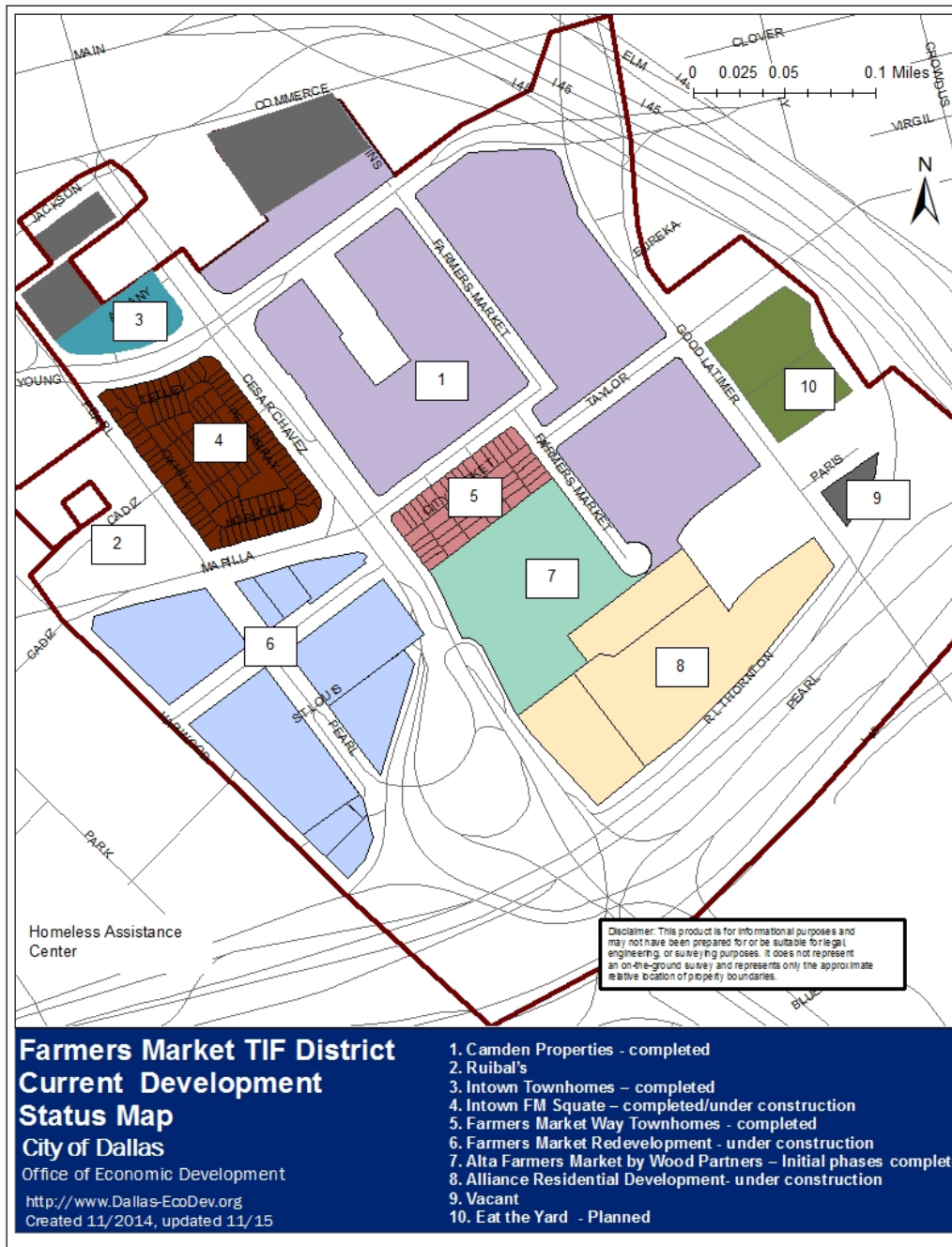
market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF District for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.

⁴ Principal amounts not to be exceeded per the development agreement.

⁵ TIF Investment for Farmers Market/Deep Ellum connector includes the TIF investment for the Bark Park Central improvements, Lighting near Art Park and Open space improvements (\$25,000) and Pearl Street conceptual design work (\$25,000).

⁶ Development Agreement with 2100 Downtown Condominium LLC was rescinded.

⁷ The reimbursement for the Farmers Market Way Townhomes project is still pending (\$90,000).



Value and Increment Revenue Summary

The Farmers Market TIF District's assessed 2015 tax value was \$210,277,560 an increase of \$174,563,469 over the amended base year. Note that County base and County taxable value may vary. This property value change represents 488.8% increase from the adjusted base value. The 2015 tax value increased \$36,413,179 (20.9%) over the 2014 tax value. From the inception of the District, approximately 94% of the increment is from new construction and 6% is from the general appreciation. The total revenue collected in 2015 is expected to be \$1,335,050. The actual construction that occurred in 2015 will be reflected on the 2016 tax roll.

Development Goals and Objectives

On August 25, 1999, the City Council passed Ordinance Number 24001 as amended, which approved the Farmers Market Tax Increment Financing District Project Plan and Reinvestment Zone Financing Plan. Among the goals of the Plan are:

- Goal 1: Create additional taxable value attributable to new private investment in projects in the Farmers Market TIF District totaling approximately \$114,000,000 over the term of the District.
Total private development in the Farmers Market TIF District completed so far is approximately \$187.5 million and an additional \$113.0 million investment is under construction or planned in the area.
- Goal 2: Create urban neighborhood in southeast quadrant of downtown that capitalizes on proximity to the Dallas Farmers Market and supports concepts developed in the Downtown 360 Plan.
City of Dallas initiated an efforts to promote the redevelopment of the Dallas Farmers Market is progressing as planned. These efforts are to promote the southeast quadrant of downtown into a vibrant urban neighborhood.
- Goal 3 – Facilitate redevelopment of the current Dallas Farmers Market area to adapt to changing market conditions and anchor the neighborhood.
Dallas Farmers Market Shed 1 has been renovated as part of the Farmers Market Redevelopment Project to include improvements to meet the existing market conditions and competition.
- Goal 4 – Improve pedestrian, transit, bicycle and vehicular connections from the Farmers Market TIF District to the Downtown Core, Government District, Deep Ellum Entertainment District and Dallas Heritage Village/Cedars neighborhood.
Staff and the Board will seek ways to improve pedestrian, transit, bicycle and vehicular connections from the District to various destinations. It is anticipated that the 2015 update to the Downtown 360 Plan will focus on such connections.

- Goal 5 – Generate approximately \$16.5 million in total TIF collections through the end of the term of the TIF District in 2028 (final collection in 2029).
Since the inception of the Farmers Market TIF District, the tax value has increased by 488.8% from the inception of the District in 1998. Investment in the expanded boundary is anticipated to occur during FY 2016.
- Goal 6 – Diversify retail and commercial uses in the Farmers Market TIF District.
An additional 40,148 square feet of retail space plus an additional 20,000 square feet of space to accommodate up to 119 farm-related produce and product stalls in Shed 1 are under construction in the Farmers Market TIF District. The updated Farmers Market sheds along with the beer garden Mudhen will provide diversification of retail and commercial space in the District.
- Goal 7 – Encourage the development of housing in the Farmers Market TIF District that is available to households with diverse income levels.
The Farmers Market TIF adopted the Mixed-income housing guidelines to promote housing for diverse income levels for development receiving TIF funding initiated after 2014.
- Goal 8 – Develop 1,700 housing units within the Farmers Market TIF District; and 100,000 square feet of commercial, restaurant and farmers market space.
Since the creation of the Farmers Market TIF District, 1,393 residential units (86% of goal) (1,222 apartments, 171 townhomes) and 10,000 square feet of commercial space (10% of goal) has been completed. The additional development that will occur in the next few years will exceed the goals for both categories. Currently, 597 residential units are under construction, an additional 69 units are planned and 65,148 square feet of retail/restaurant/office space is under construction or planned, not including the Shed 1 retail space that can accommodate up to 119 stalls developed as part of Farmers Market Redevelopment Project.
- Goal 9 – Encourage the redevelopment of the current Dallas Farmers Market are including the sale of some City-owned property in the area and some street reconfigured to create a more usable site.
The project is currently under construction with a mix of residential, retail/restaurant, office and recreational space.

Year-End Summary of Meetings

During the period of October 1, 2014, through September 30, 2015, the Farmers Market TIF Board met three times, on December 12, 2014, March 23, 2015 and on May 4, 2015.

The current Board members are: Neal Sleeper, Chair - City Representative (3 of 3 meetings), Lily Mak – City Representative (3 of 3 meetings), Brett Combs - City Representative (2 of 3 meetings), Jim Ingendorf - City Representative (2 of 3 meetings) and Rick Loessberg – Dallas County Representative (2 of 3 meetings).

During the fiscal year, the City Council approved nineteen items directly/indirectly associated with the Farmers Market TIF District:

On January 28, 2015, City Council approved Resolution No. 15-1079, authorizing acquisition from the State of Texas, of approximately 3,648 square feet of land located near the intersection of Interstate Highway 30 and St. Louis Street for a new entry portal at the homeless assistance center, The Bridge Entry Relocation Project - Not to exceed \$69,664 (\$65,664, plus closing costs and title expenses not to exceed \$4,000) - Financing: Freddie MAC/UCAP Grant Funds.

On February 25, 2015, City Council approved Resolution No. 15-0353, authorizing a resolution accepting the FY 2014 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Six, (Farmers Market TIF District), submitted by the Farmers Market TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City.

On March 25, 2015, City Council approved Resolution No. 15-0550, authorizing an Encroachment Agreement between the City of Dallas and DF Market 2, LLC; and (2) an Encroachment Agreement between the City of Dallas and FM Harvest, Ltd, to encroach upon a 15' Drainage Easement located near the intersection of Harwood and Taylor Streets - Revenue: \$2,500.

On April 8, 2015, City Council approved Resolution No. 15-0692, holding a public hearing to receive comments regarding an application for and approved Ordinance No. 29695, granting a new Subdistrict for various residential and non-residential uses and parking reductions within Planned Development District No. 357, the Farmers Market Special Purpose District along the north side of Canton Street, west of Interstate 45.

On April 8, 2015, City Council approved Resolution No. 15-0702, holding a public hearing to receive comments on a proposed municipal setting designation to prohibit the use of groundwater as potable water beneath property owned by WDF-3 Wood Farmers Market Owner, LLC and the City of Dallas located near the intersection of South Cesar Chavez Boulevard and Taylor Street and adjacent street rights-of-way; and approving

Ordinance No. 29704, authorizing support of the issuance of a municipal setting designation to WDF-3 Wood Farmers Market Owner, LLC by the Texas Commission on Environmental Quality and prohibiting the use of groundwater beneath the designated property as potable water - Financing: No cost consideration to the City.

On April 22, 2015, City Council approved Resolution No. 15-0808, approving Ordinance No. 29722, abandoning a portion of Harwood Street to DF Market 2, LLC, the abutting owner, containing a total of 800 square feet of land, located near the intersection of Harwood and Taylor Streets, and authorizing the quitclaim - Revenue: \$5,400, plus the \$20 ordinance publication fee.

On April 22, 2015, City Council approved Resolution No. 15-0809, approving Ordinance No. 29723, abandoning portions of Taylor Street to DF Market 2, LLC, the abutting owner, containing a total of approximately 2,039 square feet of land, located near the intersection of Harwood and Taylor Streets, and authorizing the quitclaim - Revenue: \$5,400, plus the \$20 ordinance publication fee.

On April 22, 2015, City Council approved Resolution No. 15-0810, approving Ordinance No. 29724, abandoning a portion of Pearl Expressway to FM Harvest, Ltd., the abutting owner, containing a total of approximately 419 square feet of land, located near the intersection of Pearl Expressway and Taylor Street, and authorizing the quitclaim - Revenue: \$5,400, plus the \$20 ordinance publication fee.

On May 13, 2015, City Council approved Resolution No. 15-0877, holding a public hearing to receive comments on a proposed municipal setting designation to prohibit the use of groundwater as potable water beneath property owned by Broadstone Farmers Market Property Owner, LLC located near the intersection of South Cesar Chavez Boulevard and East RL Thornton Freeway and adjacent street rights-of way; and approving Ordinance No. 29740 authorizing support of the issuance of a municipal setting designation to Broadstone Farmers Market Property Owner, LLC by the Texas Commission on Environmental Quality and prohibiting the use of groundwater beneath the designated property as potable water - Financing: No cost consideration to the City.

On May 27, 2015, City Council approved Resolution No. 15-0941, authorizing a public hearing to be held on June 10, 2015, to receive comments on amendments to the Project and Reinvestment Zone Financing Plan for Tax Increment Financing Reinvestment Zone Number Six (the Farmers Market TIF District) to: (1) increase the geographic area of the Farmers Market TIF District to include property located on the east side of Harwood Street, south of Canton Street (approximately 13,057 square feet); (2) adjust TIF Budget to reflect an increase in TIF collections (current dollars) from \$33,955,605 to \$48,398,723 (with no increase in NPV, \$19,238,514); and (3) other related modifications and, at the close of the public hearing, consideration of an ordinance amending Ordinance No. 23521, previously approved on May 27, 1998, Ordinance No. 24001, previously approved on August 25, 1999, Ordinance No. 25298, previously approved on June 25, 2003, and Ordinance No. 28951, previously approved

on March 27, 2013, to reflect these amendments - Financing: No cost consideration to the City.

On June 10, 2015, City Council approved Resolution No. 15-1097, holding a public hearing to receive comments on amendments to Tax Increment Financing Reinvestment Zone Number Six (the Farmers Market TIF District) to: (1) increase the geographic area of the Farmers Market TIF District to include property located on the east side of Harwood Street, south of Canton Street (approximately 13,057 square feet); (2) adjust TIF Budget to reflect an increase in TIF collections (current dollars) from \$33,955,605 to \$48,398,724 (with no increase in NPV, \$19,238,514); and (3) other related modifications - Financing: No cost consideration to the City.

On June 10, 2015, City Council approved Resolution No. 15-1098, approving Ordinance No. 29768 that amended Ordinance No. 23521, previously approved on May 27, 1998, Ordinance No. 24001, previously approved on August 25, 1999, Ordinance No. 25298, previously approved on June 25, 2003, and Ordinance No. 28951, previously approved on March 27, 2013, to reflect these amendments - Financing: No cost consideration to the City.

On June 10, 2015, City Council approved Resolution No. 15-1099, authorizing an amendment to the Master Agreement with DFM Developer, Ltd., to extend project deadlines related to the development of an approximately 12 acre site located southeast of the intersection of Harwood Street and Marilla Street known as Dallas Farmers Market, previously approved on February 27, 2013, by Resolution No. 13-0447 - Financing: No cost consideration to the City.

On June 10, 2015, City Council approved Resolution No. 15-1100, authorizing additional amendments to the development agreement with DFM Developer, Ltd., for TIF-eligible improvements supporting the Farmers Market Redevelopment, Phase I project, previously approved on June 26, 2013, by Resolution Nos. 13-1156 and 13-1157 and amended on June 25, 2014, by Resolution No. 14-0994, to: (a) remove the purchase of the public market parking/air rights requirement from Farmers Market Redevelopment, Phase I development agreement; and (b) include Atmos gas pipeline installation and environmental/demolition as an eligible budget category with no increase in the TIF funding - Financing: No cost consideration to the City.

On June 10, 2015, City Council approved Resolution No. 15-1101, authorizing an amendment to the development agreement with DF Market 2, LLC, for TIF-eligible improvements supporting the Farmers Market Redevelopment, Phase II, Shed 2 project, previously approved on December 11, 2013, by Resolution Nos. 13-2098 and 13-2099, to extend project deadlines - Financing: No cost consideration to the City.

On June 10, 2015, City Council approved Resolution No. 15-1102, authorizing an amendment to the development agreement with Taylor Street 2111, LP, for TIF-eligible improvements supporting the Farmers Market Redevelopment, Phase II, 2101 and 2111

Taylor Street project, previously approved on December 11, 2013, by Resolution Nos. 13-2102 and 13-2103, to extend project deadlines - Financing: No cost consideration to the City.

On June 10, 2015, City Council approved Resolution No. 15-1103, authorizing an amendment to the development agreement with FM Futsal, Ltd., for TIF eligible improvements supporting the Farmers Market Redevelopment, Phase II, Futsal project, previously approved on December 11, 2013, by Resolution Nos. 13-2104 and 13-2105, to extend project deadlines - Financing: No cost consideration to the City.

On June 10, 2015, City Council approved Resolution No. 15-1104, authorizing an amendment to the development agreement with DFM Developer, Ltd., for TIF-eligible improvements supporting the Farmers Market Redevelopment, Phase II, Harvest Lofts Mixed Use project, previously approved on December 11, 2013, by Resolution Nos. 13-2100 and 13-2101, to: (1) extend project deadlines; (2) increase the TIF funding from \$8,536,486 to \$13,704,350 (an increase of \$5,167,864) to offset the cost of public parking garage and additional streetscape improvements; and (3) amend the TIF budget and include public parking garage as an eligible budget category - Not to exceed \$5,167,864 - Financing: Farmers Market TIF District Funds (subject to future appropriations).

On June 10, 2015, City Council approved Resolution No. 15-1105, authorizing a purchase and sale agreement with FM City Park, LLC for: (1) the purchase of an air rights parcel which is part of the Harvest Development Land in an amount not to exceed \$439,530; and (2) the purchase of a completed public parking structure (300 public parking spaces), to be constructed by FM City Park, LLC in accordance with the City approved plans and set specifications in an amount not exceed \$7,710,005, total amount for both purchases not to exceed \$8,149,535 - Financing: Farmers Market Area Infrastructure Funds (\$1,153,571), 2006 Bond Funds (\$1,658,089), Public Private Partnership Funds (\$670,000), Farmers Market TIF Funds (\$4,667,875) (subject to appropriations).

Pending TIF Items

- FY 2015 Annual Report, Farmers Market TIF District.
- Potential development agreement with Preserve Liberty LLC for the development of the Liberty State Bank Preservation Phase II.

Budget and Spending Status

Each TIF District establishes a budget for the public improvement expenditures necessary to support private investment in the district in the Project Plan and Reinvestment Zone Financing Plan. The Farmers Market TIF District budget and spending to date is shown in the following table:

Farmers Market TIF District Projected Increment Revenues to Retire TIF Fund Obligations			
Category	TIF Budget ¹	Allocated ²	Balance
Phase IA ³	\$17,089,818	\$8,125,410	\$8,964,408
Deep Ellum Connector ⁴	\$672,970	\$672,970	\$0
Phase IB	\$742,031	\$742,031	\$0
Phase II ⁵	\$4,502,982	\$3,252,225	\$1,250,757
Harlan Building	\$1,298,118	\$701,142	\$596,976
Farmers Market Area Improvements	\$22,392,803	\$15,000,164	\$7,392,639
TIF Administration ⁶	\$1,700,000	\$716,696	\$983,304
Total	\$48,398,723	\$29,210,638	\$19,188,085
1. Budget shown above in current dollars			
2. Allocated includes money expended and committed for existing and future projects.			
3. Phase 1A and Phase II includes \$7,654,743, funds advanced by the City.			
4. Deep Ellum Connector includes – Lighting near Art Park and Open Space Improvements (AA)- \$25,000 & Pearl Street conceptual design – 25,000.			
5. Phase II includes Perry Homes-\$90,000, Farmers Market Square and Phase IIA			
6. TIF administration fee includes funds expended or committed through FY 2015.			
7. NPV value of \$19,238,514			

Farmers Market TIF District Project Plan Budget		
Category	TIF Budget (in NPV)	TIF Budget (Current Dollars)
Phase IA	\$4,162,445	\$17,089,818
Deep Ellum Connector	\$197,138	\$672,970
Phase IB	\$336,434	\$742,031
Phase II	\$1,666,033	\$4,502,982
Harlan Building Redevelopment	\$162,475	\$1,298,118
Farmers Market Area Improvements	\$11,948,989	\$22,392,803
Administrative	\$765,000	\$1,700,000
Total	\$19,238,514	\$48,398,723

Farmers Market M/WBE Participation				
Project	Contractor	Total Contract	Contract Awarded	% Minority Participation
Marilla St. & Farmers Market Way Infrastructure	Tiseo Paving Company	\$15,466,589	\$1,791,031	11.58%
Marilla St. & Farmers Market Way Streetscaping	Gibson & Assoc., Inc.	\$21,761,854	\$1,863,606	9.42%
Marilla St. & Farmers Market Way Streetscaping – contract increase	Gibson & Assoc., Inc.	\$1,272,337	\$120,872	9.50%
Good Latimer Expwy Streetscaping	Gibson & Assoc., Inc	\$1,834,207	\$425,536	23.20%
Canton St. & S. Cesar Chavez Blvd Infrastructure	New Star Grading & Paving	\$295,908	\$197,045	66.59%
Farmers Market Townhomes Phase IIA Water & Waste Water	Saber Development Corporation	\$4,477,258	\$138,795	3.10%
Camden Farmers Market Ph. 1B, parcel 1 – Streetscaping, Water & Waste Water	Gibson & Assoc., Inc.	\$2,384,950	\$617,702	25.9%
Harlan Building Redevelopment	Nedderman & Assoc.	\$3,693,182	\$650,000	17.6%
Farmers Market Square	Fenway Development	\$3,103,062	\$1,402,584	45.2%
Total		\$54,289,346	\$7,207,171	13.28%

Includes only completed construction projects.

FY 2016 Work Program

- Monitor and assist completion of the Farmers Market Redevelopment Project and Farmers Market Square Project.
- Support the development of the Eat the Yard and Liberty State Bank Preservation Phase II developments.
- Promote development in the vacant property within the District.
- Continue facilitating partnership with Farmers Market and other organizations in strengthening the Farmers Market TIF District.

Appendix: Financials

City of Dallas, Texas
Farmers Market Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2015
(Unaudited)

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.
2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).
3. The Zone's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.
4. The Zone's Financial Plan permits expenditures not to exceed \$1,112,684 (in current \$) of the TIF to reimburse the City for administrative costs. The City began billing the Zone for administrative costs in FY'1998-99. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.
5. The Zone has received advances from City of Dallas to fund improvements that have been made by the Department of Public Works and Transportation. The City used the funds from the 1985 bond program that were allocated to fund these public improvements in the TIF district. Funds advanced by the City, which bear interest from the date of advance, include the following:
 - \$1,791,030 advance as of March 11, 1999 bears interest at 5.20% compounded annually;
 - \$1,995,017 advance as of September 25, 2000 bears interest at 5.20% compounded annually;
 - \$478,886 advance as of October 01, 2001 bears interest at 5.20% compounded annually; and
 - \$226,237 advance as of September 25, 2002 bears interest at 5.20% compounded annually; and
7. All project costs resulting in capital improvements that are owned by the City of Dallas are capitalized.
8. "Due to general fund" amount of \$16,786 at September 30, 2015 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

City of Dallas, Texas						
Farmers Market Tax Increment Financing District Fund						
Balance Sheet as of September 30, 2015 (Unaudited)						
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)						
		<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Assets:						
Pooled cash and cash equivalents		\$2,509,509	\$5,053,473	\$4,365,029	\$3,745,656	\$3,214,652
Interest receivable		\$3,064	\$5,324	\$4,758	\$5,315	\$9,671
Total assets		<u>\$2,512,573</u>	<u>\$5,058,797</u>	<u>\$4,369,787</u>	<u>\$3,750,971</u>	<u>\$3,224,323</u>
Liabilities and Fund Balance (Deficit):						
Liabilities:						
Accounts & contracts payable		\$1,314,000	\$3,000,000	\$0	\$0	\$2,034
Advances from developers		\$2,496	\$2,496	\$2,496	\$2,496	\$2,496
Advances from City		\$4,491,169	\$4,491,169	\$4,491,169	\$4,491,169	\$4,491,169
Due to general fund		\$16,786	\$16,786	\$16,786	\$0	\$0
Accrued liability		\$32,243	\$22,759	\$22,759	\$22,759	\$22,759
Total liabilities		<u>\$5,856,694</u>	<u>\$7,533,211</u>	<u>\$4,533,211</u>	<u>\$4,516,425</u>	<u>\$4,518,459</u>
Fund Balance (Deficit):						
Fund Balance (Deficit)		<u>(\$3,344,121)</u>	<u>(\$2,474,414)</u>	<u>(\$163,424)</u>	<u>(\$765,454)</u>	<u>(\$1,294,135)</u>
Total Liabilities and Fund Equity		<u>\$2,512,573</u>	<u>\$5,058,797</u>	<u>\$4,369,787</u>	<u>\$3,750,971</u>	<u>\$3,224,324</u>
		\$0	\$0	\$0	\$0	\$0
Farmers Market Tax Increment Financing District Fund						
Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)						
For the Period September 30, 2015 (Unaudited)						
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)						
	<u>ITD</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Revenues:						
Tax increment-Governmental	\$7,507,734	\$991,485	\$756,083	\$666,754	\$584,035	\$691,405
Interest income	\$550,298	\$11,932	\$19,793	\$18,168	\$18,636	\$18,468
Other revenue-developer reimbursement savings	\$217,974	\$0	\$0	\$0	\$0	\$0
Proceeds from sale of land	\$433,711	\$0	\$0	\$433,711	\$0	\$0
Net increase in fair value of investments	(\$6,746)	\$5,778	(\$4,001)	(\$4,639)	(\$299)	\$2,701
Total revenues	<u>\$8,702,971</u>	<u>\$1,009,194</u>	<u>\$771,875</u>	<u>\$1,113,994</u>	<u>\$602,372</u>	<u>\$712,575</u>
Expenditures:						
Administrative expenses	\$716,696	\$75,230	\$78,056	\$74,253	\$48,461	\$60,336
Non-Capital outlay	\$611,045	\$139,020	\$108	\$744	\$229	\$2,034
Capital outlay	\$10,190,783	\$1,664,652	\$3,004,700	\$4,000	\$25,000	\$0
Debt service payment-Principal	\$432,967	\$0	\$0	\$432,967	\$0	\$0
Interest and fiscal charges	\$1,058,458	\$0	\$0	\$0	\$0	\$0
Total expenditures	<u>\$13,009,949</u>	<u>\$1,878,901</u>	<u>\$3,082,865</u>	<u>\$511,964</u>	<u>\$73,690</u>	<u>\$62,371</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(\$4,306,978)</u>	<u>(\$869,707)</u>	<u>(\$2,310,990)</u>	<u>\$602,030</u>	<u>\$528,682</u>	<u>\$650,204</u>
Fund balance (Deficit) at beginning of year as previously reported						
	\$0	(\$2,474,414)	(\$163,424)	(\$765,454)	(\$1,294,135)	(\$1,944,339)
Prior period restatement	\$962,857	\$0	\$0	\$0	\$0	\$0
Fund balance (Deficit) at beginning of year, as restated	<u>\$962,857</u>	<u>(\$2,474,414)</u>	<u>(\$163,424)</u>	<u>(\$765,454)</u>	<u>(\$1,294,135)</u>	<u>(\$1,944,339)</u>
Fund balance (deficit) at end of year	<u>(\$3,344,121)</u>	<u>(\$3,344,121)</u>	<u>(\$2,474,414)</u>	<u>(\$163,424)</u>	<u>(\$765,454)</u>	<u>(\$1,294,135)</u>
Note: Fiscal year 2014-15 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.						

Farmers Market Tax Increment Financing District																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
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4	Tax increment base and current captured appraised value retained by the zone:				
			Taxable	Base Year	Est. Captured
		Taxing Jurisdiction	Value 2015	1996 Value	Value 2015*
	City of Dallas		\$209,378,300	\$34,814,831	\$174,563,469
	Dallas County		\$209,345,800	\$117,420,294	\$91,925,506
	* Based on Certified Taxable Values. Final values will be determined on February 01, 2016.				
5	Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:				
	A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:				
				Assessment	Amount of
				Per \$100	Estimated 2015
		Taxing Jurisdiction			Increment
	City of Dallas			0.71730	\$1,252,144
	Dallas County			0.09724	\$89,388
		Total for all Jurisdictions		\$1.53184	\$1,341,532
	B. The total amount of estimated tax increment to be billed for the 2015 tax year is \$1,341,532. For the 2014 tax year, increment in the amount of \$991,485 was received.				

AGENDA ITEM # 13

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 2, 6, 14

DEPARTMENT: Office of Economic Development

CMO: Ryan S. Evans, 671-9837

MAPSCO: 44 D H M P Q R; 45 A E F J K N

SUBJECT

A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Seven, (Sports Arena TIF District), submitted by the Sports Arena TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 23688 on October 28, 1998, establishing Tax Increment Financing Reinvestment Zone Number Seven, (Sports Arena TIF District). On August 25, 1999, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 24002. The termination date of the TIF District was extended by 10 years to December 31, 2028 on May 23, 2012 by Ordinance No. 28672.

The Sports Arena TIF District's assessed tax value in 2015 was \$715,929,969. This represents an increase of 1023.2% (\$652,190,710) over the adjusted 2012 adjusted base year assessed value of \$63,739,482 and an increase of 27.2% (\$152,927,784) from the previous year 2014 value. With the participation of the City and Dallas County, the district's value will result in the collection of approximately \$4,986,166 (City \$4,678,228; County \$307,938) in incremental revenue for the Sports Arena TIF District for the 2015 tax year.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On October 28, 1998, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Seven, the Sports Arena TIF District by Ordinance No. 23688.

On August 25, 1999, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Sports Arena TIF District, by Ordinance No. 24002.

On January 14, 2016, the Sports Arena TIF District Board of Directors recommended that the FY 2015 Annual Report be accepted and approved.

Information about this item will be provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

No cost consideration to the City

February 24, 2016

WHEREAS, the City recognizes the importance of its role in local economic development initiatives and programs; and

WHEREAS, the City has established Tax Increment Financing Reinvestment Zone Number Seven, ("Sports Arena TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment in the Sports Arena area pursuant to Ordinance No. 23688, authorized by the City Council on October 28, 1998, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

WHEREAS, on May 23, 2012, City Council amended the Project Plan and Reinvestment Zone Financing Plan for the Sports Arena TIF District by Ordinance No. 28672; and

WHEREAS, the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

WHEREAS, on January 14, 2016, the Sports Arena TIF District Board of Directors passed a motion accepting the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Seven and recommending approval of same by the City Council.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Seven (Sports Arena TIF District), City of Dallas, Texas, as of September 30, 2015, a copy of which is attached hereto (**Exhibit A**), and is hereby accepted.

Section 2. That the City Manager is hereby authorized to submit the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Seven to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District; and to the State Comptroller, as required by state law.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Exhibit A

**Sports Arena TIF District
FY 2015
Annual Report**



Medialon 2007



City of Dallas

Office of Economic Development

1500 Marilla Street, 2CN

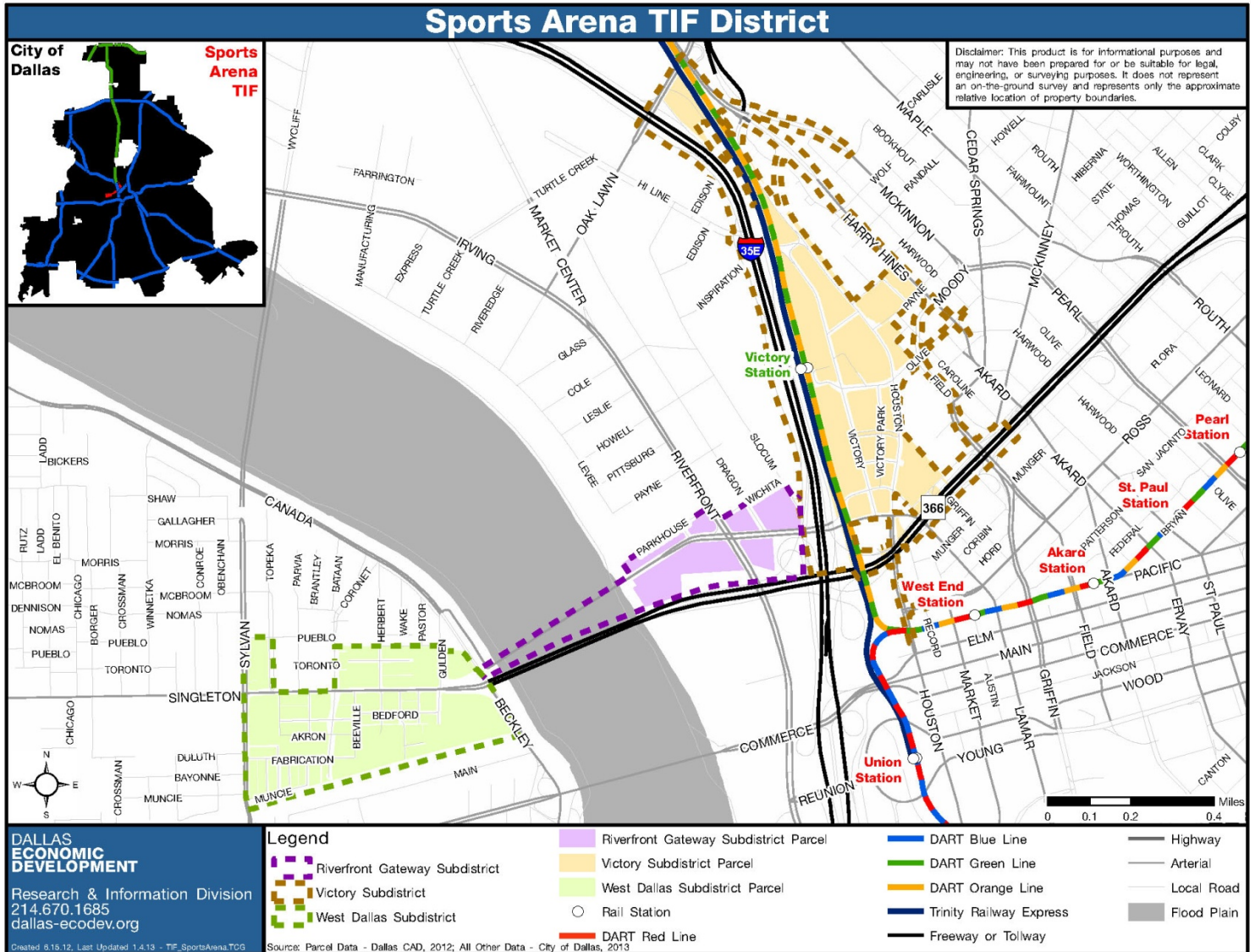
Dallas, Texas 75201

(214) 670-1685

<http://www.dallas-ecodev.org/>

**October 1, 2014 to September 30, 2015
Amended Reinvestment Zone Number Seven**

Sports Arena Tax Increment Financing District



Mission

The mission of the Sports Arena TIF District (“District” or “Zone”) is to generate tax increment sufficient enough to reimburse costs of roadway improvements and other public improvements in the District that were beneficial to the redevelopment of the area around the American Airlines Center (AAC). The mission of the district was amended in 2012 to provide a means of funding needed improvements to shift AAC event parking from surface parking lots to structured parking within the Victory area, facilitate redevelopment in West Dallas that currently serves as a gateway from the west to the Victory area, improve occupancy rates of retail space in the Victory area and create new retail opportunities in the West Dallas area.

Dallas City Council created the Sports Arena TIF District (Reinvestment Zone Number Seven) by Ordinance No. 23688 on October 28, 1998. The District took effect January 1, 1999 and its original termination date was December 31, 2018, or when all district project costs and any interest on these costs were paid in full. The termination date of the TIF District was extended by 10 years to December 31, 2028 on May 23, 2012, by Ordinance No. 28672.

Since its inception, the Sports Arena TIF has leveraged over \$1.4 billion in new development completed or begun through fiscal year 2015. District development includes, 3,875 residential units, 251 hotel rooms, 389,200 square feet of retail space, and 1,021,000 square feet of office space.

District Accomplishments

During the fiscal year, the following projects in the Victory Sub-district either started or completed construction.

Projects Completed During FY 2015 – Victory Sub-district

North Parking Garage, Construction of a public 1,271 space garage dedicated to American Airlines Center event completed July 2015. The City also took ownership of the garage during the in 2015.

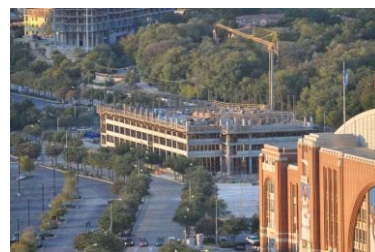


Projects Approved, Started and/or Continuing Construction During FY 2015 – Victory Sub-district

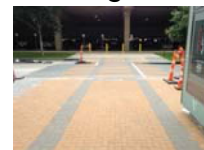
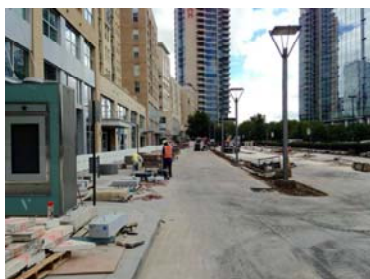
Placemaking Project, City Council approved TIF funding for the Placemaking Project in April and the project's construction began during the fiscal year. This phased project will: (1) construct vertical improvements to complete redesigned streets within the sub-district (Victory Park Lane, Houston Street, Victory Avenue and Olive Street); (2) replacing existing directories along Victory Park Lane with directories that can display up-to-date tenant listings and locations as well as seasonal or promotional messages; (3) install adaptable seating along sidewalks and pedestrian nodes activating the public realm; and (4) install district markers and banners that uniquely identify Victory Park. The project's anticipated completion is December 2016.



Camden Victory Park, Construction of 423 residential units on the parking lot north of the American Airlines Center continued during the fiscal year. The project is anticipated to complete in 2016.



Victory Park Lane Improvement Project, Construction of infrastructure improvements that will enhance pedestrian movement by widening sidewalks and providing more space for outside dining and activity, increase pedestrian safety by calming vehicular traffic and encourage mid-block crossings on Victory Park Lane continued during the fiscal year. Project completed the during the 2015 calendar year.



Olive Street Improvement Project, Construction of infrastructure improvements that will reduce the street's width to better accommodate pedestrians, add a crosswalk at Victory Park Lane and reorient the AT&T Plaza to direct event patrons to the retail component of the Victory project along Victory Park Lane continued throughout the fiscal year. The project completed during the 2015 calendar year.



Two-Way Conversion of Houston Street and Victory Avenue,

An amendment of the City of Dallas Thoroughfare Plan was approved to convert Houston Street and Victory Avenue from a one-way to two-way operation. Conversion of the two streets will change the character and experience of the roadways and improve bicycle circulation throughout the sub-district by providing a dedicated bicycle track on both sides of Houston Street connecting to the current terminus of the KATY Trail and extending it throughout the sub-district. Construction of this project began during the fiscal year and completion is anticipated in early 2016.



KATY Station, 28-story, 461 unit residential tower with 2,000 square feet of ground floor retail space began construction during the fiscal year. Construction completion is anticipated in 2017.



The Ascent, high rise residential tower with 302 units and 3,000 square feet of ground floor retail space began construction during the fiscal year. Construction completion is anticipated in 2017.

Victory Place, a 25-story, 352 unit residential high rise tower with 8,250 square feet of ground floor retail space began construction during the fiscal year. Construction completion is anticipated in 2017.



Projects Approved and/or Under Construction During FY 2015 – West Dallas Sub-district

Trinity Groves – Restaurant Incubator, Construction of over 100,000 square feet of restaurant space, a brewery, event space and a restaurant incubator continued during the fiscal year. The project's anticipated completion is June 2016



Trinity Groves Mixed Use – Phase I, TIF funding for this project was approved by City Council in April of 2014. The project includes approximately 34,200 square feet of retail space, 349 multifamily units and 237,100 square feet of parking. Construction of the project began during the fiscal year and completion is anticipated for 2018.



TIF Related Projects¹						
Projects Located Within the TIF District Utilizing TIF Funding						
Project	Location	Calendar Year Complete	Status	Units/ SF²	Approx. Value³	TIF Investment⁴
TIF Infrastructure		2001	Complete	-	-	\$23.9M
South Parking Garage ⁶	2401 Victory Park Lane	2014	Existing	629 Space Parking Garage	\$18,312,742	\$12,825,000
North Parking Garage	1200 N. Stemmons Frwy.	2015	Completed	1,200 Space Parking Garage	\$33,271,841	\$33,271,841
Victory Park Lane Improvement Project	Victory Park Ln	2015	Under Construction	-	-	\$1,226,500
Olive Street Improvement Project	Olive St	2015	Under Construction	-	-	\$825,100
Two-Way Conversion (Houston St & Victory Ave)	Houston St & Victory Ave	2016	Under Construction	-	-	\$3,718,000
Trinity Groves – Restaurant Incubator	Singleton Blvd & Gulden Ln	2016	Under Construction	106,000 sf retail/restaurant space	\$51,889,000	\$3,505,000
Placemaking Project	Olive St., Victory Ave, Houston St, Victory Park Ln	2016	Under Construction	-	-	\$5,974,804
Trinity Groves Mixed Use – Phase I		2018	Under Construction	349 Apts. 34,200 sf retail	\$57,585,916	\$13,950,000
Projects Located Within the TIF District Not Utilizing TIF Funding						
American Airlines Center ⁵	2500 Victory Ave	2001	Complete	840,000 sf entertainment space	\$197,706,000	\$0
Center Operating Company	2427 N. Houston St	2001	Complete	parking garage	\$3,816,450	\$0
Platinum Parking Garage	1620 Lyte St.	2001	Complete	2,000 space parking garage	\$40,211,160	
W Dallas Victory Hotel & Residences	2408, 2430 & 2440 Victory Park Ln.	2006	Complete	145 condos 251 hotel rooms 42,500 sf retail	\$128,697,620	\$0
The Terrace	2323 N. Houston St	2006	Complete	97 condos 24,000 sf retail	\$24,709,410	\$0
The Vista	2345 N. Houston St	2007	Complete	127 apts 28,000 sf retail	\$24,489,000	\$0
Victory Plaza Buildings	3030 & 3090 Olive St	2007	Complete	65,000 retail 155,000 office	\$38,551,850	\$0
Cirque	2500 N Houston St	2008	Complete	252 apts 11,000 sf retail	\$62,000,000	\$0
One Victory Park	2323 Victory Ave	2008	Complete	9,000 sf retail 430,000 office	\$88,033,720	\$0
The House by Starck & Yoo	2200 Victory Ave	2009	Complete	150 condos 30,000 sf retail	\$68,158,700	\$0
Arpeggio Victory Park	2425 Victory Ave	2014	Completed	378 apts	\$51,774,780	\$0
Moda	2711 Harry Hines Blvd	2014	Completed	263 apts 3,500 sf retail	\$33,721,470	\$0
SkyHouse Dallas	2200 N. Lamar St	2015	Completed	336 Apts. 5,000 sf retail	\$62,000,000	\$0

Camden Victory Park	2825 Alamo St.	2016	Under Construction	425 Apts.	\$50,000,000	\$0
Katy Station	1400 Alamo St. 3111 N. Houston St.	2017	Under Construction	461 Apts. 2,000 sf retail	185,000,000	\$0
The Ascent	2500 Alamo St.	2017	Under Construction	302 Apts. 3,000 sf retail	\$120,000,000	\$0
Victory Place	1611 Payne	2017	Under Construction	352 Apts. 3,000 sf retail	\$120,000,000	\$0
Mixed Use Development	2100 Victory Ave	2018	Announced	238 Apts. 23,000 sf retail 44,000 sf cinema	\$80,000,000	\$0
Hines Office Bldg	2371 Victory Ave	2017	Announced	436,000 office	\$70,000,000	\$0
Subtotal				3,875 res. units 251 hotel rooms 389,200 sf retail 1,021,000 sf office 884,000 sf entertainment 3,625 spaces parking garage	\$1,540,632,913	\$99,196,245

¹ All information updated as of September 30, 2015.

² Based upon information gathered from the developer. May be updated for completed projects based on actual unit mix and square footage.

³ Based upon 1) approximate private investment for anticipated projects, or 2) DCAD market value for completed projects (unless project has not yet been assessed). Arena value includes roads and parking. Values may not be fully captured by the TIF District for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.

⁴ Sports Arena TIF funds were dedicated for infrastructure for the TIF district, not individual projects.

⁵ Tax-exempt property.

Projects Adjacent to TIF¹

Project	Location	Calendar Year Complete	Status	Units/ SF ²	Approx. Value ³	TIF Investment
Perot Museum of Nature and Science	2201 N. Field St.	2012	Completed	180,000 sf	\$185,000,000	\$0
The Alexan Skyline Apartments	3333 Harry Hines Blvd	2016	Under Construction	365 apts 6,410 sf retail	\$40,000,000	\$0
Subtotal				365 apts; 186,410 sf retail	\$225,000,000	\$0

¹ All information updated as of September 30, 2015.

² Based upon information gathered from the developer. May be updated for completed projects based on actual unit mix and square footage.

³ Based upon 1) approximate private investment for anticipated projects, or 2) DCAD market value for completed projects (unless project has not yet been assessed). Arena value includes roads and parking. Values may not be fully captured by the TIF District for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.

District Initiatives				
Activity	Scope	Status	Investment	Source
Orange Roadways	Improvements to Houston St, McKinney Ave., Ross Ave., Continental Ave., Lamar Street and Wichita St.	Complete	\$20,988,088	TIF Funding
Woodall Rodgers Plaza	Improvements to Woodall Rodgers Plaza between McKinney Ave., Continental Ave., and Houston Street	Complete	\$2,000,000	TIF Funding
District Wide Technical Studies	Parking, traffic, vehicular and pedestrian circulation, place making and retail design for Victory Sub-district	Complete	\$700,000	TIF Funding
Central Core Connector Project (Dallas Bikeway System)	Bikeway program implemented through the use of shared lanes on roadways going through the American Airlines Center/Victory area, the West End, Downtown, and Deep Ellum.	Phase I Complete	\$90,452 Total (Downtown Dallas Inc. - \$41,000; City of Dallas Streets Department - \$12,188; TIF Funding - \$37,264 – divided by four TIF districts)	TIF Funding (Deep Ellum, City Center, Downtown Connection and Sports Arena TIF Districts) & Dallas Downtown, Inc.
Other Initiatives				
Victory Sustainable Development Project	Victory Park Lane, DART Street, Laws Street, and related public improvements, including lighting improvements to the Katy Trail.	Roadway construction completed November 2007. Katy Trail lighting completed August 2009	\$8,505,000	Sustainable Development Funds and developer match
Trinity Strand/Katy Trail Connection	Trail connecting the Katy Trail over Goat Hill, through Stemmons Park, to the base of the Trinity Strand Trail at Oak Lawn Avenue	Under Construction	\$310,620	2006 Bonds for engineering
			Total budget: \$8.5 million	Remainder to be raised

Value and Increment Revenue Summary

The base value of the Zone is the total appraised value of all taxable real property in the District, as determined by the Dallas Central Appraisal District's certified property tax roll for the base year value. The base value is established the year when a property is placed within TIF boundaries.

The Sports Arena TIF District's original assessed 1998 tax value was \$16,423,773. The district's financing plan was amended in 2012 to create three sub-districts: Victory Park, Riverfront Gateway, and West Dallas. As a result, each sub-district will have its own base value.

Victory Park Sub-district – In 2012, the Victory Park sub-district's amended base value was \$33,515,323. The sub-district's appraised value in 2015 was \$678,902,131, an increase of \$150,151,543 (28.4%) from 2014's sub-district value (\$528,750,588). This increase will result in an estimated collection of approximately \$4,928,188 in incremental revenue.

Riverfront Gateway Sub-district – In 2012, the Riverfront Gateway sub-district's base value was \$18,624,970. The sub-district's appraised value in 2015 was \$19,574,960, a decrease of \$298,830 (-1.5%) from 2014's sub-district value (\$19,873,790). This decrease will result in an estimated collection of approximately \$8,084 in incremental revenue.

West Dallas Sub-district – In 2012, the West Dallas sub-district's base value was \$11,598,966. The sub-district's appraised value in 2015 was \$17,452,878, an increase of \$3,075,071 (21.4%) from 2014's sub-district value (\$14,377,807). This increase will result in an estimated collection of approximately \$49,893 in incremental revenue.

The Zone's (includes all sub-districts) total value in 2015 was \$715,929,969, an increase of \$152,927,784 (27.2%) from 2014's total district value (\$495,349,584). This increase in total district value will result in an estimated collection of approximately \$5,478,984 in total incremental revenue for the Sports Arena TIF District in June 2016.

Objectives, Programs, and Success Indicators

The original Sports Arena TIF District Project and Reinvestment Zone Financing Plan were adopted August 25, 1999.

In 2012, the District's Project and Reinvestment Zone Financing Plan was amended and the goals and objectives were revised to include additional public improvements as well as private development in the District.

Specific actions addressing these objectives follow in italics:

- Attract 250,000 square feet of additional retail space.

During the fiscal year, approximately 148,200 square feet of retail space completed or began construction within the Zone. A total of 156,700 square feet of additional retail space has completed or began construction since 2012 (63% of the total goal).

- Attract 3,000 additional residential units including town home, multifamily and condominium units.

Three residential projects in the Victory Sub-district of the Zone completed construction during the 2014 fiscal year (Moda, Arpeggio Victory Park, and Skyhouse Dallas), adding 977 apartments. Camden Victory Park continued construction and The Ascent, Katy Station and Victory Place began construction of residential units during the 2015 fiscal year. Upon completion, residential projects will add 1,538 units to the Victory sub-district.

During fiscal year 2015, construction of 349 residential units began as part of the Trinity Groves Mixed Use Project – Phase I in the West Dallas Sub-district.

In total 2,864 residential units have completed construction or are currently under construction (95% of the total goal) since 2012.

- Increase recreational opportunities and improve connections to the City of Dallas trails and open space system in the Sports Arena TIF District, especially the Trinity River, Trinity Strand Trail, Katy Trail and proposed Continental Pedestrian Bridge.

Continental Avenue Bridge Project – The Bridge was permanently closed to vehicular traffic on July 8, 2013. The construction cost for the Continental Avenue Bridge and West Dallas Gateway project was funded by private donations and bond funds. The bridge reopened for pedestrians only during the fiscal year, providing a new outdoor destination with

recreational amenities, parking at the West Dallas Gateway and non-motorized vehicular access across the Trinity River.

Katy Trail Extension – As part of the two-way conversion of Houston Street a dedicated bicycle track on both sides of Houston Street was constructed, connecting to the current terminus of the KATY Trail and extending it throughout the sub-district improving bicycle circulation.

- Increase the utilization of structured parking to provide public and American Airlines Center (AAC) event parking.

Construction of the North Parking Garage providing AAC event parking completed during the fiscal year. 425 spaces in South Parking Garage provide additional AAC structured parking. These two facilities enabled the redevelopment of approximately 12.3 ± acres previously used for surface parking.

- Improve access and connectivity between the Victory, Riverfront Gateway Sub-district and West Dallas Sub-districts.

Improvements to the bike trail and pedestrian network, Continental Bridge improvements and ongoing work at Trinity Groves is intended to improve connectivity within the Sports Arena TIF District.

Year-End Summary of Meetings and Council Items

The Sports Arena TIF District Board of Directors met four (4) times during FY 2015: October 2, 2014; January 9, 2015; February 19, 2015 (Special Meeting); September 16, 2015.

The Sports Arena TIF District Board of Directors consists of nine (9) members, including six (6) City of Dallas appointees, one (1) Dallas Independent School District (DISD) appointee, one (1) Dallas County appointee and one (1) Dallas County Hospital District (DCHD) appointee. During FY 2015, the Sports Arena TIF Board consisted of the following members:

Noel Aveton – City Appointee (Attended 4 of 4 meetings)
Eva Elvove – City Appointee (Attended 4 of 4 meetings)
Herbert Goodman – City Appointee (Attended 1 of 4 meetings)
Daniel Powell – City Appointee (Attended 3 of 4 meetings)
Eliza Solender – City Appointee (Attended 3 of 4 meetings)
Arman Rupani – City Appointee (Attended 2 of 4 meetings)
Orlando Alameda – DISD Appointee (Attended 3 of 4 meetings)
Rick Loessberg – Dallas County Appointee (Attended 3 of 4 meetings)
Sue Pickens – DCHD Appointee (Attended 2 of 4 meetings)

During FY 2015, the City Council approved fourteen (14) items directly or indirectly associated with the Sports Arena TIF District. The council actions are listed below.

- On October 22, 2014, City Council approved Resolution Nos. 14-1850 and 14-1851, authorizing a development agreement with Trinity Groves Residential I, L.P., to reimburse project costs related to the development of Trinity Groves mixed-use development in the West Dallas Sub-district of Tax Increment Financing Reinvestment Zone Seven (Sports Arena TIF District), in an amount not to exceed \$13,950,000 (of which \$7,606,727 is in the form of an Economic Development TIF Grant) from revenues accruing to Tax Increment Financing Reinvestment Zone Seven and a resolution declaring the intent of Tax Increment Financing District Reinvestment Zone Number Seven (Sports Arena TIF District) to reimburse Trinity Groves Residential I, L.P., up to \$13,950,000, for TIF-eligible project costs pursuant to the development agreement with Trinity Groves Residential I, L.P., - Financing: No cost consideration to the City
- On October 22, 2014, City Council approved Resolution No. 14-1818, authorizing the (1) deposit of the amount awarded by the Special Commissioners in the condemnation proceeding styled City of Dallas v. PNYX, Ltd., a Texas Limited Partnership, et al., Cause No. CC-14-02822-A, pending in Dallas County Court at Law No. 1, to acquire approximately 988 square feet of land, including any improvements, located on Continental Avenue at its intersection with North Riverfront Boulevard for the reconstruction of Continental Avenue; and (2) settlement of the condemnation proceeding for an amount not to exceed the award - Not to exceed \$44,696 (\$41,496 being the amount of the award, plus closing costs and title expenses not to exceed \$3,200); an increase of \$3,557 from the amount Council originally authorized for this acquisition - Financing: General Obligation Commercial Paper Funds.
- On February 25, 2015, City Council approved Resolution No. 15-0354, authorizing acceptance of the FY 2014 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Seven, (Sports Arena TIF District), submitted by the Sports Arena TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law.
- On April 8, 2015, City Council approved Resolution No. 15-0688, authorizing a development agreement with Victory Park UST Joint Venture I, LP, to reimburse project costs of the Placemaking Project which includes public improvements such as landscaping, streetscape and wayfinding signs in the Victory Sub-district in an amount not to exceed \$5,974,804 from revenues accruing to Tax Increment Financing Reinvestment Zone Seven (Sports Arena TIF District).
- On May 27, 2015, City Council deferred authorization of the first amendment to the Option Contract with LCS Land Partners II, Ltd. previously approved by Resolution No. 97-3998 on December 10, 1997, for a tract of land located near the intersection

of Akard and Payne Streets to (1) change the effective date of the Option Period to the passage of this amendment; and (2) change the Purchase Price to \$655,000 - Financing: No cost consideration to the City.

- On June 10, 2015, City Council approved Resolution No. 15-1070, authorizing Authorize the first amendment to the Option Contract with LCS Land Partners II, Ltd. previously approved by Resolution No. 97-3998 on December 10, 1997 for a tract of land located near the intersection of Akard and Payne Streets to (1) change the effective date of the Option Period to the passage of this amendment; and (2) change the Purchase Price to \$655,000 - Financing: No cost consideration to the City. (Victory Place Project)
- On June 17, 2015, City Council approved Ordinance No. 29774 and Resolution No. 15-1183, authorizing abandonment of a portion of a utility easement to LCS Land Partners II, Ltd., the abutting owner, containing approximately 2,930 square feet of land, located near the intersection of Houston and Payne Streets, and authorizing the quitclaim - Revenue: \$5,400, plus the \$20 ordinance publication fee. (Victory Place Project)
- On June 17, 2015, City Council approved Ordinance No. 29777 and Resolution No. 15-1186, authorizing abandonment of a portion of Alamo Street to LCS Land Partners II, Ltd., the abutting owner, containing approximately 4,919 square feet of land, located near the intersection of Payne and Houston Streets, and authorizing the quitclaim - Revenue: \$470,000, plus the \$20 ordinance publication fee. (Victory Place Project)
- On June 17, 2015, City Council approved Resolution No. 15-1144, authorizing an amendment of the City of Dallas Tax Increment Financing (TIF) Policy that established the criteria for evaluating proposed TIF Districts in accordance with the provisions of Chapter 311 of the Texas Tax Code, as amended, adopted by Resolution No. 05-0745 on February 23, 2005; as amended, to add consideration for funding education/training programs to benefit the district and adjacent neighborhoods and make minor updates to program language in the existing criteria for the creation of new TIF Districts - Financing: No cost consideration to the City.
- On August 12, 2015, City Council approved Resolution No. 15-1386, authorizing approval of the recommended plan for the proposed alignment of Amonette Street from Singleton Boulevard to Akron Street, from its current alignment to the proposed alignment of Amonette Street - Financing: No cost consideration to the City.
- On August 12, 2015, City Council approved Resolution No. 15-1387, authorizing approval of the recommended plan for the proposed alignment of Herbert Street from Singleton Boulevard to Akron Street, from its current alignment to the proposed alignment of Herbert Street - Financing: No cost consideration to the City.
- On August 12, 2015, City Council approved Ordinance No. 29831 and Resolution No. 15-1483, authorizing abandonment of portions of Herbert, McPherson, Pastor, Amonette Streets, and Bedford Avenue, two alleys and three street easements to

West Dallas Investments, L.P., the abutting owner, containing a total of approximately 74,366 square feet of land, located near the intersection of Singleton Boulevard and Herbert Street, authorizing the quitclaim and providing for the dedication of approximately 70,812 square feet of land needed for right-of-way and approximately 3,418 square feet of land for a temporary public access easement - Revenue: \$55,087, plus the \$20 ordinance publication fee.

- On August 12, 2015, City Council approved Ordinance No. 29802 and Resolution No. 15-1438, authorizing a public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 1813 for a recycling collection center for the collection of household metals, industrial metals, and recyclable materials on property zoned an IR Industrial Research District on the northeast corner of Fabrication Street and Sylvan Avenue Recommendation of Staff and CPC: Approval for a two-year period, subject to a revised site/landscape plan and conditions Z145-110(AF).
- On August 12, 2015, City Council approved Resolution No. 15-1540, authorizing an amendment to the services contract with the law firm of Stutzman, Bromberg, Esserman & Plifka, a Professional Corporation for services relating to the transfer of ownership of the North Parking Garage to the City to: (1) extend the term of the contract through December 31, 2015; (2) receive and deposit funds in the amount of \$20,000 from Anland GP, L.P., the North Parking Garage developer; and (3) increase the contract amount from \$50,000 to a total contract amount not to exceed \$70,000 for additional services related to the operating and management agreement with Center Operating Company, the American Airlines Center operator, with the additional \$20,000 in funding to be advanced to the City Anland GP, L.P. - Financing: Private Funds.

Budget and Spending Status

Sports Arena TIF District Projected Increment Revenues to Retire TIF Fund Obligations			
Category	Total Budget*	Total Committed or Spent	Total Remaining
Original Improvements			
Total Original Improvements	\$38,588,359	\$38,389,665	\$198,694
Victory Sub-district Amended Budget			
West Dallas Set-Aside	\$11,919,584	\$1,173,271	\$10,746,313
Tier One Improvements	\$50,294,300	\$48,919,013	\$1,375,287
North Parking Garage			
South Parking Garage			
Economic Development TIF Grants			
Tier Two Improvements	\$47,948,701.49	\$13,903,582	\$34,045,120
Additional North Parking Garage			
Additional South Parking Garage			
Other District Improvements:			
Open Space/Connectivity, Special Studies			
Infrastructure Improvements and Retail			
Total Victory Sub-District	\$148,750,945	\$102,385,531	\$46,365,414
Category	Total Budget	Total Committed or Spent	Total Remaining
West Dallas Sub-district			
Economic Development Grants, Retail Incentives, Infrastructure Improvements, Technical Studies Environmental/Demolition			
Total West Dallas Sub-District	\$79,079,240	\$17,455,000	\$61,624,240
Riverfront Gateway Sub-district			
Economic Development Grants, Infrastructure Improvements, Environmental/Demolition Open Space, Connectivity and Retail			
Total Riverfront Gateway Sub-district	\$10,100,663	\$0	\$10,100,663
Administration and Implementation	\$997,010	\$663,131	\$333,879
Total Amended Budget	\$277,516,217	\$158,893,327	\$118,622,890
Original Sports Arena TIF District Budget	\$46,961,785		

¹Total Victory Sub-district includes original improvements and amended budgets.

* Revenues shown above are in current dollars, over the life of the TIF as of September 30, 2015.

Sports Arena TIF District Project Plan Budget	
Category	TIF Budget*
Original Improvements**	\$23,498,088
Victory Sub-district Amended Budget	
Tier One Improvements North Parking Garage South Parking Garage Economic Development TIF Grants Total Tier One Improvements	\$13,547,539
Tier Two Improvements Additional North Parking Garage Additional South Parking Garage Other District Improvements: Open Space/Connectivity, Special Studies Infrastructure Improvements and Retail Total Tier Two Improvements	\$22,301,524
Total Victory Sub-District	\$35,849,063
Category	TIF Budget*
West Dallas Sub-district Economic Development Grants, Retail Incentives, Infrastructure Improvements, Technical Studies Environmental/Demolition Total West Dallas Sub-District	\$31,120,420
Riverfront Gateway Sub-district Economic Development Grants, Infrastructure Improvements, Environmental/Demolition Open Space, Connectivity and Retail Total Riverfront Gateway Sub-district	\$3,595,888
Administration and Implementation	\$345,546
Total Amended Budget	\$94,409,005
Original Sports Arena TIF District Budget	\$25,498,568

* All values in Victory Sub-district were discounted to NPV 1999 dollars.

* All values in Riverfront Gateway and West Dallas Sub-districts are in NPV 2013 dollars.

FY 2016 Work Program

The FY 2016 Work Program for the Sports Arena TIF District is as follows:

- Adoption of the Sports Arena TIF District FY 2015 Annual Report
- Financial incentives for future phases of Trinity Groves Mixed Use project in the West Dallas Sub-District.
- Promote projects in the Riverfront Gateway Sub-District
- Amend current TIF Plan to increase area to include additional land and adjust budget for Riverfront Gateway Sub-District
- Retail incentives for Victory Sub-district
- Work with Public Works Department and CityDesign Studio on final roadway alignments for the West Dallas Gateway Project (City bond project) and Thoroughfare Plan amendments for the project
- Operation and Maintenance Agreement for North Parking Garage in Victory Sub-district
- Begin reimbursement of completed projects in Victory Sub-district

Appendix: District Financials

City of Dallas, Texas
Sports Arena Area Tax Increment Financing District Fund
Balance Sheet as of September 30, 2015 (Unaudited)
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Assets:					
Pooled cash and cash equivalents	\$2,602,778	\$4,919,187	\$5,605,046	\$15,423	\$100
Interest receivable	\$12,027	\$5,220	\$6,068	(\$1,668)	\$112
Total assets	\$2,614,805	\$4,924,407	\$5,611,114	\$13,755	\$213
Liabilities and Fund Balance (Deficit):					
Liabilities:					
Accounts and contracts payable	\$11,852	\$1,597,653	\$680,662	\$0	\$0
Advances from developers	\$0	\$0	\$0	\$81,944	\$3,394,964
Due to general fund	\$26,583	\$26,583	\$26,583	\$14,270	\$0
Accrued liability	\$0	\$168,907	\$0	\$0	\$0
Total liabilities	\$38,435	\$1,793,143	\$707,245	\$96,214	\$3,394,964
Fund Balance (Deficit):					
Fund Balance (Deficit)	\$2,576,370	\$3,131,264	\$4,903,869	(\$82,459)	(\$3,394,752)
Total Liabilities and Fund Equity	\$2,614,805	\$4,924,406	\$5,611,114	\$13,755	\$212
	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)

Sports Arena Area Tax Increment Financing District Fund
Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)
For the Period September 30, 2015 (Unaudited)
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)

	<u>ITD</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Revenues:						
Tax increment-Governmental	\$30,562,167	\$3,643,978	\$3,031,552	\$3,137,644	\$3,104,948	\$3,464,783
Tax increment-Intergovernmental	\$19,382,965	\$126,844	\$81,341	\$2,559,694	\$2,533,135	\$2,717,812
Parking Revenue	\$86,142	\$86,142	\$0	\$0	\$0	\$0
Interest income	\$1,159,023	\$19,979	\$20,251	\$18,774	\$10,469	\$4,219
Developer Participation	\$1,189,939	\$20,000	\$0	\$0	\$0	\$0
Net increase (decrease) in fair value of investments	\$69,971	\$5,977	(\$4,968)	\$4,405	\$1	\$50
Total revenues	\$52,450,207	\$3,902,920	\$3,128,176	\$5,720,517	\$5,648,553	\$6,186,864
Expenditures:						
Administrative expenses	\$663,131	\$90,747	\$111,782	\$48,152	\$81,078	\$37,933
Non-Capital outlay	\$3,932,331	\$878,053	\$2,351,427	\$680,887	\$21,500	\$175
Capital outlay	\$30,046,823	\$3,408,844	\$2,437,572	\$1,200	\$0	\$0
Interest and fiscal charges	\$17,584,429	\$80,170	\$0	\$3,951	\$2,233,682	\$2,649,372
Total expenditures	\$52,226,714	\$4,457,814	\$4,900,781	\$734,189	\$2,336,260	\$2,687,480
Excess (Deficiency) of Revenues over Expenditures	\$223,493	(\$554,894)	(\$1,772,605)	\$4,986,328	\$3,312,293	\$3,499,384
Fund balance (Deficit) at beginning of year as previously reported	\$0	\$3,131,264	\$4,903,869	(\$82,459)	(\$3,394,752)	(\$6,894,136)
Prior period restatement	\$2,352,877	\$0	\$0	\$0	\$0	\$0
Fund balance (Deficit) at beginning of year, as restated	\$2,352,877	\$3,131,264	\$4,903,869	(\$82,459)	(\$3,394,752)	(\$6,894,136)
Fund balance (deficit) at end of year	\$2,576,370	\$2,576,370	\$3,131,264	\$4,903,869	(\$82,459)	(\$3,394,752)

Note: Fiscal year 2014-15 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.

Financial Status of the Zone

City of Dallas, Texas

Sports Arena Tax Increment Financing District

Reinvestment Zone Number Seven

As of September 30, 2015

Section 311.016 of the Tax Increment Financing Act requires the following information as part of the annual report on the status of the TIF District.
Information is contained in detail on the attached financial statements.

1. Amount and source of revenue in the tax increment fund established for the Zone:

\$25,956	Interest Income
\$86,142	Parking Revenue
\$3,770,822	Ad Valorem Taxes (Collected in FY'2014-15 based on 2014 Final Tax Roll)
\$20,000	Developer Participation
<u>\$3,902,920</u>	Total Revenue

2. Amount and purpose of expenditures from the fund:

\$90,747	Administrative Expense
\$878,053	Non-Capital outlay *
\$3,408,844	Capital outlay *
\$80,170	Additional Subsidy in Form of Grant (in lieu of interest expense)
<u>\$4,457,814</u>	Total Expenditures

* These expenditures were for the following projects:

	Total	Capital	Non-Capital
North Parking Garage Enhancements	\$1,168,278	\$1,168,278	\$0
North Parking Garage Improvements	\$2,240,566	\$2,240,566	\$0
South Parking Garage Grant	\$855,000	\$0	\$855,000
N. Parking Garage Related Legal Services	\$23,053	\$0	\$23,053
Total	<u>\$4,286,897</u>	<u>\$3,408,844</u>	<u>\$878,053</u>

3. a. Amount of Principal and Interest due-on-outstanding bonded indebtedness is as follows:

Sports Arena TIF District has incurred no bonded indebtedness as of September 30, 2015.

b. The zone has reimbursed the following contingent obligations from available TIF funds

as of September 30, 2015:

Developer	Project	Advance Principal	Accrued Add'l Subsidy (1)	Total Outstanding
Center Operating Company	Houston Street Extension	\$21,241,017	\$13,451,642	\$34,692,660
Center Operating Company	Woodall Rodgers Plaza	\$2,000,000	\$1,701,821	\$3,701,821
Total		<u>\$23,241,017</u>	<u>\$15,153,464</u>	<u>\$38,394,481</u>
Less: payments		<u>\$23,241,017</u>	<u>\$15,153,463</u>	<u>\$38,394,480</u>
Net Balance Outstanding		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

c. The Zone has entered into a development agreement for each of the following projects, but has not begun reimbursement as of September 30, 2015:

Developer	Project Name	Principal TIF Award	Maximum Accrued Add'l Subsidy (1)	Total TIF Award	Payments			Net Rem. Balance
					Principal	Accrued Add'l Subsidy (1)	Total	
Anland GP, LP	North Parking Garage	\$21,800,000	\$9,992,955	\$31,792,955	\$2,240,566	\$80,170	\$2,320,736	\$29,472,219
Victory Park UST Joint Venture I, L.P.	South Parking Garage	\$12,825,000	\$0	\$12,825,000	\$1,710,000	\$0	\$1,710,000	\$11,115,000
Anland GP, LP	North Parking Garage Enhancements	\$3,600,000	\$0	\$3,600,000	\$3,600,000	\$0	\$3,600,000	\$0
Victory Park UST Joint Venture I, L.P.	Victory Park Lane Improvement Project	\$1,226,500	\$0	\$1,226,500	\$0	\$0	\$0	\$1,226,500
Victory Park UST Joint Venture I, L.P.	Olive Street Improvement Project	\$825,100	\$0	\$825,100	\$0	\$0	\$0	\$825,100
Victory Park UST Joint Venture I, L.P.	Two Way Conversion Project	\$3,718,000	\$0	\$3,718,000	\$0	\$0	\$0	\$3,718,000
Trinity Groves, LLC	Trinity Groves-Restaurant Incubator	\$3,505,000	\$0	\$3,505,000	\$0	\$0	\$0	\$3,505,000
Victory Park UST Joint Venture I, L.P.	Placemaking Project	\$5,974,804	\$0	\$5,974,804	\$0	\$0	\$0	\$5,974,804
Trinity Groves Residential I, L.P.	Trinity Groves Mixed Use Phase I	\$13,950,000	\$0	\$13,950,000	\$0	\$0	\$0	\$13,950,000
Total		<u>\$67,424,404</u>	<u>\$9,992,955</u>	<u>\$77,417,359</u>	<u>\$7,550,566</u>	<u>\$80,170</u>	<u>\$7,630,736</u>	<u>\$69,786,623</u>

*Reimbursement shall begin after meeting project completion, City audit of project and upon availability of TIF funds

(1) Additional Subsidy in Form of Grant (in lieu of interest expense)

4. Tax increment base and current captured appraised value retained by the zone:

	Taxable Value 2015	Base Year 1998 Value	Est. Captured Value 2015**
City of Dallas-Victory Sub-District	\$678,902,131	\$33,515,323	\$645,386,808
City of Dallas-Riverfront Sub-District	\$19,574,960	\$18,624,970	\$949,990
City of Dallas-West Dallas Sub-District	\$17,452,878	\$11,590,076	\$5,862,802
Dallas County-Victory Sub-District	\$678,902,131	\$422,828,774	\$256,073,357
Dallas County-Riverfront Sub-District	\$19,574,960	\$18,624,970	\$949,990
Dallas County-West Dallas Sub-District	\$17,452,878	\$11,590,076	\$5,862,802

**Based on DCAD Certified Taxable Value. The final values will be determined on February 01, 2016.

5. Captured appraised value by the municipality and other taxing units, the total amount of tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

Taxing Jurisdiction	Assessment Per \$100	Amount of
		Estimated 2015 Increment
City of Dallas-Victory Sub-District	0.71730	\$4,629,360
City of Dallas-Riverfront Sub-District	0.71730	\$6,814
City of Dallas-West Dallas Sub-District	0.71730	\$42,054
Dallas County-Victory Sub-District	0.10940	\$280,131
Dallas County-Riverfront Sub-District	0.13371	\$1,270
Dallas County-West Dallas Sub-District	0.13371	\$7,839
Total for all Jurisdictions	\$2.52871	\$4,967,468

B. The total amount of estimated tax increment to be billed for the 2015 tax year is \$4,967,468. For the 2014 tax year, increment in the amount of \$3,770,822 was received.

City of Dallas, Texas
Sports Arena Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2015
(Unaudited)

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.
2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).
3. The Zone's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.
4. The Zone's Financial Plan permits expenditures not to exceed \$765,000 (in Current \$) over the life of the TIF to reimburse the City for administrative costs. The City began reimbursing the general fund for administrative costs in FY'1998-99. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.
5. The Zone fully reimbursed the developer for a total amount of \$38,308,587 to date, including principal of \$23,159,074 and accrued interest of \$15,149,513, and had no advances outstanding at September 30, 2015.
6. All expenditures resulting in capital improvements that are owned by the City are capitalized on the City's books.
7. "Due to general fund" amount of \$26,583 at September 30, 2015 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

AGENDA ITEM # 14

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 2, 6

DEPARTMENT: Office of Economic Development

CMO: Ryan S. Evans, 671-9837

MAPSCO: 34 X Y; 44 B C D F G H M & 45 E J

SUBJECT

A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eight, (Design District TIF District), submitted by the Design District TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 26021 on June 8, 2005; as amended, establishing Tax Increment Financing Reinvestment Zone Number Eight, (Design District TIF District). On April 12, 2006, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 26303; as amended.

The Design District TIF District's assessed tax value in 2015 was \$603,320,937. This represents an increase of \$321,447,184 or 114% over the base years (2005 and 2013) value and an increase of 12% over last year's final value. With the participation of the City and Dallas County, this increase will result in the collection of approximately \$2,724,006 total in incremental revenue for the Design District TIF District for the 2015 tax year.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 8, 2005, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Eight, the Design District TIF District by Ordinance No. 26021, as amended.

On April 12, 2006, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Design District TIF District by Ordinance No. 26303, as amended.

On December 11, 2015, the Design District TIF District Board of Directors recommended that the FY 2015 Annual Report be accepted and approved.

Information about this item will be provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

No cost consideration to the City

February 24, 2016

WHEREAS, the City recognizes the importance of its role in local economic development initiatives and programs; and

WHEREAS, the City has established Tax Increment Financing Reinvestment Zone Number Eight, ("Design District TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment in the Design District area pursuant to Ordinance No. 26021, authorized by the City Council on June 8, 2005, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

WHEREAS, on April 12, 2006, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Design District TIF District by Ordinance No. 26303, as amended; and

WHEREAS, the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

WHEREAS, on December 11, 2015, the Design District TIF District Board of Directors passed a motion accepting the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Eight and recommending approval of same by the City Council.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Eight, (Design District TIF District), City of Dallas, Texas, as of September 30, 2015, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

Section 2. That the City Manager is hereby authorized to submit the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Eight to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and to the State Comptroller, as required by state law.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Design District TIF District FY 2015 Annual Report



City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 671-9821

http://www.dallas-ecodev.org/area_redevelopment.html

October 1, 2014 to September 30, 2015

Reinvestment Zone Number Eight Tax Increment Financing District

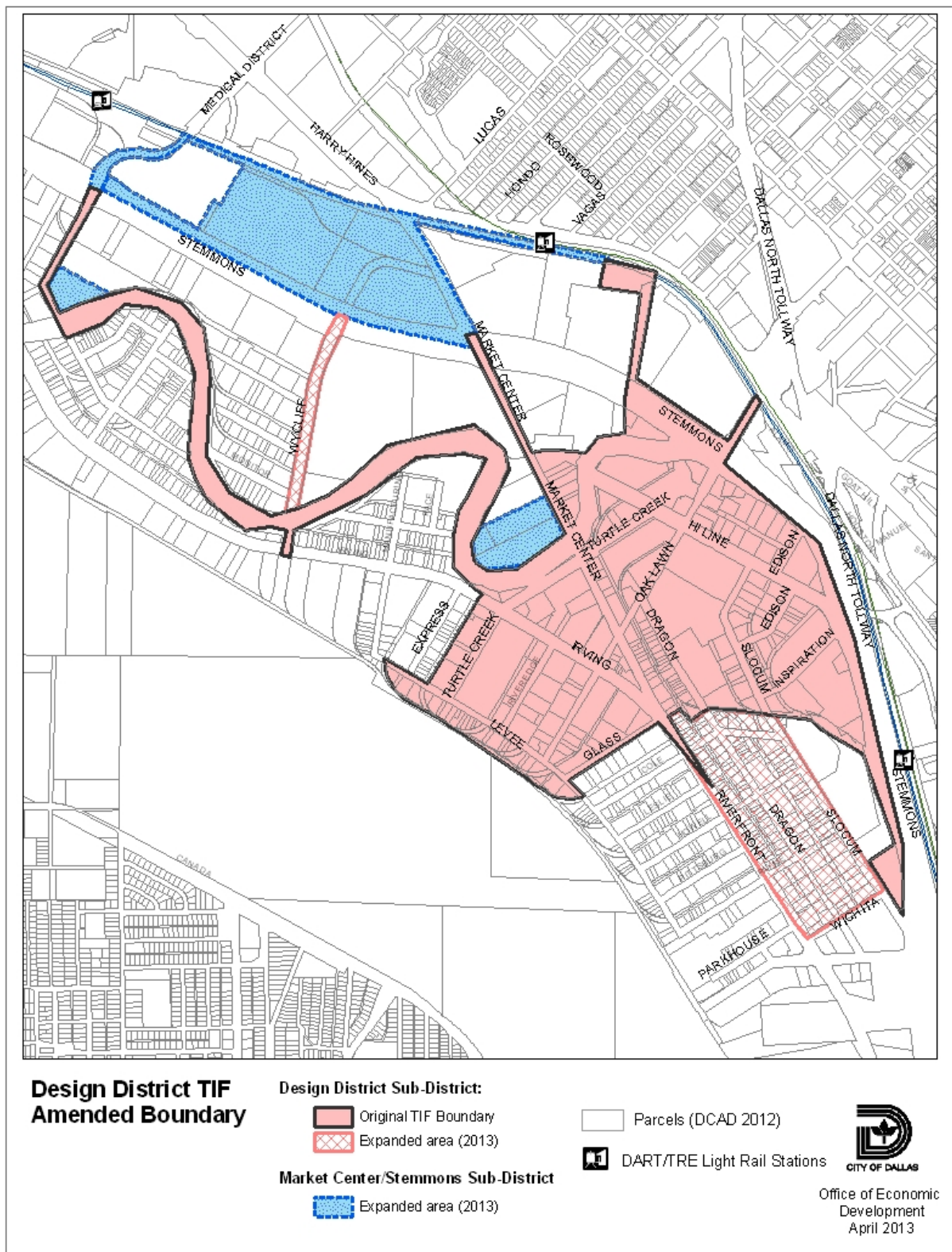


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Front cover shows the Alexan Riveredge project site under construction.

Mission Statement

The mission of the Design District TIF District is to provide a source of funding for public infrastructure improvements that will assist in redeveloping an industrial and warehouse district to take full advantage of the expanding DART light rail system, to promote transit oriented development, and to improve access to the Trinity River and the quality of development adjacent to the Trinity Corridor. The Design District TIF District duration began on January 1, 2006, and will terminate on December 31, 2027, (including collection of the 2027 increment in calendar year 2028 and any related matters to be concluded in 2028).

District Accomplishments

Dallas City Council established the Design District TIF District by Ordinance Number 26021 on June 8, 2005. The District was established to assist in the transformation of the old Stemmons Industrial area into a diversified, pedestrian friendly, mixed-use neighborhood near the heart of Downtown Dallas. The Design District TIF Board adopted the final Project Plan and Reinvestment Zone Financing Plan in 2006.

In February 2009, the TIF Board adopted a “Design District TIF Strategic Implementation Plan” to guide the next phases of development and improvements in the District.

During FY 2011, initial reimbursement process began for the “1525 Turtle Creek at the District” TIF project (apartments now called Alta 1900 Lofts). Public improvements associated with the TIF project were completed in late 2009-early 2010 and the Alta 1900 Lofts received a final certificate of occupancy in April 2010.

During FY 2012, the TIF Board approved by-law amendments to reflect changes in state law for TIF Board composition recognizing that only taxing jurisdictions that participate financially can have representation and a change in the TIF design review process to have that function undertaken as part of the City Design Studio Peer Review Panel. The TIF Board also approved a set of master design guidelines and mixed-income housing guidelines.

The TIF Board and City Council approved a development agreement with Texas Security Bank for the Turtle Creek Median district-wide improvement project dedicating up to \$116,356 in TIF reimbursement for median and signage improvements along Turtle Creek Boulevard from Irving Boulevard to Market Center Boulevard. The median project was completed in 2013.

Also approved in FY 2012 was a development agreement with Friends of the Trinity Strand Trail to dedicate up to \$400,000 for the design and engineering of the Trinity Strand Trail Soft Surface Trail Design Project. The proposed soft surface trail would be approximately 2 miles of decomposed granite trail mostly on top of the banks of the Old

Trinity Meanders extending from Farrington Street east of Medical District Drive, crossing below Wycliff Avenue, crossing Market Center Boulevard at street level and terminating at the Hi Line Drive trail plaza. Pedestrian bridges, low water crossings, and small plazas/overlooks will also be included in the design. The design study was completed in mid-2014.

During FY 2013, an expansion of the TIF district and plan amendment was approved by Ordinance Number 29037 to create two subdistricts within the Design District TIF District: (a) Design District Sub-District (original district boundary plus additional property along Slocum/Dragon Streets and Riverfront Boulevard) and (b) Market Center/Stemmons Sub-District (an expansion area to facilitate the redevelopment of the Dallas Apparel Mart site).

Two development agreements were also approved: 1) an agreement with Market Center Land, L.P., (“MCL”), an affiliate of Crow Holdings for the Apparel Mart Redevelopment Masterplan and 2) an agreement with Dallas Proton Treatment Center, LLC working in conjunction with MCL on a Phase I Dallas Proton Treatment Center (DPTC) project for a TIF funding dedication up to \$7,025,000.

The multi-phased MCL master plan proposes medical/office, a hotel, residential, and mixed uses for the site bordered by Stemmons Freeway, Medical District Drive, Market Center Boulevard, and the Trinity Railway Express. Preliminary estimates for the additional development at buildout could be in the range of \$300-400 million in new value. The DPTC is an initial catalyst project that will complete infrastructure improvements that will also facilitate future phases of development.

During FY 2014, staff continued to work with PM Realty Group and the North Central Texas Council of Governments (NCTCOG) on the completion of the “Edison/Hi Line/Stemmons/Rail Transit Underpass Connection” project awarded funding in 2010.

The TIF Board adopted a set of “Guidelines for Wayfinding and Gateway Signage” to encourage consistency with signage improvements whether as a district-wide improvement or in conjunction with a development project.

In FY 2015, the TIF Board and City Council approved a development agreement for the Alexan Riveredge project dedicating up to \$7,800,000 in TIF reimbursement for public infrastructure and an economic development grant in support of the project. The Board also held preliminary discussions on potential district-wide funding requests and approved a general process and set of criteria for evaluating those requests.

Initial projects within the District completed, under construction or in the development stage are shown in the table below. During FY 2015, staff also had discussions with development groups on other prospective projects.

Design District TIF District Projects ¹						
Projects Within TIF District Utilizing TIF Funding						
Project	Location	Calendar Year Complete	Status	Units/ SF ²	Approx. Value ³	TIF Investment ⁴
1525 Turtle Creek at the District (now Bell Design District)	1500 Block of Turtle Creek Blvd. at Oak Lawn Ave.	2010	Complete	214 residential units	\$36,839,970	\$4,402,000*
Dallas Proton Treatment Center ⁽⁷⁾	2300 N. Stemmons Fwy.	TBD	Under const.	115,000 square feet medical office (cancer treatment facility)	\$29,000,000	\$7,025,000
Alexan Riveredge	150 Turtle Creek Blvd.	2017	Planned	309 residential units	\$42,000,000	\$7,800,000
Subtotal				523 units; 115,000 square feet medical office	\$107,839,970	\$19,227,000
Projects Within TIF District Not Utilizing TIF Funding ⁵						
Project	Location	Calendar Year Complete	Status	Units/ SF	Approx. Value	TIF Investment
International on Turtle Creek	150 Turtle Creek Blvd.	2006	Complete	157,640 square feet showroom & retail space	\$12,945,480	\$0
Trinity Lofts & Work/Live Showrooms	1403 Slocum St. & 1430 Dragon St.	2007	Complete	~92 units & 28,063 square feet showroom (164,030 square feet total)	\$16,232,670	\$0
Alta Design District	1531 Inspiration Dr.	2009	Complete	309 residential units	\$48,800,000	\$0
Alexan Design District (now Camden Design District)	1551 Oak Lawn Ave.	2009	Complete	355 residential units	\$48,585,590	\$0
Green Zone, arts venue	161 Riveredge Dr.	2008	Complete	2,520 square feet performance space	\$844,740	\$0
Dallas Contemporary ⁶	161 Glass St.	2010	Complete	6,000 square feet office space & 11,000 square feet gallery space for Center; & 22,000 square feet office/retail for tenants	\$2,583,670	\$0
1400 Hi Line	1400 Hi Line Dr.	2012	Complete	314 residential units; 29,000 square feet retail	\$72,053,900	\$0

Avant Apartments	1955 Market Center Blvd.	2013	Complete phased opening	301 residential units	\$32,960,940	\$0
Renaissance Hotel Conference Center expansion	2222 N. Stemmons Frwy.	2014	Complete	50,000 square feet meeting space	\$11,700,000	\$0
Alta Strand	1931 Market Center Blvd.	2017	Under const.	400 residential units	\$54,396,000	\$0
Virgin Hotel (Dunhill Partners)	1909 Hi Line Dr.	2018	Planned	40 condo units; 250 hotel rooms	\$54,000,000	\$0
Hotel/Apartments (Dunhill Partners)	1645 & 1700 Stemmons Frwy.	2018	Planned	250 hotel rooms; 100 apartments	\$51,000,000	\$0
Office Tower (Dunhill Partners)	1605 & 1615 N. Stemmons Frwy.	2018	Planned	240,000 square feet office space	\$40,000,000	\$0
Subtotal				1,911 units; 214,703 square feet retail/showroom; 13,520 square feet gallery/arts venue; 268,000 square feet office; 50,000 square feet hotel space; 500 hotel rooms	\$446,102,990	\$0
Projects Utilizing and Not Utilizing TIF Funding						
Total				2,434 residential units; 214,703 square feet retail/showroom; 13,520 square feet gallery/arts; 383,000 square feet office; 50,000 square feet hotel space; 500 hotel rooms	\$553,942,960	\$19,227,000
¹ All information updated as of September 30, 2015. ² Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage. ³ Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF District for redevelopment projects once pre-existing value and/or the demolition of structures is netted out. ⁴ Principal amount not to be exceeded per the development agreement. TBD indicates that development agreement has not yet been adopted. Asterisk indicates investment also includes interest not shown. ⁵ Selected significant projects included. ⁶ Tax-exempt property. Amount shown is approximate investment in improvements. ⁷ The value of the Dallas Proton Treatment Center is an estimate of DCAD real property value at building completion; however, investment in the facility is anticipated to be much larger including \$90 million business personal property.						

The City and community partners have District-wide initiatives have been ongoing. The Trinity Strand Trail (formerly known as the Old Trinity Trail) Master Plan improvements are an integral part of attracting new mixed-use development in the Trinity River corridor and creating a vibrant neighborhood with recreational opportunities in the Design District area. A total of over \$16 million has been raised to date including the value of land donations.

Two trailheads are now complete at Hi Line Drive (by the river channel) in 2009 and the Turtle Creek Plaza and trailhead along Turtle Creek Boulevard between Market Center and Irving Boulevards in 2010. A Phase 1, 2.5 mile concrete trail (main/spine trail) running along the old Trinity River from Stemmons Freeway to Medical District Drive is complete and officially opened in 2015. In addition, as discussed above, TIF funds were approved for the design of a soft surface trail that would parallel the Phase I concrete trail on the opposite banks. The design phase, including construction level plans, was completed in mid-2014.



Mayor Mike Rawlings, Mayor Pro Tem Monica Alonzo, Councilmember Adam Medrano and other stakeholders attended the Trinity Strand Trail ribbon cutting in September 2015.

The Hi-Line Drive pedestrian improvement project is now complete. The project was funded through the North Central Texas Council of Governments (NCTCOG)'s Regional Transportation Council's 2006 Sustainable Development Program. The improvements were constructed concurrently with TIF public improvements as part of the "1525 Turtle Creek at the District" project.

During FY 2014, the Edison/Hi Line/Stemmons/Rail Transit Underpass Connection project was completed. The \$1.4 million pedestrian improvement project was part of the 2009 North Central Texas Council of Governments (NCTCOG) Sustainable

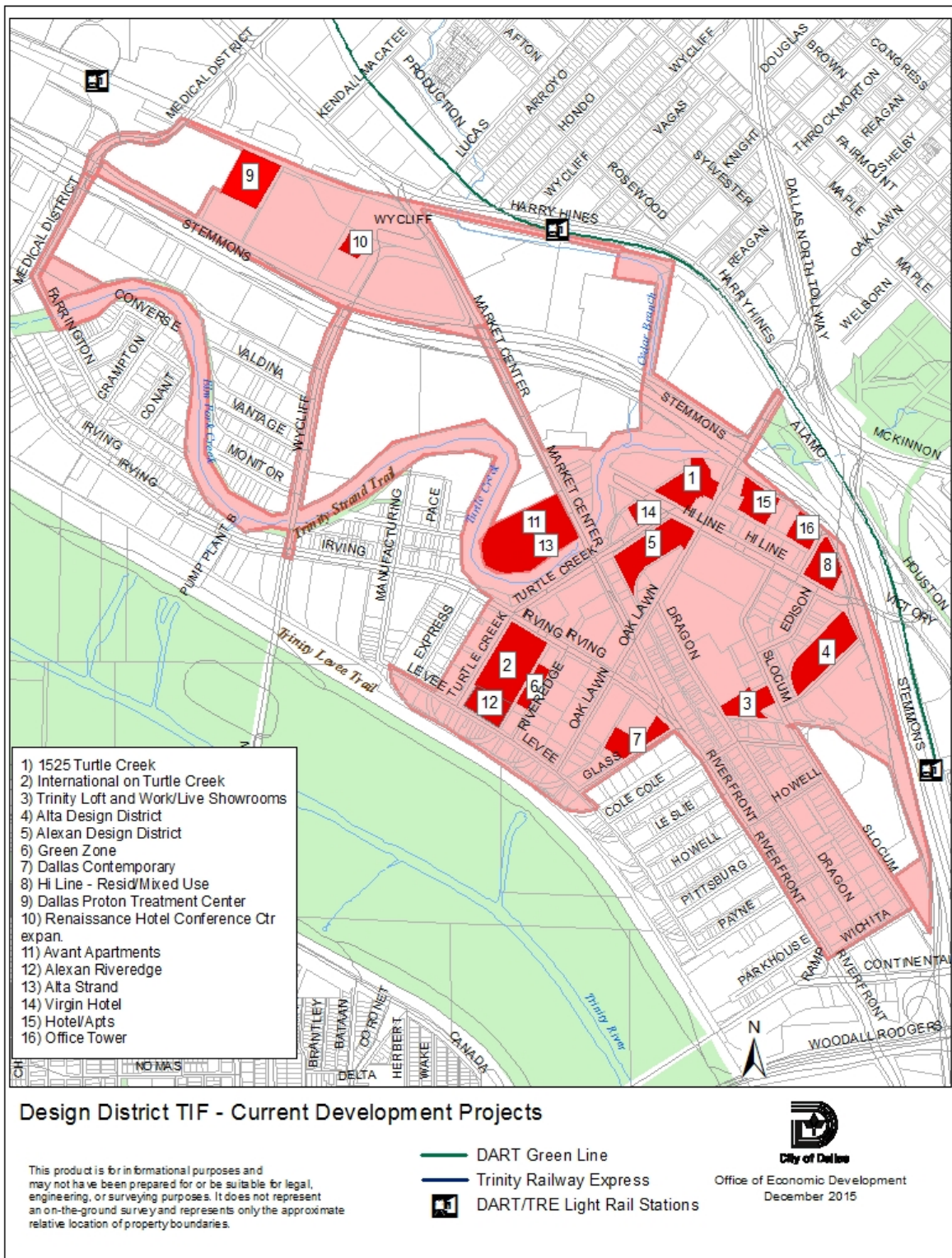
Development (SD) Call for Projects. PM Realty Group was the private sponsor with the 1400 Hi Line mixed use development.

The public infrastructure improvements included pedestrian and crosswalk improvements along Edison Street between Stemmons Freeway and Hi Line Drive, along southbound Stemmons frontage road and improvements to the underpass of Hi Line Drive under Stemmons Freeway. These improvements built on the 2006 SD Hi Line Drive improvements to create a stronger connection to the Victory DART Light Rail and TRE train stations and further enhance the gateway from downtown/Victory into the Design District.

District Initiatives				
Activity	Scope	Status	Investment	Source
Trinity Strand Trail Master Plan. Public/private partnership including the non-profit Friends of the Trinity Strand Trail. Trinity Strand Trail Master Plan continued	To create a fully assessable hike, bike, and jogging trail system along the course of the original Trinity River as it winds northwest of downtown. Approximately 7.8 miles. Total cost estimated at \$30 million. Phase 1 includes 2.5 miles of concrete trail from Stemmons Freeway to Farrington Drive, connecting to the Trinity River via Sylvan Ave.	<i>Underway.</i> The Master Plan for Trinity Strand Trail was adopted in December 2004 by the Dallas' Park & Recreation Board. City bond funds are committed and private fundraising continues.	\$1 million for design and match for federal funds.	2003 Bond Program
		Construction began in 2013 on Phase 1, 2.5 miles of concrete trail and was completed in 2015. The trailhead at Turtle Creek Plaza was completed in May 2010 and the Hi Line trailhead was completed summer 2009. 2012 bond funds allocated are for design and construction of a trail segment between IH35/Oak Lawn and Inwood Road. TIF funding for the design of a soft surface trail to parallel the Ph I concrete trail was approved in FY 12 and the design completed in 2014.	\$2.5 million for trail development	2006 Bond Program
			\$3.36 million for trail design & construction	2012 Bond Program
			\$4,536,039 (required local match \$1,134,010 part of City bond funds)	NCTCOG funds – Regional Toll Revenue (RTR) initiative
			\$1.1 million additional funds raised. Land donations valued at \$4.2 million will benefit and assist with linkage of the Trinity Strand and Katy Trails TIF funding up to \$400,000 from district wide improvement funds.	Individuals and foundations, including Eugene McDermott and Hoblitzelle Foundations and Texas Parks and Wildlife grant TIF funds

Turtle Creek Boulevard Public Improvements	Design and construction of street paving, storm drainage, water and wastewater improvements on Turtle Creek Blvd. from Market Center Blvd. to Levee St.	<i>Completed in fall 2009.</i>	\$3,587,746	2003 Bond Funds & Water Utilities Capital Funds
Regional Transportation Council (RTC) Sustainable Development Program – Design District TIF Walking/Bike Improvements	Pedestrian improvements will be constructed along Hi-Line Dr. between Stemmons Frwy. & the Trinity Meanders	<i>Complete.</i> Funding approved by the RTC in 2006. Interlocal Agreement approved by City Council, June 2008. Design completed September 2008. Improvements completed summer 2009	\$1,037,236 total includes: \$829,789 \$207,447	RTC funds TIF funds
Regional Transportation Council (RTC) 2009-10 Sustainable Development Program – Edison/Hi Line/ Stemmons/Rail Transit Underpass Connection	Pedestrian improvements along Edison St. between Stemmons Frwy. and Hi Line Dr. and along Stemmons frontage and Hi Line passing under Stemmons Freeway toward the Victory DART Light Rail & TRE stations.	Project was selected by the RTC in June 2010. <i>Construction has been completed in 2013.</i>	\$1,438,829 total includes: \$1,151,063 \$287,766	RTC funds Private local match
Trinity River Corridor Project	Multi-faceted project involving transportation, flood protection, and recreational improvements. Several projects are adjacent or close to the TIF district (<i>shown on the right</i>)	<i>Complete:</i> Margaret Hunt Hill Bridge <i>Underway:</i> Sylvan Bridge (2014) Riverfront Blvd improv. (2014-16) Continental Bridge pedestrian/bike(2014)	\$120 million \$42 million \$42 million \$10.6 million	Multiple funding sources incl. private TXDOT City/County/NCTCOG City/private

TIF District Development Project Map



Value and Increment Summary

The Design District TIF District's assessed 2015 taxable value was \$603,320,937 for the district as amended in 2013. This represents an increase of \$321,447,184 or 114% over the base years (2005 and 2013) value and an increase of 12% over last year's final value. For the individual sub-districts, the Design District Sub-District 2015 taxable value was \$483,788,707, an increase of 149% of the base year and the Market Center/Stemmons Sub-District taxable value was \$119,532,230, an increase of 35.9% over the base year.

The positive increase in the District's tax base can be attributed on an approximate percentage basis for the Design District Sub-District to new construction (81% of the increase), property transactions (2%), and appreciating property values (17%). For the Market Center/Stemmons Sub-District on an approximate percentage basis the increase is attributed 76% to new construction and 24% to appreciating property values.

The TIF District anticipates collecting approximately \$2,724,006 in incremental tax revenue for tax year 2015.

Objectives, Programs, and Success Indicators

The final Design District Project Plan and Reinvestment Zone Financing Plan was adopted in April 2006 and amended in June 2013. Among the goals of the Plan are:

- To create additional taxable value attributed to new private investment in projects in the Design District TIF District totaling approximately \$1 billion.
\$554 million in new investment is completed, underway or planned (55% of the goal)
- To attract new private development in the District totaling approximately 1.4 million square feet of retail/showroom/gallery space, 500,000 square feet of office space, 550 hotel rooms, and 4,500 new residential units.

Approximately 2,434 residential units, 214,703 square feet of new or upgraded retail/showroom space, 13,520 square feet of gallery/arts space, 383,000 square feet of office space, and 500 hotel rooms are completed, under construction or planned. (54% of the residential, 16% of the retail, 76% of the office, and 90% of the hotel room goal.)



Bell Design District with civic plaza



1400 Hi Line development – residential
with ground floor retail

- To reach ridership at the future DART Market Center light rail station averaging 2,500 riders per weekday by 2017.



This portion of the DART Green Line has been completed and the Market Center light rail opened in December 2010. During the first year of operations average daily ridership was 281. Average daily ridership was 531 as of the September 2015 reporting period, an increase of 5% over last year.

Market Center DART
Station

- To improve the access and connections to the DART light rail system within the Design District TIF District.

Streetscape and open space improvements constructed as part of the approved “1525 Turtle Creek at the District” project have provided more pedestrian accessibility in the northern gateway of the District. Improvements completed this year near Edison Street and Hi Line Drive connecting through the underpass at Stemmons Freeway will provide improved access from the District to the Victory DART Light Rail and TRE Stations. The expansion of the TIF district boundary in 2013 may also facilitate future opportunities to connect to multiple stations.

- To support the conversion of the Design District area from industrial and warehousing land uses to a mixed-use, transit oriented neighborhood that complements the Victory development and the Trinity River Project.

Mixed-use projects like the completed Trinity Lofts and others in the planning stages show positive movement for the District. The Trinity Lofts project was a mixture of new construction and conversion – the site previously had an 88,000 square foot warehouse/office and was redeveloped into 164,030 square feet of residential and showroom space. For other projects in the district approximately 219,676 square feet of space was demolished for new residential construction/showroom upgrade and 196,640 square feet of space converted into upgraded showrooms or new retail, gallery and office uses.

Some former showroom buildings have been repurposed for new uses including restaurants, a coffee house, and Bowl Lounge (bowling alley).



- To increase recreational opportunities, public open space and improve connections to the City of Dallas trails and open space system, including the Trinity Strand Trail, in the District.

The Master Plan for the Trinity Strand Trail has been adopted and initial funding of over \$12 million for design and trail development has been secured. Two trailheads are now completed at Turtle Creek Plaza along Turtle Creek Boulevard between Market Center and Irving Boulevards and at the western end of Hi Line Drive (by the river channel). Construction of Phase I of the trail from Stemmons Freeway to Medical District Drive was completed and the trail officially opened in 2015. The design project for a soft surface trail to parallel the Phase I concrete trail was completed in 2014. A civic plaza at Oak Lawn Avenue and Hi Line Drive has also been completed as part of the "1525 Turtle Creek at the District" project.

- To generate approximately \$76.9 million (net present value) in increment over 20 years of collections.

The District's 2015 total taxable value of \$603,320,937 for the amended district. The revised budget figure of \$76.9 million was approved in a 2013 plan amendment and 2014 was the first year that expanded areas began generating increment. The estimated collection for 2015 is 26% behind projections made with the final plan amendment.

Year-End Summary of Meetings

The Design District TIF District Board of Directors met four times (two regular and two special call meetings) during the fiscal year from October 1, 2014 to September 30, 2015. The Board approved and forwarded two items to City Council.

The Board, based on amended composition, can consist of up to seven members, including six City of Dallas appointees and one Dallas County appointee. During FY 2015 the Board members were (FY 2015 Board meetings attended): Jamie Slagel – City Representative, Chair part of year (4 of 4 meetings), Pat Priest, City Representative, Vice-Chair (4 of 4 meetings), Larry Bennett (4 of 4 meetings), Brian Keith – City Representative (4 of 4 meetings), and Rick Loessberg – Dallas County Representative (1 of 4 meetings).

During the fiscal year, the City Council approved six items associated with the Design District TIF District:

- On October 22, 2014, the City Council passed Resolution Number 14-1804 authorizing an increase in the contract with RoeschCo Construction, Inc. for additional scope of work to include: additional flume, drainage inlet, retaining walls, new water line, landscaping and other miscellaneous items for the Trinity Strand Trail, Phase I and Phase II located between Farrington Street to Oak Lawn Avenue - Not to exceed \$56,304, from \$5,550,607 to \$5,606,911 - Financing: North Central Texas Council of Governments Grant Funds (\$31,902) and Water Utilities Capital Improvement Funds (\$24,402).
- On November 12, 2014, the City Council passed Resolution Number 14-1942 authorizing a development agreement with Maple Multi-Family Development, LLC. to reimburse eligible project costs related to the Alexan Riveredge development currently addressed at 150 Turtle Creek Boulevard in an amount not to exceed \$7,800,000 from revenues accruing to Tax Increment Financing Reinvestment Zone Number Eight (Design District TIF District) - Not to exceed \$7,800,000 - Financing: Design District TIF District Funds.
- On November 12, 2014, the City Council held a public hearing and passed Ordinance Number 29527 granting a Planned Development District for certain IR Industrial Research District Uses and Live/Work Units on property zoned an IR

Industrial Research District, on property at the east corner of Medical District Drive and Farrington Street Recommendation of Staff and CPC: Approval, subject to a development plan and conditions Z134-139.

- On February 25, 2015, the City Council passed Resolution Number 15-0355 accepting the FY 2014 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eight, (Design District TIF District), submitted by the Design District TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law.
- On April 8, 2015, the City Council held a public hearing and passed Ordinance Number 29703 on a proposed municipal setting designation to prohibit the use of groundwater as potable water beneath property owned by Lucchese, Inc. located near the intersection of Oak Lawn Avenue and Dragon Street and adjacent street rights-of-way; and an ordinance authorizing support of the issuance of a municipal setting designation to Lucchese, Inc. by the Texas Commission on Environmental Quality and prohibiting the use of groundwater beneath the designated property as potable water.
- On August 12, 2015, the City Council passed Ordinance Number 29796 granting a Specific Use Permit for a motor vehicle fueling station on property zoned Subdistrict 1 in Planned Development District No. 621, the Old Trinity and Design District Special Purpose District, on the east corner of Oak Lawn Avenue and Market Center Boulevard Recommendation of Staff: Denial Recommendation of CPC: Approval for a five-year period with eligibility for automatic renewals for additional five-year periods, subject to a site plan and conditions Z134-158.

Pending TIF Items

- Consideration of the FY 2015 TIF District Annual Report and a recommendation to the City Council for approval.

Budget and Spending Status

Each TIF District establishes a budget for the public improvement expenditures necessary to support private investment in the district in the Project Plan and Reinvestment Zone Financing Plan. The current TIF District budget, as amended in 2013 is shown below:

Design District TIF District Projected Increment Revenues to Retire TIF Fund Obligations			
Category	TIF Budget ¹	Allocated ²	Balance
Design District Sub-District: Paving & Streetscape Wayfinding & District Signage Water, Wastewater & Storm Open Spaces, Plazas, Portals, Civic Environmental Remediation & Demolition Utility Burial Economic Development Grants	\$81,767,594	\$12,525,000*	\$69,242,594
Market Center/Stemmons Sub-District: Paving & Streetscape Wayfinding & District Signage Water, Wastewater & Storm Open Spaces, Plazas, Portals, Civic Environmental Remediation & Demolition Utility Burial Economic Development Grants	\$28,984,911	\$7,025,000	\$21,959,911
Trinity Strand Trail	\$7,513,949	\$400,000	\$7,113,949
Administration and implementation ³	\$4,508,369	\$304,666	\$4,474,427
Total Project Costs	\$122,774,824	\$20,190,439	\$102,584,385
¹ Budget shown above in current dollars; TIF Project Plan shows the budget in net present value. ² Allocated amount includes \$222,896 in interest accrued as of FY 2013 (September 30, 2013). No additional interest has accrued since. ³ TIF administration costs shown are expended or committed through FY 2015.			

Design District TIF District Project Plan Budget	
Category	TIF NPV Budget*
Design District Sub-District: Paving & Streetscape Wayfinding & District Signage Water, Wastewater & Storm Open Spaces, Plazas, Portals, Civic Environmental Remediation & Demolition Utility Burial Economic Development Grants	\$47,487,686
Market Center/Stemmons Sub-District: Paving & Streetscape Wayfinding & District Signage Water, Wastewater & Storm Open Spaces, Plazas, Portals, Civic Environmental Remediation & Demolition Utility Burial Economic Development Grants	\$23,088,979
Trinity Strand Trail	\$4,000,000
Administration and Implementation	\$2,400,000
Total	\$76,976,666
* As approved in the Project Plan and Reinvestment Zone Financing Plan.	



Rendering of planned Virgin Hotel at street level along Hi Line Drive at Turtle Creek Boulevard (source: Dunhill Partners)

Design District TIF M/WBE Participation			
Project	Contractor	Total Contract Award Amount	Percentage Minority Participation
Phase I – 1525 Turtle Creek Project development site public improvements	Spoor Electric & KDA Landscapes	\$1,108,021	44.4%
Phase II & III – 1525 Turtle Creek Project district-wide improvements	John Burns Construction Company of Texas & Metheny Landscape Development	\$3,473,759	30.2%
Turtle Creek Median Project	focusEGD & ArtOGrafX	\$100,105	48.5%
Trinity Strand Trail Soft Surface Design Project	Bowman-Melton, Integrated; Environmental Solutions; Di Sciullo-Terry Stanton & Associates; and Jakan Engineering, PLLC	\$387,495	39.8%
Dallas Proton Treatment Center	Greener Pastures Landscape, Inc.; LKT & Associates; and Arreguin Construction Group, Inc.	\$3,785,569	44.5%
Alexan Riveredge	McPherson Electric, Inc	\$467,037	48.2%
Total		\$9,321,986	\$3,595,433 (38.5%)

FY 2016 Work Program

The FY 2016 work program includes:

- Continue coordination efforts for implementation of current development projects.
- Attracting \$40 million in taxable value, including new development.
- Continue working with stakeholders on potential district wide improvements such as connections to trails and open space, signage and other projects benefiting the District.
- Investigate additional sources of funding for the District.

Appendix A – Financials

City of Dallas, Texas

Design District Tax Increment Financing District Fund

Reinvestment Zone Number Eight

As of September 30, 2015

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

1. Amount and source of revenue in the tax increment fund established for the zone:

\$31,225	Interest Income
\$2,164,882	Ad Valorem Taxes (Collected in FY'2014-15 based on 2014 Final Tax Roll)
\$0	Affordable Housing Buyout
<u>\$2,196,107</u>	Total Revenue

2. Amount and purpose of expenditures from the fund:

\$33,942	Administrative Expense
\$13,453	Non-Capital outlay
\$0	Capital outlay *
\$0	Additional Subsidy in Form of Grant (in lieu of interest expense)
<u>\$47,395</u>	Total Expenditures

* These expenditures were incurred for the following projects:

1525 Turtle Creek Public Imp. Reimbursement	\$0
Turtle Creek Median Public Imp.	\$0
Trinity Strand Trail Soft Surface Design	\$13,453
Total Capital Outlay	<u>\$13,453</u>

3. a. Amount of Principal and Interest due-on outstanding bonded indebtedness:

Design District TIF District has incurred no bonded indebtedness as of September 30, 2015.

b. The Zone entered into a development agreement with Alta Block 1500, LLC for the development of the "1525 Turtle Creek at the District" project in the TIF in an amount not to exceed \$4,402,000 plus additional subsidy in form of grant (in lieu of interest) on certain public improvements. The developer was fully reimbursed in fiscal year 2014.

c. The Zone entered into a development agreement with Dallas Proton Treatment Center, LLC for the development of the Dallas Proton Treatment Center in an amount not to exceed \$7,025,000 with reimbursement to begin after completion and upon availability of TIF funds.

d. The Zone entered into a development agreement with Maple Multi-Family Development, LLC for the development of the Alexan Riveredge in an amount not to exceed \$7,800,000 with reimbursement to begin after completion and upon availability of TIF funds.

4. The zone has reimbursed the following obligations from available TIF funds as of September 30, 2015:

<u>Project</u>	<u>Advance</u>	<u>Accrued Add'l</u>	<u>Less</u>	<u>Total (P & I)</u>
	<u>Principal</u>	<u>Subsidy (1)</u>	<u>Payments</u>	<u>Outstanding</u>
1525 Turtle Creek Project	\$4,402,000	\$222,896	\$4,624,896	\$0
Total	\$4,402,000	\$222,896	\$4,624,896	\$0

(1) Additional Subsidy in Form of Grant (in lieu of interest expense)

5. Tax increment base and current captured appraised value retained by the zone:

<u>Taxing Jurisdiction</u>	<u>Taxable</u>	<u>Base Year</u>	<u>Est. Captured</u>
	<u>Value 2015 *</u>	<u>2005 Value</u>	<u>Value 2015**</u>
City of Dallas	\$603,320,937	\$281,873,753	\$321,447,184
Dallas County-Zone A & B	\$483,778,707	\$193,915,663	\$289,863,044
Dallas County-Mkt. Center/Stemmons SD	\$119,532,230	\$87,957,090	\$31,575,140

* 2015 taxable value shown for participating taxing jurisdictions. County values are approximate and will vary slightly from the City value due to different exemption levels.

** Based on Certified Taxable Values. Final values will be determined on February 01, 2016.

6. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

<u>Taxing Jurisdiction</u>	<u>Assessment</u>	<u>Amount of</u>
	<u>Per \$100***</u>	<u>Estimated 2015</u>
City of Dallas	0.71730	\$2,305,741
Dallas County-Zone A & B	0.13371	\$387,561
Dallas County-Mkt. Center/Stemmons SD	0.09724	\$30,704
Total for all Jurisdictions	\$0.94825	\$2,724,006

***City of Dallas participates at 90% for zone A & B for tax years 2008-2023 and 90% for Market Center/Stemmons for tax years 2014-2027. Dallas County participates at 55% for zone A & B for tax years 2008-2023 and 40% for Market Center/Stemmons sub-district for tax years 2014-2027.

****The District began collecting increment in 2009.

B. The total amount of estimated tax increment to be billed for the 2015 tax year is \$2,724,006. For the 2014 tax year, increment in the amount of \$2,164,882 was received.

City of Dallas, Texas
Design District Tax Increment Financing District Fund
Balance Sheet as of September 30, 2015 (Unaudited)
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Assets:					
Pooled cash and cash equivalents	\$4,613,585	\$2,467,791	\$1,126,233	\$740,193	\$536,367
Interest receivable	\$5,510	\$2,592	\$1,317	\$1,276	\$1,697
Total assets	\$4,619,095	\$2,470,383	\$1,127,550	\$741,468	\$538,064
Liabilities and Fund Balance (Deficit):					
Liabilities:					
Accounts and contracts payable	\$0	\$0	\$17,428	\$0	\$0
Due to general fund	\$11,135	\$11,135	\$11,135	\$0	\$0
Total liabilities	\$11,135	\$11,135	\$28,564	\$0	\$0
Fund Balance (Deficit):					
Fund Balance (Deficit)	\$4,607,960	\$2,459,248	\$1,098,986	\$741,468	\$538,064
Total Liabilities and Fund Equity	\$4,619,095	\$2,470,383	\$1,127,550	\$741,468	\$538,064
	\$0	\$0	\$0	\$0	\$0

Design District Tax Increment Financing District Fund
Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)
For the Period September 30, 2015 (Unaudited)
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)

	<u>ITD</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Revenues:						
Tax increment-Governmental	\$7,986,389	\$1,844,597	\$1,589,921	\$1,191,274	\$950,774	\$983,504
Tax increment-Intergovernmental	\$1,446,568	\$320,286	\$291,020	\$220,252	\$180,059	\$181,758
Interest income	\$63,666	\$21,469	\$8,986	\$5,454	\$3,812	\$5,402
Affordable Housing Buyout	\$524,600	\$0	\$0	\$524,600	\$0	\$0
Net increase (decrease) in fair value of investments	\$9,529	\$9,755	(\$1,204)	(\$428)	(\$96)	(\$2,099)
Total revenues	\$10,030,753	\$2,196,107	\$1,888,723	\$1,941,151	\$1,134,550	\$1,168,565
Expenditures:						
Administrative expenses	\$304,666	\$33,942	\$30,285	\$54,321	\$50,483	\$44,373
Non-Capital Outlay	\$451,319	\$13,453	\$437,692	\$0	\$0	\$175
Capital outlay	\$4,443,911	\$0	\$60,485	\$1,495,747	\$808,297	\$840,962
Interest and fiscal charges	\$222,896	\$0	\$0	\$33,566	\$72,365	\$74,370
Total expenditures	\$5,422,793	\$47,395	\$528,461	\$1,583,634	\$931,145	\$959,880
Excess (Deficiency) of Revenues over Expenditures	\$4,607,960	\$2,148,712	\$1,360,262	\$357,518	\$203,404	\$208,685
Fund balance (Deficit) at beginning of year as previously reported	\$0	\$2,459,248	\$1,098,986	\$741,468	\$538,064	\$329,379
Fund balance (deficit) at end of year	\$4,607,960	\$4,607,960	\$2,459,248	\$1,098,986	\$741,468	\$538,064

Note: Fiscal year 2014-15 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.

City of Dallas, Texas
Design District Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2015

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.
2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).
3. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.
4. The Zone's Financial Plan permits expenditures not to exceed \$4,508,369 (in current \$) over the life of the TIF to reimburse the City for administrative costs. The Zone began reimbursing the general fund in fiscal year 2009-10. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.
5. All project costs resulting in capital improvements that are owned by the City are capitalized by the City.
6. "Due to general fund" amount of \$11,135 at September 30, 2015 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

AGENDA ITEM # 15

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 13

DEPARTMENT: Office of Economic Development

CMO: Ryan S. Evans, 671-9837

MAPSCO: 26 P T and U

SUBJECT

A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Nine, (Vickery Meadow TIF District), submitted by the Vickery Meadow TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 25964 on April 27, 2005, establishing Tax Increment Financing Reinvestment Zone Number Nine (Vickery Meadow TIF District). On December 14, 2005, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 26181, as amended.

The Vickery Meadow TIF District's 2015 assessed taxable value was \$392,667,920. This represents an increase of \$227,888,830 (138.3%) over the 2005 base year value and an increase of \$40,633,680 (11.5%) over the taxable value for 2014. The increase over the previous year's taxable value is largely attributed to appreciation of property that encompasses The Shops at Park Lane (\$29,103,780). With the participation of the City and Dallas County, the increase over the base year value will result in the collection of approximately \$1,757,718 in total incremental revenue for the District.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On April 27, 2005, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Nine, the Vickery Meadow TIF District by Ordinance No. 25964, as amended.

On December 14, 2005, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Vickery Meadow TIF District by Ordinance No. 26181, as amended.

On December 7, 2015, the Vickery Meadow TIF Board of Directors recommended the FY 2015 Annual Report be accepted and approved.

Information about this item will be provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

No cost consideration to the City

February 24, 2016

WHEREAS, the City recognizes the importance of its role in local economic development initiatives and programs; and

WHEREAS, the City has established Tax Increment Financing Reinvestment Zone Number Nine, (Vickery Meadow TIF District or District) and established a Board of Directors for the District to promote development or redevelopment in the Vickery Meadow area pursuant to Ordinance No. 25964, authorized by the City Council on April 27, 2005, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

WHEREAS, on December 14, 2005, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Vickery Meadow TIF District by Ordinance No. 26181, as amended; and

WHEREAS, the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

WHEREAS, on December 7, 2015, the Vickery Meadow TIF District Board of Directors passed a motion accepting the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Nine and recommending approval of same by the City Council.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Nine, (Vickery Meadow TIF District), City of Dallas, Texas, as of September 30, 2015, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

Section 2. That the City Manager is hereby authorized to submit the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Nine, to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District; and the State Comptroller, as required by state law.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Vickery Meadow TIF District FY 2015 Annual Report



(Source: Northwood Retail, LLC)



City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 670-4551

<http://www.dallas-ecodev.org>

October 1, 2014 to September 30, 2015

Reinvestment Zone Number Nine Vickery Meadow Tax Increment Financing District

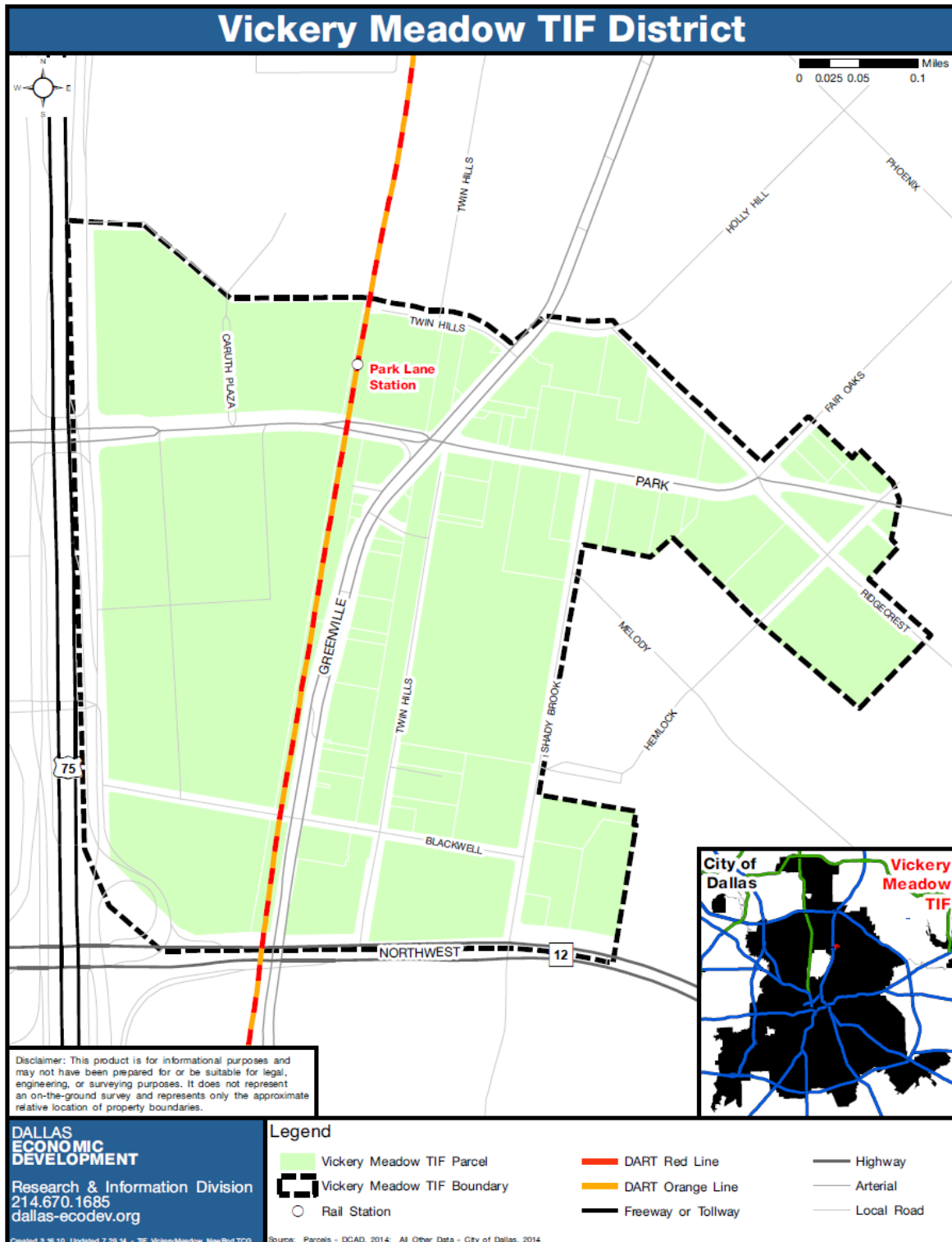


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Mission Statement

The mission of the Vickery Meadow TIF District is to provide a source of funding to enhance private investment in the real estate market for the Vickery Meadow TIF District area. The Vickery Meadow Tax Increment Financing (TIF) District represents the outgrowth of the City of Dallas' effort to provide a model for redeveloping functionally and structurally obsolete commercial and rental residential areas within a district to take full advantage of the DART light rail system, promote transit oriented development and implement context sensitive urban design standards.

The Dallas City Council established the Vickery Meadow TIF District by Ordinance Number 25964 on April 27, 2005. The Vickery Meadow TIF District took effect on January 1, 2006, and will terminate on December 31, 2027, (including collection of the 2027 increment in calendar year 2028 and any related matters to be concluded in 2028) or when the budget of \$33.4 million (2006 dollars) has been collected. The City of Dallas and Dallas County are the two participating jurisdictions. The City's participation is 80%, and the County's participation is 55% of taxes generated by the properties within the district by the respective taxing jurisdictions.

District Accomplishments

The District was established to facilitate the creation of a catalyst mixed-use development on North Central Expressway and Park Lane (The Shops at Park Lane) and stimulate redevelopment activities within the District's remaining areas, including the area generally known as "Five Points" (located generally around the intersection of Park Lane, Ridgcrest Road and Fair Oaks Avenue).

Bar Louie, Unleashed by PetCo, Starbucks Coffee (Dallas' flagship location), The Derm Lounge Med Spa, Zoës, DXL, Crisp Salad Co., J Crew Mercantile (1st in the United States) and Zyn22 Cycling Studio opened a store or a location in The Shops at Park Lane during FY 2015. These openings have helped Northwood Retail, LLC achieve the following lease rates:

- Retail space – 92.0% leased
- Office space – 99.0% leased
- Resident space – 96.0% leased

Sales activity at The Shops at Park Lane continues to be strong as most of its retailers are performing above their national sales averages.

Northwood Retail, LLC also completed the construction of a five story, Class A mixed-use development (Block A) during the fiscal year. Its build-out includes approximately

35,000 square feet of retail space, 122,000 square feet of office space, 176 parking spaces (100 underground and 76 surface parking) and a 10,000 square foot community park. Block A is the first component of The Shops at Park Lane's second phase. Construction on the second component (Block E/G), which will consist of 225 apartments, commenced during the fiscal year. The project is anticipated to be completed during the third quarter of FY 2016.



Northwood Retail, LLC's Block A mixed-use development
(Source: Northwood Retail, LLC)

Additionally, the first phase of Half Price Books, Records, Magazines, Inc.'s (aka Half Price Books) multi-phase plan to redevelop the former Parker Plaza site was completed during the fiscal year. It included the demolition of two dilapidated structures and the conversion of a vacant warehouse into a REI sporting goods store that contains 34,296 square feet of retail space. Although Half Price Books has not determined when construction on the second phase will commence, the project's anticipated build-out includes 46,896 square feet of retail/restaurant space and 335 parking spaces.



The REI sporting goods store that was built as part of Half Price Books' multi-phase plan to redevelop the former Parker Plaza site

(Source: City of Dallas)

Past, Current and Anticipated Projects

Projects Within TIF District Utilizing TIF Funding ¹						
Project	Location	Status	Year Complete	Units/Square Feet ²	Approximate Investment/ Assessed Value ³	TIF Investment ⁴
"The Shops at Park Lane" Phase I	SE corner of Park Lane and Central Expressway	Phase I construction is complete	2009	325 apartment units; 554,000 square feet* of retail space; 97,000 square feet of office space; and parking structures	\$208,339,380 (assessed value)	\$20,000,000**
Half Price Books Mixed-use Project Phase II	5915 East Northwest Highway and 6730 Shady Brook Lane	Planned	TBD	Approximately 12,600 square feet of retail/restaurant space	\$1,462,360 (assessed value) \$3,100,000 (approximate planned investment)	TBD
Library Mixed-use Project (Acacia Apartments' former site)	8255 Park Lane	Planned	TBD	TBD	TBD	TBD
Total				325 apartment units; 566,600 square feet of retail/restaurant space; 97,00 square feet of office space; and parking structures	\$209,801,740 (assessed value) \$3,100,000 (approximate planned investment)	\$20,000,000
¹ All information updated as of September 30, 2015. ² Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage. ³ Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF District for redevelopment projects once pre-existing value and/or the demolition of structures is netted out. ⁴ Principal amount not to be exceeded per the development agreement. * Does not include approximately 75,000 square feet that is being converted into 60 apartment units as part of the project's second phase. ** Investment also includes interest not shown.						

Projects Within TIF District That Are Not Utilizing TIF Funding ¹						
Project	Location	Status	Year Complete	Units/Square Feet ²	Approximate Investment/ Assessed Value ³	TIF Investment
DART Park Lane light rail station (Red and Orange Lines)	8169 Park Lane	Complete	1997	Units and square feet are not applicable. 1,200 parking spaces	\$3,836,900 (assessed value)	\$0
Half Price Books Mixed-use Project Phase I	5929 E. Northwest Highway	Complete	2015	Approximately 34,296 square feet of retail space	\$6,070,440 (assessed value)	\$0
"The Shops at Park Lane" Phase II	SE corner of Park Lane and Central Expressway	The construction of Phase II's second component (Block E/G) commenced in January 2015.	Block A: 2015 Block E/G: TBD	Approximately 225 apartment units; approximately 35,000 square feet of retail space; approximately 122,000 square feet of office space; 176 parking spaces and a 10,000 square foot community park	\$30,422,110 (assessed value) Apartment component (approximate planned investment TBD)	\$0
Total				225 apartment units; 69,296 square feet of retail/restaurant space; 122,000 square feet of office space; 1376 parking spaces; and 10,000 square feet of open space	\$40,329,450 (assessed value)	\$20,000,000
¹ All information updated as of September 30, 2015. ² Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage. ³ Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF District for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.						

District Initiatives				
Activity	Scope	Status	Investment	Source
Vickery Meadow Improvement District (VMID) – TREC 2006 Community Grant	The Real Estate Council (TREC) of Dallas awarded a grant to be used to create a Planned Urban Design (Neighborhood Plan) for the Vickery Meadow Community	Organizational stages. James Harwick + Partners, Inc. architectural design firm was hired to complete the plan. The plan was completed in 2009 and was adopted by the VMID Executive Board January 15, 2010.	\$78,000 total Includes: \$50,000 \$28,000	TREC of Dallas VMID funds
The Real Estate Council Foundation, McCormack, Baron Salazar (MBS) – Economic Development Action Plans	The Real Estate Council Foundation and private donations provided financial support to engage McCormack Baron Salazar to develop action plans for economic development in three City Council designated areas: 1. Lancaster Corridor 2. South Dallas/Fair Park 3. Five Points in Vickery Meadow	The Development Action Plans by MBS were released in January 2011.	\$750,000 min Includes: \$275,000 \$275,000 \$200,000	The Real Estate Council Foundation of Dallas MBS Investment Private Donations
HUD Community Challenge Grant for Transit Oriented Development and Affordable Housing	Community Challenge Planning Grant from HUD used for planning and preconstruction activities related to affordable housing and transit oriented development for 7 DART stations. Completed 5 area plans, including the Vickery Meadow area plan. Also funded preconstruction and design work for a mixed-use development anchored by a new VM branch library.	City Council authorized a professional services contract with Fregonese Associates, Inc. for the related planning activities on December 14, 2011. City Council authorized a professional services contract with DMA Development Company, LLC for the related activities on September 25, 2013	Total federal grant Amount: \$2,225,000/ \$2,670,000 overall Approximately \$950,000 spent in for the Vickery Meadow TIF District including \$445,000 as the local match	\$505,000 HUD Funds \$445,000 TIF Funds

Value and Increment Summary

The Vickery Meadow TIF District's 2015 assessed taxable value was \$392,667,920. This represents an increase of \$227,888,830 (138.3%) over the 2005 base year value and an increase of \$40,633,680 (11.5%) over the taxable value for 2014. The increase over the previous year's taxable value is largely attributed to appreciation of property that encompasses The Shops at Park Lane (\$29,103,780). With the participation of the City and Dallas County, the increase over the base year value will result in the collection of approximately \$1,757,718 in total incremental revenue for the District.

Objectives, Programs and Success Indicators

The Vickery Meadow Final Project Plan and Reinvestment Zone Financing Plan were approved on December 14, 2005. The plans' development goals are provided below:

- Facilitate private development within the Vickery Meadow TIF District to stimulate and diversify the area's economy, eliminate unemployment or underemployment, and develop or expand business, transportation, and commercial activity.

Approximately \$466 million in private investment is planned as part of full build-out of The Shops at Park Lane. The project is anticipated to create 2,600 new jobs.

- Secure new private development consisting of at least 850,000 square feet of retail space, 200 hotel rooms, 625 residential units (rental and owner occupied), and 410,000 square feet of office space.

The following progress has been made since the District's creation:

- *Approximately 623,296 square feet of retail space has been built while and additional 12,600 square feet is planned. Collectively, this represents 73.3% of the goal. It does not include approximately 75,000 square feet of previously built retail space that is being converted into 60 apartment units as part of The Shops at Park Lane's second phase.*
- *0 hotel rooms have been built or are planned (0.0% of the goal)*
- *325 apartment units have been built while an additional 225 are under construction. Collectively, this represents 88% of goal.*
- *219,000 square feet of office space has been built (53.4% of the goal)*

- Focus on traffic improvements and the redevelopment of properties within the Five-Points area as increment funds accumulate and can be supplemented with non-TIF sources.

Staff is currently working with the Vickery Meadow Public Improvement District (PID) and other stakeholders to address these issues.

- Generate additional taxable value totaling approximately \$322 million as a result of new private investment projects within the TIF District.

The FY 2015 taxable value for The Shops at Park Lane was \$238,761,490 (74.2% of the goal).

- Encourage the redevelopment of the “Park Lane” site and improve pedestrian connections between the existing DART Park Lane light rail station to increase density while providing enhanced urban design for the TIF District.

The following progress has been made since the District’s creation:

- *Staff is working with DART and Northwood Retail, LLC to identify potential funding for the construction of a pedestrian platform that would extend from the light rail station to the south side of Park Lane.*
 - *Pedestrian connection improvements for the Park Lane Station and its surrounding vicinity were studied as but remain unfunded.*
- Increase commuters’ use of the DART Park Lane light rail station from 2,183 passengers per weekday in 2007 to 3,500 passengers by 2012.

During the fiscal year the Park Lane light rail station serviced approximately 2,555 riders per weekday. Although this is a decrease of 69 riders (2.6%) below the approximate 2,625 riders that were serviced per weekday during FY 2014, it represents an increase of 386 riders (17.8%) over the 2,169 riders that used the station during FY 2007. Accordingly, staff will continue to work with DART to increase the station’s daily ridership and monitor the progress of public improvements that are made within the station’s surrounding area.

- Generate approximately \$32.2 million (total dollars) in increment over a 20 year period.

The District’s assessed property value has increased 138.3% over its base value. This increase has generated approximately \$8,709,015 in incremental revenue since the District’s creation (27.1% of the goal).

Year-End Summary of Meetings

Based on amended composition the Vickery Meadow TIF Board can consist of up to seven members, including six City of Dallas appointees and one from Dallas County. The board, which met three times during the fiscal year including a Special Called Meeting on April 20, 2015, consisted of the following members:

- Gay W. Donnell – City Representative (attended 3 of 3 meetings)
- Brian Driesse – City Representative (attended 3 of 3 meetings)
- Michon Fulgham – Chair and City Representative (attended 3 of 3 meetings)
- Jake Golvach – City Representative (attended 2 of 3 meetings)
- Douglas J. Lattner – City Representative (attended 3 of 3 meetings)
- Rick Loessberg – Dallas County Representative (attended 1 of 3 meetings)
- Raj Narayanan – City Representative (attended 2 of 3 meetings)

The Dallas City Council approved two items during the fiscal year related to the District. These items are summarized below:

- On November 12, 2014, the City Council approved Resolution Number 14-1960, conducting a public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for a private school on property zoned an MU-3(SAH) Mixed Use Affordable District with deed restrictions on the southeast corner of Park Lane and North Central Expressway Recommendation of Staff and CPC: Approval for a five-year period with eligibility for automatic renewals for additional five-year periods, subject to a site plan and conditions Z134-273(OTH) [14-1960; HEARING CLOSED; CPC RECOMMENDATION FOLLOWED; ORDINANCE 29539]
- On February 25, 2015, the City Council approved Resolution Number 15-0356, accepting the FY 2014 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Nine, (Vickery Meadow TIF District), submitted by the Vickery Meadow TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

Pending TIF Items

The Vickery Meadow TIF District's pending items include the following:

- Approval of the FY 2015 Annual Report
- Provide support as warranted for the redevelopment of the vacant site at 8255 Park Lane to include a Library

Budget and Spending Status

The Vickery Meadow TIF District's Project Plan and Reinvestment Zone Financing Plan established a budget for public improvement expenditures that are necessary to support private investment. The District budget and spending to date are provided on the following charts:

Vickery Meadow TIF District Projected Increment Revenues to Retire TIF Fund Obligations			
Category	TIF Budget ¹	Allocated ²	Balance
"Park Lane" Project: Environmental remediation, interior/exterior demolition, street/utility improvements & relocation, streetscape improvements, land acquisition, enhanced pedestrian area design & acquisition, engineering & design, non-project costs	\$32,653,946	\$32,653,946	\$0
Five-Points Area Improvements: Environmental remediation, interior/exterior demolition, street/utility improvements & relocation, streetscape improvements, land acquisition, park/plaza design & acquisition, DART related improvements, engineering & design, non-project costs	\$16,326,973	\$0	\$16,326,973
Administration and Implementation³	\$3,583,934	\$294,040	\$3,289,894
Total Project Costs	\$52,564,853	\$32,947,986	\$19,616,867
¹ Budget shown above in total dollars; TIF Project Plan shows the budget in net present value. ² Allocated amount includes any interest accrued as of September 30, 2015. Additional interest of approximately \$8.5 million is expected to accrue prior to final payment and categories impacted are shown with an *. ³ Administration and Implementation amount shown is through FY 2015 and includes \$50,000 for District audits through 2012 and \$2,500 for consultant fees.			

Vickery Meadow TIF District Project Plan Budget	
Category	TIF Budget (NPV)*
"Park Lane" Project: - Environmental remediation, interior/exterior demolition, street/utility improvements & relocation, streetscape improvements, land acquisition, enhanced pedestrian area design & acquisition, engineering & design, non-project costs	\$20,000,000
Five-Points Area Improvements: - Environmental remediation, interior/exterior demolition, street/utility improvements & relocation, streetscape improvements, land acquisition, park/plaza design & acquisition, DART related improvements, engineering & design, non-project costs	\$10,000,000
Administration and implementation	\$2,195,100
Total	\$32,195,100
* As approved in the Project Plan and Reinvestment Zone Financing Plan in 2006 dollars. ** Budget is for the 20-year term of the District.	

Vickery Meadow TIF District Affordable Housing Set-aside		
Budget*	Allocated	Balance
\$1,000,000	\$445,000	\$555,000
* Funds deposited in the Vickery Meadow TIF District Tax Increment Fund by Harvest NPE, L.P. to support the development of affordable housing within the District in lieu of the developer constructing affording housing units as part of The Shops at Park Lane Project.		

FY 2016 Work Program

The FY 2016 work program for the Vickery Meadow TIF District is as follows:

- Identify additional redevelopment sites, potential developers and continue to seek growth in the District through the attraction of mixed-use, high-density development.
- Provide assistance with the implementation of The Shops at Park Lane development project.
- Work with the DART, Vickery Meadow Public Improvement District and other entities on improvement initiatives for the Vickery Meadow area.
- Investigate additional funding sources for District-wide improvements that include a pedestrian platform that would extend from the Park Lane Light Rail Station across Park Lane.
- Reevaluate the issuance of TIF Bonds for the District.

Appendix A – Financials

City of Dallas, Texas					
Vickery Meadow Tax Increment Financing District					
Reinvestment Zone Number Nine					
As of September 30, 2015					
Chapter 311.016 of V.C.T.A. requires the following					
as part of the annual report on the status of the TIF District.					
Information is contained in detail on the					
financial statements.					
1. Amount and source of revenue in the tax increment fund established for the zone:					
\$6,401	Interest Income				
\$0	Affordable housing payment				
\$1,436,896	Ad Valorem Taxes (Collected in FY'2014-15 based on 2014 Final Tax Roll)				
\$1,443,298	Total Revenue				
2. Amount and purpose of expenditures from the fund:					
\$38,249	Administrative Expense				
\$10,200	Non-Capital Outlay (1)				
\$404,412	Principal retirement				
\$979,588	Additional Subsidy in Form of Grant (in lieu of interest expense)				
\$1,432,449	Total Expenditures				
(1) These expenditures were incurred for the following services:					
	TIF annual audit		\$10,200		
	Other		\$0		
	Total		\$10,200		
3. The Zone began reimbursing the General Fund for administrative costs in fiscal year 2009-10.					
4. a. Amount of Principal and Interest due-on outstanding bonded indebtedness is as follows:					
Vickery Meadow TIF District has incurred no bonded indebtedness as of September 30, 2015.					
b. The zone has reimbursed the following contingent obligations from available TIF funds					
as of September 30, 2015:					
<u>Developer</u>	<u>Project</u>	<u>Advance Principal</u>	<u>Accrued Add'l Subsidy (1)</u>	<u>Less Payments</u>	<u>Total Outstanding</u>
Northwood PL Holdings, LLC	The Shops at Park Lane	\$20,000,000	\$7,026,708	(\$8,325,410)	\$18,701,299
Total		\$20,000,000	\$7,026,708	(\$8,325,410)	\$18,701,299
Reimbursement of the project's outstanding TIF-eligible project costs are subject to the availability of TIF funds.					
(1) Additional Subsidy in Form of Grant (in lieu of interest expense)					

5. Tax increment base and current captured appraised value retained by the zone:					
			Taxable Value 2015*	Base Year 2005 Value	Est. Captured Value 2015*
	Taxing Jurisdiction				
	City of Dallas		\$392,667,920	\$164,779,090	\$227,888,830
	Dallas County		\$392,667,920	\$164,779,090	\$227,888,830
	*2016 Taxable value shown for participating taxing jurisdictions. County values are approximate and will vary slightly from the City value due to different exemption levels.				
	**Based on DCAD Certified Taxable Value. The final values will be determined on February 01, 2016.				
6. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:					
A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:					
				Assessment	Amount of
				Per \$100***	Estimated 2015
	Taxing Jurisdiction				Increment***
	City of Dallas			0.63760	\$1,453,019
	Dallas County			0.13371	\$304,699
	Total for all Jurisdictions			\$0.77131	\$1,757,718
***Participation rates for City of Dallas and Dallas County are 80% and 55% respectively for tax years 2008 - 2027.					
B. The total amount of estimated tax increment to be billed for the 2015 tax year is \$1,757,718. For the 2014 tax year, increment in the amount of \$1,436,896 was received.					
7. Independent audits of the TIF for fiscal years 2007, 2008, 2009, 2010, 2011, and 2012, as approved by the board in an amount not to exceed 50,000, were completed by Grant Thornton LLP, the City's external auditors. Total cost for the audits was \$34,900. The balance of the approved funds were used for an audit of fiscal year 2013. The TIF Board approved an additional amount of \$20,000 for the audit of fiscal years 2014 and 2015. Audits for fiscal years 2013 and 2014 were conducted by Grant Thornton LLP.					

City of Dallas, Texas						
Vickery Meadow Tax Increment Financing District Fund						
Balance Sheet as of September 30, 2015 (Unaudited)						
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)						
		<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Assets:						
Pooled cash and cash equivalents		\$680,407	\$669,670	\$1,146,374	\$1,103,841	\$1,135,517
Interest receivable		\$852	\$740	\$771	\$2,737	\$3,507
Total assets		\$681,259	\$670,410	\$1,147,145	\$1,106,578	\$1,139,024
Liabilities and Fund Balance (Deficit):						
Liabilities:						
Accounts and contracts payable		\$0	\$0	\$0	\$0	\$24,900
Due to general fund		\$13,625	\$13,625	\$13,625	\$0	\$0
Total liabilities		\$13,625	\$13,625	\$13,625	\$0	\$24,900
Fund Balance (Deficit):						
Fund Balance (Deficit)		\$667,634	\$656,785	\$1,133,520	\$1,106,578	\$1,114,124
Total Liabilities and Fund Equity		\$681,259	\$670,410	\$1,147,145	\$1,106,578	\$1,139,024
		\$0	\$0	\$0	\$0	\$0

City of Dallas, Texas						
Vickery Meadow Tax Increment Financing District Fund						
Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)						
For the Period September 30, 2015 (Unaudited)						
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)						
	<u>ITD</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Revenues:						
Tax increment-Governmental	\$7,250,355	\$1,199,674	\$1,211,882	\$1,109,114	\$1,159,842	\$989,073
Tax increment-Intergovernmental	\$1,458,659	\$237,223	\$246,736	\$195,403	\$239,953	\$207,891
Interest income	\$85,795	\$4,862	\$3,470	\$2,556	\$6,723	\$8,633
Affordable housing payment	\$1,000,000	\$0	\$0	\$0	\$0	\$0
Net increase (decrease) in fair value of investments	\$1,473	\$1,539	(\$639)	(\$2,367)	(\$136)	\$445
Total revenues	\$9,796,282	\$1,443,298	\$1,461,449	\$1,304,706	\$1,406,382	\$1,206,041
Expenditures:						
Administrative expenses	\$294,040	\$38,249	\$43,184	\$29,356	\$31,828	\$53,492
Non-Capital Outlay	\$509,200	\$10,200	\$445,000	\$10,000	\$19,100	\$24,900
Capital outlay	\$0	\$0	\$0	\$0	\$0	\$0
Principal retirement	\$1,563,716	\$404,412	\$485,793	\$219,413	\$409,302	\$44,796
Interest and fiscal charges	\$6,761,693	\$979,588	\$964,207	\$1,018,996	\$953,698	\$1,145,204
Total expenditures	\$9,128,648	\$1,432,449	\$1,938,184	\$1,277,765	\$1,413,928	\$1,268,392
Excess (Deficiency) of Revenues over Expenditures	\$667,634	\$10,849	(\$476,735)	\$26,942	(\$7,546)	(\$62,352)
Fund balance (Deficit) at beginning of year as previously reported	\$0	\$656,785	\$1,133,520	\$1,106,578	\$1,114,124	\$1,176,476
Fund balance (Deficit) at beginning of year, as restated	\$0	\$656,785	\$1,133,520	\$1,106,578	\$1,114,124	\$1,176,476
Fund balance (deficit) at end of year	\$667,634	\$667,634	\$656,785	\$1,133,520	\$1,106,578	\$1,114,124
Note: Fiscal year 2014-15 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.						

Notes to Financials

City of Dallas, Texas

Vickery Meadow Tax Increment Financing District

Notes to Financial Statements for the Year Ended September 30, 2015

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.
2. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.
3. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).
4. The Zone's Financial Plan permits expenditures not to exceed \$2,195,100 over the life of the TIF to reimburse the City for administrative costs. The Zone began reimbursing the general fund in fiscal year 2009-10. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.
5. The TIF entered into a development agreement with a developer on December 14, 2005 to reimburse the developer for TIF eligible costs up to principal amount of \$20.0 million plus accrued interest thereon, at an interest rate of 4.86%, for the construction of the Park Lane Project. The developer satisfied all contingencies as required by the terms of the agreement and the liability for the principal amount of \$20.0 million plus the accrued interest was recorded in fiscal year 2008-09. The TIF began reimbursing the developer in fiscal year 2009-10. The developer obligation balance, including principal and accrued interest, outstanding at September 30, 2015 is \$18,701,299.

Due to general fund" amount of \$13,625 at September 30, 2015 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 2

DEPARTMENT: Office of Economic Development

CMO: Ryan S. Evans, 671-9837

MAPSCO: 34 T U X Y & 44 C

SUBJECT

A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Ten, (Southwestern Medical TIF District), submitted by the Southwestern Medical TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 25965 on April 27, 2005, establishing Tax Increment Financing Reinvestment Zone Number Ten, (the Southwestern Medical TIF District). On January 11, 2006, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 26204, as amended.

The Southwestern Medical TIF District's assessed 2015 tax value was \$193,073,878 an increase of \$125,662,824 over the base year value (186.4% increased from base value). The 2015 tax value increased \$37,830,556 (24.4%) from the 2014 tax value. The total increment revenue collected in 2014 is expected to be \$801,226. The actual construction that occurred in FY 2015 will be reflected on the FY 2016 tax roll.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On April 27, 2005, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Ten, the Southwestern Medical TIF District by Ordinance No. 25965.

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

On January 11, 2006, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Southwestern Medical TIF District by Ordinance No. 26204, as amended.

On December 16, 2015, the Southwestern Medical TIF District Board of Directors recommended that the FY 2015 Annual Report be accepted and approved.

Information about this item was provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

No cost consideration to the City

February 24, 2016

WHEREAS, the City recognizes the importance of its role in local economic development initiatives and programs; and

WHEREAS, the City has established Tax Increment Financing Reinvestment Zone Number Ten, ("Southwestern Medical TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment in the Southwestern Medical area pursuant to Ordinance No. 25965, authorized by the City Council on April 27, 2005, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

WHEREAS, on January 11, 2006, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Southwestern Medical TIF District by Ordinance No. 26204, as amended; and

WHEREAS, the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

WHEREAS, on December 16, 2015, the Southwestern Medical TIF District Board of Directors passed a motion accepting the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Ten and recommending approval of same by the City Council.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Ten, (Southwestern Medical TIF District), City of Dallas, Texas, as of September 30, 2015, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

Section 2. That the City Manager is hereby authorized to submit the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Ten, to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District; and to the State Comptroller, as required by state law.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Southwestern Medical TIF District FY 2015 Annual Report



January 27, 2006

Motor Street Aerial (View Towards Downtown)



FirstWorthing



Greenway Investment Company

Southwestern Medical District TIF Study
Dallas, Texas

JEOP Architects is a registered professional architectural firm in the State of Texas, License No. 11170. FirstWorthing is a registered professional engineering firm in the State of Texas, License No. 11170. Greenway Investment Company is a registered professional engineering firm in the State of Texas, License No. 11170.



City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 671-9821

<http://www.dallas-ecodev.org>

October 1, 2014 to September 30, 2015

Reinvestment Zone Number Ten Southwestern Medical Tax Increment Financing District

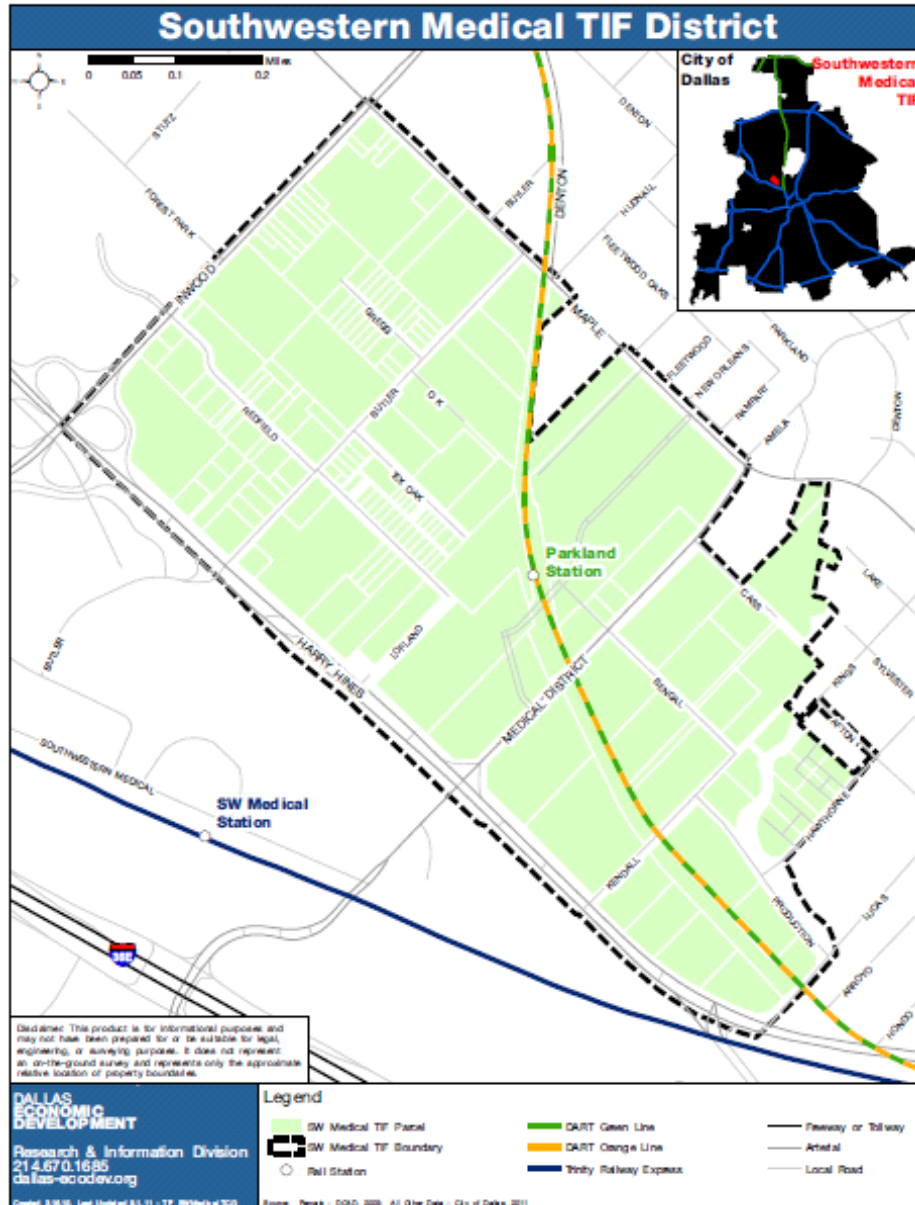


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Mission Statement

The mission of the Southwestern Medical Tax Increment Financing District is to provide a source of funding for public infrastructure improvements anticipated to enhance the real estate market for the Southwestern Medical TIF District area. The Southwestern Medical TIF District represents the outgrowth of the City of Dallas' effort to provide a model for redeveloping a former industrial and warehouse district to take full advantage of the expanding DART light rail system, to promote transit oriented development, especially in areas that are major employment centers like the Medical District, and to implement appropriate urban design standards.

The Dallas City Council established the Southwestern Medical TIF District by Ordinance Number 25965 on April 27, 2005 and amended by Ordinance Number 27433 on December 10, 2008 and October 14, 2009. The Southwestern Medical District took effect on January 1, 2006 and is scheduled to terminate on December 31, 2027 (including collection of the 2027 increment on calendar year 2028 and any related matters to be concluded in 2028) or when the budget of \$27.5 million (2006 dollars) has been collected. The City of Dallas and Dallas County are the two participating jurisdictions; The City's participation is 80%, and the County's participation is 55%.

Southwestern Medical TIF District Accomplishments

The initial project for the Southwestern Medical TIF District is the Colonial Reserve at Medical District (Formerly Cityville Southwestern Medical District). In 2007, FirstWorthing completed the first phase of this transit oriented development, including approximately 45,000 square feet of retail/office space and 278 apartment units near the Southwestern Medical District/Parkland light rail station. Current taxable value as per the Dallas Central Appraisal District (DCAD) is \$38.0 million.

FirstWorthing, after completing the first phase, sold their remaining land holdings to Trammel Crow Residential Development (TCR) and Ronald McDonald House. 21 Forty Medical District Apartments (formerly The Alexan Southwestern) is a residential, transit oriented development, and includes 396 luxury apartments, completed in 2009. The project is comprised of approximately 377,816 square feet of residential space, located at 2140 Medical District Drive. Current taxable value as per the DCAD is \$54.8 million.

Adjacent to the 21 Forty Medical District Apartments, Ronald McDonald House constructed 60 units of low-cost, temporary lodging/dorm facilities for families with children receiving medical care, totaling approximately 64,000 square feet of space, located at 4707 Bengal Street.

The Link on Maple (formerly Maple Garden LP.), a 120 apartment complex at 5219 Maple Avenue, adjacent to Parkland East Parking Lot (EPL) started leasing their units in summer of 2012. Current taxable value as per the DCAD is \$14.5 million.

Parkland Memorial Hospital owns 21.5% of the land within the District. Parkland has undertaken a major construction project, replacing the outdated main hospital facility with a new one. The \$1.2 billion Parkland expansion plan includes 17 story hospital surrounded by new clinics and parking garage located around the planned Southwestern Medical District/Parkland DART light rail station. The construction work started with demolition at the corner of Harry Hines Boulevard and Medical District Drive to make way for new buildings and construction of East Parking Lot at the corner of Maple Avenue and Medical District Drive is in progress. Construction was completed on the new facility in late 2014, with its official grand opening occurring in August 2015.

UT Southwestern Medical Center and Children's Medical Center, located just outside of the district, are planning significant expansion within the next decade. In addition to the recent expansion of the main hospital and completion a new surgery center, Children's expects to complete a third tower at the main hospital, and a new Ambulatory Care Pavilion over the next five to ten years.

In 2010, UT Southwestern Medical Center BioCenter was opened on a 13 acre tract of land located at the northeast corner of Inwood Road and Redfield Street. BioCenter provides a venue adjacent to UT Southwestern for bio-medical companies that are engaged in research, development, marketing and small-scale manufacturing of goods and services in the bio-medical industry. BioCenter helps commercialize university technology and draw biotechnology companies to North Texas.

The new William P. Clements Jr. University Hospital by UT Southwestern Medical Center, opened December 2014. The new facility located at 6201 Harry Hines Boulevard, the new \$800 million investment, 460-bed hospital was designed to carry out UT Southwestern's patient-care mission, while also incorporating space for physician training and for clinical research aimed at developing ever more effective, high-quality treatments for patients.

DART Green Line expansion (NW corridor) is completed and the Southwestern Medical District/Parkland light rail station was opened in December 2010. The Orange Line runs parallel with the Green Line through Downtown Dallas to Bachman Station in Northwest Dallas opened in 2014. During FY 2015, on an average, the Southwestern Medical District/Parkland light rail station serviced 2,424 passengers per week day, a 2.3% increase in ridership compared to last year.

Kroger opened a store in 2012 at 4901 Maple Avenue (adjacent to the TIF District), renovating the former Elliot's Hardware store. Elliott's Hardware relocated to 5439 Denton Drive. Intown Homes LLC is planning to construct 108 townhomes at the corner

of Hawthorne Avenue and Production Avenue. Maple District Lofts by Glenbrook Residential Inc. at 5415 Maple Avenue. Completed in Spring 2015, it is now open with 342 apartments available for leasing.

Total taxable private development in the Southwestern Medical TIF District is valued at approximately \$133.0 million. Listed below are the projects in the Southwestern Medical TIF District at various stages of development.

Colonial Reserve at Medical District (formerly Cityville)

Southwestern Medical District / Parkland DART Station



*New Parkland Hospital
Kroger - 4901 Maple Avenue*



Ronald McDonald House

Parkland Ambulatory Center at Harry Hines Boulevard and Medical District Drive

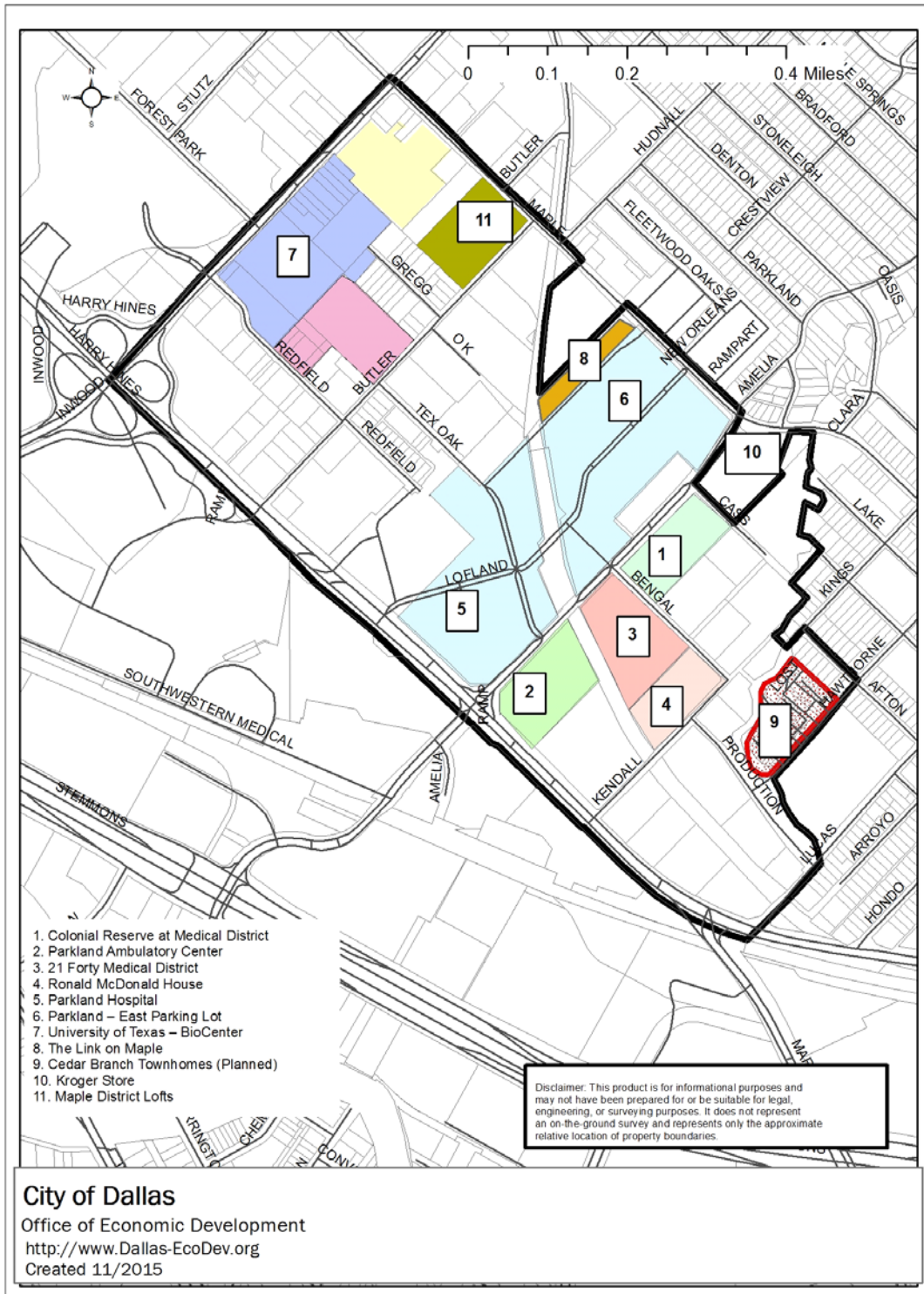


*Maple District Lofts
21 Forty Medical District*



The Link on Maple – 5219 Maple Avenue

Current Development Status in the District



Southwestern Medical TIF District Projects

Southwestern Medical TIF District Projects ¹						
Projects Within TIF District Utilizing TIF Funding						
Project	Location	Calendar Year Complete	Status	Units/ SF ²	Approx. Value ³	TIF Investment ⁴
Cedar Branch Townhomes	4623 Hawthorne Avenue	2017	Planned	112 Townhomes	\$32,000,000	\$7,898,366
Cedar Branch Bridge	Adj to Cedar Branch TH	2019	Planned	Bridge	TBD	\$826,500
Total					\$32,000,000	\$8,724,866
Projects Within TIF District Not Utilizing TIF Funding ⁵						
Project	Location	Calendar Year Complete	Status	Units/ SF	Approx. Value	TIF Investment
Colonial Reserve at Medical District	2222 Medical District Drive	2007	Complete	278 res. units; 45,000 SF commercial	\$37,960,000	\$0
21 Forty Medical District Apts. (Fmr. Alexan Southwestern)	2140 Medical District Drive	2009	Complete	396 units	\$54,804,000	\$0
Parkland Ambulatory Center ⁶	4900 Harry Hines Boulevard	2006	Complete	62,267 SF medical office	\$20,487,430 (non-taxable)	\$0
Ronald McDonald House ⁶	4707 Bengal Street	2009	Complete	64,000 SF lodging for 60 families	\$15,091,920 (non-taxable)	\$0
The Link on Maple (Fmr. Maple Garden Apartments)	5219 Maple Avenue	2011	Complete	120 apartments	\$14,500,000	\$0
Parkland Hospital ⁶	5201 Harry Hines Boulevard	2014	Completed	2,000,000 SF medical office space	\$1,087,298,820 (non-taxable)	\$0
Maple District Lofts By Glenbrook Residential Inc	5415 Maple Avenue	2015	Completed	342 residential units	\$25,739,660	\$0

Total	Completed Taxable: 1136 res. units; 45,000 SF retail and 62,267 SF medical office; and 61,000 SF lodging. (Taxable Developments)	\$133,003,660	\$0
	Planned: 112 Townhomes	\$32,000,000	
	Completed Non-Taxable: 62,267 SF Medical Office; 64,000 SF Lodging; and 2,000,000 SF Medical Office Space	\$1,122,878,170	
¹ All information updated as of September 30, 2015 ² Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage. ³ Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF district for redevelopment projects once pre-existing value and/or the demolition of structures is netted out. ⁴ Principal amount not to be exceeded per the development agreement. TBD indicates that development agreement has not yet been adopted. Asterisk indicates investment also includes interest not shown. ⁵ Selected significant projects included. ⁶ Tax-exempt properties.			

Value and Increment Revenue Summary

The Southwestern Medical TIF District encompasses approximately 245.7 acres. The base value is the total appraised value of all taxable real properties in the Southwestern Medical TIF District as determined by the Dallas Central Appraisal District in the certified roll. The Southwestern Medical District's assessed 2015 tax value was \$193,073,878, an increase of \$125,662,824 over the base year value 186.4% (increased from base value). The 2015 tax value increased \$37,830,556 (24.4%) from the 2014 tax value. The total increment revenue collected in 2014 is expected to be \$801,226. The actual construction that occurred in FY 2015 will be reflected on the FY 2016 tax roll.

Objectives, Programs, and Success Indicators

The final Southwestern Medical Project Plan and Reinvestment Zone Financing Plan was adopted was adopted in January 2006 and amended in December 2008. Among the goals of the Plan are:

- Additional taxable value attributed to new private investment in projects in the Southwestern Medical TIF District shall total approximately \$280 million.

Completed projects within the district have contributed approximately \$133.04 million (47.5% of goal) in additional taxable value from the

inception of the District. Planned projects will contribute approximately \$32.0 million (11.4% of goal). Total complete and planned projects of the term of the district will reach 58.9% of goal.

- New private development in the Southwestern Medical TIF District shall add a total of approximately 300,000 square feet of retail/office space and at least 3,000 new apartment units.

Projects completed within the district contribute a minimum of 2,100,000 square feet of retail and office space (702.4% of goal) and 1136 residential units completed (37.9% of goal). In addition, Parkland Hospital expansion plan added 2,000,000 sf medical office space (included in retail/office goal), 17 - story hospital surrounded by new clinics and parking garages, valued approximately \$1.09 billion (non-taxable).

- Ridership at the Southwestern Medical District/Parkland light rail station shall average 4,000 - 5,000 riders per weekday by 2015.

During FY 2015, on an average, the Southwestern Medical District/Parkland light rail station serviced 2,424 passengers per week day, a 3.9% decrease in ridership compared to last year. The Parkland light rail station started operating from December 2010 and the ridership is expected to increase in the upcoming years.

- Improve the access and connections to the DART light rail system within the Southwestern Medical TIF District.

The Southwestern Medical District/Parkland light rail stations opened in 2010 and currently serve the district. Staff and the Board will continue to foster working relationships with Parkland, DART, and potential developers to encourage access and connections to this rail station. The Colonial Reserve at Southwestern Medical District development includes streetscape improvements along Medical District Drive and Bengal Streets.

- Support the conversion of the Southwestern Medical area from industrial and warehousing land uses to a mixed-use, transit oriented neighborhood that complements the Medical District.

Staff and the Board will continue to foster a working relationship with Parkland, DART, and potential developers to encourage transit oriented development that complements the district. The Colonial Reserve at Southwestern Medical, Alexan projects have resulted in the conversion of former industrial and warehousing uses to residential and retail uses. The

Stemmons Corridor - Southwestern Medical District Area Plan (Vision and Policy Plan) was adopted by the City Council in June, 2010.

- Increase recreational opportunities and improved connections to the City of Dallas trails and open space system in the Southwestern Medical Area.

Staff and the Board will seek ways to increase recreational opportunities and trail connections (Trinity Strand Trail) within the District and in construction with the Parkland construction. Previous discussions have discussed the creation of a trail along Cedar Branch. The trail would be on City-owned land and easements plus DISD property that would connect Kings Road to Lucas Drive by running parallel to Cedar Branch. The proposed trail would be adjacent to the proposed Cedar Branch townhomes development along Hawthorne Avenue and run through the lower quarter of DISD property (Esperanza Medrano Elementary School). The aim of the neighborhood trail would link neighborhoods adjacent to the Trinity Strand Trail along DART's overhead rail line. Staff is currently designing Trinity Strand Trail Phase I, with consideration of a Phase II south of Phase I that would be connected to the DART line under development.

- The Southwestern Medical TIF District will generate approximately \$27.5 million in increment over 20 years.

The growth is significant in initial zone A and new area Zone B that has been added will develop over the next couple of years. The district started collecting increment and it is estimated that the district will generate \$27.5 million (in 2006 dollars) before the TIF expires in 2027. Between, the City and Dallas County, the district as of 2015 has collected \$3,195,110 (11.6% of the goal).

- Develop a grant program to promote private medical industry and economic development in the District.

Staff and the Board will continue to foster a working relationship with UT Southwestern Medical Center, Children's Hospital and Parkland Hospital to create investment opportunities in the District.

Year-End Summary of Meetings

During the fiscal year, the Southwestern Medical TIF District Board of Directors were not able to meet. This was the result of lack of minimum members as required as stated in the bylaws. Since then, additional city representatives have been appointed to the board and now has quorum for future meetings.

During FY 2014-15 the Board members were: Robert Prejean – City Representative, John Wilson (appointed 2/13/15) – City Representative, Derek Watson – City Representative (appointed 6/17/15), Michael Serber– City Representative, Rick Loessberg – Dallas County Representative (1 of 2 meetings). Board membership is currently below the minimum number required in the bylaws

During the fiscal year, the City Council approved one (1) items associated with the Southwestern Medical TIF District:

- On February 25, 2015, the City Council approved Resolution No. 15-0357, accepting the FY 2014 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Ten, (Southwestern Medical TIF District) and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law.

Pending TIF Items

- FY 2014 Annual Report, Southwestern Medical TIF District*.
- FY 2015 Annual Report, Southwestern Medical TIF District.

NOTE: Insufficient board members were appointed last year to hold a TIF Board meeting.

*The FY 2014 Annual Report was approved by City Council, but not by the Southwestern Medical TIF District Board of Directors,

Budget and Spending Status

Each TIF district establishes a budget for the public improvement expenditures necessary to support private investment in the district in the Project Plan and Reinvestment Zone Financing Plan. The Southwestern Medical TIF District was established in April 2005, amended in December 2008 and October 2009. The Project Plan estimates for TIF public improvements total approximately \$49.9 million (\$27.6 million in 2006 dollars). The final budget for the district is below:

Southwestern Medical TIF District Projected Increment Revenues to Retire TIF Fund Obligations			
Category	TIF Budget*	Allocated**	Balance
Paving, streetscape, utilities, public-use improvements, design & engineering	\$19,529,692	\$1,583,366	\$17,946,326
Environmental remediation and demolition	\$5,516,210	\$610,000	\$4,906,210
Utility burial	\$10,175,757	\$695,000	\$9,480,757
Economic Development Grant	\$15,918,513	\$5,010,000	\$10,908,513
Administration and implementation***	\$1,926,148	\$300,873	\$1,625,275
Total Project Costs	\$53,066,320	\$8,199,239	\$44,867,080
*Budget shown above in current dollars; TIF Project Plan shows the budget in net present value			
**Includes money expended and committed for existing and future projects including interest accrued on advanced funds as of the end of FY2015.			
***TIF administration fees include funds expended or committed through FY 2015.			

Southwestern Medical TIF District Project Plan Budget	
Category	Revised TIF Budget (in 2006 \$)
Paving, streetscape, utilities, public-use improvements, design & engineering	\$10,139,246
Environmental remediation and demolition	\$2,863,856
Utility burial	\$5,282,955
Economic Development Grant	\$8,264,428
Administration and implementation	\$1,000,000
Total Project Costs	\$27,550,485
* As approved in the Project Plan and Reinvestment Zone Financing Plan.	

M/WBE Participation

M/WBE Participation			
Project	Contractor	Total Contract Award Amount	Percentage Minority Participation
Colonial Reserve at Southwestern Medical ¹	Davis Excavation	\$1,376,916.70	27.71% (\$381,544)
¹ voluntarily participated in the M/WBE program			

FY 2016 Work Program

The work items for FY 2016 for the Southwestern Medical TIF District include:

- Increase recreational opportunities and improved connections to the City of Dallas trails and open space system in the Southwestern Medical Area.
- Assist with facility improvements included in Medical District Master Plan coordinated/adopted by Parkland Health and Hospital System, Children's Medical Center, and UT Southwestern Medical Center.
- Review Project Plan amendment to support redevelopment near the Inwood DART Station.
- Encourage Bio Center occupancy and job creation.



Cedar Branch Townhomes site - corner of Hawthorne Avenue and Production Drive

Appendix – Financials

City of Dallas, Texas
Southwestern Medical Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2015

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.
2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).
3. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.
4. The Zone's Financial Plan permits expenditures not to exceed \$1,671,830 over the life of the TIF to reimburse the City for administrative costs. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.
5. All project costs resulting in public improvements which are owned by the City are capitalized.
6. "Due to general fund" amount of \$5,764 at September 30, 2015 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

City of Dallas, Texas

Southwestern Medical Tax Increment Financing District Fund

Balance Sheet as of September 30, 2015 (Unaudited)

With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Assets:					
Pooled cash and cash equivalents	\$3,067,102	\$2,398,625	\$1,805,320	\$1,354,632	\$1,060,341
Interest receivable	\$3,679	\$2,548	\$1,957	\$1,748	\$3,285
Total assets	<u>\$3,070,781</u>	<u>\$2,401,173</u>	<u>\$1,807,277</u>	<u>\$1,356,380</u>	<u>\$1,063,626</u>
Liabilities and Fund Balance (Deficit):					
Liabilities:					
Accounts and contracts payable	\$0	\$0	\$0	\$0	\$0
Advances from developers	\$0	\$0	\$0	\$0	\$0
Due to general fund	\$5,764	\$5,764	\$5,764	\$0	\$0
Accrued liability	\$0	\$0	\$0	\$0	\$0
Total liabilities	<u>\$5,764</u>	<u>\$5,764</u>	<u>\$5,764</u>	<u>\$0</u>	<u>\$0</u>
Fund Balance (Deficit):					
Fund Balance (Deficit)	<u>\$3,065,017</u>	<u>\$2,395,409</u>	<u>\$1,801,514</u>	<u>\$1,356,380</u>	<u>\$1,063,626</u>
Total Liabilities and Fund Equity	<u>\$3,070,781</u>	<u>\$2,401,173</u>	<u>\$1,807,277</u>	<u>\$1,356,380</u>	<u>\$1,063,626</u>
	\$0	\$0	\$0	\$0	\$0

Southwestern Medical Tax Increment Financing District Fund

Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)

For the Period September 30, 2015 (Unaudited)

With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)

	<u>ITD</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Revenues:						
Tax increment-Governmental	\$2,709,867	\$567,873	\$531,991	\$385,098	\$266,860	\$372,960
Tax increment-Intergovernmental	\$544,987	\$115,993	\$111,382	\$73,801	\$47,062	\$76,240
Interest income	\$99,645	\$15,030	\$9,309	\$7,419	\$6,410	\$5,442
Developer Participation & other revenue	\$1,481,970	\$0	\$0	\$0	\$0	\$1,440,000
Net increase (decrease) in fair value of investments	\$11,184	\$6,588	(\$1,677)	(\$1,313)	(\$109)	\$1,402
Total revenues	<u>\$4,847,653</u>	<u>\$705,484</u>	<u>\$651,005</u>	<u>\$465,005</u>	<u>\$320,224</u>	<u>\$1,896,044</u>
Expenditures:						
Administrative expenses	\$300,873	\$35,875	\$57,109	\$19,871	\$27,470	\$51,034
Non-Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0
Capital outlay	\$1,481,762	\$0	\$0	\$0	\$0	\$0
Interest and fiscal charges	\$0	\$0	\$0	\$0	\$0	\$0
Total expenditures	<u>\$1,782,635</u>	<u>\$35,875</u>	<u>\$57,109</u>	<u>\$19,871</u>	<u>\$27,470</u>	<u>\$51,034</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$3,065,017</u>	<u>\$669,609</u>	<u>\$593,895</u>	<u>\$445,134</u>	<u>\$292,754</u>	<u>\$1,845,010</u>
Fund balance (Deficit) at beginning of year as previously reported	\$0	\$2,395,409	\$1,801,514	\$1,356,380	\$1,063,626	(\$781,385)
Fund balance (Deficit) at beginning of year, as restated	<u>\$0</u>	<u>\$2,395,409</u>	<u>\$1,801,514</u>	<u>\$1,356,380</u>	<u>\$1,063,626</u>	<u>(\$781,385)</u>
Fund balance (deficit) at end of year	<u>\$3,065,017</u>	<u>\$3,065,017</u>	<u>\$2,395,409</u>	<u>\$1,801,514</u>	<u>\$1,356,380</u>	<u>\$1,063,626</u>

Note: Fiscal year 2014-15 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.

City of Dallas, Texas
Southwestern Medical Tax Increment Financing District Fund
Reinvestment Zone Number Ten
As of September 30, 2015

Chapter 311.016 of V.C.T.A. requires the following information
as part of the annual report on the status of the TIF District.
Information is contained in detail on the attached
financial statements.

1. Amount and source of revenue in the tax increment fund established for the zone:

\$21,618	Interest Income
\$683,866	Ad Valorem Taxes (Collected in FY'2013-14 based on 2013 Final Tax Roll)
\$0	Developer Contribution
<u>\$705,484</u>	Total Revenue

2. Amount and purpose of expenditures from the fund:

\$35,875	Administrative Expense
\$0	Non-Capital Outlay
\$0	Capital outlay
\$0	Additional Subsidy in Form of Grant (in lieu of interest expense)
<u>\$35,875</u>	Total Expenditures

3. The Zone began reimbursing the general fund for administrative costs in fiscal year 2008-09.

4. a. Amount of Principal and Interest due-on outstanding bonded indebtedness is as follows:

Southwestern Medical TIF District has incurred no bonded indebtedness as of September 30, 2015.

b. The Zone entered into a development agreement with Texas InTownHomes, LLC for the development of Cedars Branch Townhomes project in an amount not to exceed \$7,898,366 with anticipated completion in 2017 and reimbursement to begin thereafter subject to availability of TIF funds.

c. The Zone entered into a development agreement with Texas InTownHomes, LLC for the development of Cedars Branch Bridge project in an amount not to exceed \$826,500 with anticipated completion in 2019 and reimbursement to begin thereafter subject to availability of TIF funds.

5. Tax increment base and current captured appraised value retained by the zone:

Taxing Jurisdiction	Taxable Value 2015**	Base Year 2005 Value	Est. Captured Value 2015***
City of Dallas	\$193,073,878	\$67,411,054	\$125,662,824
Dallas County	\$193,068,878	\$67,411,354	\$125,657,524
Dallas Independent School District	\$0	\$0	\$0
Dallas County Hospital District	\$0	\$0	\$0
Dallas County Community College Dist.	\$0	\$0	\$0

**2015 taxable value shown for participating taxing jurisdictions. County values are approximate and will vary slightly from the City value due to different exemption levels.

***Based on DCAD Certified Taxable Value. The final values will be determined on February 01, 2016.

6. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

Taxing Jurisdiction	Amount of	
	Assessment Per \$100***	Estimated 2015 Increment
City of Dallas	0.63760	\$801,226
Dallas County	0.13371	\$168,010
Total for all Jurisdictions	<u>\$0.77131</u>	<u>\$969,237</u>

***Participation rates for City of Dallas and Dallas County are 80% and 55% respectively for tax years 2008 - 2026.

B. The total amount of estimated tax increment to be billed for the 2015 tax year is \$969,237. For the 2014 tax year, increment in the amount of \$683,866 was received.

AGENDA ITEM # 17

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 2, 14

DEPARTMENT: Office of Economic Development

CMO: Ryan S. Evans, 671-9837

MAPSCO: 45 A B E F K L P Q

SUBJECT

A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eleven, (Downtown Connection TIF District), submitted by the Downtown Connection TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 26020 on June 8, 2005, establishing Tax Increment Financing Reinvestment Zone Number Eleven, (Downtown Connection TIF District). On August 29, 2005, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 26096, as amended.

The Downtown Connection TIF District's assessed tax value in 2015 was \$2,579,538,992. This represents an increase of 357.2% (\$2,014,621,675) over the adjusted 2005 base year value (\$564,917,317). The District's taxable value increased 10.4% (\$242,908,902) from the previous year's 2014 value. With the participation of the City and Dallas County, the districts increase in value will result in the collection of approximately \$17,224,159 (City \$14,450,881; County \$2,773,277) in incremental revenue for the Downtown Connection TIF District for the 2015 tax year.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 8, 2005, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Eleven, the Downtown Connection TIF District by Ordinance No. 26020, as amended.

On August 29, 2005, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Downtown Connection TIF District, as amended.

On January 14, 2016, the Downtown Connection TIF District Board of Directors recommended that the FY 2015 Annual Report be accepted and approved.

Information about this item will be provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

No cost consideration to the City

February 24, 2016

WHEREAS, the City recognizes the importance of its role in local economic development initiatives and programs; and

WHEREAS, the City has established Tax Increment Financing Reinvestment Zone Number Eleven, (Downtown Connection TIF District or District) and established a Board of Directors for the District to promote development or redevelopment in the Downtown Connection area pursuant to Ordinance No. 26020, authorized by the City Council on June 8, 2005, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

WHEREAS, on August 29, 2005, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Downtown Connection TIF District by Ordinance No. 26096; and

WHEREAS, the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

WHEREAS, on January 14, 2016, the Downtown Connection TIF District Board of Directors passed a motion accepting the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Eleven and recommending approval of same by the City Council.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Eleven, (Downtown Connection TIF District), City of Dallas, Texas, as of September 30, 2015, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

Section 2. That the City Manager is hereby authorized to submit the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Eleven, to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District; and the State Comptroller, as required by state law.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Exhibit A

Downtown Connection TIF District FY 2015 Annual Report



Photo Source: HALL Group



City of Dallas

**Office of Economic Development
1500 Marilla Street, 2CN • Dallas, Texas 75201
(214) 670-1685**

<http://www.dallas-ecodev.org/>

October 1, 2014 to September 30, 2015

Map of Reinvestment Zone Number Eleven

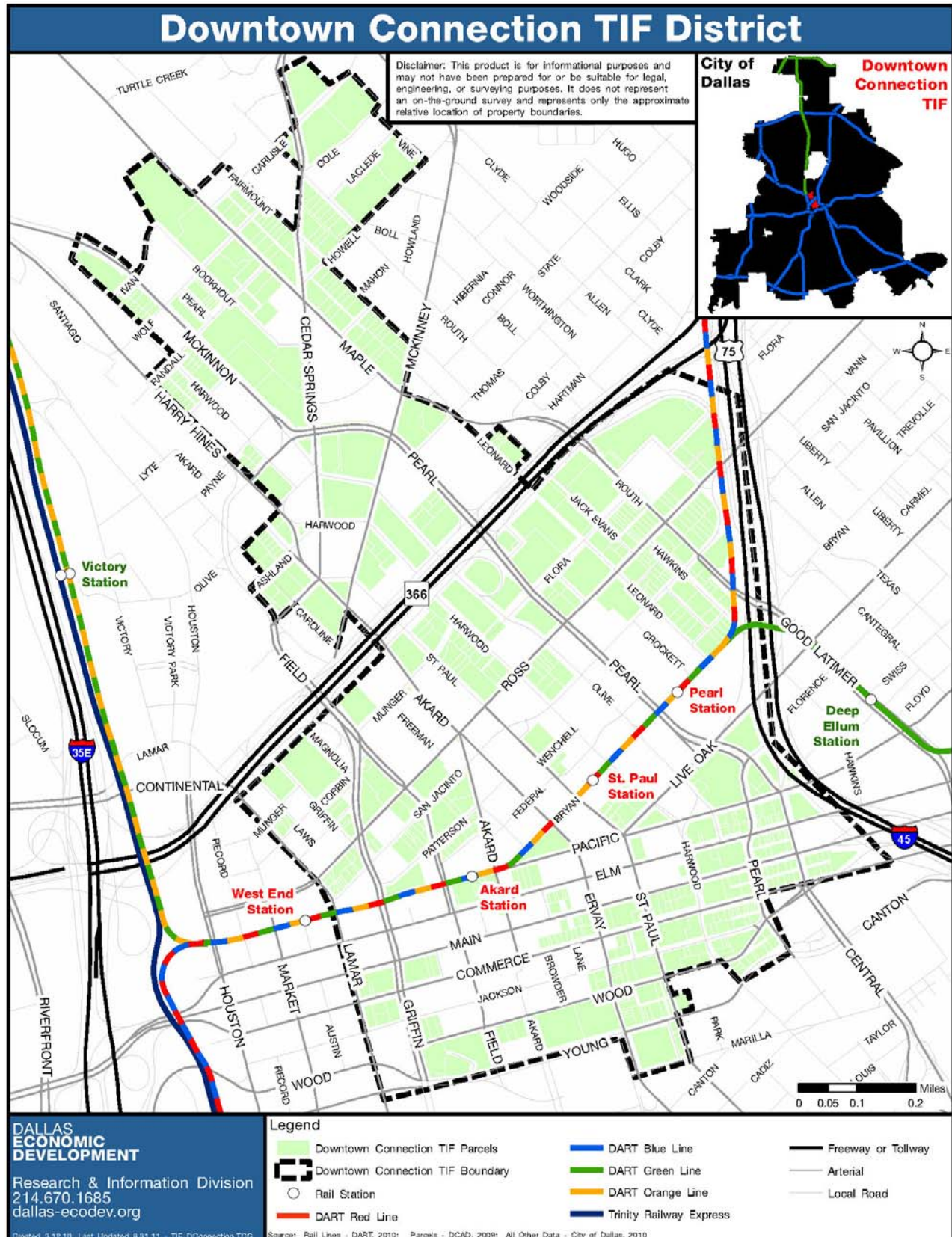


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Mission Statement

The mission of the Downtown Connection Tax Increment Financing District is to create a fund for public capital improvements in the core of Downtown essential for development of key spaces and buildings as well as focusing on catalyst projects to create a greater density and critical mass of development within the Main Street core area.

The Downtown Connection TIF District was initiated by petition, pursuant to Section 311.005 (a)(5), Texas Tax Code through the sponsorship of the Downtown Improvement District and the Uptown Improvement District. The Downtown Connection TIF District took effect on June 8, 2005, per Ordinance No. 26020 and is scheduled to terminate on December 31, 2035 (including collections of the 2035 increment in calendar year 2036 or when the budget of \$231.6 million (2006 dollars) has been collected.

District Accomplishments

Downtown redevelopment momentum continued during FY 2015. Projects were either approved or construction continued or completed during the fiscal year.

Projects Completed or Continuing Construction During FY 2015



Hall Arts Center. Construction of the 18-story, 500,000 square foot office building with 20,000 square feet of restaurant space and an adjacent half-acre public open space is scheduled for completion in early 2015.

LTV Tower – 1600 Pacific Avenue. Conversion of the historic building into a 171 room Hilton Garden Inn and 186 luxury rental apartments began April 2014. Construction completed during the 2015 calendar year.



Statler/Library. Interior demolition and environmental remediation began in the Statler building June 2014 and continued throughout the fiscal year. Upon completion in 2017, the Statler and Library redevelopment project will produce 229 residential units, 164 hotel rooms, ballrooms, meeting rooms, restaurant, theater and retail space.



Ballroom Before



Ballroom After



The Olympic – 1401 Elm Street. Interior demolition and environmental remediation in the building began July 2014. Upon completion the renovated building will house 512 residential units, retail, restaurant and office space, as well as an observation deck on the 50th floor of the building.



Level 49 Before



Level 43 Before



Level 49 After



Level 43 After

Projects Approved and/or Started Construction During FY 2015

1712 Commerce. Conversion of a vacant office building and adjoining surface parking lot into 244 hotel rooms (121 room Residence Inn and 123 room AC Hotel by Marriott) and approximately 16,428 square feet of ground floor retail space. A parking garage will be constructed on the existing surface parking lot providing approximately 360 guest/public parking spaces for the hotel. The total project cost is \$54.8M. Expected completion is July 2017.



Tower Petroleum and Corrigan Tower Buildings. Phased conversion two vacant office buildings. Phase I - Tower Petroleum will be converted into a boutique hotel (Saint Elm Hotel) with approximately 150 guestrooms and a ground level restaurant. Levels 1 through 4 of the Corrigan tower will be renovated as part of Phase I to provide three retail/restaurant spaces on the ground floor, as well as a small motor court for the



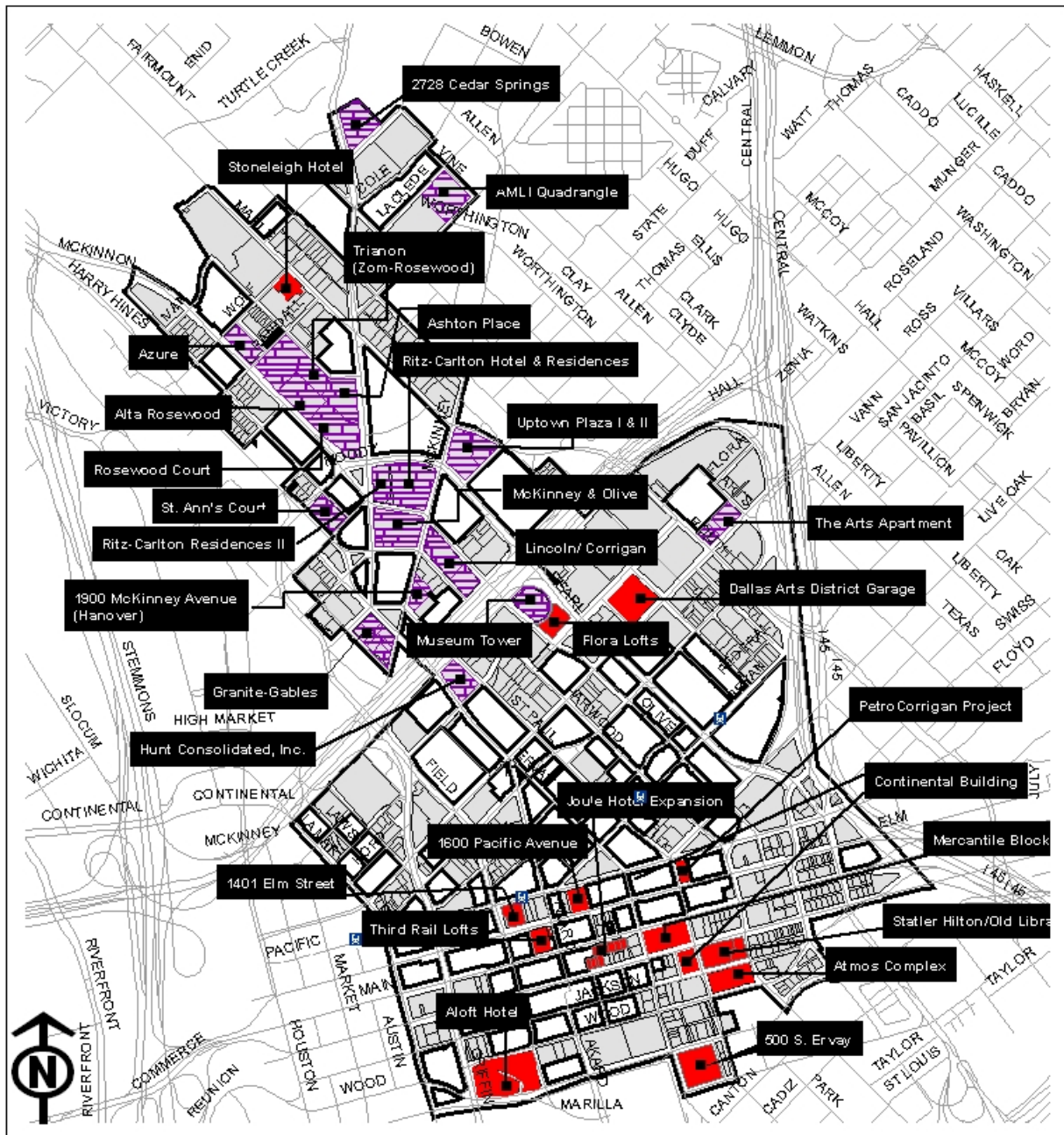
project. Phase II includes conversion of Levels 5-17 of the Corrigan Tower to residential units. Total project cost for both phases is \$102.4M. Construction for Phase I of the project began during the fiscal year and is expected to complete December 2020. Phase II is expected to complete construction in June of 2022.

Mayflower Building – 411 N. Akard.

Conversion of a vacant office building into 214 residential units with the apartments located on floors 4 through 9 of the building 156 parking spaces constructed on the 2nd and 3rd floors of the building for exclusive use of apartment tenants. The project will also include approximately 19,860 square feet of ground floor retail space. Total project cost is \$56.1M. The project's construction began during the fiscal year and expected completion is June 2017.



Map of Projects within the Downtown Connection TIF District



Downtown Connection TIF District Project Location Map

Legend

- TIF Funded Projects
- Non-TIF Funded Projects
- Downtown Connection TIF Boundary

Source: Economic Development Department/Area Redevelopment Division



City of Dallas

Office of Economic Development
December 2011

Downtown Connection TIF District Projects ¹						
Projects Within TIF District Utilizing TIF Funding						
Project	Location	Calendar Yr Complete	Status	Units/ SF ²	Approx. Value ³	TIF Investment ⁴
Stoneleigh Hotel	2927 Maple	1 st Quarter 2008	Completed	17 additional hotel rooms	\$19,635,390	\$2,500,000
Mercantile Block	1800 Main Street 1808 Main Street	4 th Quarter 2008	Completed	366 res. units; 33,770 sf retail	\$56,349,950	\$58,000,000
Santa Fe Lofts IV (Aloft Hotel)	1033 Young Street	4 th Quarter 2009	Completed	193 hotel rooms	\$13,055,380	\$4,296,264
Dallas Arts District Garage	2301 Ross Avenue	1 st Quarter 2010	Completed	garage renovations/ updates	\$10,500,490	\$2,000,000
1600 Pacific Avenue	1600 Pacific Avenue	4 th Quarter 2013	Completed	498,270 sf renovated office space	\$5,925,000	\$12,870,000
Continental Building	1810 Commerce Street	1 st Quarter 2013	Completed	203 res. units; 5,871 sf retail	\$23,750,000	\$18,305,700
Atmos Complex Phase I	Harwood and Wood Streets	1 st Quarter 2013	Completed	107 res. units	\$2,200,000	\$3,250,000
Joule Hotel Expansion (Amended) 1530 Main Street	Main and Commerce Streets	4 th Quarter 2013	Completed	32 hotel rooms; 24,700 sf retail; 9,221 sf office	\$107,222,000	\$23,852,953
Atmos Complex Phase II	Harwood and Wood Streets	4 th Quarter 2014	Completed	123 res. units; 9,500 sf retail	\$25,000,000	\$11,750,000
Hall Arts Center	2301 Ross Avenue	4 th Quarter 2015	Under Construction	430,000 sf office; 30,000 sf retail	\$130,000,000	\$5,000,000
LTV Building	1600 Pacific Avenue	4 th Quarter 2015	Under Construction	171 hotel rooms; 186 res. units	\$67,520,108	\$17,500,000
The Olympic	1401 Elm Street	4 th Quarter 2016	Under Construction	512 res units 71K sf retail 71K sf office	\$151,283,000	\$50,000,000
Statler/Library	1914 Commerce 1954 Commerce	4 th Quarter 2017	Under Construction	229 res units 164 hotel rooms 47,621 sf retail	\$175,299,650	\$46,500,000
Mayflower Building	400 N. Akard Street	2 nd Quarter 2017	Under Construction	215 res units 13,700 sf retail	\$56,109,085	\$10,000,000
1712 Commerce	1712 Commerce Street	3 rd Quarter 2017	Under Construction	244 hotel rooms 16,428 sf retail	\$52,934,700	\$10,500,000
Saint Elm Hotel	1907 Elm Street	4 th Quarter 2017	Under Construction	150 hotel rooms 6,174 sf retail	\$68,623,079	\$10,300,000
Corrigan Tower	1900 St. Paul Street	2 nd Quarter 2022	Approved	150 res units	\$33,779,564	\$9,700,000
Subtotal				1,941 res. units; 413 hotel rooms; 236,162 sf retail; 439,221 sf office; 498,270 sf renovated space	\$896,784,753	\$296,324,917
Projects Within TIF District Not Utilizing TIF Funding ⁵						
Project	Location	Calendar Yr Complete	Status	Units/ SF	Approx. Value	Non- TIF Incentives
Ashton	2215 Cedar Springs Road	2006	Completed	267 res. units	\$93,450,000	\$0
Trianon (Zom/ Rosewood)	2820 McKinnon Street	3 rd Quarter 2006	Completed	317 res. units	\$72,073,000	\$0
Uptown Plaza Shopping I	2222 McKinney Avenue	3 rd Quarter 2006	Completed	84,000 sf retail	\$14,040,000	\$0
Hunt Consolidated	1900 Akard Street	2 nd Quarter 2007	Completed	400,000 sf office	\$56,126,800	\$6,300,000
Ritz-Carlton Hotel & Condos	2510 Cedar Springs	2 nd Quarter 2007	Completed	71 res. units; 218 hotel rooms	\$168,341,100	\$0

Exhibit A
Downtown Connection TIF District

FY 2015 Annual Report

Third Rail Lofts (1414 Elm portion)	1414 Elm Street	3 rd Quarter 2007	Completed	14 res. units; 3,500 sf retail	\$2,550,000	\$1,800,000
Azure	2900 McKinnon Street	2 nd Quarter 2008	Completed	154 res. units	\$109,472,120	\$0
1900 McKinney (Hanover)	1900 McKinney Avenue	4 th Quarter 2008	Completed	230 res. units	\$82,000,000	\$0
Rosewood Court	2101 Cedar Springs Road	2 nd Quarter 2009	Completed	400,000 sf office; 12,000 sf retail	\$105,000,000	\$0
Alta Rosewood	2728 McKinnon Street	4 th Quarter 2008	Completed	375 res. units	\$89,000,000	\$0
AML/ Quadrangle	2717 Howell Street	4 th Quarter 2008	Completed	220 res. units; 14,800 sf retail	\$45,410,000	\$0
2000 McKinney	2000 McKinney Avenue	2 nd Quarter 2009	Completed	445,000 sf office, 15 res. units; 6,500 sf retail	\$115,500,000	\$0
Ritz-Carlton Residences II	2555 Pearl Street 2400 Olive Street	4 th Quarter 2009	Completed	92 res. units	\$138,362,390	\$0
St. Ann's Court	2501 Harwood Street	1 st Quarter 2010	Completed	320,000 sf office	\$81,270,000	\$0
Granite/Gables	1717 McKinney Avenue; 1700 Cedar Springs	2 nd Quarter 2010	Completed	296 res. units 382,980 s.f. office;14,091 retail	\$174,570,000	\$0
CityWalk	511 N. Akard Street	4 th Quarter 2009	Completed	209 res. units	\$7,603,450	\$11,000,000
The Arts Apartment by JPI	2611 Ross Avenue	3 rd Quarter 2010	Completed	228 res. units	\$35,112,000	\$0
Museum Tower	1918 Olive Street	4 th Quarter 2012	Completed	115 res. units	\$180,985,690	\$0
Residences at Stoneleigh	2919 Maple Avenue	4 th Quarter 2014	Completed	76 res. units	\$50,943,900	\$0
2728 Cedars Springs Road	2728 Cedar Springs Road	1 st Quarter 2015	Under Construction	299 res. units	\$50,138,070	\$0
McKinney & Olive	2001 McKinney Avenue	4 th Quarter 2015	Under Construction	480,000 sf office; 50,000 sf retail	\$225,000,000	\$0
Uptown Plaza II	2212 McKinney Avenue	1 st Quarter 2016	Under Construction	203 res. Units	\$40,000,000	\$0
1920 McKinney Avenue	1920 McKinney Avenue	1 st Quarter 2016	Under Construction	150,000 sf office; 8,500 sf retail	\$70,000,000	\$0
Harwood International Rolex Building	Harry Hines Boulevard and Moody Street	4 th Quarter 2016	Under Construction	136,857 sf office	\$40,000,000	\$0
Blue Ciel	3130 N. Harwood Street	1 st Quarter 2017	Announced	158 res. units 12,000 sf retail	\$75,000,000	\$0
500 S. Ervay	500 S. Ervay	2 nd Quarter 2017	Under Construction	274 hotel rooms; 238 res. units; 29,400 sf retail	\$77,000,000	\$0
				3,577 res. units; 492 hotel rooms; 234,791 sf retail; 2,714,837 sf office	\$2,198,948,520	\$19,100,000
Subtotal						
Projects Utilizing and Not Utilizing TIF Funding						
				5,518 res. units; 905 hotel rooms; 470,953 sf retail; 3,154,058 sf office; 498,270 sf renovated space	\$3,095,733,273	\$315,424,917
Total						

¹ All information updated as of September 30, 2015.

² Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage.

³ Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF District for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.

⁴ Principal amounts not to be exceeded per the development agreement.

⁵ Selected significant projects included.

⁶ Tax-exempt properties.

⁷ Includes other incentives not shown. Contact City of Dallas Office of Economic Development for more information.

Value and Increment Revenue Summary

The base value of the zone is the total appraised value of all taxable real property in the District as determined by the 2005 certified Dallas Central Appraisal District tax roll, with adjustments made to accommodate boundary amendments. The Downtown Connection TIF District's adjusted base value for the district is \$564,917,317. The Downtown Connection TIF District's 2015 assessed tax value was \$2,579,538,992. This represents an increase of \$2,014,621,675 (357.2%) over the adjusted base year value.

The district's value increased by \$242,908,902 (10.4%) from the previous year. This increase will result in an estimated collection of approximately \$17,224,159 (City \$14,450,881; County \$2,773,277) in incremental revenue for the Downtown Connection TIF District.

Development Goals and Objectives

The final Downtown Connection Project Plan and Reinvestment Zone Financing Plan were adopted in late 2005, as amended. The following objectives and action items set the framework for the planned improvements within the Downtown Connection TIF District:

- Improve access between and within the Uptown and Downtown areas

Construction of the Klyde Warren Park, a deck park spanning Woodall Rodgers Freeway, connecting Downtown to Uptown, celebrated its grand opening October 2012. The park's restaurant Savor opened in 2013.

In July of 2010, the McKinney Avenue Transit Authority received a \$4.9 million grant from the Federal Transit Administration and matching grant of \$5 million from the North Central Texas Council of Government to complete the M-Line loop that branches off of McKinney Avenue at Olive Street. Construction of the Olive/St. Paul Street Loop began in 2012, with completion projected for first quarter 2015. The line will improve connectivity between Uptown, Downtown, Klyde Warren Park, the Arts District and DART downtown transit mall.

In 2009, the North Central Texas Council of Governments (NCTCOG) Regional Transportation Council (RTC) issued its third Sustainable Development Program call for projects. The Sustainable Development Program provides funding of infrastructure improvements associated with development projects that reduce the overall demand for transportation infrastructure and improve air quality. Two Downtown Connection TIF District projects were awarded funds under this program to enhance pedestrian and transportation linkages, access and safety to nearby bus/rail transit and City of Dallas public investments. City Council approved agreements between the City, NCTCOG, State of Texas and the

project's developer for each project. Atmos completed construction of the project summer 2013, while construction of the Continental project continued in 2014.

- *Continental Building Project – \$607,739*
- *Atmos Complex Project – \$462,686*

The creation of a circulator system for the downtown area was recommended by the Downtown Dallas 360 Area Plan. September 2013, City Council approved funding to participate in the two year pilot program D-Link, a special service from DART that provides residents, workers and visitors a way to get to some of the city's most popular arts, dining and historic destinations. The free bus route includes destinations such as American Airlines Center, Klyde Warren Park, the Perot Museum of Nature and Science, The Sixth Floor Museum, Dallas Arts District, the Bishop Arts District and many other cultural, arts and entertainment-related stops.



The expected cost of the service \$1.4 million annually. DART, Downtown Dallas Inc. and the City of Dallas shared the costs of the program. It is anticipated funding for this service will be extended into the next fiscal year.

- Improve the image of the Downtown Connection Area

With the installation of numerous high-tech digital (video) sign boards within the Main Street core, continued redevelopment of vacant buildings, and completion and programming of the various downtown parks, activity downtown has increased dramatically.

Major corporate relocations to the downtown connection area over the years have included Moneygram International, AT&T and Comerica Bank. In 2014, three corporations relocated to buildings in the downtown core (Santander Consumer USA, Inc., Active Network, LLC and Omnitrac, LLC), adding over 2,000 people to downtown's daytime population.

The increased downtown daytime population, residency and activities for residents and visitors have added to the evolving image of the area.

- Support redevelopment of the existing building supply

During the fiscal year 1712 Commerce, Tower Petroleum and Corrigan Tower buildings, and the Mayflower Building redevelopment projects were approved within the Downtown Connection TIF District.

- Develop a more diverse mixture of land uses within the Downtown Connection Area

Projects announced, completed and/or underway within the district will contribute approximately 5,518 residential units; 905 hotel rooms; 470,953 square feet of retail; and 3,154,058 square feet of new Class “A” office space.

- Increase open space and recreational opportunities in the Downtown Connection Area

Main Street Garden Park hosts many events annually including City Lights, an annual tree lighting ceremony held in the park, Moonlight Movie Series showing free outdoor movies on Saturdays in the park and YMCA outdoor sporting leagues. Pegasus Plaza held the Taste of the Fair, where foods from the annual State Fair of Texas could be sampled during the fiscal year.

Belo Garden opened May 2012, and is the second of the four planned downtown parks to be completed. The third park, Klyde Warren Park opened in October of 2012. Land for the fourth park, Pacific Garden Plaza/Park has been acquired using 2006 Bond funds. Funding sources for the construction of the Park have not been identified. The City of Dallas has contracted with DowntownDallas to provide operations and programming of these downtown parks as well as Pegasus Plaza.

March 2013, City Council endorsed an updated of the Downtown Parks Master Plan that proposed four new parks: West End Plaza, Pacific Plaza, Carpenter Plaza near Deep Ellum and Harwood Park next to the Farmers Market. Since the original plan was completed nearly a decade ago, Klyde Warren Park, Main Street Garden and Belo Garden have all opened in downtown.

Browder Street Plaza Improvements - In March 2012, the Office of Economic Development, in conjunction with Downtown Dallas, Inc., Downtown 360 Plan and the City Design Studio, issued a Request for Proposals for Browder Street Plaza retail development and leasing/management opportunities. The retail component of Browder Street Plaza, between Commerce Street and Jackson Street, is intended to add activity along this pedestrian thoroughfare and complement the improvements now underway on the site. The City of Dallas has allocated \$500,000 for the public space improvements and construction has begun, based on Hocker Design Group’s conceptual design for landscaping, shade, street furniture, paving, and other pedestrian and plaza improvements. Hamilton DPL Development Inc. and



Hamilton DPL, LP won the solicitation with its proposed retail activation plan which focused on retail kiosks and food trucks within Browder Street Plaza. It is anticipated that the public improvements will be complete spring 2016. The City continues to work with Hamilton on the retail activation, maintenance and operation agreement for the site and on

- Incentivize catalyst project(s) to accelerate reaching a critical mass of residential units, retail establishments, and public amenities for a vibrant downtown

The District's catalyst project included the Mercantile Block, Atmos Complex and Continental building. In 2008, the Mercantile Block completed redevelopment. Phase I of the Atmos Complex and Continental Building projects were completed in 2013. Phase II of the Atmos Complex project completed construction in July of this fiscal year. These projects have added 799 residential units (inclusive of 211 affordable units) and 50,000 square feet of retail.

Year-End Summary of Meetings

The Downtown Connection TIF District Board of Directors met four (4) times during FY 2015 - December 14, 2014, January 8, 2015, February 12, 2015, March 12, 2015, and August 13, 2015 (No Quorum).

The Downtown Connection TIF District Board of Directors consists of nine (9) members including six (6) City of Dallas appointees, one (1) State Senator's office appointee, one (1) Dallas County appointee and one (1) State Representative's office appointee. During FY 2015, the Downtown Connection TIF Board consisted of the following members:

Board Member List

Evan Beattie – City Appointee (Attended 3 of 4 meetings)

Larry James – City Appointee (Attended 4 of 4 meeting)

Jon Ruff – City Appointee (Attended 3 of 4 meetings)

Vacant – City Appointee

Vacant – City Appointee

Vacant – City Appointee

Rick Loessberg – Dallas County Appointee (Attended 4 of 4 meetings)

Vacant – State Senator's Office Appointee

Steve Bancroft – State Representative's Appointee (Attended 2 of 4 meetings)

During FY 2015, the City Council approved thirty (30) items directly or indirectly associated with the Downtown Connection TIF District. The council actions are listed below.

- On October 8, 2014, City Council approved Ordinance No. 29493 and Resolution No. 14-1692, granting a private license to Crescent Ross Avenue Investors LLC, for the use of approximately 210 square feet of aerial space to install, maintain and use a canopy without a premise sign over a portion of Flora Street located near its intersection with Olive Street.
- On November 12, 2014, City Council approved Resolution No. 14-1895, authorizing a Memorandum of Agreement between the City of Dallas and Akard Walk Residential, LLC to provide permanent supportive housing for ten units of project-based housing for formerly incarcerated homeless individuals located at CityWalk@Akard located at 511 North Akard Street through the Dallas Housing Authority for the period October 1, 2014 through September 30, 2024.
- On December 10, 2014, City Council approved Resolution No. 13-2112, authorizing a revocable license to 7-Eleven, Inc., for the use of approximately 25 square feet of aerial space to install, use and maintain three signs over portions of Elm and Akard Streets right-of-way, located near the intersection of Elm and Akard Streets.

- On January 15, 2015, City Council approved Resolution No. 15-0118, authorizing a construction services contract with Phoenix 1 Restoration and Construction, Ltd., best value proposer of five, for the exterior renovation of the Old Municipal Building, located at 106 South Harwood Street - Not to exceed \$11,166,286 - Financing: 1998 Bond Funds.
- On January 28, 2015, City Council approved Ordinance No. 29617 and Resolution No. 15-0186, authorizing an amendment Ordinance No. 29552, previously approved on December 10, 2014, which granted a revocable license to 7-Eleven, Inc., to amend the license term for the use of approximately 25 square feet of aerial space to install, use and maintain three signs over portions of Elm and Akard Streets right-of-way, located near the intersection of Elm and Akard Streets.
- On January 28, 2015, City Council approved Ordinance No. 29631 and Resolution No. 15-0213, authorizing a public hearing to receive comments to amend the City of Dallas Central Business District Streets and Vehicular Circulation Plan to change the operational classification of Elm Street from Houston Street to Cesar Chavez Boulevard from a five lane one-way westbound roadway to a four lane one-way westbound roadway, and at the close of the hearing, authorize an ordinance implementing the change.
- On February 25, 2015, City Council approved Resolution No. 15-0358, authorizing accepting the FY 2014 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eleven, (Downtown Connection TIF District) and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law.
- On February 25, 2015, City Council approved Resolution No. 15-0407, authorizing a development agreement with Akard Owner, LLC to reimburse eligible project costs related to environmental remediation, demolition, street/utility improvements and façade improvements associated with the Mayflower Building redevelopment project located at 411 North Akard Street in an amount not to exceed \$5,300,246 plus Economic Development and Affordable Housing TIF Grants in an amount not to exceed \$4,699,754, for a total TIF incentive not to exceed \$10,000,000 from revenues accruing to Tax Increment Financing Reinvestment Zone Eleven (Downtown Connection TIF District).
- On February 25, 2015, City Council approved Resolution No. 14-0381, authorizing a contract with Gibson & Associates, Inc., lowest responsible bidder of three, for the construction of streetscape, landscape, water and wastewater adjustment improvements for Griffin Street from Young Street to Elm Street, and Browder Street Plaza from Jackson Street to Commerce Street - Not to exceed \$3,004,221 - Financing: 2006 Bond Funds (\$2,926,891) and Water Utilities Capital Construction Funds (\$77,330).

- On February 25, 2015, City Council approved Resolution No. 14-0410, authorizing an amendment to the development agreement with Olympic 1401 Elm Associates, LLC, for the redevelopment of the 1401 Elm Street building to: (1) remove the requirement of a public plaza on a portion of the 9th floor of the building; (2) revise project completion components and extend the project completion and Certificate of Occupancy date from December 31, 2016 to December 31, 2017; and (3) combine the requirements of a minimum of 40,000 square feet of office space and 25,000 square feet of retail/restaurant space into one requirement for a minimum of 65,000 square feet of non-residential, commercial space including retail, restaurant and office space.
- On February 25, 2015, City Council approved Resolution No. 15-0456, authorizing A public hearing to receive comments regarding an application to the Texas Department of Housing and Community Affairs (TDHCA) for 2015 9% Low Income Housing tax Credits for Flora Lofts, a 48-unit multifamily project, located at 2121 Flora Street, in accordance with the requirements of Texas Government Code §2306.67071 and Texas Administrative Code §10.204(4); and at the close of the public hearing, authorize a resolution in support of the Texas Department of Housing and Community Affairs (TDHCA) 9% low-income housing tax credit (LIHTC) application and allocation for Flora Lofts, located at 2121 Flora Street for the acquisition and construction of the proposed 48-unit multifamily residential development for mixed income families; and (2) a loan in the amount of \$2,000,000 to La Reunion TX, for the construction of Flora Lofts, conditioned upon 2015 9% LIHTC award - Not to exceed \$2,000,000 - Financing: 2013-14 HOME Investment Partnership Program Grant Funds (\$22,922) and 2014-15 HOME Investment Partnership Program Grant Funds (\$1,977,078).
- On February 25, 2015, City Council approved Ordinance No. 29649 and Resolution No. 15-0416, conducting a public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 1467 for an open-enrollment charter school on property zoned a CA-1(A) Central Area District with an SP Secondary Pedestrian Precinct Overlay on the south corner of North Akard Street and Ross Avenue Recommendation of Staff and CPC: Approval for a five-year period with eligibility for automatic renewals for additional five-year periods, subject to a traffic management plan and conditions Z134-232(WE).
- On March 25, 2015, City Council approved Ordinance No. 29684 and Resolution No. 15-0536, granting a private license to 1600 Main Street Holdings, LP for approximately 1,084 square feet of land to install, maintain and use lighted bollards on a portion of Commerce Street located near its intersection with Ervay Street - Revenue: \$7,187 annually, plus the \$20 ordinance publication fee.
- On April 8, 2015, City Council approved Resolution No. 15-0678, authorizing an acquisition, including the exercise of the right of eminent domain, if such becomes necessary, from Dallas Area Rapid Transit, of two tracts of land containing a total

of approximately 11,078 square feet located near the intersection of Live Oak Street and Pearl Street Connection for the Pearl Street Realignment Project - Not to exceed \$285,500 (\$280,000, plus closing costs and title expenses not to exceed \$5,500) - Financing: 2006 Bond Funds.

- On April 8, 2015, City Council approved Ordinance No. 29705 and Resolution No. 15-0710, authorizing abandonment of a portion of Akard Street to RED Akard Place, LLC, the abutting owner, containing approximately 2,984 square feet of land, located near the intersection of Ashland and Akard Streets, and authorizing the quitclaim - Revenue: \$238,720, plus the \$20 ordinance publication fee.
- On May 13, 2015, City Council approved Ordinance No. 29727 and Resolution No. 15-0847, granting a revocable license to Crow Family Foundation, Inc. for the use of approximately 120 square feet of land to use and maintain three existing sculptures on a portion of Flora Street, located near its intersection with Olive Street - Revenue: \$5,400 one-time fee, plus the \$20 ordinance publication fee.
- On May 27, 2015, City Council approved Resolution No. 15-0987, authorizing a development agreement with Supreme Bright Dallas II, LLC to reimburse eligible project costs related to environmental remediation, demolition, street/utility improvements and façade improvements associated with the 1712 Commerce Hotel redevelopment project located at 1712 Commerce Street in an amount not to exceed \$4,800,000 plus Economic Development TIF Grant in an amount not to exceed \$5,700,000, for a total TIF incentive not to exceed \$10,500,000 from revenues accruing to Tax Increment Financing Reinvestment Zone Eleven (Downtown Connection TIF District).
- On May 27, 2015, City Council approved Resolution No. 15-0940, authorizing a deadline extension for the 211 North Ervay redevelopment project to extend the Certificate of Occupancy and construction completion date from July 31, 2014 to December 31, 2016.
- On May 27, 2015, City Council approved Ordinance No. 29751 and Resolution No. 15-0995, granting the creation of a new sub-district in the Downtown Special Provision Sign District Overlay on property zoned Planned Development District No. 619 with a Pedestrian Overlay in an area generally bounded by Pacific Avenue, North Akard Street, Elm Street, and North Field Street Recommendation of Staff and CPC: Approval, subject to conditions Special Sign District Advisory Committee: Denial SPSD134-005 Note: This item was considered by the City Council at public hearings on April 22, 2015, and May 13, 2015, and was taken under advisement until May 27, 2015, with the public hearing closed.
- On June 10, 2015, City Council approved Resolution No. 10-1077, authorizing various amendments to the development agreement with PetroCorrigan Towers, LP, for the redevelopment of the Tower Petroleum (1907 Elm Street) and Corrigan Tower (1900 Pacific Avenue) buildings located in Tax Increment Financing

Reinvestment Zone Eleven (Downtown Connection TIF District) to: (1) increase TIF incentives by \$9,700,000 from \$10,300,000 to an amount not exceed \$20,000,000, of which \$19,500,000 is in the form of an Economic Development TIF Grant, in consideration of an increase in private investment; (2) separate the project into two phases; (3) change the use of the buildings from residential to hotel, retail, and/or restaurant use in the Tower Petroleum building and commercial, retail, restaurant and/or residential uses in the Corrigan Tower building; and (4) amend project requirements and deadlines to reflect the change in project scope.

- On June 25, 2014, City Council approved Resolution No. 14-1083, authorizing (1) Supplemental Agreement No. 2 to the Participation Agreement with the Dallas Downtown Improvement District for the design and construction of the Central Business District Wayfinding and Signage Program, Phase III; (2) the receipt and deposit of funds from the Dallas Downtown Improvement District in an amount not to exceed \$100,000; and (3) an increase in appropriations in the amount of \$100,000 in the Capital Projects Reimbursement Fund - Total not to exceed \$100,000 - Financing: Capital Projects Reimbursement Funds.
- On June 25, 2014, City Council approved Ordinance No. 29761 and Resolution No. 15-1088, conducting a public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for an alcoholic beverage establishment limited to a bar, lounge, or tavern on property zoned Tract A of Planned Development District No. 269, the Deep Ellum/Near East Side District on the northeast corner of Elm Street and North Good Latimer Expressway Recommendation of Staff and CPC: Approval for a two-year period, subject to a site plan and conditions Z145-207(CG).
- On August 12, 2015, City Council approved Ordinance No. 29800 and Resolution No. 15-1430, authorizing abandonment of a portion of Colby Street and two adjacent street easements to TC Uptown Associates, LLC, the abutting owner, containing a total of approximately 6,496 square feet of land, located near the intersection of Pearl Street and Woodall Rodgers Freeway, and authorizing the quitclaim - Revenue: \$974,400, plus the \$20 ordinance publication fee.
- On August 12, 2015, City Council approved Ordinance No. 29822 and Resolution No. 15-1464, conducting a public hearing to receive comments regarding an application for and an ordinance granting a Planned Development Sub-district for HC Heavy Commercial Sub-district uses on property zoned an HC Heavy Commercial Sub-district within Planned Development District No. 193, the Oak Lawn special Purpose District, on the northwest line of Woodall Rodgers Freeway, between North Pearl Street and Olive Street Recommendation of Staff and CPC: Approval, subject to a development plan, landscape plan, reflectivity plan, and conditions Z145-101(RB).

- On August 12, 2015, City Council approved Resolution No. 15-1391, authorizing Supplemental Agreement No. 10 to the professional services contract with Huitt-Zollars, Inc. to provide additional construction inspection services for the Traction Power Substation and Overhead Catenary System for the McKinney Avenue Trolley Olive Street Extension project - Not to exceed \$62,660, from \$3,286,882 to \$3,349,542 - Financing: 2006 Bond Funds.
- On August 12, 2015, City Council approved Resolution No. 15-1392, authorizing an increase in the contract with Gibson & Associates, Inc. for necessary modifications to the turnout transition plates for the McKinney Avenue Trolley Olive Street Extension project - Not to exceed \$81,121, from \$9,221,390 to \$9,302,511 - Financing: 1998 Bond Funds.
- On September 9, 2015, City Council approved Ordinance No. 29849 and Resolution No. 15-1678, conducting a public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 1788 for an attached projecting non-premise district activity videoboard sign on property zoned Planned Development District No. 619 on the northeast corner of Commerce Street and South Field Street Recommendation of Staff and CPC: Approval for a six-year period, subject to conditions Z145-277(CG).
- On September 9, 2015, City Council approved Ordinance No. 29850 and Resolution No. 15-1679, conducting a public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 1788 for an attached projecting non-premise district activity videoboard sign on property zoned Planned Development District No. 619 on the northeast corner of Commerce Street and South Field Street Recommendation of Staff and CPC: Approval for a six-year period, subject to conditions Z145-277(CG).
- On September 9, 2015, City Council approved Ordinance No. 29851 and Resolution No. 15-1680, conducting a public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 1791 for an attached projecting non-premise district activity videoboard sign on property zoned Planned Development District No. 619 on the south side of Elm Street and the east side of North Akard Street Recommendation of Staff and CPC: Approval for a six-year period, subject to conditions Z145-278(CG).
- On September 9, 2015, City Council approved Ordinance No. 29846 and Resolution No. 15-1675, conducting a public hearing to receive comments regarding an application for and an ordinance granting an Historic Overlay for the Allen Building on property zoned Planned Development District No. 619 on the southeast corner of South Ervay Street and Commerce Street Recommendation of Staff and CPC: Approval, subject to preservation criteria Recommendation of Landmark Commission: Approval, subject to preservation criteria Z134-348(MD).

Budget and Spending Status

The Downtown Connection TIF District established a budget for public improvement expenditures is necessary to support private investment in the district. The Project and Reinvestment Zone Financing Plans estimate TIF public improvements totaling approximately \$231.6 million (in 2006 dollars). The final, amended budget for the district is as follows:

Downtown Connection TIF District			
Current Projected Increment Revenues to Retire TIF Fund Obligations			
	B	C	B - C
Category	Estimated Total Dollar TIF Budget	Allocated ³	Estimated Total Dollar Balance
Catalyst Projects: - <i>Environmental remediation, demolition, historic façade, restoration, street/utility improvements & streetscape improvements, land acquisition, and non-project costs, including, but not limited to machinery, equipment, materials and supplies</i>	\$68,000,000	\$68,000,000	\$0
Redevelopment of Vacant/Underutilized Downtown Buildings, Underdeveloped Parcels, Surface Parking Lots - <i>Environmental remediation, interior/exterior demolition, historic façade restoration, street/utility improvements, land acquisition, TIF grants, affordable housing</i>	\$266,827,380	\$244,898,771	\$21,928,609
Uptown/Downtown connection improvements	\$0	\$0	\$0
Park and plaza design and acquisition	\$3,241,485	\$0	\$3,241,485
Affordable Housing²	\$3,000,000	\$3,000,000	\$0
Retail Initiative/Streetscape Improvements	\$1,985,000	\$459,845	\$1,525,155
Downtown Area Plan	\$515,000	\$512,464	\$2,536
Administration and Implementation	\$6,539,500	\$1,457,717	\$5,081,783
Debt Service (Interest Only)	\$150,363,000	\$150,363,000	\$0
Total Project Costs	\$500,471,365	\$468,691,797	\$31,779,568
¹ TIF Budget shown above in total dollars; TIF Project Plan shows the budget in net present value			
² The Affordable Housing line item has been reduced by the amount of money allocated to the Continental project			
³ The Allocated total shown for the Redevelopment of Vacant/Underutilized Downtown Building line item reflects the total TIF District's commitment to projects currently in the Reimbursement Queue			
⁴ TIF administration costs shown are expended or committed through FY 2015.			

Downtown Connection TIF District Plan Budget	
Category	Budget in 2006 Dollars
Catalyst Projects: - <i>Environmental remediation, demolition, historic façade, restoration, street/utility improvements & streetscape improvements, land acquisition, and non project costs, including, but not limited to machinery, equipment, materials and supplies</i>	\$68,000,000
Redevelopment of Vacant/Underutilized Downtown Buildings, Underdeveloped Parcels, Surface Parking Lots - <i>Environmental remediation, interior/exterior demolition, historic façade restoration, street/utility improvements, land acquisition, TIF grants, affordable housing</i>	\$152,653,168
Uptown/Downtown Connection Improvements	\$0
Park and Plaza Design and Acquisition	\$1,500,000
Affordable Housing	\$3,000,000
Retail Initiative/Streetscape Improvements	\$1,985,000
Downtown Area Plan	\$515,000
Administration and Implementation	\$3,940,386
Debt Service (Interest Only)	-
Total Project Costs	\$231,593,554
<i>*Budget shown above in 2006 dollars; TIF Project Plan shows the budget in net present value.</i>	

Downtown Connection TIF Participation				
Participation Jurisdictions	Duration of TIF District	Estimated TIF Collection Period	Participation Level	Contribution to TIF Fund
City of Dallas	2006 -2035	30 years	90%	\$470,414,780
Dallas County	2006 -2035	20 years	55%	\$25,500,691
TOTAL				\$500,471,365
All values are expressed in current dollars, except where noted. The legal TIF life will be set at 30 years. TIF collection began in 2006. Actual collections period may vary.				

Downtown Dallas Development Authority Status of DDDA Bond Sales and Repayment				
Project	Bond Sales	Principal + Interest	Total Paid	Balance Due
Mercantile	Series 2006 \$50,605,343	\$139,671,210	\$13,585,000	\$126,086,210
Mercantile	Series 2007 \$28,950,514	\$67,301,055	\$14,446,551	\$52,854,504
Totals		\$206,972,265	\$28,031,551	\$178,940,714

M/WBE Participation

Public bidding is not required for TIF projects. All TIF-funded projects must follow the City's adopted Business Inclusion and Development Plan and make a good faith effort to include certified Minority and Women-Owned Business (M/WBE) participation in TIF reimbursed projects. The BID Plan goal for TIF projects is 25 percent M/WBE participation in construction costs.

Downtown Connection TIF Project M/WBE Participation <small>(completed projects only)</small>					
Project	Total Construction Contract Amount	Local MWBE Amount	Non-Local MWBE Amount	Total MWBE Participation	Total MWBE Participation Percentage
Atmos Complex Phase I	\$6,887,607	\$853,912	\$1,020,662	\$1,874,574	27%
Atmos Complex Phase II*					
Continental Building	\$30,796,191	\$9,985,348	\$1,063,266	\$11,048,614	36%
Dallas Arts District Garage	\$852,764			\$439,839	52%
Joule Hotel Expansion	\$70,464,515	\$12,054,208	\$9,668,098	\$21,722,305	31%
Mercantile Complex	\$107,012,554			\$26,707,787	25%
Sante Fe IV (Aloft Hotel)	\$20,937,338			\$5,811,923	28%
Stoneleigh Hotel	\$25,106,706			\$4,998,000	20%
Totals	\$262,057,675	\$22,893,468	\$11,752,026	\$72,603,042	28%

*M/WBE participation percentages for completed projects and as provided by the City's Business Inclusion and Development division.

FY 2016 Work Program

The work items for FY 2016 for the Downtown Connection TIF District are as follows:

- Adoption of FY 2015 Annual Report
- Continue to support OED office/business retention efforts in the downtown core
- Complete existing projects
- Identify and promote redevelopment of key properties in the District
- Identify and support opportunities for improving physical connections between Downtown Core and surrounding districts including the Convention Center, Uptown, Victory, the Cedars and Deep Ellum neighborhoods
- Implement Ground Floor Activation Strategy for district and continue to investigate monetizing program's annual funding source
- Investigate parking deficiencies in the downtown core and explore solutions
- Continue annual reimbursement of completed TIF projects
- Complete City audit of TIF project completed during FY 2015 and begin reimbursement in June of 2016
- Continue to work with Planning and Neighborhood Vitality's Mobility Division and CityDesign Studio on various downtown transportation projects:
 - Elm Street Thoroughfare Plan Amendment
 - Commerce Street Thoroughfare Plan Amendment
- City Council consideration of various proposed district/redevelopment projects:
 - Downtown Dallas 360 Plan update
 - Ground Floor Activation Program
 - Thanksgiving Square Improvements
 - The Union development project

District Financials

City of Dallas, Texas
Downtown Connection Tax Increment Financing District Fund
Balance Sheet as of September 30, 2015 (Unaudited)
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Assets:					
Pooled cash and cash equivalents	\$719,900	\$235,725	\$452,474	\$343,231	\$268,241
Interest receivable	\$1,032	\$455	\$446	(\$2,594)	\$1,300
Receivables from DDDA	\$0	\$26,873,440	\$0	\$0	\$0
Total assets	\$720,932	\$27,109,620	\$452,920	\$340,637	\$269,542
Liabilities and Fund Balance (Deficit):					
Liabilities:					
Accounts and other payable	\$163,383	\$26,408,238	\$6,000	\$0	\$13,000
Advances from developers	\$0	\$0	\$0	\$0	\$0
Due to general fund	\$39,040	\$39,040	\$39,040	\$0	\$0
Total liabilities	\$202,423	\$26,447,278	\$45,040	\$0	\$13,000
Fund Balance (Deficit):					
Fund Balance (Deficit)	\$518,508	\$662,341	\$407,879	\$340,637	\$256,542
Total Liabilities and Fund Equity	\$720,932	\$27,109,620	\$452,919	\$340,637	\$269,542
	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)

Downtown Connection Tax Increment Financing District Fund
Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)
For the Period September 30, 2015 (Unaudited)
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)

	<u>ITD</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Revenues:						
Tax increment-Governmental	\$62,133,216	\$12,654,259	\$11,306,531	\$8,408,406	\$7,235,640	\$6,849,382
Tax increment-Intergovernmental	\$11,525,500	\$2,303,372	\$2,123,189	\$1,615,855	\$1,321,658	\$1,332,864
Interest income	\$186,790	\$39,935	\$828	\$6,942	\$26,146	\$5,272
Contributions from DDDA	\$40,690,308	\$9,630,838	\$26,873,440	\$225,000	\$2,225,000	\$225,024
Net increase (decrease) in fair value of investments	\$4,409	\$1,752	(\$372)	(\$1,110)	\$301	\$377
Total revenues	\$114,540,223	\$24,630,156	\$40,303,617	\$10,255,094	\$10,808,745	\$8,412,918
Expenditures:						
Administrative expenses	\$1,457,717	\$157,584	\$202,814	\$144,303	\$154,879	\$169,530
Non-Capital Outlay	\$604,710	\$12,734	\$2,132	\$6,587	\$12,472	\$96,744
Capital outlay	\$246,294	\$0	\$6,250	\$12,700	\$0	\$0
Affordable housing cost participation	\$2,000,000	\$0	\$0	\$0	\$2,000,000	\$0
Transfers to DDDA-Increment	\$73,658,715	\$14,957,631	\$13,429,720	\$10,024,261	\$8,557,298	\$8,182,245
Developer reimbursements-Principal	\$35,653,887	\$9,506,281	\$26,147,606	\$0	\$0	\$0
Interest and fiscal charges	\$400,391	\$139,759	\$260,632	\$0	\$0	\$0
Total expenditures	\$114,021,715	\$24,773,989	\$40,049,155	\$10,187,852	\$10,724,650	\$8,448,519
Excess (Deficiency) of Revenues over Expenditures	\$518,508	(\$143,833)	\$254,462	\$67,242	\$84,095	(\$35,602)
Fund balance (Deficit) at beginning of year as previously reported	\$0	\$662,341	\$407,879	\$340,637	\$256,542	\$292,143
Fund balance (Deficit) at beginning of year, as restated	\$0	\$662,341	\$407,879	\$340,637	\$256,542	\$292,143
Fund balance (deficit) at end of year	\$518,508	\$518,508	\$662,341	\$407,879	\$340,637	\$256,542

Note: Fiscal year 2014-15 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.

Exhibit A Downtown Connection TIF District

FY 2015 Annual Report

City of Dallas, Texas

Downtown Connection Tax Increment Financing District Fund Reinvestment Zone Number Eleven As of September 30, 2015

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

1. Amount and source of revenue in the tax increment fund established for the zone:

\$41,687	Interest Income
\$9,630,838	Transfers from DDDA
\$14,957,631	Ad Valorem Taxes (Collected in FY2014-15 based on 2014 Final Tax Roll)
\$24,630,156	Total Revenue

2. Amount and purpose of expenditures from the fund:

\$157,584	Administrative Expense
\$12,734	Non-Capital Outlay*
\$0	Capital outlay*
\$14,957,631	Transfers to DDDA-Increment
\$9,506,281	Developer reimbursements-Principal
\$139,759	Additional Subsidy in Form of Grant (in lieu of interest expense)
\$24,773,989	Total Expenditures

* These costs were incurred for the following:

DDDA Annual Audit	\$12,734
Appraisal Costs	\$0
Other	\$0
Total	\$12,734

3. a. Amount of Principal and Interest due-on outstanding indebtedness:

The Zone has a primary obligation to retire the bonds, issued by Downtown Dallas Development Authority (DDDA) from available tax increment generated over the life of the Zone.

b. The Zone has entered into a development agreement for each of the following projects and their status is as follows as of September 30, 2015:

Developer	Project Name	Principal TIF Award	Maximum Accrued Add'l Subsidy (1)	Maximum TIF Award	Less Payments			Net Bal. Remaining
					Principal	Accrued Add'l Subsidy (1)	Total P & I	
APIAH Stoneleigh, L.P.	Stoneleigh Hotel	\$2,500,000	\$0	\$2,500,000	\$665,942	\$0	\$665,942	\$1,834,058
Hall Lone Star Associates, L.P.	Hall Lone Star Phase I	\$852,764	\$2,000,000	\$2,852,764	\$852,764	\$225,871	\$1,078,635	\$0
SANTA FE IV HOTEL, L.P.	Santa Fe IV - Aloft Hotel	\$3,734,419	\$0	\$3,734,419	\$3,734,419	\$0	\$3,734,419	\$0
Federal Deposit Insurance Corporation	Grand Ricchi Dallas - 1600 Pacific	\$8,830,000	\$4,040,200	\$12,870,200	\$8,830,000	\$400,391	\$9,230,391	\$0
TIF Hotel, Inc.	Joule Hotel Expansion	\$20,658,500	\$0	\$20,658,500	\$20,658,500	\$0	\$20,658,500	\$0
Hamilton Atmos, L.P.	Atmos Complex Phase I	\$3,250,000	\$3,000,000	\$6,250,000	\$0	\$294,167	\$294,167	\$5,955,833
TIF Hotel, Inc.	Joule Hotel Expansion Amendment	\$3,194,403	\$0	\$3,194,403	\$13,999	\$0	\$13,999	\$3,180,404
FC MERC COMPLEX, P.P.	Continental Building A (Inc. only)	\$3,700,000	\$0	\$3,700,000	\$378,226	\$0	\$378,226	\$3,321,774
FC MERC COMPLEX, P.P.	Continental Building B	\$13,036,809	\$4,222,588	\$17,259,397	\$0	\$0	\$0	\$17,259,397
Hamilton Atmos, L.P.	Atmos Complex Phase II	\$11,750,000	\$5,000,000	\$16,750,000	\$0	\$0	\$0	\$16,750,000
Hall Lone Star Associates, L.P.	Hall Lone Star Project - Phase II	\$5,000,000	\$0	\$5,000,000	\$0	\$0	\$0	\$5,000,000
PetroCorrigan Towers, LP	PetroCorrigan Project	\$10,300,000	\$0	\$10,300,000	\$0	\$0	\$0	\$10,300,000
Federal Deposit Insurance Corporation	LTV Tower Project	\$17,500,000	\$0	\$17,500,000	\$0	\$0	\$0	\$17,500,000
OLYMPIC 1401 ELM ASSOCIATES, LLC	The Olympic	\$45,000,000	\$5,000,000	\$50,000,000	\$0	\$0	\$0	\$50,000,000
Centurion Acquisitions, L.P.	Statler/Library/Jackson Street	\$46,500,000	\$0	\$46,500,000	\$0	\$0	\$0	\$46,500,000
Total		\$195,806,895	\$23,262,788	\$219,069,683	\$35,133,850	\$920,429	\$36,054,279	\$177,601,466

*reimbursements began in fiscal year 2014 and will continue each year after meeting bond requirements, project completion and upon availability of TIF funds

(1) Additional Subsidy in Form of Grant (in lieu of interest expense)

4. Tax increment base and current captured appraised value retained by the zone:

Taxing Jurisdiction	Taxable Value 2015	Base Year 2005 Value	Est. Captured Value 2015**
City of Dallas	\$2,579,538,992	\$564,917,317	\$2,014,621,675
Dallas County	\$2,639,093,561	\$564,917,317	\$2,074,176,244

** Based on Certified Taxable Values. Final values will be determined on February 01, 2016.

5. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

Taxing Jurisdiction	Amount of	
	Assessment Per \$100	Estimated 2015 Increment
City of Dallas	0.71730	\$14,450,881
Dallas County	0.13371	\$2,773,277
Total for all Jurisdictions	\$0.85101	\$17,224,159

B. The total amount of estimated tax increment to be billed for the 2015 tax year is \$17,224,159. For the 2014 tax year, increment in the amount of \$14,957,631 was collected and transferred to Downtown Dallas Development Authority(DDDA) in accordance with the terms of the DDDA bond indentures.

City of Dallas, Texas
Downtown Connection Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2015

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred
2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).
3. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.
4. The Zone's Financial Plan permits expenditures not to exceed \$3,940,386 over the life of the TIF to reimburse the City for administrative costs. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.
5. All project costs resulting in capital improvements which are owned by the City are capitalized in the City's fixed assets.
6. "Due to general fund" amount of \$39,040 at September 30, 2015 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

AGENDA ITEM # 18

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 2, 7, 14

DEPARTMENT: Office of Economic Development

CMO: Ryan S. Evans, 671-9837

MAPSCO: 45 G H L M R; 46 J K N P

SUBJECT

A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Twelve, (Deep Ellum TIF District), and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 26043 on June 22, 2005, establishing Tax Increment Financing Reinvestment Zone Number Twelve, (Deep Ellum TIF District). On April 12, 2006, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 26304. On September 10, 2014, the City Council amended the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 29469.

The Deep Ellum TIF District's assessed 2015 taxable value was \$315,062,667. Compared to previous years, the value increased as a result of the addition of the Elan City Lights apartment development and improved existing developments on Main owned by 42 Deep Ellum, LP and Westdale Associates. This represents an increase of \$63,803,556 (20.3%) from the 2014 value and an increase of \$125,900,054 (66.6%) from the previous 2014 base year value. This resulted in total increment revenue collected in 2015 of approximately \$852,910.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 22, 2005, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Twelve, the Deep Ellum TIF District by Ordinance No. 26043, as amended.

On April 12, 2006, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Deep Ellum TIF District by Ordinance No. 26304, as amended.

On September 10, 2014, City Council amended the Project Plan and Reinvestment Zone Financing Plan for the Deep Ellum TIF District by Ordinance No. 29469.

The Deep Ellum TIF Board was unable to meet prior to the timeframe necessary for Council action and the Act does not require Board approval of the annual report.

Information about this item will be provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

No cost consideration to the City

February 24, 2016

WHEREAS, the City recognizes the importance of its role in local economic development initiatives and programs; and

WHEREAS, the City has established Tax Increment Financing Reinvestment Zone Number Twelve, ("Deep Ellum TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment in the Deep Ellum area pursuant to Ordinance No. 26043, authorized by the City Council on June 22, 2005, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

WHEREAS, on April 12, 2006, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Deep Ellum TIF District by Ordinance No. 26304, as amended; and

WHEREAS, on September 10, 2014, City Council amended the Project Plan and Reinvestment Zone Financing Plan for the Deep Ellum TIF District by Ordinance No. 29469; and

WHEREAS, the Deep Ellum TIF Board was unable to meet prior to the timeframe necessary for Council action and the Act does not require Board approval of the annual report; and

WHEREAS, the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded the State Comptroller.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Twelve (Deep Ellum TIF District), City of Dallas, Texas, as of September 30, 2015, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

Section 2. That the City Manager is hereby authorized to submit the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Twelve to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and to the State Comptroller, as required by state law.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

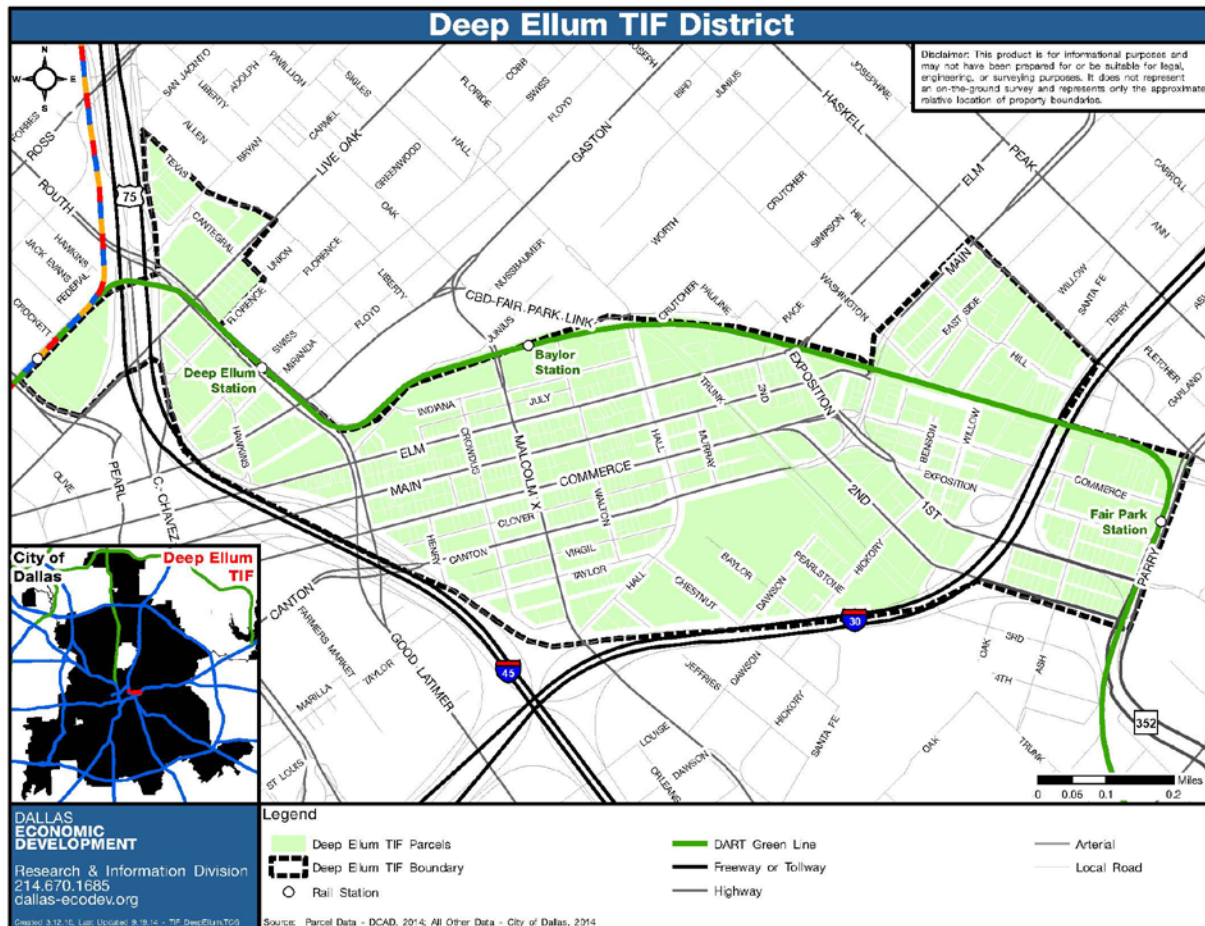
Deep Ellum TIF District FY 2015 Annual Report



City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 670-4551
<http://www.dallas-ecodev.org>

October 1, 2014 to September 30, 2015



Source: Parcels - DCAD, 2009; Rail - DART, 2009; All Other Data - City of Dallas, 2014

Reinvestment Zone Number Twelve Deep Ellum Tax Increment Financing District

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Mission Statement

The mission of the Deep Ellum Tax Increment Financing District is to provide a source of funding for public infrastructure improvements anticipated to enhance the real estate market for the Deep Ellum TIF District area. The Deep Ellum Tax Increment Financing (TIF) District represents the outgrowth of the City of Dallas' effort to provide a model for redeveloping districts to take full advantage of the expanding DART light rail system, promote transit oriented development, improve the historic core area of Deep Ellum, implement appropriate urban design standards to differentiate and brand the area, and improve the quality of development east of Downtown.

The Deep Ellum TIF District (the "District") was established in June 2005 to assist in the transformation of the Deep Ellum area into a more diversified, pedestrian friendly, mixed-use neighborhood in the area and improve the urban fabric and connections between Central Expressway and Fair Park. Strengths of the District include a mix of unique and historic buildings that create an identifiable district, adjacency to three DART light rail stations and proximity to Downtown Dallas, the Arts District, Dallas Farmers Market, Baylor Medical Center, and Fair Park.

The Dallas City Council established the Deep Ellum TIF District by Ordinance Number 26043 on June 22, 2005. The Deep Ellum TIF District took effect on January 1, 2006 and is scheduled to terminate on December 31, 2027 (including collection of the 2027 increment on calendar year 2028 and any related matters to be concluded in 2028) or when the budget of \$30 million (2006 dollars) has been collected. The TIF boundary and final plan were amended in 2008, 2011, and the final plan was also amended in 2014. The City of Dallas and Dallas County are the two participating jurisdictions; the City's participation rate is 85% of incremental property taxes collected, and the County's participation rate is 55%.

Deep Ellum TIF District Accomplishments

To date, in property value increased by \$125.9 million within the district, including improvements on the Bill Reed building (now Three Three Three First Avenue), town home/loft construction, and construction of the Ambrose Apartments on Indiana Street at N. Malcolm X Boulevard, the Olympia Arts building and Elan City Lights Phase 1, an increase of 66.6% from the 2014 base value. This increase of \$125.9 million is due to over \$82.1 million (65.2%) in new development projects and approximately \$43.8 million (53.3%) in property value appreciation.

During the FY 2011, DART completed construction of the new SE-1 Corridor light rail line, which included the Deep Ellum, Baylor, and Fair Park stations within the Deep Ellum TIF District.

Completion of the Ambrose set the stage for future residential development in the area. In FY 2014-15, construction was completed on the City Lights Phase I project located at the northeast corner of Live Oak Street and Good - Latimer Expressway. Other

apartment developers have begun looking at the Deep Ellum area as well. Redevelopment of consolidated property in the commercial core of Deep Ellum and planned reinvestment in these properties, including the Deep Ellum Crossroads and Westdale 2800 DE projects, with the hope to increase commercial interest in the area.



Baylor Light Rail Station



Fair Park Light Rail Station



*The Ambrose on
Indiana Street*



Elan City Lights



Commerce Street Lofts



Eastside Lofts



"The Olympia Arts" Building



Pecan Lodge



Reel FX

Deep Ellum TIF District Projects ¹						
Projects and Potential Projects Within TIF District Utilizing TIF Funding ²						
Project	Location	Calendar Year Complete	Status	Units/ SF	Approx. Value ³	TIF Investment
Olympia Arts	4000 East Side Ave / 3995 Benson St	2010	Completed	25,116 SF office, 4,040 SF commercial	\$1,080,000	\$595,000
Deep Ellum Crossroads	Main and Commerce Streets	2017	Planned	59,058 SF Retail, 4,800 SF Open Space	\$14,000,000	\$3,500,000
Westdale 2800 DE	Main and Elm Streets	2016	Planned	30,595 SF Retail, 13,740 SF Open Space	\$7,000,000	\$1,600,000
Total				0 res. units; 0 SF retail, 25,116 SF office, 4,040 SF Commercial	\$1,080,000	\$595,000
Projects Within TIF District Not Utilizing TIF Funding ¹						
City Lights Phase I	814 N Good Latimer	2015	Completed	424 res. units	\$24,531,200	\$0
The Ambrose	2901 Indiana St.	2008	Completed	325 res. units; 15,000 SF Retail	\$46,000,000	\$0
Commerce Street Lofts	3701, 3703, 3705, 3507, 3509, 3711, 3713, & 3715 Commerce St.	2007	Completed	8 live/ work units (approx. 18,000 SF)	\$2,019,820	\$0
Eastside Lofts	500, 502, 504, 506 1 st St.	2006	Completed	4 residential units (approx. 9,300 SF)	\$1,156,000	\$0
Reel FX	301 N Crowdus	2014	Completed	67,166 SF Office, Streetscape Improvements	\$5,164,580	\$552,000
Total				761 res. units; 15,000 SF retail, 67,166 SF Office	\$78,871,600	\$552,000
Total Projects Within TIF District Utilizing and Not Utilizing TIF Funding						
Total (TIF and Non-TIF)					\$79,951,600	\$1,147,000
761 res. Units, 15,000 SF Retail Space, and 96,322 SF Office Space Completed					Completed	
18,540 SF Open Space and 89,653 SF Retail Space Planned					\$21,000,000	\$5,100,000
					Planned	
¹ All information updated as of September 30, 2015 ² All TIF funded projects. ³ Based upon estimated market value at completion or of comparable projects for anticipated projects, or DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF district for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.						

The City and community partners have initiatives in and adjacent to the district that began in FY 2014 or have been ongoing. Together, over \$13,041,609 in bond funding, grant funding, federal funds, and private funds will be spent for these projects. They will help to support transit oriented development, implement appropriate urban design standards, improve pedestrian connections between downtown, Fair Park, the Farmers Market, and the Baylor University Medical Center, and improve the quality of development east of downtown.

The Reel FX infrastructure project includes as part of the incentive package for Reel FX, streetscape improvements including the reconstruction of street paving, landscaping, drainage and wastewater main improvements on Indiana, west from Malcolm X Boulevard, and on Crowds Street north of Elm Street. On June 25, 2012, the Deep Ellum TIF board approved the use of TIF funds as part of an incentive package for Reel FX, to be used for streetscape improvements on Indiana and Crowds Streets adjacent to the Reel FX building. The incentive package for Reel FX, including streetscape improvements, was previously authorized by City Council on June 27, 2012. Dallas Water Utilities (DWU) has agreed to pay for the water/wastewater improvements that are located under the streets while TIF funds will be utilized for its design and construction. Since approval of the overall project, the costs of the streetscape and infrastructure improvements along Indiana and Crowds Streets have increased and an additional \$100,000 of funding was allocated from the Deep Ellum TIF District Funds to finance the completion of the project with the remainder funded by 2006 Prop 8 Bond funds. Total financial incentives for the Real FX project are \$1,180,980: \$552,000 Deep Ellum TIF District Funds; \$451,800 other sources.

On August 27, 2008, City Council authorized a professional services contract with TranSystems Corporation for the engineering design of streetscape improvements on Commerce Street, Main Street and Elm Street from Good Latimer Expressway to Hall Street and on Good Latimer Expressway from Canton Street to Elm Street. This action will authorize a construction contract for the reconstruction of street paving, storm drainage, water and wastewater mains and streetscape improvements for Elm Street from Good Latimer Expressway to Exposition Avenue. During the early design phase and after a series of meetings with project stakeholders and City staff, the decision was made to expand the scope of design on Commerce Street and Elm Street. The limits of the project on Commerce Street and Elm Street were proposed to be expanded from Hall Street to Exposition Avenue in order to obtain a continuous look and feel through all of Deep Ellum and to design the optimal connection of both Elm Street and Commerce Street to the future Fair Park Link Extension. The scope of the design project was also proposed to be broadened to include "complete street concepts" to accommodate the needs of pedestrians, cyclists, vehicles and businesses. The redesign included wider sidewalks, new roadway, recessed parallel parking spaces and streetscape improvements. The redesign allowed continued one-way traffic flow or conversion to two-way traffic flow on both Elm Street and Commerce Street. Prior actions authorized the reprogramming of the available bond funds from the Commerce Street, Main Street and Good Latimer projects to fund the full design of the expanded scope for Elm Street and Commerce Street and construction of the proposed improvements for Elm Street

only. The proposed improvements for the expanded limits of Commerce Street will be proposed for inclusion in a future bond program.

The CBD Fair Park Link project is a principle arterial thoroughfare project to connect Downtown (CBD) to Fair Park by extending the Fair Park Link from Hall Street to I30. It is a 4-lane undivided roadway from Hall St to Race St and divided roadway from Race St to Main Street with an additional conceptual thoroughfare from Main St. to IH- 30. The design from Hall St. to the intersection with Elm/Exposition will include a 14 foot wide bike trail on the DART side of the alignment. This is new roadway with no existing right-of-way so the necessary property acquisition is extensive. The Thoroughfare will be a 5-lane undivided Roadway transitioning from Hall St. to Elm into a 4-lane divided roadway with sidewalks. The project also includes Bike lanes from Hall Street connecting to the East Dallas Veloway Bike Trail near Elm Street. The 2006 Bond Program funded conceptual design and right-of-way acquisition from Hall Street to IH-30 and full design and construction funding for the segment from Hall Street to Main Street. This new roadway which will serve as an arterial connector from the CBD area to Fair Park as well as a connector from IH-30 to Baylor Medical Campus, Deep Ellum and the CBD. The alignment for this thoroughfare was approved by City Council on December 9, 2009. Additional design includes a bike trail and landscape improvements that aren't included in the scope. The proposed alignment of CBD-Fair Park link from Hall St. to Hickory St. in conjunction with TXDOT's improvements to IH-30 will provide a direct arterial link connecting IH30 to the Baylor University Medical Campus, Deep Ellum, and Wilson Historic District. Currently the project is supported by 2006 Bond funds (\$4,125,929)

On May 28, 2014, City Council approved a zoning amendment that impacted to district (Planned Development District-269), amending certain use regulations and development standards. These amendments would amend certain use regulations and development standards. The amendment were brought forward by the Deep Ellum Association Foundation and other stakeholders and resulted from numerous meetings between 2011 to present. The recommended amendments incorporate new uses, modify parking reductions for uses in original buildings, simplify the ability to enter into shared parking agreements, and encourage the development of outside seating and provision of amenities in and adjacent to street right-of-way. The reduced parking requirements for multifamily, office, retail and restaurant uses in original buildings and additions to original buildings, is intended to encourage the preservation of original buildings and encourage an appropriate mix of uses. The proposed parking reductions are possible because of the location of the two DART stations in the district and a substantial number of parking lots and metered spaces in the area. In addition, the Santa Fe Trail ends just to the east of the district boundaries. The proposed amendments are focused on the type of development envisioned for this area as it provides for additional housing and recreational activities in the urban core of downtown area and is in compliance with the vision of the Downtown 360 Plan.

District Initiatives				
Activity	Scope	Status	Investment/source	Comment
Reel FX Infrastructure	Streetscape and infrastructure improvements along Indiana and Crowds	Completed	\$923,000 (Minus \$107,170 spent by PW, To be spent includes \$552,000 TIF funds, \$428,980 Public-Private ECO funds and \$350,000 from DWU for Utilities)	Eco Dev driven and largely funded project with agreement the Reel FX location will stay and expand. Project is under construction and scheduled to be complete in spring of 2015.
Main Street	Complete Street (Main from Good Latimer to Exposition)	In Design	\$734,700 2012 - Bond Funds	The project is under design and expected to be completed Summer 2016. Construction will be awarded in Fall 2016. Project scope and schedule will be coordinated with the approved Deep Ellum TIF public-private projects.
CBD/Fair Park Link - Hall St. to I-30	Construct a new five undivided roadway on new right-of-way from Hall St. to Main St. Secure right of way only to accommodate a six lane divided roadway from Main St. to Canton.	In Design	\$4,125,929 2003 - Bond Funds	The project has completed its final design phase. Project is scheduled to award construction in 2016. Construction is expected to start in spring of 2016 and be complete by the end of 2017.
Elm Streetscape	Streetscape – Elm from Good Latimer to Hall	Under Construction	\$7,000,000 2006 - Bond Program	2006 BP funded project. 2006 streetscape bond program funded projects on Commerce, Main and Elm Streets in Deep Ellum were reprogramed to fund "complete Street" design of both Commerce and Elm and construction of only Elm St. The Elm street project is under construction and scheduled to be complete in spring of 2015
			\$1,300,000 DWU	
Commerce Streetscape	Streetscape - Commerce from Good-Latimer to Hall	In Design	\$1,743,681 2006 - Bond Funds	2006 BP funded project. 2006 streetscape bond program funded projects on Commerce, Main and Elm Streets in Deep Ellum were reprogramed to fund "complete Street" design of both Commerce and Elm and construction of only Elm St. The Commerce street project is in design and scheduled to be completed in Winter of 2015
East Dallas Veloway Ph II - Trail from Elm St to Parry Avenue	Construct 12' hike and bike trail	Under Award for construction	NA 2006-Park & Rec Dept. Bond Funds	Project is scheduled to start construction in December 2014 and scheduled to be complete in Winter of 2016.

Value and Increment Revenue Summary

The Deep Ellum TIF District's assessed 2015 taxable value was \$315,062,667. Compared to previous years, the value increased as a result of the addition of the Elan City Lights apartment development and improved existing developments on Main owned by 42 Deep Ellum, LP and Westdale Associates. This represents an increase of \$63,803,556 (20.3%) from the 2014 value and an increase of \$125,900,054 (66.6%) from the previous 2014 base year value. This resulted in total increment revenue collected in 2015 of approximately \$852,910.

Objectives, Programs, and Success Indicators

The final Deep Ellum Project Plan and Reinvestment Zone Financing Plan as amended was adopted on April 12, 2006 and amended in September 2014. Among the goals of the Plan are:

- To create additional taxable value attributed to new private investment in projects in the Deep Ellum TIF District totaling approximately \$795 million.

Completed projects within the district contributed approximately \$79.9 million in additional taxable value (10.1% of goal).

- To attract new private development in the Deep Ellum TIF District totaling approximately 650,000 square feet of retail space, 850,000 square feet of office space, 500 hotel rooms, and at least 3,500 new residential units including lofts, town homes and apartments.

Completed projects and projects underway within the district contributed approximately 15,000 square feet of retail (2.3% of goal), 96,322 square feet of office/commercial (11.3 % of goal), no hotel rooms, and 761 additional residential units (21.7% of goal), and planned projects will contribute approximately 89,653 square feet of retail (13.8% of goal) totaling 194,306 square feet of retail (16.1% of goal), 96,322 square feet of office/commercial (11.3% of goal), no hotel rooms, and 761 residential units (21.7% of goal).

In 2011 City Council authorized the sale approximately 83,478 square feet of unneeded and unwanted City-owned land located near the intersection of Live Oak and Cantegral Streets to the developer of the proposed City Lights project. The City Lights project, Elan City Lights was completed in 2015.

In 2012 City Council authorized \$1,180,980 public-private partnership investment in Reel FX to retain 250 employees and add 125 employees over two years to the Reel FX headquarters at 301 North Crowds Street. A portion of the funds are for remodeling and construction on the property

and for the 67,166 square foot building. The TIF Board moved to partially reimburse the costs of streetscape improvements to enhance the pedestrian environment and visual connectivity of that area of the TIF District (\$552,000 in TIF Funds including 2014 adjustments). The project was completed in 2015.

- To reach ridership at future DART light rail stations in the district averaging over 3,000 riders per weekday by 2025.

The SE Corridor (Green Line) DART light rail line opened in December 2010 complementing the Deep Ellum, Baylor, and Fair Park light rail stations which opened in 2009. In 2015, average ridership per weekday is 308 at the Deep Ellum Station, 893 at the Baylor Station, and 921 at the Fair Park Station for a total average weekday ridership of 2122.

- To improve access and connections to the DART light rail system within the district.

Staff and the Board will continue to foster working relationships with DART and potential developers to encourage access and connections to these stations.

In 2012 design work began for streetscape improvements on Indiana Street east of Malcolm X Boulevard (near the Deep Ellum DART Station) and on Crowds Street between Indiana Street and Elm Street. Improvements include enhanced pedestrian crosswalks and a plaza at the Reel FX headquarters serving as a terminating vista on Crowds Street through Deep Ellum. Construction was completed in Spring 2015.

- To support the conversion of the Deep Ellum area to a mixed-use, transit-oriented neighborhood that complements Baylor Medical Center, Downtown Dallas, Latino Cultural Center and Fair Park.

Streetscape improvements and the changing from a one-way to a two-way street were included in the 2006 Bond program for Elm Street between Exposition Avenue and Good-Latimer Expressway. Planned improvements include wide sidewalks street trees, benches and bike racks; parallel parking; marked pedestrian crossings; and bikes sharing the two lanes of traffic. Work was completed in Spring of 2015. Additional funds will be needed to complete Commerce Street. Main Street from Good Latimer to Exposition under the Complete Street program is currently under design with construction expected to be completed by Fall 2017. Improvements include sidewalk repair, utility improvements and upgrades existing lighting fixtures. Final scope of work is still being developed with the Deep Ellum Foundation, who are looking to contribute

funds for furtherer improvements. At such time Elm and Commerce Streets will be converted to two-way operations.

Staff and the Board will continue to foster a working relationship with Baylor University Medical Center, DART, and potential developers to encourage transit oriented development that complements the district. When possible, staff and the Board will also take special studies into account. Though not physically in the TIF District, Baylor continues to be a powerful demand generator for Deep Ellum. Baylor University Medical Center at Dallas is a 1025-bed not-for-profit teaching hospital, providing patient care and research to residents of Dallas and the southwest United States. This nationally acclaimed medical center serves as flagship hospital for Baylor Health Care System and in 2009 was recertified as a Magnet Hospital for "Excellence in Nursing Services" from the American Nurses Credentialing Center -- the organization's highest level of recognition which merely two percent of hospitals nationwide have received. Also, Baylor University Medical was recognized in U.S. News & World Report's 2012 "America's Best Hospitals," a recognition that it has received for the past twenty consecutive years.

To address the immediate health needs of the community, in 2009 Baylor Dallas announced the creation of it Diabetes Health and Fitness Center. The program opened June 2010 at the Juanita J. Craft Recreation Center, providing treatment and prevention services to the area's medically underserved population. The Institute has a health clinic staffed by doctors and other medical specialists, affordable medications, plus diabetes education ranging from nutrition and cooking classes to exercise programs. The Craft Recreation Center continues to offer its regular services in addition to the institute's expansion. Baylor has invested \$15 million into the center which is open to all regardless of residency, insurance or income.

Growth and development on the hospital's campus was celebrated in several ways during 2009. In April, Baylor University Medical Center announced that it was the first hospital in the country to collaborate with GE Healthcare and BrainLAB to open technically advanced neurosurgery operating suites. The technology allows neurosurgeons on the medical staff to use real-time, intra-operative images of the brain during surgery. The \$16.5 million operating suites and four operating rooms opened along with implementation of a high-definition magnetic resonance scanner and BrainSUITE iMRI navigation system. The technology was implemented to help physicians more accurately view a tumor's location and remove diseased tissue with minimal impact. The \$350 million expansion of the Baylor Charles A. Sammons Cancer Center at Dallas opened in 2011.

- To increase recreational opportunities, public open space and improve connections to the City of Dallas trails and open space system in the District.

Extension of the Santa Fe Trail (East Dallas Veloway II Project) into Deep Ellum was completed from Woodrow Wilson High School to Hill Avenue in 2010. The Trail was extended from Deep Ellum to White Rock Lake with the completion of the bridge over Winstead Drive in December, 2010.

Funding was approved in 2013 to construct the hike and bike trail and associated storm drainage, water and wastewater appurtenance adjustments for the East Dallas Veloway, Phase II Extension from Elm Street to Parry Avenue. Construction has begun with completion expected by Spring 2016.

Installation of the Core Connector Bicycle lanes and shared lane markings in 2012 now connect the Santa Fe Trail to the Katy Trail through Deep Ellum and downtown. Funding was granted to the Deep Ellum Foundation which installed Bicycle Fix-It Stations in Deep Ellum.

As part of the planned Deep Ellum Crossroads and Westdale 2800 DE projects, 18,540 square feet of open space is being created with uses include plazas, public seating, and pedestrian walking areas to enhance walkability in the district.

The Staff and the Board will continue to encourage developers to create linkages to the trail system as well as additional bicycle facilities.

- To generate approximately \$30.0 million (net present value) in increment over 20 years of collections.

The assessed property value from the base year to 2015 increased by approximately 66.6% including an increase of 25.4% since 2014. This is an increase of approximately \$125.9 million. Based upon current estimates and established 2014 values, the district will generate \$29,992,935 (in 2006 dollars) by FY 2027 before the TIF expires in 2028.

- To diversify retail and commercial uses in the district.

In 2011 the staff and the Board saw the Phases I, II, & III of the Olympia Arts completed, which along with the Ambrose development, added over 44,000 square feet of retail, service, and commercial space. The staff and the Board will continue to work to expand retail and commercial uses to meet the existing and growing needs of the residential population and the increased traffic as a result of the expansion of the DART Light Rail system into the area.

In 2014, City Council approved the redevelopment of multiple buildings and parking lots along Main and Commerce for the Deep Ellum Crossroads project which will add 50,058 square feet of retail and restaurant space along with the creation of 4,800 square feet of open space.

In 2015, City Council approved the redevelopment of multiple buildings and parking lots along Main and Elm for the Westdale 2800 DE project which will add 30,595 square feet of retail and restaurant space along with the creation of 13, 740 of open space.

- Encourage the redevelopment of the property located on Live Oak Street north of the Latino Cultural Center including the sale of some City-owned property in the area and some street abandonment to create a more usable site.

In 2008, the boundaries of the Deep Ellum TIF District were amended to include the City of Dallas Latino Cultural Center and the site of the City Lights Project. These two sites comprise 10.2 acres. This boundary amendment was initiated to promote new development and increased urban density near the Latino Cultural Center and nearby the Deep Ellum DART Light Rail station.

Year-End Summary of Meetings

The Deep Ellum TIF District Board met two times during the fiscal year from October 1, 2014 to September 30, 2015. The Board approved and forwarded two (2) items to City Council for approval. An additional two (2) items related to properties in the TIF District were also considered by Council during the year. The most significant of these actions related to approval of the Westdale 2800 DE redevelopment project.

The Board can consist of up to ten members, including five City of Dallas appointees, one Dallas County appointee. Board members are (FY 2015 Board meetings attended): Chuck Hixson – City Representative (1 of 2 meetings; excused from second meeting due to conflict of interest), Charles Shelburne – City Representative (2 of 2 meetings), Joseph O'Brien City Representative (2 of 2 meetings), Chase Evans – City Representative (2 of 2 meetings), Herbert Goodman – City Representative (1 of 2 meetings; resigned subsequently to 2nd meeting), Gene Dennis – City Representative (2 of 2 meetings), and Rick Loessberg – Dallas County Representative (1 of 2 meetings). There is one (1) vacant position on the Board as of September 30, 2014.

During the fiscal year the City Council approved six (6) items associated with the Deep Ellum TIF District. In an ongoing effort for Deep Ellum to improve the area for more suitable and compatible commercial uses, bars, lounges, taverns and similar establishments are required to obtain a Specific Use Permit (SUP) from the City of Dallas to comply with new zoning regulations.

- On October 8, 2014, City Council by Resolution No. 14-1685, authorized an increase in the contract with Omega Contracting, Inc. for the addition of paving, drainage and streetscape improvements for the Deep Ellum Streetscape Project on Elm Street from Good Latimer Expressway to Exposition Avenue, Crowds Street from Elm Street to Indiana Boulevard and Indiana Boulevard from July Alley to Malcolm X Boulevard - Not to exceed \$1,078,167, from \$6,284,202 to \$7,362,369 - Financing: 2006 Bond Funds (\$261,639) and Deep Ellum TIF District Funds (\$816,528).
- On December 10, 2014 City Council by Resolution No. 14-2123, authorized an ordinance correcting Chapter 51P, Dallas Development Code: Planned Development District Regulations, of the Dallas City Code, as amended by correcting (1) Planned Development Subdistrict No. 71 within Planned Development District No. 193, the Oak Lawn Special Purpose District; (2) Planned Development District No. 269, the Deep Ellum/Near East Side District; (3) Planned Development 298, the Bryan Area Special Purpose District; (4) Planned Development District No. 878; (5) Planned Development District No. 914; and (6) Planned Development District No. 922 - Financing: No cost consideration to the City.
- On February 25, 2015, City Council by Resolution No. 15-0359, accepted the FY 2014 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Twelve, (Deep Ellum TIF District), submitted by the Deep Ellum TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City.
- On February 25, 2015, City Council by Resolution No. 15-0427, held a public hearing to receive comments on a proposed municipal setting designation to prohibit the use of groundwater as potable water beneath property owned by Elan Dallas City Lights Owner, LP; TM Development Partners, LTD; and Minerva Partners, LTD located near the intersection of Live Oak Street and North Good Latimer Expressway and adjacent street rights-of-way; and an ordinance authorizing support of the issuance of a municipal setting designation to Elan Dallas City Lights Owner, LP by the Texas Commission on Environmental Quality and prohibiting the use of groundwater beneath the designated property as potable water - Financing: No cost consideration to the City Recommendation of Staff: Approval.
- On March 25, 2015, City Council by Resolution No. 15-0541, held a public hearing to receive comments on a proposed municipal setting designation to prohibit the use of groundwater as potable water beneath property owned by Uplift Education located near the intersection of Elm Street and Crowds Street and adjacent street rights-of-way; and an ordinance authorizing support of the

issuance of a municipal setting designation to Uplift Education by the Texas Commission on Environmental Quality and prohibiting the use of groundwater beneath the designated property as potable water - Financing: No cost consideration to the City Recommendation of Staff: Approval.

- On April 22, 2015, City Council by Resolution No. 15-0774, authorized an Authorize (1) a development agreement with Westdale Properties America I, LTD, to dedicate future TIF revenues for reimbursement of eligible project costs related to paving, streetscape and lighting, open spaces and trails, and façade restoration for redevelopment of 2821-2823 Main Street, 2810, 2816-2818, and 2826 Elm Street and the corner parking lot at 2825 Main Street, located in Tax Increment Financing Reinvestment Zone Twelve (Deep Ellum TIF District); and (2) the Deep Ellum TIF District Board of Directors to dedicate an amount not to exceed \$1,600,000 from future Deep Ellum TIF District revenues, in accordance with the development agreement - Not to exceed \$1,600,000 - Financing: Deep Ellum TIF District Funds.

Pending TIF Items

The pending items for the Deep Ellum TIF District include:

- City Council consideration of the FY 2015 Annual Report regarding the development and financial status of the District.
- City Council consideration of potential development projects in the Deep Ellum TIF District.

Budget and Spending Status

Each TIF district establishes a budget for the public improvement expenditures necessary to support private investment in the district in the Project Plan and Reinvestment Zone Financing Plan. The Deep Ellum TIF District was established in June 2005 and did not collect or allocate any revenue in FYs 2006, 2007 & 2008; however, the Project Plan and Budget were amended in FY 2008 and 2014 and project allocations were made for the Olympia Arts project and streetscape improvements to Crowds/Indiana (part of Reel FX development project). Preliminary estimates for TIF public improvements total \$57,598,048 million \$29,992,935 in 2006 dollars). The amended budget for the TIF district is below.

Deep Ellum TIF District Project Plan Budget Projected Increment Revenues to Retire TIF Fund Obligations			
Category	TIF Budget*	Allocated**	Balance
Water, Wastewater, Storm & Off-site Utility Replacement	\$2,403,035	\$138,183	\$2,264,852
Paving Streetscape & Lighting	\$27,940,883	\$2,104,134	\$25,836,749
Open Space & Trails	\$2,716,474	\$1,197,998	\$1,518,476
Façade Restoration /Environmental/Remediation/Demolition***	\$10,643,883	\$2,857,288	\$7,786,595
Latino Cultural Center Area Improvements	\$9,629,490	\$0	\$9,629,490
Administration & implementation	\$4,386,446	\$300,058	\$4,086,388
Total Project Costs (excluding interest)	\$57,720,211	\$6,597,661	\$51,122,550
*Budget shown above in current dollar; TIF Project Plan shows the budget in net present value.			
**Project and Administrative costs are allocated as increment collection began in FY 2008			
***Includes \$775,000 Grant under Façade Restoration/Environmental/Remediation/Demolition			

Deep Ellum TIF District Project Plan Budget	
Category	TIF Budget*
Water, Wastewater, Storm & Off-site Utility Replacement	\$1,247,748
Paving Streetscape & Lighting	\$14,507,977
Open Space & Trails	\$1,410,498
Façade Restoration/Environmental Remediation & Demolition	\$5,526,712
Latino Cultural Center Area Improvements	\$5,000,000
Administration and Implementation**	\$2,300,000
Total Project Costs (excluding interest)	\$29,992,935
<i>* As approved in the Project Plan and Reinvestment Zone Financing Plan as amended September 10, 2014. Note: TIF Board may amend Project Plan budget with City Council approval.</i>	

FY 2016 Work Program

The FY 2016 work program for the Deep Ellum TIF District includes:

- Improve the pedestrian environment through sidewalk improvements, landscaping, lighting and design standards.
- Provide funding for environmental remediation and interior/exterior demolition assistance to encourage redevelopment of land within the Deep Ellum TIF District.
- Upgrade basic infrastructure including storm drainage, water/wastewater lines, and burial of overhead utilities to support redevelopment in the District.
- Coordinate linkages with the three DART light rail stations located in the District by extending streetscape improvements between stations to create an extended pedestrian area to destinations such as the Latino Cultural Center, the Baylor Hospital Campus, the Old Dallas High School site, and Fair Park.
- Direct overall development of the Deep Ellum TIF District through the application of design guidelines for public improvements and private development.
- Encourage development of new residential and retail uses to complement the District.
- Encourage redevelopment of the commercial core area of Deep Ellum to complement the existing building stock, diversify the retail mix and encourage infill development and structured parking.

Appendix: Financials

City of Dallas, Texas
Deep Ellum Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2015

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.
2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).
3. The Zone's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.
4. The Zone's Financial Plan permits expenditures not to exceed \$2,300,000 over the life of the TIF to reimburse the City for administrative costs. The Zone began reimbursing the General Fund in fiscal year 2009-10. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.
5. All project costs resulting in capital improvements that are owned by the City are capitalized by the City.
6. "Due to general fund" amount of \$6,963 at September 30, 2015 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

City of Dallas, Texas
Deep Ellum Tax Increment Financing District Fund
Balance Sheet as of September 30, 2015 (Unaudited)
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Assets:					
Pooled cash and cash equivalents	\$1,613,524	\$1,226,235	\$785,790	\$508,807	\$250,043
Interest receivable	\$1,971	\$1,303	\$862	\$380	\$903
Total assets	\$1,615,495	\$1,227,538	\$786,653	\$509,187	\$250,945
Liabilities and Fund Balance (Deficit):					
Liabilities:					
Accounts and contracts payable	\$0	\$203,343	\$28,465	\$0	\$0
Advances from developers	\$0	\$0	\$0	\$0	\$0
Accrued interest	\$0	\$0	\$0	\$0	\$0
Accrued liability	\$8,897	\$0	\$0	\$0	\$0
Due to general fund	\$6,963	\$6,963	\$6,963	\$0	\$0
Total liabilities	\$15,860	\$210,306	\$35,428	\$0	\$0
Fund Balance (Deficit):					
Fund Balance (Deficit)	\$1,599,635	\$1,017,232	\$751,224	\$509,187	\$250,945
Total Liabilities and Fund Equity	\$1,615,495	\$1,227,538	\$786,653	\$509,187	\$250,945
	\$0	\$0	\$0	(\$0)	\$0

Deep Ellum Tax Increment Financing District Fund
Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)
For the Period September 30, 2015 (Unaudited)
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)

	<u>ITD</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Revenues:						
Tax increment-Governmental	\$2,164,213	\$421,447	\$377,203	\$275,743	\$239,543	\$258,361
Tax increment-Intergovernmental	\$498,975	\$95,143	\$84,572	\$64,841	\$62,217	\$61,623
Interest income	\$24,566	\$6,616	\$4,678	\$3,481	\$1,942	\$1,492
Developer contribution	\$399,150	\$345,658	\$53,491			
Net increase (decrease) in fair value of invest	\$3,411	\$3,525	(\$754)	(\$87)	(\$47)	\$290
Total revenues	\$3,090,314	\$872,389	\$519,189	\$343,978	\$303,655	\$321,767
Expenditures:						
Administrative expenses	\$300,058	\$48,500	\$29,813	\$13,030	\$29,413	\$49,030
Non-Capital Outlay	\$43,424	\$0	\$0	\$7,386	\$16,000	\$10,750
Capital outlay	\$1,147,198	\$241,487	\$223,368	\$81,525	\$0	\$208,514
Interest and fiscal charges	\$0	\$0	\$0	\$0	\$0	\$0
Total expenditures	\$1,490,679	\$289,987	\$253,181	\$101,941	\$45,413	\$268,295
Excess (Deficiency) of Revenues over Expenditures	\$1,599,635	\$582,403	\$266,008	\$242,037	\$258,242	\$53,472
Fund balance (Deficit) at beginning of year as previously reported	\$0	\$1,017,232	\$751,224	\$509,187	\$250,945	\$197,474
Fund balance (Deficit) at beginning of year, as restated	\$0	\$1,017,232	\$751,224	\$509,187	\$250,945	\$197,474
Fund balance (deficit) at end of year	\$1,599,635	\$1,599,635	\$1,017,232	\$751,224	\$509,187	\$250,945

Note: Fiscal year 2014-15 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.

City of Dallas, Texas
Deep Ellum Tax Increment Financing District Fund
Reinvestment Zone Number Twelve
As of September 30, 2015

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

1. Amount and source of revenue in the tax increment fund established for the zone:

\$10,140 Interest Income
\$516,591 Ad Valorem Taxes (Collected in FY'2014-15 based on 2014 Final Tax Roll)
\$345,658 Developer contribution
\$872,389 Total Revenue

2. Amount and purpose of expenditures from the fund:

\$48,500 Administrative Expense
\$0 Non-Capital Outlay *
\$241,487 Capital outlay *
\$0 Additional Subsidy in Form of Grant (in lieu of interest expense)
\$289,987 Total Expenditures

(1) These expenditures were for the following projects:

Crowdus/Indiana Streetscape Design	\$241,487
Other	\$0
Total	\$241,487

3. TIF Administration Costs:

The Zone continued to reimburse the General Fund for administrative costs incurred during the fiscal year.

4. a. Amount of Principal and Interest due-on outstanding bonded indebtedness:

Deep Ellum TIF District has incurred no bonded indebtedness as of September 30, 2015.

b. The Zone entered into a development agreement with 42 Deep Ellum, LP for the development of Deep Ellum Crossroads project in an amount not to exceed \$3,500,000 with anticipated completion in 2017 and reimbursement to begin thereafter subject to availability of TIF funds.

5. Tax increment base and current captured appraised value retained by the zone:

Taxing Jurisdiction	Taxable Value 2015 *	Base Year 2008 Value	Est. Captured Value 2015**
City of Dallas	\$315,062,667	\$189,162,613	\$125,900,054
Dallas County	\$322,567,943	\$189,363,589	\$133,204,354

* 2015 taxable value shown for participating taxing jurisdictions. County values are approximate and will vary slightly from the City value due to different exemption levels.

** Based on Certified Taxable Values. Final values will be determined on February 01, 2016.

6. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

Taxing Jurisdiction	Amount of	
	Assessment Per \$100***	Estimated 2015 Increment****
City of Dallas	0.67745	\$852,910
Dallas County	0.13371	\$178,101
Total for all Jurisdictions	\$0.81116	\$1,031,011

***Participation rates for City of Dallas and Dallas County are 85% and 55% respectively for tax years 2008 - 2021.

****The District began collecting increment in fiscal year 2008-09.

B. The total amount of estimated tax increment to be billed for the 2015 tax year is \$1,031,011. For 2014 Tax year, increment in the amount of \$516,591 was received.

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 7

DEPARTMENT: Office of Economic Development

CMO: Ryan S. Evans, 671-9837

MAPSCO: 46 J K N P S T

SUBJECT

A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Thirteen, (Grand Park South TIF District), and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 26147 on October 26, 2005, establishing Tax Increment Financing Reinvestment Zone Number Thirteen, (Grand Park South TIF District). On June 13, 2007, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 26773.

The Grand Park South TIF District's assessed 2015 taxable value was \$54,936,261. Compared to previous years, the value increased as a result of the addition new houses in the Fair Park Estates built by the Southfair Community Development Corporation and apartments built by Urban Mixed Use LLC. This represents an increase of \$10,086,242 (22.5%) from the 2005 base year value of \$44,850,019 and an increase of \$5,904,434 (12.04%) from the previous year. The current year's value is higher than the previous year's value, resulting in total increment revenue billing in 2015 of approximately \$72,349.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On October 26, 2005, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Thirteen, the Grand Park South TIF District by Ordinance No. 26147, as amended.

On June 13, 2007, City Council authorized the Final Project Plan and Reinvestment Zone Financing Plan for the Grand Park South TIF District by Ordinance No. 26773.

The Grand Park South TIF Board was unable to meet prior to the timeframe necessary for Council action and the Act does not require Board approval of the annual report.

Information about this item will be provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

No cost consideration to the City

February 24, 2016

WHEREAS, the City recognizes the importance of its role in local economic development initiatives and programs; and

WHEREAS, the City has established Tax Increment Financing Reinvestment Zone Number Thirteen, ("Grand Park South TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment in the Grand Park South area pursuant to Ordinance No. 26147, authorized by the City Council October 26, 2005, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, and

WHEREAS, on June 13, 2007, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Grand Park South TIF District by Ordinance No. 26773; and

WHEREAS, the Grand Park South TIF Board was unable to meet prior to the timeframe necessary for Council action and the Act does not require Board approval of the annual report; and

WHEREAS, the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Thirteen, (Grand Park South TIF District), City of Dallas, Texas, as of September 30, 2015, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

Section 2. That the City Manager is hereby authorized to submit the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Thirteen to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and to the State Comptroller, as required by state law.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Grand Park South TIF District FY 2015 Annual Report



City of Dallas

Office of Economic Development
1500 Marilla Street, 5CS
Dallas, Texas 75201
(214) 670-1685
<http://www.dallas-ecodev.org>

October 1, 2014 to September 30, 2015

Reinvestment Zone Number Thirteen Tax Increment Financing District

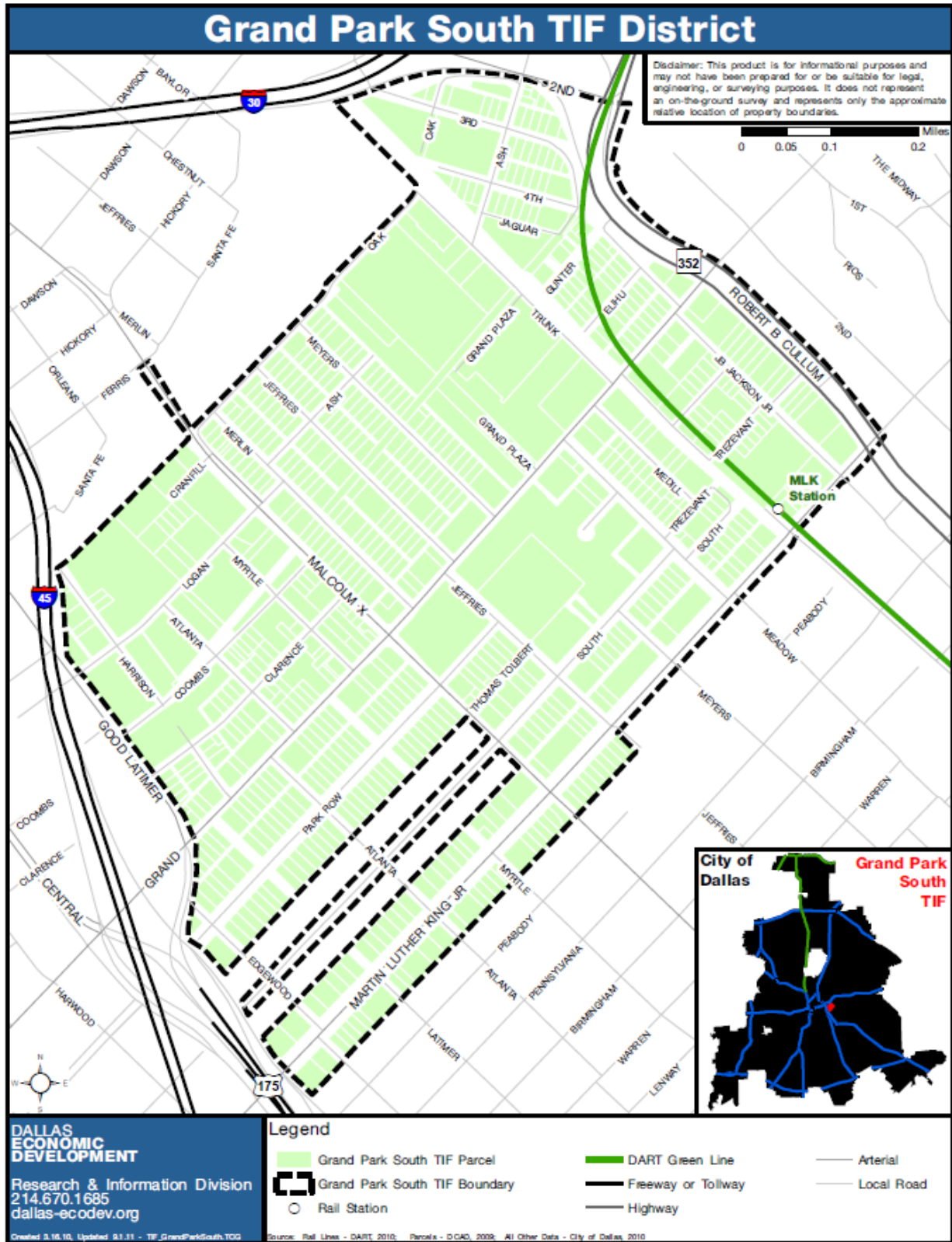


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Mission Statement

The mission of the Grand Park South TIF District is to provide a source of funding for public infrastructure improvements necessary to enhance the real estate market for the Grand Park South TIF District area. The Grand Park South TIF District represents the outgrowth of the City of Dallas' effort to provide a model for redeveloping a former residential area in decline to take full advantage of the expanding DART light rail system, to promote transit oriented development in the historical context of the neighborhood, to implement appropriate urban design standards, and to improve the quality of development south of downtown.

The Dallas City Council established the Grand Park South TIF District by Ordinance Number 26147 on October 26, 2005. The Grand Park South District took effect on January 1, 2006 and is scheduled to terminate on December 31, 2035 (including collection of the 2035 increment in calendar year 2036 and any related matters to be concluded in 2036) or when the budget of \$30.3 million (2006 dollars) has been collected. The City of Dallas and Dallas County are the two participating jurisdictions. The City's participation is 90%, and the County's participation is 65%.

District Accomplishments

The Grand Park South TIF District is composed of neighborhoods to the south of Fair Park including the Grand Avenue, Martin Luther King, Jr. Boulevard, and Malcolm X Boulevard corridors. The district exhibits deteriorated structures, inadequate sidewalks and streets, faulty lot layouts, unsanitary or unsafe conditions, and deteriorated site improvements. These conditions substantially arrest or impair the sound growth of the City and property within the area. The district's strengths include the following:

- Proximity to downtown
- Adjacency to Fair Park
- J.B. Jackson Transit Center which includes DART's Green Line MLK Station
- South Boulevard – Park Row Historic District
- Includes the intersection of Malcolm X and Martin Luther King, Jr. Boulevards, one of only a few such intersections in the country.

September 2014 marked the five year anniversary of the opening of DART's Fair Park and MLK light rail stations. The stations are located along DART's new Green Line which was completed during the first quarter of the fiscal year. It extends approximately 28 miles and links southeast Dallas to Farmers Branch and Carrollton. Ridership in 2014 increased at the Fair Park station and down slightly at the MLK station. For 2015, the Fair Park station averaged 921 riders compared to 1,031 in 2014 while MLK station averaged 1,001 compared to 1,044 in 2014. Fair Park station saw a yearly decrease of 11.2% while MLK saw an increase of 1.1% compared to 2014. Since the stations' opening in 2009, MLK Station has seen an increase in ridership of 31.6% (2009 – 761) and Fair Park Station has seen a decrease in ridership of 17.5% (2009 – 1,117).



DART's Green Line MLK Station is a component of the J.B. Jackson Transit Center



Hall Family Apartments (Under Construction) - Located at 3221 Elihu Street

Grand Park South TIF District Projects

Grand Park South TIF District – Past, Current and Anticipated Projects ¹						
Projects Within TIF District Utilizing TIF Funding						
Project	Location	Units ²	Status	Year Complete	Approx. Investment ³	TIF Investment ⁴
n/a						
¹ All information updated as of September 30, 2015. ² Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage. ³ Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF district for redevelopment projects once pre-existing value and/or the demolition of structures is netted out. ⁴ TBD indicates that development agreement has not yet been adopted and TIF investment is yet to be determined.						

Grand Park South TIF District – Past, Current and Anticipated Projects ¹						
Projects Within TIF District Not Utilizing TIF Funding						
Project	Location	Units and/or size ²	Status	Year Complete	Approx. Investment ³	TIF Investment ⁴
Fair Park Estates, Phase I	Malcolm X Boulevard and Park Row Avenue	30 houses	30 units completed as of 2014 (8 units completed in 2014)	2015	\$3,743,770	\$0
Fair Park Estates, Phase II		2 Houses, 4 Townhomes	2 Single Family Homes and 4 townhomes planned for completion in 2016	TBD	\$468,600	\$0
Phase I – Hall Family Mixed-use Project	3223 Elihu Street	38 apartments	Under Construction	TBD	\$1,652,110	\$0
O'Reilly Auto Parts	3109 MLK Jr. Boulevard	6,000 sf	Complete	2013	\$913,460	\$0
Billy Earl Dade Middle School	2727 Al Lipscomb Way	213,616 sf	Complete	2013	\$30,565,120 (Non-Taxable)	\$0
¹ All information updated as of September 30, 2015. ² Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage. ³ Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF district for redevelopment projects once pre-existing value and/or the demolition of structures is netted out. ⁴ TBD indicates that development agreement has not yet been adopted and TIF investment is yet to be determined.						

Construction was completed on eight additional units in the Fair Park Estates housing development during the fiscal year. Six more units (2 single-family homes and four townhomes) are expected to be completed in the spring of FY 2015-16.

Value and Increment Revenue Summary

The Grand Park South TIF District's assessed 2015 taxable value was \$54,936,261. Compared to previous years, the value increased as a result of the addition new houses in the Fair Park Estates built by the Southfair Community Development Corporation and apartments built by Urban Mixed Use LLC. This represents an increase of \$10,086,242 (22.5%) from the 2005 base year value of \$44,850,019 and an increase of \$5,904,434 (12.04%) from the previous year. The current year's value is higher than the previous year's value, resulting in total increment revenue billing in in 2015 of approximately \$72,349.

Objectives, Programs and Success Indicators

The Grand Park South Final Project Plan and Reinvestment Zone Financing Plan was adopted on October 26, 2005 by City Ordinance Number 26773. The plan's defined development goals are provided below:

- Create additional taxable value attributed to new private investment in projects in the Grand Park South TIF District totaling approximately \$579 million.

Property values in the TIF district have begun to increase slowly since its creation. This is the result of the new offices occupied by the Social Security Administration on 2530 South Malcolm X Boulevard and increased value to the Elan Village Apartments at 2710 Jeffries Street as well as new housing completed in Fair Park Estates and new apartments built by Urban Mixed Use LLC.

DISD's acquisition of property for the new Billy Earl Dade Middle School in the district resulted in a decrease of over \$500,000 in taxable value. The school opened during the 2013-2014 school year.

The completion of the new O'Reilly's Auto Parts at 3109 Martin Luther King Boulevard added \$903,980 to the value of the district.

- Encourage transit-oriented development within the district. This includes the creation of a new town center in proximity to DART's MLK Green Line station while providing access and connections to the station that will allow ridership to exceed over 2,400 per day by 2015.

The Green Line's MLK and Fair Park stations, which have been open since September 2009, are expected to entice transit-oriented development throughout the district. Ridership in 2015 decreased at the Fair Park station and decreased at the MLK station. For 2014, the Fair Park station averaged 921 riders compared to 1,031 in 2013 while MLK station averaged 1,001 compared to 1,044 in 2013. Fair Park station saw

a yearly decrease of 11.2% while MLK saw a slight increase of 1.1% compared to 2013. Since the stations' opening in 2009, MLK Station has seen an increase in ridership of 31.6% (2009 – 761) and Fair Park Station has seen a decrease in ridership of 17.5% (2009 – 1,117).

- Attract new private development in the district totaling approximately 2,400 residential units by 2035, including development of new single-family homes, mid-rise residential, such as town homes, and higher density residential near the MLK Green Line station, while preserving and restoring historic single-family residences.

Upon its completion, the Fair Park Estates project, located at 3221 Elihu Street, will result in 36 residential units (1.5% of the goal). To date, thirty of the project's units have been completed. An additional two units and four townhomes are being added in FY 2016. The project consists of approximately 6 acres located adjacent to Fair Park, generally bound by Park Row, Trunk Avenue, the DART line, Elihu Street and JB Jackson Boulevard. The envisioned development plan has four phases consisting of 240 apartments (180 - two bed/two bath and 60 – 1 bed/1 bath) and 40,000 square feet of commercial space comprised of 14,500 square feet of retail, 17,500 square feet of restaurants and 8,000 square feet of office space. The focus of all four phases will be the close proximity of building facades to the street to promote pedestrian, sidewalk and storefront interaction. Another key feature is enhanced walkways along Grand Avenue, Park Row, Elihu St., the DART line and Trunk Avenue creating an inviting, pleasant atmosphere for access to the MLK DART Station. Walkway enhancements include new 6'-10' wide sidewalks, lighting, benches, and landscaping.

- Diversify housing options within the district by providing various types of housing, including town home, multi-family, and single-family projects, at a range of price points including approximately 20% of new units at or below 80% of Area Median Income (AMI), 60% of new units at market rate, and 20% of new units above market rate. Replace existing multi-family housing stock in substandard condition (approximately 500 units) with new residential development at 60% of Area Median Income. Expand homeownership opportunities in the district.

There is an ongoing effort to provide a variety of housing options within the Grand Park South TIF District.

On January 11, 2012, the City approved 2006 bond funding and the use of CDBG grant funds for Grand Park Place at 3221 Elihu Street to be developed by the Hall family. Phase 1 is 38 units, and a building permit was issued August 17, 2012. Phase 1 is currently under construction.

- Grow and diversify retail and commercial uses within the district. Consolidate new retail and other commercial activities to support a new town center in

proximity to the MLK Green Line station; create a neighborhood retail center in proximity to the Grand Avenue and Malcolm X Boulevard intersection; enhance retailing opportunities and design through infill development along Martin Luther King, Jr. Boulevard, and, in some cases, convert existing retail and commercial buildings to residential uses. Attract 300,000 square feet of retail space and 150,000 square feet of office or other commercial space in new private development by 2035.

In 2013, O'Reilly Auto Parts opened at 3109 MLK Jr. Boulevard. This reflects the city's goal of retail and commercial activity along Malcolm X Boulevard. The city still aims to increase retail opportunities as the area still suffers from the need for more commercial and retail activity. Also, the City's Complete Streets Initiative has identified Grand Avenue for early implementation of streetscape enhancements such as shared bicycle lanes, enhanced sidewalks and upgraded crosswalks. The Initiative identifies Martin Luther King Jr. Boulevard and Robert B. Cullum Boulevard as mixed-use corridors. South of Martin Luther King, Jr., Robert B. Cullum and Malcolm X boulevards should transition to residential corridors. At this time, the Complete Streets initiative has not moved forward at Grand Avenue.

- Expand parks and open space within the district by encouraging the development of both private and public parks and open space, such as pocket parks, plazas, courtyards, and recreation areas, within walking distance (1/4 mile) of new residential development, especially new mid- and high-density residential development.

In 2010, the City's Design Studio held public meetings to examine parks, open space, and streetscape improvements along Martin Luther King Boulevard and Grand Avenue. As a result of those meetings, Grand Avenue became one of the projects in the City's Complete Streets Program.

The 2012 bond program included \$2,449,000 for Complete Streets improvements on Grand Avenue from Robert B. Cullum to Good Latimer Expressway. The project will include enhanced sidewalks and crosswalks, pedestrian lighting, and landscape and irrigation. Engineering design was completed in Winter 2015. Construction is underway and is scheduled to be completed Winter 2017.

The 2012 bond program included \$468,900, and the Fair Park Area is contributing \$508,000, for improvements on Martin Luther King, Jr. Boulevard from Robert B. Cullum to S.M. Wright Freeway. The project will include bike route improvements, enhanced sidewalks and crosswalks, pedestrian lighting, landscape and irrigation, and mid-block pedestrian crossings. Engineering design was completed in Winter 2015.

Construction has begun and is scheduled to be completed by Winter 2016.

During FY 2012, the City installed shared lane markings to encourage bicycling on Martin Luther King, Jr. Boulevard from Fair Park to Julius Schepps Freeway. The long term plan is for this shared lane to connect to future bicycle facilities on the Cedar Crest Bridge.

- Improve security and safety through pedestrian lighting and design that encourages “eyes on the street.”

The South Dallas Fair Park Trust Fund is currently examining prospective funding sources to provide surveillance cameras throughout the district. As of FY 2015, the fund is still seeking a grantee to execute the project.

- Generate approximately \$30.3 million (net present value) in increment over 25 years of collection.

The district's assessed property value has increased from its 2005 base year value. Preceding years' values have generated approximately \$253,708 in incremental revenue (0.8% of goal).

Year-End Summary of Meetings

Effective September 1, 2011, only those taxing units that have approved the payment of all or a portion of the tax increment produced by the unit into the TIF fund for that district may appoint one member to the board. Currently only the City and Dallas County participate financially in the Grand Park South District

The board now consists of places for seven directors: six to be appointed by the City Council and one appointed by Dallas County.

Due to a lack of appointed members, the Board was unable to meet during the fiscal year.

The Grand Park South TIF District by-laws require five members to be appointed and therefore the board was unable to meet during the fiscal year.

The Dallas City Council approved 8 items during the fiscal year related to the district. These items are summarized below:

- On December 10, 2014, the City Council authorized Supplemental Agreement No. 1 to the professional services contract with Freese and Nichols, Inc. for additional engineering services to include the design of ten gateway monuments for Martin Luther King, Jr. Boulevard - Not to exceed \$337,377, from \$484,950 to \$822,327 - Financing: Current Funds (subject to annual appropriations). *Project:*

Installation and maintenance of a Gateway Monument as part of street paving, drainage, streetscape improvements, traffic signal upgrade, and surveying along Continental Avenue from Riverfront Boulevard to IH 35.

- On February 25, 2015, the City Council approved a resolution accepting the FY 2014 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Thirteen, (Grand Park South TIF District) and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property and to the State Comptroller, as required by state law - Financing: No cost consideration to the City.
- On April 22, 2015, the City Council authorized a housing development loan in an amount not to exceed \$200,000 with Southfair Community Development Corporation, a certified Community Housing Development Organization, for construction of four affordable single family homes for the 2825 South Townhomes Project to be located at 2825 South Boulevard - Not to exceed \$200,000 - Financing: 2014-15 HOME Investment Partnership Program Grant Funds. *Project: Fair Park Estates*
- On June 10, 2015 the City Council authorized a housing development loan in an amount not to exceed \$112,000 with Southfair Community Development Corporation, a certified Community Housing Development Organization, for construction of two affordable single family homes located at 2800 Park Row - Not to exceed \$112,000 - Financing: 2002-03 HOME Funds (\$60,000) and 2005-06 HOME Funds (\$52,000). *Project: Fair Park Estates*
- On June 10, 2015 the City Council authorized a housing development loan in an amount not to exceed \$320,000 with South Dallas Fair Park/Innecity Community Development Corporation, a certified Community Housing Development Organization, for construction of five affordable single family homes located on scattered sites in the Fair Park area - Not to exceed \$320,000 - Financing: 2005-06 HOME Funds
- On August 12, 2015 the City Council authorized (1) the acceptance of a Continuum of Care Grant from the U.S. Department of Housing and Urban Development in the amount of \$790,960, to provide rental assistance and case management for single chronically homeless persons and to provide funding for three staff positions to carry out the program for the period October 1, 2015 through September 30, 2016; (2) a local cash match in an amount not to exceed \$181,060; (3) a Memorandum of Understanding between the City of Dallas and Eban Village to provide an in-kind match in the amount of \$16,680; and (4) execution of the grant agreement - Total not to exceed \$988,700 - Financing: U.S. Department of Housing and Urban Development Grant Funds (\$790,960), In-Kind Contributions (\$16,680) and Current Funds (\$181,060) (subject to appropriations)
- On August 12, 2015 the City Council authorized an amendment to Resolution No. 13-2116, previously approved on December 11, 2013, for the conditional grant agreement in the amount of \$1,150,000 with Urban Mixed Use, LLC to extend the completion date to June 30, 2016 for the redevelopment and

construction of the 38-unit multifamily project located at 3221 Elihu Street - Financing: No cost consideration to the City. *Project: Hall Family Mixed Use Project/Urban Mixed Use LLC*

- On September 22, 2015 the City Council authorized an amendment to Resolution No. 15-0780, previously approved on April 22, 2015, to: (1) clarify the terms of the loan which will allow forgiveness to the nonprofit developer, Southfair Community Development Corporation; and (2) the eligibility of developer fees for construction of four affordable single family homes located at 2825 South Boulevard - Financing: No cost consideration to the City. *Project: Fair Park Estates*

The Grand Park South TIF District's Project Plan and Reinvestment Zone Financing Plan established a budget for public improvement expenditures that are necessary to support private investment.

The district's budget and spending to date are provided below:

Grand Park South TIF District Project Plan Budget Projected Increment Revenues to Retire TIF Fund Obligations			
Category	TIF Budget*	Allocated**	Balance
Infrastructure Improvements	\$59,464,358	\$0	\$59,464,358
Environmental Remediation	\$5,904,262	\$0	\$5,904,262
Façade Restoration	\$4,428,197	\$0	\$4,428,197
Parks, Open Space, and Signature Entries	\$8,434,661	\$0	\$8,434,661
Grant or Loan Programs	\$1,265,198	\$0	\$1,265,198
Administration and Implementation	\$4,849,930	\$300,058	\$4,549,872
Total Project Costs (excluding interest)	\$84,346,606	\$300,058	\$84,046,548
<i>** Administrative cost is based on actual hours worked on TIF related activities by City staff and related City overhead.</i>			
<i>**Budget shown above in current dollars, updated yearly; TIF Project Plan shows the budget in net present value. Values above do not include interest payments or receipts</i>			

Grand Park South TIF District Project Plan Budget (NPV Values)	
Category	TIF Budget (NPV)
Infrastructure Improvements	\$21,360,667

Environmental Remediation	\$2,120,917
Façade Restoration	\$1,590,688
Parks, Open Space and Signature Entries	\$3,029,882
Grant and Loan Programs	\$454,482
Administration and Implementation	\$1,742,182
Total Project Costs	\$30,298,818
<i>All values discounted to 2006 dollars at 5% annually. Actual expenditure value will depend on timing of the project costs.</i>	

FY 2016 Work Program

No TIF district activities can take place until additional board members are appointed.

Subject to the approval of new board members, the FY 2016 work program for the Grand Park South TIF District includes:

- Encourage development projects within the district
- Approval of an amendment to the Grand Park South TIF District by-laws regarding changes in the composition of the district's board of directors and design review process
- Approval of the City of Dallas Tax Increment Finance Districts Mixed Income Housing Guidelines
- Approval of the City of Dallas TIF Design Review standards for TIF districts
- Approval of the FY 2011 annual report
- Approval of the FY 2012 annual report
- Approval of the FY 2013 annual report
- Approval of the FY 2014 annual report
- Approval of the FY 2015 annual Report

Appendix: Financials

City of Dallas, Texas
Grand Park South Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2015

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.
2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).
3. The Zone's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.
4. The Zone's Financial Plan permits expenditures not to exceed \$4,105,732 over the life of the TIF to reimburse the City for administrative costs. The Zone began reimbursing the General Fund for costs incurred through fiscal year 2008-09. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.
5. All project costs resulting in capital improvements that are owned by the City are capitalized by the City.
6. "Due to general fund" amount of \$5,822 at September 30, 2015 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

City of Dallas, Texas
Grand Park South Tax Increment Financing District Fund
Balance Sheet as of September 30, 2015 (Unaudited)
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Assets:					
Pooled cash and cash equivalents	\$27,945	\$12,534	\$19,700	\$28,236	\$38,442
Interest receivable	\$42	\$21	\$30	\$172	\$230
Total assets	\$27,987	\$12,555	\$19,730	\$28,408	\$38,672
Liabilities and Fund Balance (Deficit):					
Liabilities:					
Accounts and contracts payable	\$0	\$0	\$0	\$0	\$0
Advances from developers	\$0	\$0	\$0	\$0	\$0
Deferred tax revenue	\$0	\$0	\$0	\$0	\$0
Due to general fund	\$5,822	\$5,822	\$5,822	\$0	\$0
Total liabilities	\$5,822	\$5,822	\$5,822	\$0	\$0
Fund Balance (Deficit):					
Fund Balance (Deficit)	\$22,165	\$6,732	\$13,908	\$28,408	\$38,672
Total Liabilities and Fund Equity	\$27,987	\$12,555	\$19,730	\$28,408	\$38,672
	(\$0)	\$0	\$0	(\$0)	(\$0)

Grand Park South Tax Increment Financing District Fund
Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)
For the Period September 30, 2015 (Unaudited)
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)

	<u>ITD</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Revenues:						
Tax increment-Governmental	\$197,485	\$20,586	\$0	\$0	\$0	\$34,991
Tax increment-Intergovernmental	\$32,328	\$1,984	\$0	\$0	\$0	\$4,697
Interest income	\$2,451	(\$22)	\$76	\$7	\$247	\$378
Net increase (decrease) in fair value of investments	\$72	\$74	(\$24)	(\$175)	(\$4)	\$117
Total revenues	\$232,335	\$22,622	\$52	(\$169)	\$244	\$40,183
Expenditures:						
Administrative expenses	\$210,171	\$7,189	\$7,227	\$14,331	\$10,508	\$39,597
Non-Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0
Capital outlay	\$0	\$0	\$0	\$0	\$0	\$0
Interest and fiscal charges	\$0	\$0	\$0	\$0	\$0	\$0
Total expenditures	\$210,171	\$7,189	\$7,227	\$14,331	\$10,508	\$39,597
Excess (Deficiency) of Revenues over Expenditures	\$22,165	\$15,432	(\$7,176)	(\$14,500)	(\$10,264)	\$586
Fund balance (Deficit) at beginning of year as previously reported	\$0	\$6,732	\$13,908	\$28,408	\$38,672	\$38,086
Fund balance (Deficit) at beginning of year, as restated	\$0	\$6,732	\$13,908	\$28,408	\$38,672	\$38,086
Fund balance (deficit) at end of year	\$22,165	\$22,165	\$6,732	\$13,908	\$28,408	\$38,672

Note: Fiscal year 2014-15 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.

As of September 30, 2015

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

1. Amount and source of revenue in the tax increment fund established for the zone:

\$52 Interest Income	
<u>\$22,570</u> Ad Valorem Taxes (Collected in FY'2014-15 based on 2014 Final Tax Roll)	
<u>\$22,622</u>	Total Revenue

2. Amount and purpose of expenditures from the fund:

\$7,189 Administrative Expense	
\$0 Public works	
\$0 Capital outlay	
<u>\$0</u> Additional Subsidy in Form of Grant (in lieu of interest expense)	
<u>\$7,189</u>	Total Expenditures

3. The Zone began reimbursing the General Fund for administrative costs incurred through fiscal year 2008-09.**4. Amount of Principal and Interest due-on outstanding indebtedness:**

Grand Park South TIF District has incurred no bonded indebtedness as of September 30, 2015.

5. Tax increment base and current captured appraised value retained by the zone:

Taxing Jurisdiction	Taxable Value 2015*	Base Year 2005 Value	Est. Captured Value 2015**
City of Dallas	\$54,936,261	\$44,850,019	\$10,086,242
Dallas County	\$54,901,261	\$44,850,019	\$10,051,242

*2015 taxable value shown for participating taxing jurisdictions. County values are approximate and will vary slightly from the City value due to different exemption levels.

**Based on Certified Taxable Value. The final values will be determined on February 01, 2016.

6. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:**A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:**

Taxing Jurisdiction	Assessment	Amount of
	Per \$100***	Estimated 2015 Increment
City of Dallas	0.71730	\$72,349
Dallas County	0.15802	\$15,882
Total for all Jurisdictions	<u>\$0.87532</u>	<u>\$88,231</u>

***Participation rates for City of Dallas and Dallas County are 90% for tax years 2007-2026 and 65% for tax years 2007-2021 respectively.

B. The total amount of estimated tax increment to be billed for the 2015 tax year is \$88,231. For the 2014 tax year, increment in the amount of \$22,570 was received.

AGENDA ITEM # 20

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 9, 10, 13, 14

DEPARTMENT: Office of Economic Development

CMO: Ryan S. Evans, 671-9837

MAPSCO: 17 W; 26 D H V Y Z; 27 A-H J-N P-U W; 28 N; 36 C D

SUBJECT

A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Fourteen, (Skillman Corridor TIF District), submitted by the Skillman Corridor TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 26148 on October 26, 2005, establishing Tax Increment Financing Reinvestment Zone Number Fourteen, (Skillman Corridor TIF District). On December 13, 2006, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 26534, as amended.

The Skillman Corridor TIF District's assessed 2015 taxable value was \$587,358,744. This represents an increase of 75% (\$251,401,433) over the assessed value of the base year (2005) and an increase of 15% over last year's final value. With the participation of the City, Dallas County and the Richardson Independent School District, this increase will result in the collection of approximately \$2,420,217 in total incremental revenue for the Skillman Corridor TIF District for the 2015 tax year.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On October 26, 2005, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Fourteen, the Skillman Corridor District TIF District by Ordinance No. 26148, as amended.

On December 13, 2006, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Skillman Corridor TIF District by Ordinance No. 26534, as amended.

On January 7, 2016, the Skillman Corridor TIF District Board of Directors recommended that the FY 2015 Annual Report be accepted and approved.

Information about this item will be provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

No cost consideration to the City

February 24, 2016

WHEREAS, the City recognizes the importance of its role in local economic development initiatives and programs; and

WHEREAS, the City has established Tax Increment Financing Reinvestment Zone Number Fourteen, ("Skillman Corridor TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment in the Skillman Corridor area pursuant to Ordinance No. 26148, authorized by the City Council on October 26, 2005, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

WHEREAS, on December 13, 2006, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Skillman Corridor District TIF District by Ordinance No. 26534 as amended; and

WHEREAS, the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone and a copy of the report shall be forwarded to the State Comptroller; and

WHEREAS, on January 7, 2016, the Skillman Corridor TIF District Board of Directors passed a motion accepting the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Fourteen and recommending approval of same by the City Council.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Fourteen, (Skillman Corridor TIF District), City of Dallas, Texas, as of September 30, 2015, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

Section 2. That the City Manager is hereby authorized to submit the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Fourteen to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and to the State Comptroller, as required by state law.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Skillman Corridor TIF District FY 2015 Annual Report



City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 671-9821

http://www.dallas-ecodev.org/area_redevelopment.html

October 1, 2014 to September 30, 2015

Reinvestment Zone Number Fourteen Tax Increment Financing District

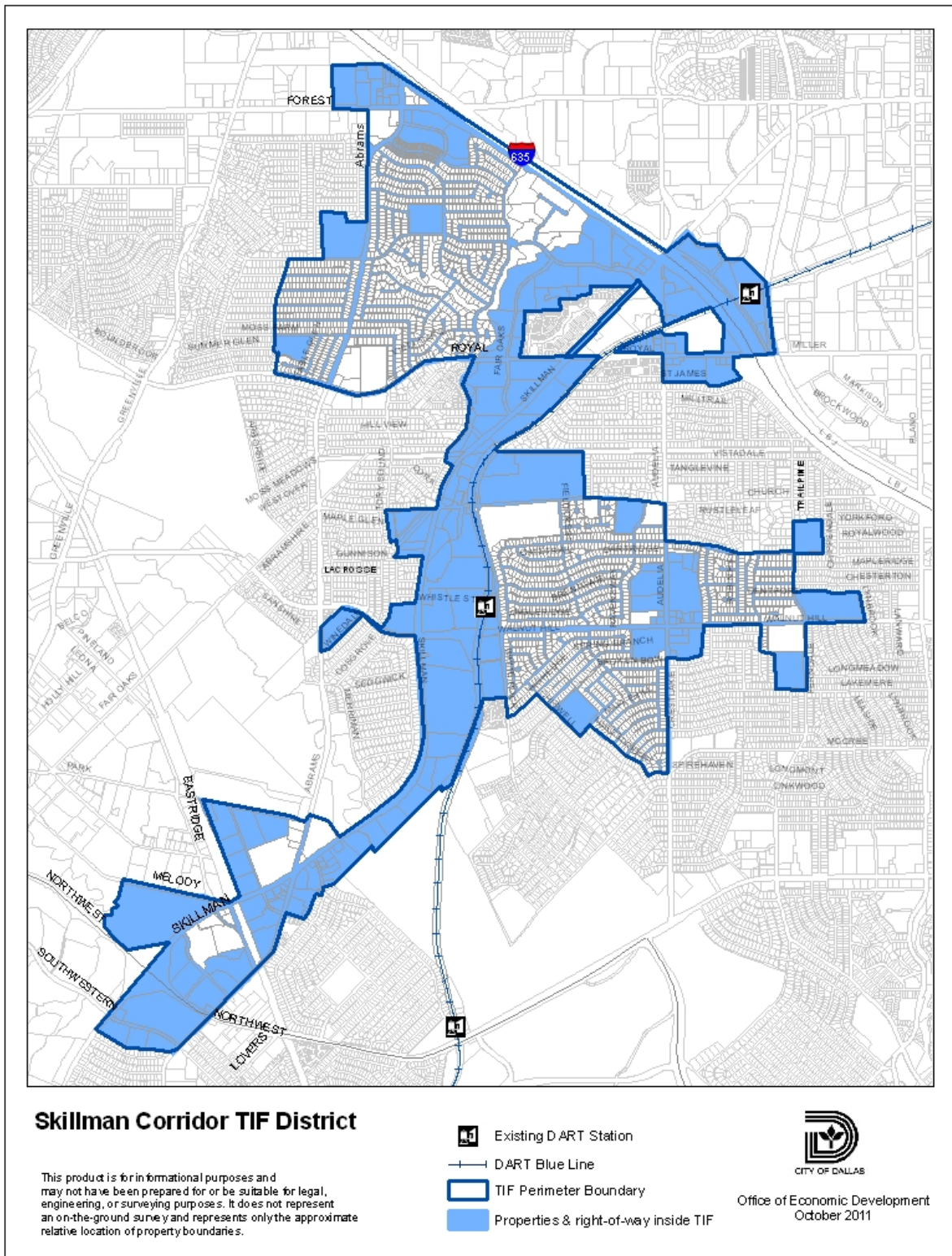


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Objectives, Programs, and Success Indicators	11
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Front cover shows the White Rock Trail Apartments (now called NorthRock Lake Highlands) completed as viewed from Skillman Street.

Mission Statement

The mission of the Skillman Corridor TIF District is to provide a source of funding for public infrastructure improvements that will assist in creating a more sustainable mix of rental and owner-occupied residential property in the Skillman Corridor. This effort will help encourage the redevelopment of structurally obsolete apartment complexes and retail centers, better trail and recreational connections, and transit-oriented development near the Skillman/Walnut Hill DART light rail station and the existing Skillman/LBJ DART light rail station. The Skillman Corridor TIF District duration began on January 1, 2006, and will terminate on December 31, 2035, (including collection of the 2035 increment in calendar year 2036 and any related matters to be concluded in 2036).

Skillman Corridor TIF District Accomplishments

Dallas City Council established the Skillman Corridor TIF District by Ordinance Number 26148 on October 26, 2005. In December 2006, the district's boundaries were amended to include several Richardson Independent School District (RISD) campuses to help facilitate RISD meet future changing campus needs as the area is redeveloped. The RISD Board of Trustees approved contributing the debt service portion of future RISD increment to the TIF District up to \$10 million (net present value or a total amount of just over \$16 million). This financial participation marks the first financial participation by a school district in a Dallas TIF District since 1999. The Dallas City Council adopted the Skillman Corridor TIF District Project Plan and Reinvestment Zone Financing Plan on December 13, 2006 by Ordinance 26534.

In May 2009, the Skillman Corridor TIF Board adopted a "Skillman Corridor TIF Strategic Implementation Plan" to guide the next phases of development and improvements in the District.

In 2007, a development agreement with PC LH Land Partners, LP (PC LH) for the District's catalyst project "Lake Highlands Town Center (LHTC)" for TIF funding was approved by the Skillman Corridor TIF Board and the City Council. In addition, the project received funding commitments from Dallas Area Rapid Transit (DART) and the North Central Texas Council of Governments (NCTCOG) for a light rail station and related improvements at Skillman Street and Walnut Hill Lane along the existing DART Blue Line; Dallas County for infrastructure improvements; and City of Dallas bond funds for infrastructure improvements.

Infrastructure and other public improvements as part of the LHTC horizontal site development phase have been completed. An operation and maintenance agreement for non-standard public improvements has been executed with LC LH and the Lake Highlands Public Improvement District (LHPID) has agreed to partial assignment of those responsibilities.

The 20 acres of park land and trails constructed as part of the project was conveyed to the City on March 31, 2011. Maintenance responsibility has been designated to PC LH,

future owners and/or the Lake Highlands Public Improvement District (LHPID). Special events, including the annual Lake Highlands Oktoberfest in have begun being held at the LHTC.

Due to the economic downturn and contracted lending markets, vertical development at the LHTC was delayed. In June 2011, the TIF Board and City approved an amended development agreement for the Lake Highlands Town Center (LHTC) that increased the TIF funding dedication of future TIF revenues from \$23,000,000 to a maximum of \$40,000,000 subject to certain conditions.

Staff has continued to work with PC LH to assist in implementing the master planned project. A Phase I Block D1 project for 200 multi-family units and 7,500 square feet of ground floor retail space completed construction in 2014 with leasing efforts underway.

In FY 2011, a development agreement with Audelia WGK, LLC for the White Rock Place development was approved by the Skillman Corridor TIF Board and the City Council. The site is located at the southwest corner of Walnut Hill Lane and Audelia Road. The site has been reconfigured into a smaller retail component of 18,000 square feet, infrastructure for 17 residential lots and all homes completed as of late 2013.

A development agreement with the Richardson Independent School District (RISD) was approved in FY 2011 to provide reimbursement pursuant to the Interlocal Agreement between the City and RISD for stadium facility improvements for the Lake Highlands High School. Reimbursement payments have been processed annually as funds are available.

During FY 2012, the TIF Board approved by-law amendments to reflect changes in state law for TIF Board composition recognizing that only taxing jurisdictions that participate financially can have representation and a change in the TIF design review process to have that function undertaken as part of the City Design Studio Peer Review Panel. The TIF Board also approved mixed-income housing guidelines.

During FY 2013, a development agreement with WRT/DK Residential, L.P. for the White Rock Trail Apartments project was approved by the TIF Board and City Council. The development, now called NorthRock Lake Highlands was completed in late 2014.

During FY 2014 and FY 2015, staff held ongoing discussions on potential updated development plans for LHTC, primarily the retail block as a next phase. Phase I requirements under the LHTC agreement were completed in 2015 and the City began reimbursement. In September 2015, PC LH decided to terminate the remainder of the LHTC agreement. On-going requirements for Phase I including operations and maintenance responsibilities will continue to be monitored.

Several projects in the District have been completed or in the development stage this year as shown in the following table.

Skillman Corridor TIF District Projects¹						
Projects Within TIF District Utilizing TIF Funding						
Project	Location	Calendar Year Complete	Status	Units/ SF²	Approx. or Estimated Value³	TIF Investment⁴
Lake Highlands Town Center, Phase I ²	NE and SE corner Walnut Hill/Skillman. Haven Apts. – 7707 Watercrest Parkway	Public Improv – 2010; Ph I – 2014	Sitework/public improvements & Phase I vertical development - Haven Apts. complete	200 units; 7,500 square sf retail	\$21,960,910	\$10,000,000
White Rock Place	SW Corner Walnut Hill & Audelia	2013	Retail portion & infrastructure for SF lots complete. SF homes had just partial DCAD value for 2013 appraisal year. Total value still an estimate.	17 SF lots; 18,000 sf retail reconfig.	\$12,652,360	\$2,372,000
NorthRock Lake Highlands (formerly called White Rock Trail Apts.)	6808 Skillman St	2014	Complete	362 units	\$26,417,690	\$4,000,000
Subtotal				579 res. Units; 25,500 square feet retail	\$61,030,690	\$16,372,000
Projects Within TIF District Not Utilizing TIF Funding⁵						
Project	Location	Calendar Year Complete	Status	Units/ SF²	Approx. Value³	TIF Investment⁴
Trimark Town Homes	9400 Block Timberleaf Dr	2005	Complete	84 units	\$8,798,523	n/a
Medallion Retail Center expansion/renov. ⁸	6300 E Northwest Hwy & 5720 Skillman St.	2006	Complete	88,800 square feet new space	\$ 26,820,840	n/a
Kingsley Square Redevelopment	7203 & 7211 Skillman St.	2007	Complete	76,000 square feet retail	\$ 15,453,450	n/a
Wal Mart Supercenter	9382 LBJ Fwy.	2008	Complete	204,000 square feet retail	\$16,443,100	n/a

The Avery on Southwestern (formerly Village View Apts)	8910 Southwestern Blvd.	2009	Complete	422 units	\$53,305,000	n/a
Dallas Children's Theater ⁶ – exterior improv., main entry & garden	6343 Northwest Hwy	2009	Complete	n/a	\$1,293,060	n/a
Timbercreek redevelopment	Skillman St@Northwest Hwy	2011-2012	Complete	485,000 square feet retail	\$67,142,760	n/a
The Bordeaux at Lake Highlands	SW corner Skillman St & Church Rd.	2014-2016	10 SF homes complete, 27 Under construction	37 SF lots/homes	\$21,000,000	n/a
Lake Highlands Town Center – Retail Block C & D	SE corner Walnut Hill/Skillman	2017	Planned	59,600 sf retail/restaurant	\$5,526,000	n/a
Lake Highlands Town Center – Multi-Family Blk. C	Lookout Point/ Watercrest Parkway	2017	Planned	257 units	\$29,000,000	n/a
Lake Highlands Town Center – Townhomes	Skillman & Segwick Dr.	2017-2018	Planned	52 townhomes	\$18,000,000	n/a
Subtotal				852 res units; 913,400 square feet retail	\$262,782,733	\$0
Projects Utilizing and Not Utilizing TIF Funding						
Total				1,431 res units; 938,900 square feet retail	\$323,813,693	\$16,372,000
¹ All information updated as of September 30, 2015. ² As of 2015, only Phase I of the project relates to the TIF funding agreement. Future phases will be implemented separately. ³ Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF District for redevelopment projects once pre-existing value and/or the demolition of structures is netted out. ⁴ Principal amount not to be exceeded per the development agreement. TBD indicates that development agreement has not yet been adopted. Asterisk indicates investment also includes interest not shown. ⁵ Selected significant projects included. ⁶ Tax-exempt property. Amount shown is approximate investment in improvements. ⁷ Includes other incentives not shown. Contact City of Dallas Office of Economic Development for more information. ⁸ For Medallion Retail Center, previous reports FY 11 and prior only showed added value of \$8.4 million; however, to be consistent with other reporting of redevelopment sites the full DCAD value is now shown.						

In addition to TIF incentives, there have been other public funding commitments in support of the Lake Highlands Town Center (LHTC) project as shown in the District Initiatives table below. A unique partnership has been formed with PC LH and representatives from the City, Dallas County, DART, and the North Central Texas Council of Governments (NCTCOG) as a result of the interdependent layering of funding for infrastructure and public improvements requiring on-going coordination in support of the LHTC. The lessons learned can serve as a model for future interagency cooperation with the private sector in furthering transit-oriented development (TOD).

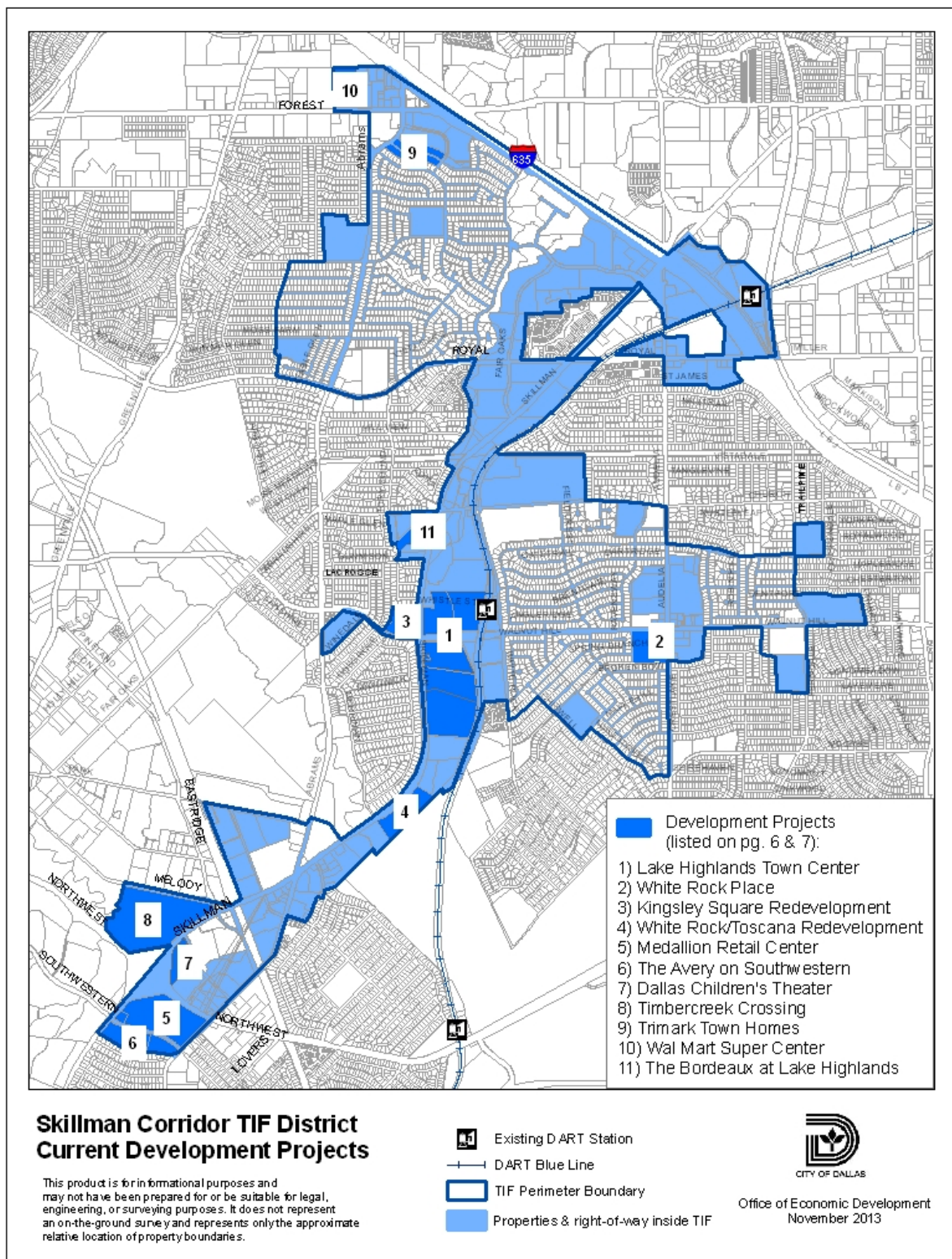
In June 2010, the North Central Texas Council of Governments (NCTCOG) Regional Transportation Council (RTC) awarded funding for two Sustainable Development (SD) Projects in the Skillman Corridor TIF District including the “LBJ/Skillman Urban Planning Initiative” (planning study) and The “Lake Highlands TOD Multimodal Connectivity Project” (infrastructure project).

The LBJ/Skillman Urban Planning Initiative will include evaluating the best land use and development mix in the LBJ/Skillman DART Station area and strategies to encourage transit-oriented development (TOD) and supporting pedestrian/bike improvements. The NCTCOG staff will manage the consultant selection process for the study with representation from the City and during the study there will be a project review committee that may include community representatives. In August 2009, the Skillman TIF Board approved a pledge of TIF funding in the amount of \$25,000 as matching funds for the project. NCTCOG funding includes \$100,000 with a required local 20% match of \$25,000 for a total study amount of \$125,000. During FY 2014, the study was finalized with a report reviewed and recommended by the City Plan Commission and pending City Council adoption in October 2014.

The “Lake Highlands TOD Multimodal Connectivity Project, with Dallas County and PC LH as partners, was selected for funding as an infrastructure project totaling \$3,243,000 to expand the hike and bike trail south from the LHTC to the existing White Rock Creek Trail (at Skillman Street, north of Abrams Road). The scope also includes intersection improvements for Walnut Hill Lane and Skillman Street. Dallas County and PC LH will provide the 20% local match (estimated at \$648,000) and Dallas County will advance the remaining project costs and request 80% reimbursement by the NCTCOG. During FY 12 staff coordinated with the NCTCOG, Dallas County, and PC LH on preparations for project agreements. In September 2012, the City Council authorized three specific agreements for the project: 1) an interlocal agreement between the City, NCTCOG and TXDOT; 2) a development agreement between the City and PC LH; and 3) an agreement between the City and Dallas County. Interagency coordination has been ongoing, a building permit was secured for the White Rock Trail Apartment project; however, a second commercial permit at the Lake Highlands Town Center is pending in order to meet NCTCOG requirements for mixed use development as part of the SD funding. All parties were reviewing options for project management and financial structuring in late 2015 and it is anticipated, upon a final project scope and the provision of 10% developer local match funds that the design phase for the improvements will begin in early-mid 2016.

District Initiatives – Other Public Support for LHTC				
Activity	Scope	Status	Investment	Source
New DART Light Rail Station – Skillman St./Walnut Hill Ln.	Along the existing DART Blue Transit Line, a new station will be added on the northeast side.	Funding approved by DART Board in October 2006. Station opened Dec. 2010.	\$10,000,000	DART
City 2006 Bond Funds – Proposition Eight	Public infrastructure support for a transit-oriented development at Skillman St/Walnut Hill Ln.	Council authorized bond sale and a Chapter 380 grant agreement in 2007. Infrastructure completed 2010.	\$4,677,282	2006 City Bond Program
Dallas County Major Capital Improvement Program (MCIP)	Funding in support of the LHTC for transportation infrastructure including bridge over Jackson Creek, collector streets, and pedestrian improvements.	Initial funding pledged in May 2007. A project specific agreement was approved by Commissioners Court in May 2008. Improvements completed in 2010.	\$3,421,846	Dallas County MCIP Fund 196, Project 8201
North Central Texas Council of Governments (NCTCOG) with DART local funding exchange.	Traffic and median improvements, collector streets, and pedestrian access and transit related improvements.	NCTCOG Regional Transportation Council (RTC) approved Oct. 2007. Interlocal agreement with City executed May 2008. Construction completed in 2010.	\$5,150,000 \$1,287,500	NCTCOG/RTC Local Match – Private (<i>eligible for TIF reimbursement</i>)
Regional Transportation Council (RTC) 2009-10 Sustainable Development Program – Lake Highlands TOD Multimodal Connectivity Project	Hike/bike trail extending from south end of Lake Highland Town Center Trail into the White Rock Creek Trail near Skillman Street. Skillman/Walnut Hill intersection improvements including second left hand turn land at west bound Walnut Hill onto Skillman and pedestrian improvements.	<i>Funding approved.</i> Project selected by the RTC in June 2010. City Council authorized agreements in September 2012. Pending City/County coordination, anticipate design beginning 2016.	\$3,467,778 total includes: \$2,774,222 \$693,556	RTC funds Local match from private source and Dallas County Major Capital Improvement Program (MCIP) funds.
Regional Transportation Council (RTC) 2009-10 Sustainable Development Program – LBJ/Skillman Urban Planning Initiative	Planning study to determine future land use, development scenarios, and zoning to facilitate transit oriented development (TOD) near the LBJ/Skillman DART Station area, potential pedestrian and transit linkages, and opportunities for new trails and open spaces.	<i>Funding approved.</i> Project selected by the RTC in June 2010. City Council authorized resolution of support for the project August 2010. Study completed and City Plan Commission approved. Council adopted October 8, 2014.	\$125,000 total includes: \$100,000 \$25,000	RTC funds Local match from Skillman Corridor TIF Fund
Total Investment			\$28,129,406	

TIF District Development Project Map



Value and Increment Revenue Summary

The Skillman Corridor TIF District's assessed 2015 City taxable value was \$587,358,744 and varies for other taxing jurisdictions due to exemption levels. This represents an increase of \$251,401,433 or 75% over the base year (2005) value and a 15% increase over last year's final value. The TIF District anticipates collecting approximately \$2,420,217 in incremental tax revenue for tax year 2015. The anticipated RISK portion totals \$381,061 and 30% or \$114,318 will be earmarked for the RISK Facility Improvements TIF budget line item pursuant to RISK's interlocal agreement with the City. The positive increase in the District's tax base can be attributed on an approximate percentage basis to added value of new construction (81% of the increase), major property transactions including sites under development (11%), and appreciating property values (8%) in the District.

Objectives, Programs, and Success Indicators

Among the goals of the Plan are:

- To create additional taxable value attributed to new private investment in projects in the Skillman Corridor TIF District totaling approximately \$592 million.
Over \$256 million in new investment is completed and an additional \$67 million is underway or planned (55% of the goal).



The Haven
residential/ground floor
retail project with trail
alongside, first vertical
development at Lake
Highlands Town Center.

- To attract new private development in the Skillman Corridor TIF District totaling approximately 740,000 square feet of new or upgraded retail space and 6.4 million square feet of new or upgraded residential development including town home, multi-family, and single-family projects.
879,300 square feet of new and upgraded retail space is completed and an additional 59,600 is planned (exceeding the goal by 27%). 1,095 residential units are completed, 27 under construction and 309 planned, approximately 1,332,450 square feet total (21% of the goal).



White Rock Place redevelopment - new homes completed 2013



Bordeaux, another new 37 unit single family subdivision under construction had 10 homes completed in 2015.

- To focus on encouraging the redevelopment of properties on the Skillman Street corridor and the existing DART Light Rail Station at LBJ and Skillman to increase density and provide enhanced urban design for the District.

The TIF Board adopted a Skillman Corridor TIF District Strategic Implementation Plan to better focus redevelopment activities and TIF expenditures including supporting the Skillman/LBJ Gateway planning effort to promote TOD development at the LBJ/Skillman DART Station area. A NCTCOG Regional Transportation Council (RTC) funded planning study began in 2012 and is in the process of examining development options and public improvements needed to facilitate TOD development around the LBJ DART station.

TXDOT has a preferred alternative for the LBJ Freeway/Skillman/Audelia intersection (incorporating the extensive efforts made by community leaders to present an alternative to an original flyover bridge design) that is in the schematic design and environmental document phase.

- To maintain the stability of local schools as redevelopment occurs in the housing market.

In May 2007, the TIF Board adopted "Skillman Corridor TIF District Relocation Assistance/Student Retention Program Guidelines" with substantial input from the Richardson Independent School District (RISD) and private partners as part of negotiating the LHTC development agreement. A concerted effort was made at the start of the LHTC redevelopment to relocate remaining tenants to other apartment complexes within the RISD. Occupancy levels were low at the time and of the 110 unit relocations specifically tracked in August 2007, 78% relocated to another complex in the RISD.

Current RISD enrollment data for FY 2015 indicates that overall enrollment for the eleven RISD campuses within the TIF District is up

27.6% compared to the 2006-07 school year when tracking for the potential impact of TIF related redevelopment began. Over the eight year period, all schools gained students with some elementary schools having enrollment increases above 50%. Staff and the Board will continue to work with school district representatives to monitor enrollment.

- To reach ridership at existing and future DART light rail stations in the District averaging over 3,000 riders per weekday by 2015.

Currently the average daily ridership level is 1,350 at the Skillman/LBJ light rail station and 532 at the Lake Highlands light rail station through the September 2015 reporting period. In comparison the LBJ station in the 2006 fiscal year following the TIF district creation had 1,483 average daily ridership and the Lake Highlands Station in its first full operating year 2011 had average daily ridership of 435. Staff will continue to monitor ridership trends.

- To improve access and connections to the DART light rail system within the District.

The new Lake Highlands DART opened December 6, 2010. The new station is the first infill station constructed by DART while DART Rail is in operation. The station area is being incorporated with the development of the Lake Highlands Town Center (LHTC).



Lake Highlands DART station

- To increase recreational opportunities and improve connections to the City of Dallas trails and open space system in the District.

The 20 acres of park and trails as part of the LHTC has been completed and was conveyed to the City in March 2011; however, maintenance of the park space will be handled private and/or by the Lake Highlands

Public Improvement District (PID). Several public events have been held at the LHTC in the open spaces.

The NCTCOG Regional Transportation Council (RTC) has also approved funding to expand the hike and bike trail south from the LHTC to the existing White Rock Creek Trail (at Skillman, north of Abrams). Interagency coordination has been ongoing with design anticipated to begin in 2016.



LHTC trail looking south.

- To generate approximately \$49.7 million (net present value) in increment over 20 years of collections.

The District's 2015 total taxable value of \$587,358,744 is approximately 34% behind the original projection of \$895,935,793. The economic downturn in the early years of the district impacted the pace of new construction, including delaying the build out of the Lake Highlands Town Center.

- To diversify retail and commercial uses in the District.

Upgrades were made at the Kingsley Square and Medallion Center. A Wal Mart Supercenter was completed in 2008 and the Timbercreek Crossing development is complete with Wal Mart/Sam's Club and J.C. Penney as anchors. The White Rock Place project included upgraded signage and site improvements as part of consolidating viable retail space. The ground floor retail space at the Haven, Lake Highlands Town Center was over 60% leased this year with tenants that include a salon and nail services.

Year-End Summary of Meetings

The Skillman Corridor TIF District Board of Directors met twice (one regular and one special called meeting) during the fiscal year from October 1, 2014 to September 30, 2015. The Board approved and forwarded one item to City Council.

The Board, based on amended composition, can consist of up to nine members, including seven City of Dallas appointees, one Richardson School District appointee, and one Dallas County appointee. During FY 2015 the Board members were (FY 2015 Board meetings attended): John Dean, Chair – City Representative (2 of 2 meetings), David Brown – City Representative (2 of 2 meetings), James Frye – City Representative (0 of 2 meetings), Alan Hargrove – City Representative (1 of 2 meetings), Robert Walne – City Representative (2 of 2 meetings), Chris Wright (2 of 2 meetings), Marcus Valerin (0 of 2 meetings), Rick Loessberg – Dallas County Representative (1 of 2 meetings) and Adam Meierhofer – RISD Representative (2 of 2 meetings).

During the fiscal year, the City Council approved one item associated with development projects or public initiatives in the Skillman Corridor TIF District:

- On February 25, 2015, the City Council passed Resolution Number 15-0361 accepting the FY 2014 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Fourteen, (Skillman Corridor TIF District), submitted by the Skillman Corridor TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law.

Pending TIF Items

- Consideration of the FY 2015 TIF District Annual Report and a recommendation to the City Council for approval.

Budget and Spending Status

Each TIF District establishes a budget for the public improvement expenditures necessary to support private investment in the district in the Project Plan and Reinvestment Zone Financing Plan. The current TIF District budget is shown below:

Skillman Corridor TIF District Projected Increment Revenue to Retire TIF Fund Obligations			
Category	TIF Budget ¹	Allocated ²	Balance
Skillman/Walnut Hill TOD Town Center: environmental remediation, interior/exterior demolition, street & utility improvements, streetscape, land acquisition, park/plaza design & acquisition, and economic development grants	\$47,408,850	\$10,000,000	\$37,408,850
Other Skillman Corridor Improvements: environmental remediation, interior/exterior demolition, street & utility improvements, streetscape, land acquisition, park/plaza design & acquisition, and economic development grants	\$56,299,938	\$5,928,974	\$50,370,964
Relocation Assistance/Student Retention	\$1,000,000	\$0	\$1,000,000
RISD Facility Improvements	\$5,000,000	\$5,000,000	\$0
Administration and implementation³	\$6,265,762	\$368,515	\$5,931,633
Total Project Costs	\$115,974,550	\$21,297,489	\$94,677,061
1. Budget shown above in total dollars. However, TIF plan shows the budget in net present value. 2. Allocated amount for Other Skillman Corridor category includes a portion as a grant in lieu of interest up to \$457,000; the actual interest accrual is anticipated to be less. Interest accrued as of FY 2014 (September 30, 2014) totals \$13,974. 3. TIF administration costs shown are expended or committed through FY 2015. Costs include \$25,000 local match for a NCTCOG grant funded planning study.			

Skillman Corridor TIF District Project Plan Budget	
Category	TIF Budget*
Skillman/Walnut Hill TOD Town Center: environmental remediation, interior/exterior demolition, street & utility improvements, streetscape, land acquisition, park/plaza design & acquisition, and economic development grants	\$20,000,000
Other Skillman Corridor Improvements: environmental remediation, interior/exterior demolition, street & utility improvements, streetscape, land acquisition, park/plaza design & acquisition, and economic development grants	\$23,809,003
Relocation Assistance/Student Retention	\$531,833
RISD Facility Improvements	\$2,659,164
Administration and implementation	\$2,684,296
Total	\$49,684,296
<i>* As approved in the Project Plan and Reinvestment Zone Financing Plan (discounted to 2006 dollars).</i>	

Skillman Corridor TIF M/WBE Participation			
Project	Contractor	Total Contract Award Amount	Percentage Minority Participation
Lake Highlands Town Center (LHTC) Project			
LHTC Civil Engineering/Design	Pacheco Koch & TBG Landscape Architects	\$1,225,000	76%
LHTC – Environmental Consulting (<i>private competitive bidding</i>)	Southwest Geoscience	\$256,365	100%
LHTC – Abatement (<i>private competitive bidding</i>)	AMX Environmental	\$2,954,777	33%
LHTC – Demolition (<i>private competitive bidding</i>)	Intercon Demolition	\$1,861,230	21%
LHTC – Geotechnical Services (<i>private competitive bidding</i>)	Terracon	\$11,500	47%
LHTC – Public Bid (City) Package #1 for dirtwork, storm sewer, sanitary sewer, and retaining wall construction	Walton Construction	\$9,782,947	18%
LHTC – Utilities (<i>private competitive bidding</i>)	Tri-Dal	\$1,102,291	6%
LHTC – Tree relocation/ test lab	Environmental Design & Terracon	\$567,331	n/a
LHTC – Park/Trail improvements (<i>private competitive bidding</i>)	Valley Crest	\$2,500,000	35%
City/Private Bid Total		\$20,261,441	\$5,227,256 (25.8%)
Dallas County Public Bid Package – LHTC bridge, roads, streetscape, signals	Austin Bridge and Road, Inc.	\$8,076,506	9%
White Rock Place (WRP) Project			
WRP – Flat work	W.O.E. Construction	\$5,179	0.70%
WRP – Erosion control	Brock Environmental Services, LLC	\$14,459	1.96%
WRP - Utilities	JT Dersner	\$369,204	49.99%
WRP – Building demo	E.W. Wells Group, LLC	\$272,360	40.39%
WRP Bid Total		\$1,412,775	\$661,202 (46.8%)
White Rock Trail Apartments (WRT) Project			
WRT – Building demo	Lindamood Demolition, Inc.	\$553,665	37.9%
WRT - Abatement	Southwest Geoscience	\$60,500	4.14%
WRT Bid Total		\$1,460,986	\$614,165 (42%)
Overall Total		\$31,211,708	\$7,229,509(23.2%)
Overall Total (excluding Dallas County bid)		\$23,135,202	\$6,502,623 (28.1%)

FY 2016 Work Program

The FY 2016 work program includes:

- Continue coordination efforts for the LHTC and other development projects.
- Continue working to support the efforts of the LBJ/Skillman Gateway Plan.
- Staff support for the implementation of the Lake Highlands TOD Multimodal Connectivity project selected for funding by the North Central Texas Council of Governments (NCTCOG).
- Monitor the impact of redevelopment on RISD student enrollment.
- Working to improve connections to the City of Dallas trails and open space system in the District.
- Investigate additional sources of funding for the District.

Appendix A – Financials

City of Dallas, Texas
Skillman Corridor Tax Increment Financing District Fund
Reinvestment Zone Number Fourteen
As of September 30, 2015

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

1. Amount and source of revenue in the tax increment fund established for the zone:

\$18,371 Interest Income	
\$1,603,723 Ad Valorem Taxes (Collected in FY2014-15 based on 2014 Final Tax Roll)	
<u>\$1,622,095</u>	Total Revenue

2. Amount and purpose of expenditures from the fund:

\$34,386 Administrative Expense	
\$60,933 Non-Capital outlay (1)	
\$0 Capital outlay (1)	
\$0 Additional Subsidy in Form of Grant (in lieu of interest expense)	
<u>\$95,319</u>	Total Expenditures

(1) These expenditures were for the following projects:

Partial Reimbursement #5 for RISD Public Imp.	\$60,933
Other	\$0
Total	<u>\$60,933</u>

3. The Zone began reimbursing the General Fund for administrative costs in fiscal year 2008-09.

4. a. Amount of Principal and Interest due-on outstanding bonded indebtedness is as follows:

Skillman Corridor TIF District has incurred no bonded indebtedness as of September 30, 2015.

b. The Zone entered into a development agreement; as amended, with PC LH Land Partners, LP for the "Lake Highland Town Center" development in the TIF in an amount not to exceed \$40,000,000; however, developer opted to terminate the agreement after Phase I, (\$10 million TIF commitment) and began reimbursing the developer in fiscal year 2011 with with the status as follows.

Project	Principal	Accrued Add'l Subsidy (1)	Less Payments	Total Outstanding
Demolition, Env. Remediation, etc.	\$643,000	\$0	\$643,000	\$0
Water, Wastewater & San. Sewers	\$257,000	\$0	\$257,000	\$0
Street & Utility Improvements	\$6,100,000	\$0	\$126,301	\$5,973,699
Land Acquisition	\$3,000,000	\$0	\$3,000,000	\$0
Grant	\$0	\$0	\$0	\$0
Total	<u>\$10,000,000</u>	<u>\$0</u>	<u>\$4,026,301</u>	<u>\$5,973,699</u>

c. The Zone also entered into a development agreement with Audelia WGK, LLC for the White Rock Place redevelopment in an amount not to exceed \$2,372,000. The Zone fully reimbursed the developer in fiscal year 2014 with status as follows:

Project	Principal	Accrued Add'l Subsidy (1)	Less Payments	Total (P & I) Outstanding
White Rock Place Project	\$1,915,000	\$13,974	\$1,928,974	\$0
Total	<u>\$1,915,000</u>	<u>\$13,974</u>	<u>\$1,928,974</u>	<u>\$0</u>

(1) Additional Subsidy in Form of Grant (in lieu of interest expense)

d. The Zone entered into a development agreement with WRT/DK Residential, L.P. for the White Rock Trail Apartments project in 2013 in an amount up to \$4,000,000 with reimbursement to begin after project completion and upon availability of TIF funds.

5. Tax increment base and current captured appraised value retained by the zone:

Taxing Jurisdiction	Taxable Value 2015*	Base Year 2005 Value	Est. Captured Value 2015*
City of Dallas	\$587,358,744	\$335,957,311	\$251,401,433
Dallas County	\$587,236,216	\$335,909,087	\$251,327,129
Richardson School District # 1 (INS)	\$362,481,754	\$235,461,409	\$127,020,345
Richardson School District # 2 (Operating)	\$0	\$0	\$0

*Taxable value shown for participating taxing jurisdictions. County & RISD #1 values are approximate and will vary slightly from the City value due to different exemption levels.

**Based on Certified Taxable Value. The final values will be determined on February 01, 2016.

6. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

Taxing Jurisdiction	Assessment Per \$100***	Amount of Estimated 2015 Increment***
City of Dallas	0.67745	\$1,703,119
Dallas County	0.13371	\$336,037
Richardson Independent School District # 1 (INS)	0.30000	\$381,061
Richardson Independent School District # 2 (Operating)	0.75000	\$0
Total for all Jurisdictions	\$1.86115	\$2,420,217

***Participation rate for City of Dallas is 85% for tax years 2008 - 2031.

***Participation rate for Dallas County is 55% for tax years 2008 - 2027.

Richardson Independent School District(RISD) participates at the rate of 16.48%(debt service portion only) for tax years 2008 - 2021.

The Zone will set aside 30% or \$33,394 of the anticipated 2013 RISD increment of \$111,314 to reimburse RISD for Facility Improvements TIF budget line item pursuant to RISD's interlocal agreement with the City of Dallas.

B. The total amount of estimated tax increment to be billed for the 2015 tax year is \$2,420,217. For the 2014 tax year, increment in the amount of \$1,603,723 was received.

City of Dallas, Texas

Skillman Corridor Tax Increment Financing District Fund

Balance Sheet as of September 30, 2015 (Unaudited)

With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)

	2015	2014	2013	2012	2011
Assets:					
Pooled cash and cash equivalents	\$2,717,363	\$1,192,583	\$326,014	\$1,106,336	\$1,969,728
Interest receivable	\$3,262	\$1,267	\$384	\$4,460	\$6,080
Total assets	\$2,720,625	\$1,193,850	\$326,398	\$1,110,796	\$1,975,808
Liabilities and Fund Balance (Deficit):					
Liabilities:					
Accounts and contracts payable	\$0	\$0	\$0	\$0	\$1,506,578
Advances from developers	\$0	\$0	\$0	\$0	\$0
Accrued interest	\$0	\$0	\$0	\$0	\$0
Due to general fund	\$10,395	\$10,395	\$10,395	\$0	\$0
Total liabilities	\$10,395	\$10,395	\$10,395	\$0	\$1,506,578
Fund Balance (Deficit):					
Fund Balance (Deficit)	\$2,710,231	\$1,183,455	\$316,004	\$1,110,796	\$469,230
Total Liabilities and Fund Equity	\$2,720,625	\$1,193,850	\$326,398	\$1,110,796	\$1,975,808
	\$0	\$0	\$0	\$0	\$0

Skillman Corridor Tax Increment Financing District Fund

Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)

For the Period September 30, 2015 (Unaudited)

With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)

	ITD	2015	2014	2013	2012	2011
Revenues:						
Tax increment-Governmental	\$4,925,035	\$1,188,742	\$922,512	\$742,382	\$560,613	\$382,176
Tax increment-Intergovernmental	\$1,635,588	\$414,981	\$279,533	\$168,733	\$131,493	\$107,980
Interest income	\$58,610	\$12,620	\$4,358	\$1,529	\$5,460	\$11,409
Net increase (decrease) in fair value of investments	\$5,641	\$5,751	(\$395)	(\$4,918)	(\$121)	\$1,833
Total revenues	\$6,624,873	\$1,622,095	\$1,206,008	\$907,726	\$697,446	\$503,398
Expenditures:						
Administrative expenses	\$368,515	\$34,386	\$28,601	\$41,956	\$47,782	\$88,943
Non-Capital Outlay	\$1,180,153	\$60,933	\$295,982	\$678,562	\$8,099	\$136,578
Capital outlay	\$2,352,000	\$0	\$0	\$982,000	\$0	\$1,370,000
Interest and fiscal charges	\$13,974	\$0	\$13,974	\$0	\$0	\$0
Total expenditures	\$3,914,643	\$95,319	\$338,557	\$1,702,518	\$55,881	\$1,595,521
Excess (Deficiency) of Revenues over Expenditures	\$2,710,231	\$1,526,776	\$867,451	(\$794,792)	\$641,565	(\$1,092,122)
Fund balance (Deficit) at beginning of year as previously reported	\$0	\$1,183,455	\$316,004	\$1,110,796	\$469,230	\$1,561,353
Fund balance (Deficit) at beginning of year, as restated	\$0	\$1,183,455	\$316,004	\$1,110,796	\$469,230	\$1,561,353
Fund balance (deficit) at end of year	\$2,710,231	\$2,710,231	\$1,183,455	\$316,004	\$1,110,796	\$469,230

Note: Fiscal year 2014-15 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.

City of Dallas, Texas
Skillman Corridor Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2015

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.
2. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.
3. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).
4. The Zone's Financial Plan permits expenditures not to exceed \$6,265,762 over the life of the TIF to reimburse the City for administrative costs. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.
5. All project costs resulting in capital improvements that are owned by the City are capitalized by the City.
6. "Due to general fund" amount of \$10,395 at September 30, 2015 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

AGENDA ITEM # 21

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 1, 6

DEPARTMENT: Office of Economic Development

CMO: Ryan S. Evans, 671-9837

MAPSCO: 43 U V Y Z & 44 P Q R S T U V

SUBJECT

A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Fifteen, (Fort Worth Avenue TIF District), submitted by the Fort Worth Avenue TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as to the State Comptroller. The City Council approved Ordinance No. 26798 on June 13, 2007, as amended, establishing Tax Increment Financing Reinvestment Zone Number Fifteen, (Fort Worth Avenue TIF District). On March 26, 2008, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 27129, as amended.

The Fort Worth Avenue TIF District's 2015 assessed taxable value was \$173,893,272. This represents an increase of \$87,759,825 (101.9%) over its base value and an increase of \$47,780,057 (37.9%) over its taxable value for 2014. The increase over the previous year's taxable value largely attributed to the appreciation of the properties that comprise the Sylvan | Thirty (\$25,094,560) and Alta West Commerce (\$12,903,380) projects. With the City and Dallas County's participation, the increase over the base value will result in the collection of approximately \$711,857 in total incremental revenue for the District.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 13, 2007, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Fifteen, the Fort Worth Avenue TIF District by Ordinance No. 26798, as amended.

On March 26, 2008, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Fort Worth Avenue TIF District by Ordinance No. 27129, as amended.

On January 29, 2016, the Fort Worth Avenue TIF District Board of Directors recommended that the FY 2015 Annual Report be accepted and approved.

Information about this item will be provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

No cost consideration to the City

February 24, 2016

WHEREAS, the City recognizes the importance of its role in local economic development initiatives and programs; and

WHEREAS, the City has established Tax Increment Financing Reinvestment Zone Number Fifteen, ("Fort Worth Avenue TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment in the Fort Worth Avenue area pursuant to Ordinance No. 26798, authorized by the City Council on June 13, 2007, as amended, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

WHEREAS, on March 26, 2008, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Fort Worth Avenue TIF District by Ordinance No. 27129, as amended; and

WHEREAS, the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

WHEREAS, on January 29, 2016, the Fort Worth Avenue TIF District Board of Directors passed a motion accepting the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Fifteen and recommending approval of same by the City Council.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Fifteen, (Fort Worth Avenue TIF District), City of Dallas, Texas, as of September 30, 2015, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

Section 2. That the City Manager is hereby authorized to submit the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Fifteen to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and to the State Comptroller, as required by state law.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Fort Worth Avenue TIF District FY 2015 Annual Report



The Sylvan | Thirty Mixed-use Development Project
(Source: City of Dallas)



City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 670-4551
www.dallas-ecodev.org/redevelopment

October 1, 2014 to September 30, 2015

**Reinvestment Zone Number Fifteen
Fort Worth Avenue
Tax Increment Financing District**

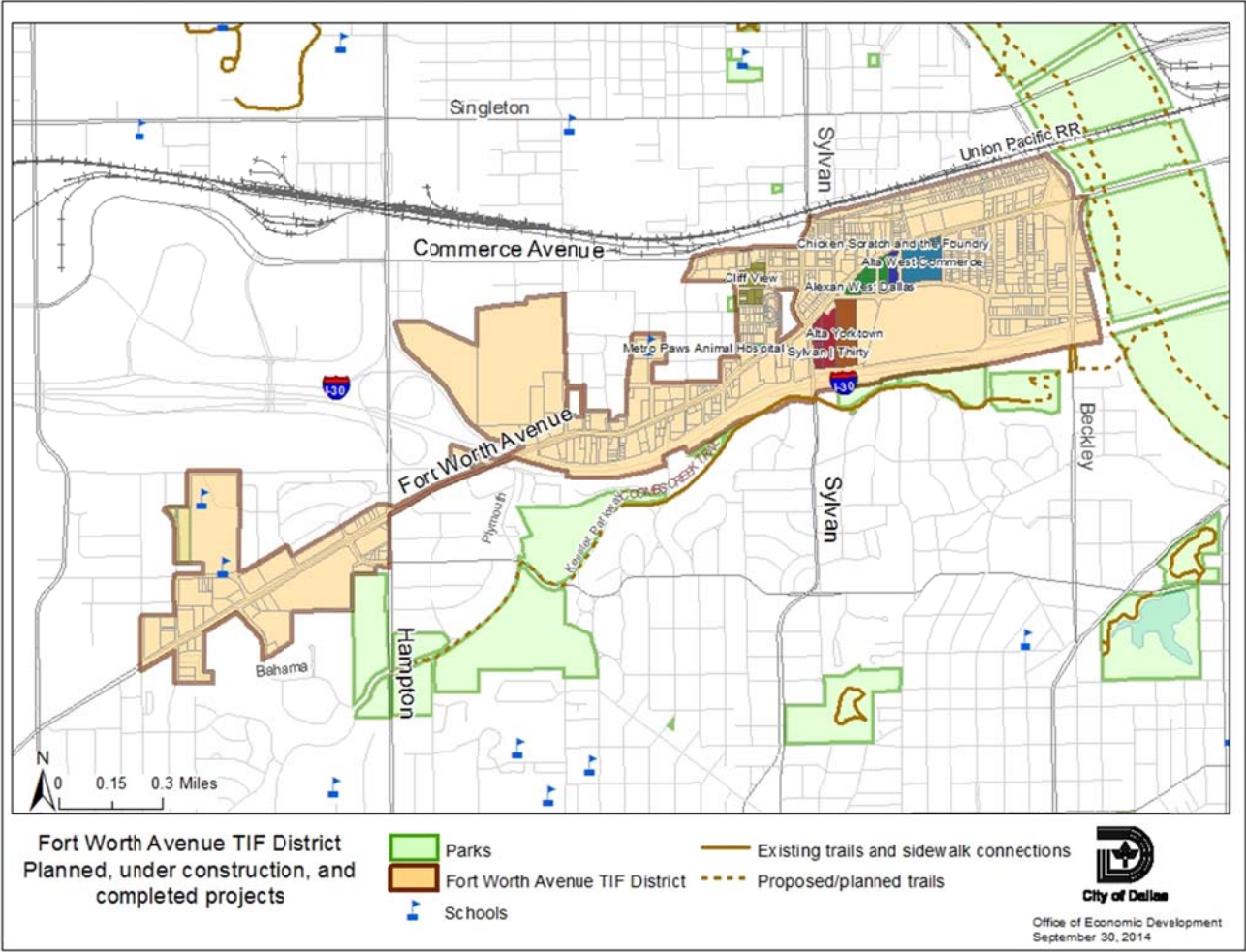


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Mission Statement

The mission of the Fort Worth Avenue TIF District is to provide a source of funding for public infrastructure improvements necessary to enhance the real estate market for the Fort Worth Avenue TIF District area. The Fort Worth Avenue TIF District represents the outgrowth of the City of Dallas' effort to provide a model for redeveloping urban corridors to take full advantage of the Trinity River project, the signature Santiago Calatrava bridges, and the undeveloped/underdeveloped land parcels near downtown Dallas.

The Fort Worth Avenue TIF District was proposed in April 2007 to assist the creation of a more sustainable mix of rental and for-sale residential property in the Fort Worth Avenue area. This shift will help to encourage the creation of more owner-occupied residential units and mixed-use development, the removal and redevelopment of structurally obsolete apartment complexes and retail centers, and the facilitation of necessary environmental remediation and redevelopment of the property near the Trinity River and downtown Dallas, as well as better trail and recreational connections.

The Dallas City Council established the Fort Worth Avenue TIF District by Ordinance Number 26798 on June 13, 2007, as amended. The District took effect on January 1, 2008 and it is scheduled to terminate on December 31, 2029 (including collection of the 2029 increment in calendar year 2030 and any related matters to be concluded in 2030). The City of Dallas and Dallas County are the District's participating jurisdictions. The City's annual participation rates are as follows:

- 0% in 2008
- 55% in 2009 and 2010
- 70% in 2011 through 2013
- 85% in 2014 through 2020
- 70% in 2021 and 2022
- 55% in 2023 through 2029

The County's participation was 0% in 2008 and increased to 55% in 2009 through 2028.

District Accomplishments

The Fort Worth Avenue TIF District is generally bounded by commercial and multi-family developments along the Fort Worth Avenue corridor between the Trinity River and Hartsdale Avenue. Many of these properties were underutilized and/or deteriorated initially. The District also contains many outdated industrial structures, vacant office buildings, sparingly used parking lots and undeveloped land. Even so, its proximity to downtown Dallas, the Santiago Calatrava bridges, the Coombs Creek, stable single-family neighborhoods and planned transit service improvements is appealing.

Since its inception the Dallas City Council has approved three projects in the District for TIF Funding. The first project, the Metro Paws Animal Hospital was completed 2012.

The second project, the *Sylvan / Thirty* mixed-use development is under construction and is scheduled to be completed during FY 2016. The construction schedule for the third project, the Cliff View multi-family housing development, has not been determined. In addition, ten non-TIF projects that were completed prior to FY 2015 have added commercial, office, retail and restaurant space along or near the Fort Worth Avenue corridor. Collectively, the projects are expected to further stimulate the expansion of commercial and residential activity throughout the District. This idea is reinforced by the following activities that occurred during the fiscal year:

- Completion of the Alta West Commerce multi-family housing development. It contains 252 apartment units.
- Construction commenced on the Alta Yorktown multi-family housing development. It will contain 226 apartment units.
- Construction commenced on the Alexan West Davis mixed-use development. It will contain 340 apartment units and 18,500 square feet of retail space.



The Alexan West Davis mixed-use development
(Source: City of Dallas)

Past, Current and Anticipated Projects

The past, current and anticipated projects within the District as of September 30, 2015 are as follows:

Projects Within the Fort Worth Avenue TIF District Utilizing TIF Funding ¹						
Project	Location	Calendar Year Complete	Status	Units/Square Feet ²	Approximate Investment/ Assessed Value ³	TIF Investment ⁴
Metro Paws Animal Hospital	1007 Fort Worth Ave	2012	Complete	4,006 square feet of veterinary hospital space	\$602,350 (assessed value)	\$116,000
Sylvan Thirty	750 and 758 Fort Worth Ave; 738 IH 30; 1802, 1808, 1812, 1824 and 1830 Sylvan Ave	2016	Under construction	200 apartment units and 53,800 square feet of retail/ restaurant space	\$47,604,694 (approximate investment)	\$3,200,000
Cliff View	2002 N. Willomet	2018	Planned	318 apartment units	\$43,183,160 (approximate investment)	\$4,650,000
Total				518 units; 53,800 square feet of retail and restaurant space; and 4,700 square feet of veterinary hospital space	\$91,390,204	\$7,966,000



Metro Paws Animal Hospital
(Source: City of Dallas)

Projects Within the Fort Worth Avenue TIF District That Are Not Utilizing TIF Funding¹						
Project	Location	Calendar Year Complete	Status	Units/Square Feet²	Approximate Investment/Assessed Value³	TIF Investment⁴
McDonald's	2747 Fort Worth Ave	2009	Complete	4,828 square feet of restaurant space	\$920,620 (assessed value)	\$0
Comerica Bank	2727 Fort Worth Ave	2010	Complete	3,714 square feet of commercial space	\$1,176,930 (assessed value)	\$0
Meridian at Kessler Park	2522 Fort Worth Ave	2010	Complete	198 apartment units	\$10,200,000 (assessed value)	\$0
Aldi	2505 Fort Worth Av	2011	Complete	16,657 square feet of retail space	\$2,300,000 (assessed value)	\$0
Retail center	2605 Fort Worth Ave	2011	Complete	10,143 square feet of retail space	\$1,461,970 (assessed value)	\$0
Santiago Rodriguez Insurance (formerly the Oak Cliff Hive)	2139 Fort Worth Ave	2012	Complete	2,356 square feet of office space	\$60,000 (assessed value)	\$0
Chicken Scratch and The Foundry	2303 Pittman St	2012	Complete	10,800 square feet of restaurant space and 1,740 square feet of office space	\$745,000 (assessed value)	\$0
Carolina and Company Salon	2335 Hardwick St	2013	Complete	3,200 square feet of commercial space	\$105,660 (assessed value)	\$0
Droese Raney Architecture	2120 Sylvan Ave	2013	Complete	2,400 square feet of office space	\$145,000 (assessed value)	\$0
Manny Rodriguez Photography	1007 Folsom St	2014	Complete	1 single-family unit and 4,620 square feet of commercial space	\$728,170 (assessed value)	\$0
Alta West Commerce	444 W. Commerce	2015	Complete	252 apartment units	\$14,851,890 (assessed value)	\$0
Alta Yorktown	660 Yorktown St	2016	Under construction	226 apartment units	\$28,000,000 (approximate investment)	\$0
Alexan West Dallas	620 Fort Worth Ave	2017	Under construction	340 apartment units and 18,500 square feet of retail space	\$40,000,000 (approximate investment)	\$0
The Villas at the Belmont	Fort Worth Ave & Sylvan Ave	TBD	Under Construction	34 single-family units	\$35,000,000 (approximate investment)	\$0
Total				1,051 units; 11,534 square feet of commercial space; 60,928 square feet of retail and restaurant space; and 6,496 square feet of office space	\$135,695,240	\$0



The Alta West Commerce multi-family housing development

(Source: City of Dallas)



The Alta Yorktown multi-family housing development
(Source: City of Dallas)

Projects Adjacent to the Fort Worth Avenue TIF ⁵						
Project	Location	Calendar Year Complete	Status	Units/ SF ²	Approx. Value ³	Public Investment
Belmont Hotel	901 Fort Worth Ave	2005	Complete	64 hotel rooms	\$3,631,490	\$370,000 PPP Funds and \$359,995 2003 Bond Funds
Smoke	901 Fort Worth Ave	2009	Complete	5,750 square feet of restaurant space		
Total				64 hotel rooms and 5,750 square feet of restaurant space	\$3,631,490	\$729,995
¹ All information updated as of September 30, 2015. ² Based upon either the TIF application or required minimum stated in the development agreement. Has been updated for completed projects based on actual unit mix and square footage. ³ Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). ⁴ Principal amount not to be exceeded per the development agreement. TBD indicates that development agreement has not yet been adopted. Asterisk indicates investment also includes interest not shown. ⁵ Includes selected significant projects.						

The City and community partners have several initiatives within and adjacent to the District that commenced in FY 2014 or have been ongoing. Collectively, over \$895 million in bond, grant, federal and private funds will be spent on the projects which are expected to help accomplish the following:

- Facilitate new mixed-use development in the area
- Create a vibrant neighborhood along the Fort Worth Avenue corridor
- Increase recreational opportunities and connections to the Trinity River corridor and downtown

A summary of the specific initiatives is as follows:

- The Texas Department of Transportation (TxDOT) has commenced work on the Horseshoe project which will upgrade the I-30 and I-35E bridges over the Trinity River and a portion of the Mixmaster. The project includes: a) the reconstruction of I-30 between Sylvan Avenue and the I-35 interchange; b) the reconstruction of I-35 from its interchange with I-30 south to Eighth Avenue; and c) the installation of additional lanes and a dedicated bicycle and pedestrian facility on the I-30 bridge over the Trinity River.

- Upon its completion the Coombs Creek Trail will connect Hampton Road to Riverfront Boulevard and the Katy Trail (east of the District). The trail's first phase, which spans from just west of Beckley Avenue to Sylvan Avenue, was completed in March 2009. Phase II, which spans from Sylvan Avenue to the tennis courts at Stevens Golf Course, was completed in September 2010. The design for Phase III, which will span from the tennis courts at Stevens Golf Course to Plymouth Road, began in February 2014. Construction on phase III commenced during the fiscal year and is scheduled to be completed during the first quarter of FY 2016. On the eastern end of the trail, the bicycle and pedestrian facilities that are being installed as part of the Horseshoe project will help connect the Coombs Creek Trail to Riverfront Boulevard. Dallas County has also committed \$3,500,000 toward the link between Beckley Avenue and the Horseshoe project. The required matching funds from the City might be supplied by a future bond program.



The Coombs Creek Trail

Source: City of Dallas

- The Trinity Overlook is a pavilion and observation deck located east of the District near the southeast corner of the Beckley Avenue and West Commerce Street intersection. The project was financed by \$248,815 from the 1998 bond program and a \$100,000 donation from MetLife the Foundation. It was completed in completed in October 2008.



The Trinity Overlook

Source: City of Dallas

- The West Dallas Signature Point project was selected for funding through the North Central Texas Council of Governments (NCTCOG)'s Regional Transportation Council's Sustainable Development Program Call for Projects. This planning project used the goals and standards established in the West Dallas Urban Structure and Guidelines to create a redevelopment and investment strategy for prioritizing capital improvement projects in the West Dallas area bounded by Singleton Boulevard (north), the Trinity River levee (east), I-30 (south) and Sylvan Avenue (west). It was completed in 2014.
- In 2009 the Park Department began design for an \$8 million renovation of the **Stevens Park Golf Course** which is adjacent to the District. Renovations included 1) erosion control for Coombs Creek, 2) renovation of the golf course to include drainage, bridge construction, cart paths, etc., 3) irrigation improvements, and 4) construction of a maintenance facility. The renovation project was completed in October 2011.

In addition to these initiatives, the City's Public Works and Transportation Department commenced construction on infrastructure improvements at the **North Beckley Avenue and West Commerce Street intersection during the fiscal year**. The \$5.3 million project will help ease traffic congestion on North Beckley Avenue; improve pedestrian and bicycle access to the Trinity River corridor; upgrade storm sewer, water and sanitary sewer systems; and augment wider sidewalks, street trees, street furniture, bike lanes and enhanced pedestrian lighting. The project will also reuse storm water runoff for irrigation purposes. It is scheduled to be completed in 2016.

Deedie and Rusty Rose have given \$2 million, part of their \$5 million donation to the Trinity Trust, to found the Dallas CityDesign Studio. The studio's staff works closely with those involved in the Trinity River Corridor project including developers, businesses, residents and other city departments to enhance urban design in the corridor. It is directed by architect and planner Brent Brown and receives advisement from urban planner Larry Beasley, who is known for his work in downtown Vancouver.

In January 2013, a partnership with the Fort Worth Avenue Development Group enabled the City to stripe buffered bike lanes on Fort Worth Avenue between North Edgefield Avenue and Sylvan Avenue. The pilot project helped determine the feasibility of a proposed thoroughfare plan amendment to modify Fort Worth Avenue from six lanes of vehicular traffic to four lanes and a buffered bike lane. The thoroughfare plan amendment was approved by City Council on September 11, 2013.

The reconstruction of Sylvan Avenue between I-30 and Fort Worth Avenue (adjacent to the Sylvan | Thirty project) was completed during the fiscal year. The project added bike lanes, on-street parking, wide sidewalks and new traffic signals along this segment of Sylvan Avenue. It also upgraded the existing storm drainage, replaced the water and wastewater mains and added new landscaping and streetscaping improvements that include pedestrian lighting.

District Initiatives				
Activity	Scope	Status	Investment	Source
Coombs Creek Trail	<p>To create a multi-use trail system along the course of Coombs Creek as it winds west of downtown. Phases I-III will extend from Beckley Avenue through the Stevens Golf Course tennis area to Hampton Road.</p> <p>Additional phases will: 1) extend the eastern end of the trail to Beckley Avenue, 2) connect to the Trinity Skyline Trail, and 3) connect to the IH 30 bike and pedestrian bridges.</p>	<p>Phase I: Complete</p> <p>Phase II: Complete.</p> <p>Phase III: Design commenced in February 2014. Construction is underway.</p> <p>Phase IV: connection to Beckley Avenue is currently partially funded. The connection from Beckley Avenue to Riverfront will be completed as part of the Horseshoe Project which commenced in February 2013. It is anticipated to be completed March 2017.</p>	<p>Cost to date:</p> <p>Phase I (total): \$394,896</p> <p>Phase II (total): \$541,917</p> <p>Phase III (total): \$1,529,880</p> <p>Phase IV: (eastern terminus to Beckley): total TBD.</p> <p>Horseshoe pedestrian and bicycle facilities: \$8,438,228</p>	<p>2003 and 2006 Bond Programs for Phases I, II, and III.</p> <p>Phase IV: Dallas County committed \$3,500,000 as part of the MCIP 6th Call. The City's matching funds may come from a future bond program.</p> <p>Horseshoe Project: combination of federal private, and bond funding.</p>
Trinity Overlook	Pavilion and observation deck at the southeast corner of Beckley Avenue and West Commerce Street	Complete	\$248,815	1998 Bond Program
			\$100,000	MetLife Foundation via the Trust for Public Land
West Dallas Signature Project	Infrastructure planning project	Complete	\$ 25,406	West Dallas Chamber of Commerce
			\$101,625	Regional Transportation Council
Sylvan Avenue reconstruction	Sylvan Avenue from the I-30 service road to Fort Worth Avenue	Complete.	\$2,093,756	2006 Bond Program And Dallas Water Utility funds
	Sylvan Avenue from West Commerce Street to Singleton Boulevard	Design. Construction to take 18 months.	\$2,552,600	2006 Bond Program

Fort Worth Avenue Streetscape Improvements	Master plan for roadway and streetscape design for Fort Worth Avenue from Beckley Avenue to Westmoreland Road.	Public feedback resulted in a new project design being sought. On September 11, 2013, City Council approved an amendment to the City's Thoroughfare Plan which included modifications to Fort Worth Avenue.	Up to \$200,000	2003 Bond Program
Fort Worth Avenue reconstruction	The project entails modifying Fort Worth Avenue between Sylvan Avenue and Commerce Street from six lanes to four divided lanes, a buffered bike lane and on street parking.	Design of the project underway	\$3,000,000	2006 Bond Program: \$1,500,000 Dallas County: \$1,500,000 (Project Specific Agreement underway)
N. Beckley Avenue and West Commerce Street Intersection Improvements	Design, engineering, and construction of intersection improvements that include sidewalks, bike lanes and street trees.	Under construction	\$7,873,032 (total)	1998 Bond Program: \$2,050,043 2003 Bond Program: \$44,983 2006 Bond Program: \$3,566,089 2012 Bond Program: \$1,175,630 DWU funds: \$1,036,287
Beatrice Street (West Commerce Street to West Comstock Street) and Wink Street	Street resurfacing	Work to be done in coordination with the N. Beckley Avenue and West Commerce Intersection Improvements	\$100,000	2006 Bond Program
Fort Worth Avenue from Edgefield Avenue to Plymouth Road	Street resurfacing	Complete	\$323,032	2006 Bond Program

Initiatives Adjacent to District				
Activity	Scope	Status	Investment	Source
Stevens Park Golf Course renovation	Design, engineering, construction, and interim management	Complete	Design: \$835,000 Construction: \$8,184,630	2003 and 2006 Bond Programs, Stevens Park Golf Course Improvement Funds, and Golf Improvement Funds
Horseshoe Project	Reconstruction of I-30 from Sylvan Avenue to the I-35 interchange, and I-35 from the I-30 interchange to Eighth Street.	Under construction. Anticipated completion is in 2017.	\$818 million	Federal, state, and regional funding
West Dallas Gateway (the Three Hole Punch)	Construction of three street connections under the Union Pacific rail lines north of the District	Design commenced in March 2015.	\$34 million	2012 Bond Program

Value and Increment Revenue Summary

The Fort Worth Avenue TIF District's 2015 assessed taxable value was \$173,893,272. This represents an increase of \$87,759,825 (101.9%) over its base value and an increase of \$47,780,057 (37.9%) over its taxable value for 2014. The increase over the previous year's taxable value largely attributed to the appreciation of the properties that comprise the Sylvan | Thirty (\$25,094,560) and Alta West Commerce (\$12,903,380) projects. With the City and Dallas County's participation, the increase over the base value will result in the collection of approximately \$711,857 in total incremental revenue for the District.

Objectives, Programs, and Success Indicators

The Fort Worth Avenue Project Plan and Reinvestment Zone Financing Plan was adopted on March 26, 2008, as amended. The plan's defined development goals are provided below:

- Create additional taxable value attributable to new private investment in projects totaling approximately \$1,290,239,340 over the term of the District.

The District's taxable value has increased approximately \$87,759,825 since its inception (6.8% of the goal). Completed projects include the Metro Paws Animal Hospital, a McDonald's, a Comerica banking center, the Meridian at Kessler Park, an Aldi grocery store and the Alta West

Commerce. Several additional projects including Sylvan | Thirty, Alta Yorktown and Alexan West Dallas are under construction.

- Attract new, higher density, private development in the Fort Worth Avenue TIF District totaling approximately 1,033,910 square feet of retail space and 9,444 residential units including townhome, multi-family, single-family, and condominium projects.

Since its inception 53,962 square feet of commercial, retail and restaurant space has been completed within the District. Construction has commenced on another 72,300 square feet while no additional space is currently planned. Collectively, the 126,262 square feet represents 12.2% of the goal.

Also, 450 residential units have been completed. An additional 800 units are under construction while another 318 are planned. Collectively, the 1,568 units represent 16.6% of the goal.

- Focus on encouraging the redevelopment of properties in the Fort Worth Avenue corridor to increase density and to provide enhanced urban design for the district that meets the intent of the *Fort Worth Avenue Corridor Land Use and Urban Design Study* and the requirements of the West Commerce Street/Fort Worth Avenue Special Purpose District (PD 714), adopted by Ordinance No. 25898 on February 23, 2005, as amended.

The following progress has been made since the District's inception:

- *Manny Rodriguez Photography includes a newly constructed 4,620 square foot studio and a renovated a single-family home.*
- *Alta West Commerce, which contains 252 apartment units, was built on land that was previously underutilized.*
- *Sylvan | Thirty is under construction on land that was previously underutilized. It will contain 200 apartment units and 53,800 square feet of retail space.*
- *Alta Yorktown and Alexan West Dallas are under construction on land that was previously underdeveloped. Alta Yorktown will contain 226 apartment units while Alexan West Dallas will contain 340 apartment units and 18,500 square feet of retail space.*
- *The Villas at the Belmont is under construction on land that was previously vacant. It will contain 34 single-family homes.*

- Cliff View, which has been awarded \$4,650,000 in TIF funding, will be built on land that is primarily vacant. It will contain 318 apartment units.

Additionally, the following projects within and adjacent to the District will provide public infrastructure improvements that comply with PD 714 including wide sidewalks, street trees, bicycle and pedestrian amenities:

- | | |
|--|--|
| – Coombs Creek Trail | – TxDOT's Horseshoe |
| – West Dallas Signature Point | – Fort Worth Avenue Streetscape Improvements |
| – Reconstruction of West Commerce Street | – Reconstruction of Sylvan Avenue |
| – Trinity Overlook | – Reconstructions Beckley Avenue |

- Improve access and connections to the planned improvement of transit services, including a light rail or modern streetcar line, within the District.

Projects requesting TIF funding are reviewed individually to ensure wide sidewalks and improved transit stops with features such as shelters or pedestrian shading. Their landscaping design must also account for potential light rail or streetcar lines.

Additionally, planned extensions of the Coombs Creek Trail will connect the Fort Worth Avenue corridor to Union Station and additional transit services.

- Increase recreational opportunities and improve connections to the City of Dallas trails and open space system in the District, especially the Trinity River and Coombs Creek.

Phases I and II of the Coombs Creek Trail, which spans from Beckley Avenue to Sylvan Avenue, was completed in 2010. Future phases to the west will follow the Coombs Creek, continue through Stevens Park Golf Course, and connect to future development along Fort Worth Avenue. Future phases to the east will connect to Riverfront Boulevard and downtown Dallas.

- Maintain the stability of local schools as redevelopment occurs in the housing market.

Administrators from the Dallas Independent School District have been invited to participate in the District's TIF Board meetings.

- Generate approximately \$69.5 million (2008 dollars) in increment over 21 years, with up to 85 percent participation by the City and 55 percent participation by the County.

The District's assessed property value has increased 101.9% over its base value. The increase has generated approximately \$651,018 in incremental revenue (0.9% of the goal).

- Diversify retail and commercial uses in the District.

Since its inception 53,962 square feet of commercial, retail and restaurant space has been completed within the District. Construction has commenced on another 72,300 square feet. A list of the specific projects is as follows:

- *McDonald's added 4,828 square feet of restaurant space*
- *The Comerica banking center added 3,714 square feet of commercial space*
- *The Aldi grocery store added 16,657 square feet of retail space*
- *The retail center at 2605 Fort Worth Ave added 10,143 square feet of retail space*
- *Chicken Scratch and The Foundry added 10,800 square feet of restaurant space*
- *Carolina and Company Salon added 3,200 square feet of commercial space*
- *Manny Rodriguez Photography added 4,620 square feet of commercial space*
- *Sylvan | Thirty will add 53,800 square feet of retail/ restaurant space upon its completion*
- *Alexan West Dallas will add 18,500 square feet of retail space upon its completion*

Year-End Summary of Meetings

Based on amended composition the Fort Worth Avenue TIF Board can consist of up to nine members, including eight City of Dallas appointees and one from Dallas County. The board, which met twice during the fiscal year, consisted of the following members:

- Deborah Carpenter – City appointee and vice chair (attended 1 of 2 meetings)
- Eva Elvove – City appointee (attended 2 of 2 meetings)
- Joseph Hernandez – City appointee and chairman (attended 2 of 2 meetings)
- Tony Hinojosa – City appointee (attended 2 of 2 meetings)
- J. B. Jones – City appointee (attended 2 of 2 meetings)
- Rick Loessberg – Dallas County appointee (attended 2 of 2 meetings)
- Juanita Ramirez – City appointee (attended 2 of 2 meetings)
- Jennifer Snow – City appointee (attended 2 of 2 meetings)
- Dustin Thibodeaux – City appointee (attended 2 of 2 meetings)

The Dallas City Council approved six items related to the District during the fiscal year. These items are summarized below:

- On December 10, 2014, the City Council approved Ordinance Number 29560, repealing Ordinance No. 6774, previously approved on December 12, 1955, which established a 10 foot building line on both sides of Fort Worth Avenue between Sylvan Avenue and Beatrice Street - Financing: No cost consideration to the City
- On December 10, 2014, the City Council approved Ordinance Number 29601, abandoning a portion of Eastus Drive to 604 Fort Worth Ave Apartment Investors LLC, the abutting owner, containing approximately 26,763 square feet of land, located near the intersection of Eastus Drive and Fort Worth Avenue and providing for the dedication of approximately 5,876 square feet of land needed for public access, and providing for the dedication of approximately 1,541 square feet for a sidewalk easement, and authorizing the quitclaim - Revenue: \$308,083, plus the \$20 ordinance publication fee (Alexan West Dallas Project)

- On February 25, 2015, the City Council approved Resolution Number 15-0362, accepting the FY 2014 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Fifteen, (Fort Worth Avenue TIF District), submitted by the Fort Worth Avenue TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
- On February 25, 2015, the City Council approved Resolution Number 15-0377, authorizing a construction contract for a new trail at Stevens Park Golf Course and the tennis courts along Kessler Parkway and other miscellaneous items for the Coombs Creek Trail, Phase III located from Stevens Park tennis courts to Hampton Road - A S Con, Inc., lowest responsible bidder of six - Not to exceed \$1,131,842 - Financing: 2006 Bond Funds
- On April 22, 2015, the City Council approved Resolution Number 15-0759, authorizing Supplemental Agreement No. 2 to the professional services contract with Urban Engineers Group, Inc. for engineering design services or additional drainage improvements for Sylvan Avenue, from Fort Worth Avenue to Singleton Boulevard and traffic signal modifications at Sylvan Avenue and Singleton Boulevard - Not to exceed \$49,800, from \$615,289 to \$665,089 - Financing: 2006 Bond Funds
- On May 13, 2015, the City Council approved Ordinance Number 29728, abandoning a portion of a sanitary sewer easement to 604 Fort Worth Ave Apartments Investors LLC, the abutting owner, containing approximately 5,236 square feet of land, located near the intersection of Fort Worth Avenue and Yorktown Street - Revenue: \$5,400, plus the \$20 ordinance publication fee (Alexan West Dallas Project)

Pending Items

The pending items for the Fort Worth Avenue TIF District are as follows:

- Approval of the FY 2015 Annual Report
- Consideration of an amendment to the previously approved terms and funding for the Cliff View project



Conceptual rendering of the Cliff View multi-family housing development
(Source: City of Dallas)

Budget and Spending Status

The Fort Worth Avenue TIF District's Project Plan and Reinvestment Zone Financing Plan established a budget for the public improvement expenditures that are necessary to support private investment. The District's budget and spending to date are provided on the following charts:

Fort Worth Avenue TIF District Projected Increment Revenues to Retire TIF Fund Obligations*			
Category	TIF Budget	Allocated	Balance
Public infrastructure improvements: paving, streetscape, water/wastewater, storm sewer, utility burial/relocation, and land acquisition	\$71,443,870	\$2,832,746	\$68,611,124
Affordable housing	\$9,587,261	\$2,274,163	\$7,313,098
Environmental remediation & demolition	\$11,504,713	\$25,000	\$11,479,713
Parks, open space, trails, and gateways	\$11,504,713	\$325,000	\$11,179,713
Façade restoration	\$5,752,356	\$0	\$5,752,356
Economic development grants	\$19,174,522	\$2,500,000	\$16,674,522
Administration and implementation*	\$4,218,395	\$355,806	\$3,862,589
Total project costs	\$133,185,830	\$8,312,715	\$124,873,115
<i>Budget shown above in current dollars, updated yearly; TIF Project Plan shows the budget in net present value. Values above do not include interest payments or receipts. * TIF Administration costs shown are expensed through FY 2015</i>			

Fort Worth Avenue TIF District Project Plan Budget (NPV, 2008 dollars)	
Category	TIF Budget*
Public infrastructure improvements: paving, streetscape, water/wastewater, storm sewer, utility burial/relocation, and land acquisition	\$37,259,794
Affordable housing	\$5,000,000
Environmental remediation & demolition	\$6,000,000
Parks, open space, trails, and gateways	\$6,000,000
Façade restoration	\$3,000,000
Economic development grants	\$10,000,000
Administration and implementation	\$2,200,000
Total project costs	\$69,459,794
* As approved in the Final Project Plan and Reinvestment Zone Financing Plan.	

FY 2016 Work Program

The FY 2016 work program for the Fort Worth Avenue TIF District includes:

- Encourage development projects within the District in accordance with the final Project Plan and Reinvestment Zone Financing Plan.
- Continue working to coordinate public design and improvement efforts.



Public infrastructure improvements that were completed along Sylvan Avenue as part of the Sylvan | Thirty Mixed-use Development Project

(Source: City of Dallas)

Appendix: Financials

City of Dallas, Texas
Fort Worth Avenue Tax Increment Financing District Fund
Reinvestment Zone Number Fifteen
As of September 30, 2015

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

1. Amount and source of revenue in the tax increment fund established for the zone:

\$11,703	Interest Income
\$316,712	Ad Valorem Taxes (Collected in FY'2014-15 based on 2014 Final Tax Roll)
<u>\$328,414</u>	Total Revenue

2. Amount and purpose of expenditures from the fund:

\$22,184	Administrative Expense
\$0	Non-Capital outlay
\$0	Capital outlay
\$0	Additional Subsidy in Form of Grant (in lieu of interest expense)
<u>\$22,184</u>	Total Expenditures

3. The Zone began reimbursing the general fund for the TIF administrative costs in fiscal year 2009-10.

4. a. Amount of Principal and Interest due on outstanding bonded indebtedness:

Fort Worth TIF District has incurred no bonded indebtedness as of September 30, 2015.

b. The Zone entered into a developer agreement with Lynxette Exploration, LLC for the Sylvan | Thirty public improvement project in an amount not to exceed \$3,200,000 with projected completion date of June 30, 2015. Reimbursement to begin after completion of all requirements and upon availability of TIF funds.

c. The Zone entered into a developer agreement with Henry S. Miller for the Cliff View project in an amount not to exceed \$4,650,000 with projected completion date of December 31, 2016. Reimbursement to begin after completion of all requirements and upon availability of TIF funds.

5. Tax increment base and current captured appraised value retained by the zone:

Taxing Jurisdiction	Taxable Value 2015*	Base Year 2007 Value	Est. Captured Value 2015**
City of Dallas	\$173,893,272	\$86,133,447	\$87,759,825
Dallas County	\$173,873,272	\$86,122,047	\$87,751,225

*2015 taxable value for participating taxing jurisdictions. County values are approximate and will vary slightly from the City value due to different exemption levels.

**Based on Certified Taxable Value. The final values will be determined on February 01, 2016.

6. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

Taxing Jurisdiction	Assessment Per \$100 ***	Amount of Estimated 2015 Increment****
City of Dallas	0.67745	\$594,529
Dallas County	0.13371	\$117,328
Total for all Jurisdictions	\$0.81116	\$711,857

*** Participation rate for Dallas County is 0% for 2008 and 55% for years 2009 to 2028.

City of Dallas participates at variable rates as follows:

<u>Tax Year</u>	<u>Rate</u>
2008	0%
2009 - 2010	55%
2011 - 2013	70%
2014 - 2020	85%
2021 - 2022	70%
2023 - 2029	55%

****The District began collecting increment in fiscal year 2009-10.

B. The total amount of estimated tax increment to be billed for the 2015 tax year is \$711,857.
For the 2014 tax year, increment in the amount of \$316,712, was received.

City of Dallas, Texas
Fort Worth Avenue Tax Increment Financing District Fund
Balance Sheet as of September 30, 2015 (Unaudited)
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Assets:					
Pooled cash and cash equivalents	\$575,666	\$269,890	\$134,774	\$96,608	\$2
Interest receivable	\$1,915	\$1,461	\$1,193	(\$992)	\$3
Total assets	<u>\$577,581</u>	<u>\$271,351</u>	<u>\$135,967</u>	<u>\$95,616</u>	<u>\$5</u>
Liabilities and Fund Balance (Deficit):					
Liabilities:					
Accounts and contracts payable	\$0	\$0	\$0	\$0	\$0
Advances from developers	\$0	\$0	\$0	\$0	\$0
Accrued interest	\$0	\$0	\$0	\$0	\$0
Due to general fund	\$42,907	\$42,907	\$62,991	\$55,403	\$55,403
Total liabilities	<u>\$42,907</u>	<u>\$42,907</u>	<u>\$62,991</u>	<u>\$55,403</u>	<u>\$55,403</u>
Fund Balance (Deficit):					
Fund Balance (Deficit)	\$534,674	\$228,444	\$72,977	\$40,213	(\$55,398)
Total Liabilities and Fund Equity	<u>\$577,581</u>	<u>\$271,351</u>	<u>\$135,967</u>	<u>\$95,616</u>	<u>\$5</u>
	(\$0)	(\$0)	\$0	\$0	\$0

Fort Worth Avenue Tax Increment Financing District Fund
Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)
For the Period September 30, 2015 (Unaudited)
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)

	<u>ITD</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Revenues:						
Tax increment-Governmental	\$790,400	\$267,917	\$155,492	\$126,862	\$122,581	\$81,881
Tax increment-Intergovernmental	\$177,330	\$48,795	\$36,410	\$30,156	\$27,986	\$24,048
Interest income	\$26,347	\$8,262	\$5,353	\$7,443	\$4,674	\$235
Grant from City	\$0	\$0	\$0	\$0	\$0	\$0
Net increase (decrease) in fair value of investments	\$3,313	\$3,441	(\$1,014)	\$955	(\$71)	(\$5)
Total revenues	\$997,389	\$328,414	\$196,240	\$165,414	\$155,171	\$106,160
Expenditures:						
Administrative expenses	\$355,806	\$22,184	\$40,773	\$25,742	\$59,559	\$56,119
Non-capital outlay	\$0	\$0	\$0	\$0	\$0	\$0
Capital outlay	\$106,909	\$0	\$0	\$106,909	\$0	\$0
Interest and fiscal charges	\$0	\$0	\$0	\$0	\$0	\$0
Total expenditures	\$462,715	\$22,184	\$40,773	\$132,651	\$59,559	\$56,119
Excess (Deficiency) of Revenues over Expenditures	\$534,674	\$306,230	\$155,467	\$32,763	\$95,611	\$50,040
Fund balance (Deficit) at beginning of year as previously reported	\$0	\$228,444	\$72,977	\$40,213	(\$55,398)	(\$105,438)
Fund balance (Deficit) at beginning of year, as restated	\$0	\$228,444	\$72,977	\$40,213	(\$55,398)	(\$105,438)
Fund balance (Deficit) at end of year	\$534,674	\$534,674	\$228,444	\$72,977	\$40,213	(\$55,398)

Note: Fiscal year 2014-15 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, the TIF Board will be provided with the updated financial statements.

Notes to Financials

City of Dallas, Texas

Fort Worth Avenue Tax Increment Financing District

Notes to Financial Statements for the Year Ended September 30, 2015

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.
2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).
3. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.
4. The Zone's Financial Plan permits expenditures not to exceed \$4,334,643 over the life of the TIF to reimburse the City for administrative costs. The Zone began reimbursing the general fund in fiscal year 2009-10. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.
5. All project costs resulting in capital improvements that are owned by the City are capitalized by the City.
6. "Due to general fund" amount of \$42,907 at September 30, 2015 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

AGENDA ITEM # 22

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 1, 3

DEPARTMENT: Office of Economic Development

CMO: Ryan S. Evans, 671-9837

MAPSCO: 43 S T W-Z; 44 S T W-Y; 53 B-D; 54 A-C

SUBJECT

A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Sixteen, (Davis Garden TIF District), submitted by the Davis Garden TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 26799 on June 13, 2007, establishing Tax Increment Financing Reinvestment Zone Number Sixteen, (Davis Garden TIF District), as amended. On February 27, 2008, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 27090, as amended.

The Davis Garden TIF District's 2015 assessed taxable value was \$191,565,107. This represents an increase of \$53,730,510 (39.0%) over its adjusted base value of \$137,834,597 and an increase of \$8,169,771 (4.5%) over its taxable value for 2014. Of this amount, \$27,676,082 is attributed to the appreciation of property within Sub-district A (The Canyon) while \$21,698,200 is attributed to the appreciation of land and the construction of the Bell Bishop Arts Apartments at 1836 West Davis Street in Sub-district B. With the City and Dallas County's participation, the increase over the adjusted base value will result in the collection of approximately \$484,677 in total incremental revenue for the District.

PRIOR ACTION/REVIEW (COUNCIL. BOARDS, COMMISSIONS)

On June 13, 2007, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Sixteen, the Davis Garden TIF District by Ordinance No. 26799, as amended.

On February 27, 2008, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Davis Garden TIF District by Ordinance No. 27090, as amended.

On December 1, 2015, the Davis Garden TIF Board of Directors recommended that the FY 2015 Annual Report be accepted and approved.

Information about this item will be provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

No cost consideration to the City

February 24, 2016

WHEREAS, the City recognizes the importance of its role in local economic development initiatives and programs; and

WHEREAS, the City has established Tax Increment Financing Reinvestment Zone Number Sixteen, ("Davis Garden TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment in the Davis Garden area pursuant to Ordinance No. 26799, authorized by the City Council on June 13, 2007, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

WHEREAS, on February 27, 2008, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Davis Garden TIF District by Ordinance No. 27090, as amended; and

WHEREAS, the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

WHEREAS, on December 1, 2015, the Davis Garden TIF District Board of Directors passed a motion accepting the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Sixteen and recommending approval of same by the City Council.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Sixteen, (Davis Garden TIF District), City of Dallas, Texas, as of September 30, 2015, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

Section 2. That the City Manager is hereby authorized to submit the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Sixteen to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and to the State Comptroller, as required by state law.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Davis Garden TIF District FY 2015 Annual Report



Hillside West Senior Housing Project
(Source: GFD Opportunity II, LLC)



City of Dallas

Office of Economic Development
1500 Marilla Street, 5CS
Dallas, Texas 75201
(214) 670-1685
<http://www.dallas-ecodev.org>

October 1, 2014 to September 30, 2015

Reinvestment Zone Number Sixteen Tax Increment Financing District

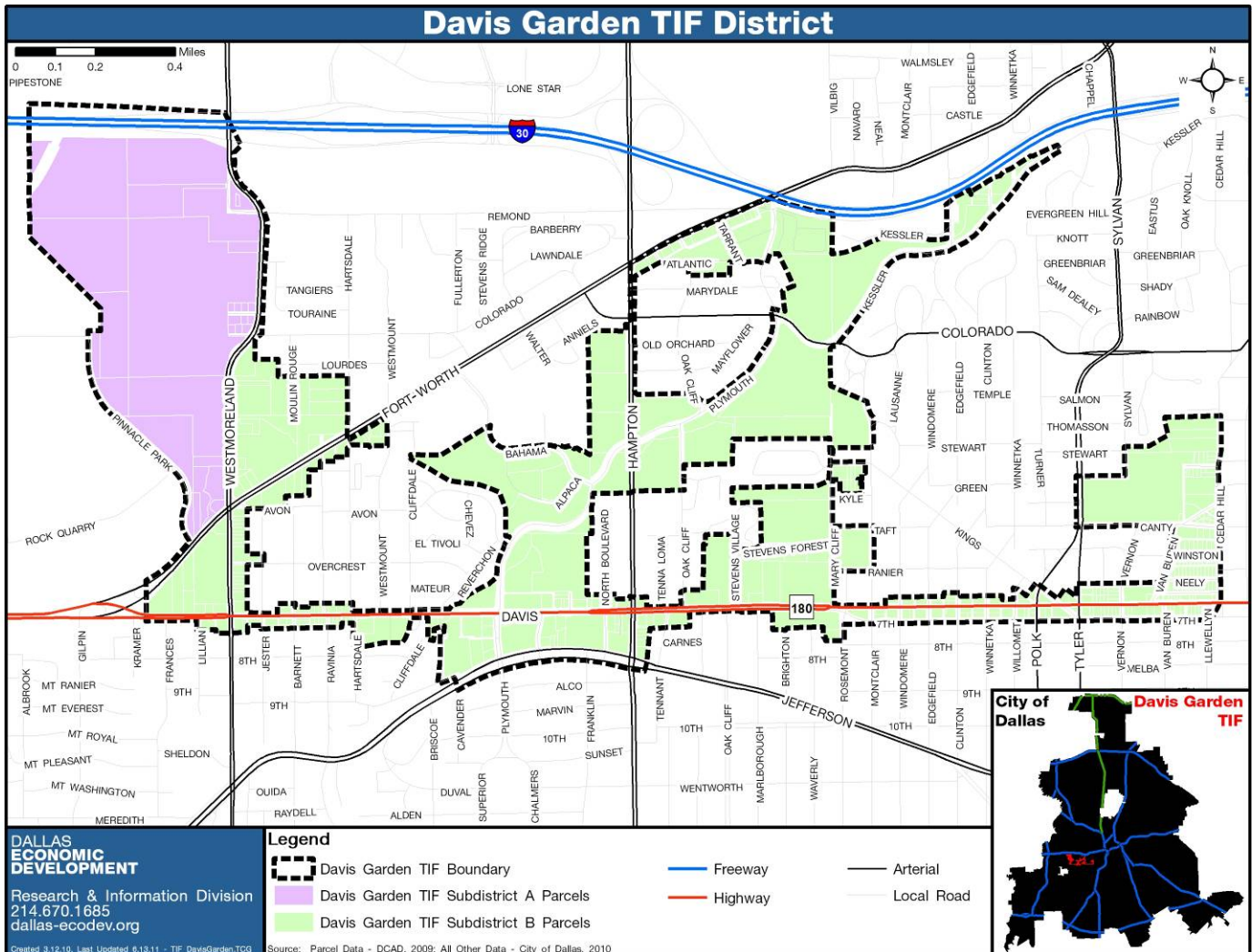


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Mission Statement

The mission of the Davis Garden TIF District is to provide a funding source to facilitate public infrastructure improvements to enhance the area's real estate market. The District exemplifies the City of Dallas' efforts to provide a model for redeveloping urban corridors and transitioning deteriorated multi-family properties and large infill tracts of vacant land into a more sustainable mix of for-sale and rental housing. It is anticipated to provide linkages to stable neighborhoods in North Oak Cliff, redevelop aging retail centers, and enhance connectivity through improvements to area trails.

The Dallas City Council established the Davis Garden TIF District by Ordinance Number 26799 on June 13, 2007, as amended. The TIF District took effect on January 1, 2008 and is scheduled to terminate on December 31, 2039 (including collection of the 2039 increment in calendar year 2040 and any related matters to be concluded in 2040). The City of Dallas and Dallas County are the District's participating taxing jurisdictions. The City's annual participation rates are as follows:

- 0% in 2008
- 55% in 2009 and 2010
- 70% in 2011
- 90% in 2012 through 2039

Dallas County's participation rate was 55% in 2008 through 2011. The county's annual participation rate increased to 75% in 2012 through 2039, for a period of 28 years.

District Accomplishments

The Davis Garden TIF District is located southwest of downtown Dallas in the North Oak Cliff neighborhood. It includes portions of the Davis Street, Fort Worth Avenue, and Hampton Road corridors, as well as land adjacent to Pinnacle Park, commercial property and multi-family developments. The District features numerous opportunities for redevelopment in areas near amenities such as Coombs Creek Trail, Kidd Springs Park, Stevens Park Golf Course, and the Twelve Hills Nature Center.

Single-family neighborhoods were excluded from the District since they are not targeted for development or redevelopment activities. Kidd Springs Park, Stevens Park Golf Course, and the Twelve Hills Nature Center were included to enable improvements and enhance the connectivity between surrounding neighborhoods. The local elementary schools were included for similar reasons.

Originally the District's geographic area contained approximately 583 acres (excluding right-of-way). However, the geographic area was amended to include selected adjacent properties. The properties that comprise the boundary amendment have a total land area of approximately 105 acres. Their inclusion increased the District's geographic area to approximately 688 acres.

City Council has approved eleven projects in the District for TIF funding since its creation. This includes SLF III – Davis Garden TIF, L.P.'s (SLF) horizontal development project which resulted in the preparation of the following potential development sites for future activities:

1. **Chateau Crete Assembly**
(under construction)
 - 1818 Stevens Forest
 - 1836 Stevens Forest
 - 1916 Stevens Forest
 - 2002 Stevens Forest

2. **Acorn Tree Assembly**
 - 2105 West Davis
 - 2211 West Davis

3. **Cliffwood Assembly**
(under construction)
 - 1836 West Davis

4. **Kings Highway Assembly**
(under construction)
 - 1610 Kings Highway
 - 1616 Kings Highway
 - 1618 Kings Highway
 - 1622 Kings Highway
 - 1630 Kings Highway

5. **Kidd Springs Assembly**
(under construction)
 - 829 Cedar Hill
 - 901 Cedar Hill

6. **Northhills Assembly**
 - 640 North Plymouth
 - 2643 West Davis

The site's preparation facilitated the demolition of 1,503 outdated apartment units in accordance with the District's goal to replace 2,100 functionally obsolete apartments and 85,000 square feet of commercial space with approximately 2,200 for-sale units, 4,400 rental units and 663,300 square feet of improved, reconfigured or new neighborhood retail space. Realization of the goal is anticipated to further improve North Oak Cliff's successful residential market as well as stimulate the expansion of resident and commercial activity throughout the District. This idea is reinforced by the following activities that occurred along West Davis Street during the fiscal year:

- Completion of the Kessler Theater's renovation and related streetscape improvements
- Conversion of the retail building at 633 West Davis Street into shared workspace occupied by the Common Desk
- Renovation of the retail building at 817 West Davis Street into retail space occupied by Oil and Cotton and Davis Street Espresso
- Start of the conversion of the automotive garages at 810 and 828 West Davis Street into restaurants
- Start of the renovation of the West Davis Village retail strip at 1314 West Davis Street

The 196 acres of undeveloped land that comprise the Canyon in Oak Cliff project is another prime location for future development activities. On June 8, 2011, City Council awarded SLF an amount not to exceed \$128,875,756 in total funding (\$69,808,000 in future TIF revenues plus an additional grant up to \$59,067,756 pursuant to the Davis Garden TIF District Grant Program) for the construction of public infrastructure improvements in the area which is located southwest of Interstate Highway 30 and North Westmoreland Road. Prior to City Council's approval of the public subsidies this vast area was not served by public utilities or streets. In contrast, the construction of the project's public infrastructure improvements is anticipated to help facilitate the build-out plan that includes following elements:

- 2,762 residential units (represents a to be determined mix of for-sale and rental units);
- 368,296 square of retail space;
- 48,200 square feet of flex/retail space; and
- 120 room hotel

Construction on Phase I of the project is scheduled to commence during the first quarter of FY 2016.



The Canyon in Oak Cliff's
Conceptual Site Plan
(Source: SLF)

Past, Current and Anticipated Projects

The past, current and anticipated projects within the District as of September 30, 2015 are as follows:

Project	Location	Units/Square Feet ¹	Status	Date Completed	Approximate Investment / Assessed Value ²	TIF Investment ³
Bolsa Restaurant (converted from the Settles Garage)	614 West Davis	3,879 square feet of office and restaurant space	Complete	December 2007	\$126,190 (assessed value)	\$0
Bolsa Mercado (converted from the Kemp Garage)	632 West Davis	4,000 square feet of office/show room space	Complete	June 2008	\$136,000 (assessed value)	\$0
Twelve Hills Nature Center's Urban Prairie Trailhead project (park, open space, and streetscape improvements)	817 Mary Cliff Road	N/A	Complete	July 2010	\$312,648 (approximate investment) \$40,000 (assessed value)	\$118,820
SLF's Horizontal Development project (Environmental remediation and demolition of six obsolete apartment complexes and a \$1 million deposit into the Davis Garden TIF District Increment Fund for future TIF infrastructure improvements that benefit the District in lieu of the developer constructing median improvements, streetscape or other public improvements within the District)	<ol style="list-style-type: none"> Chateau Crete Assembly <ul style="list-style-type: none"> 1818 Stevens Forest 1836 Stevens Forest 1916 Stevens Forest 2002 Stevens Forest Acorn Tree Assembly <ul style="list-style-type: none"> 2105 West Davis St 2211 West Davis St Cliffwood Assembly <ul style="list-style-type: none"> 1836 West Davis St Kings Highway Assembly <ul style="list-style-type: none"> 1610 Kings Highway 1616 Kings Highway 1618 Kings Highway 1622 Kings Highway 1630 Kings Highway Kidd Springs Assembly <ul style="list-style-type: none"> 829 Cedar Hill Ave. 901 Cedar Hill Ave. Northhills Assembly <ul style="list-style-type: none"> 640 North Plymouth 2643 West Davis St 	<ol style="list-style-type: none"> Chateau Crete Assembly (219 units) Acorn Tree Assembly (449 units) Cliffwood Assembly (247 units) Kings Highway Assembly (84 units) Kidd Springs Assembly (177 units) Northhills Assembly (327 units) 	<p>The sites preparation for future development activities is complete.</p> <p>The developer deposited \$1 million into the Davis Garden TIF District Increment for future infrastructure projects within the District.</p>	December 2011	\$30,755,170 (assessed value; represents a \$12,468,890 increase since the District's creation)	\$4,008,247
Taylors Farm multi-family housing project (environmental remediation, infrastructure and public right-of-way improvements)	1150 Pinnacle Park Boulevard	160 units (144 units are designated for affordable housing)	Complete	October 2011	\$5,774,490 (assessed value)	\$2,071,197

Project	Location	Units/Square Feet ¹	Status	Date Completed	Approximate Investment / Assessed Value ²	TIF Investment ³
I-30 Frontage Road Design project (engineering and design for Phase 1 of a new eastbound frontage road)	South side of I-30 between Cockrell Hill Road and Westmoreland Road	N/A	Complete	September 2012	\$436,919 (approximate investment)	\$436,919
Bell Bishop Arts Apartments	1836 West Davis (former Cliffwood Assembly)	207 units	Complete	December 2012	\$23,500,000 (assessed value)	\$0
I-30 Frontage Road Construction project	South side of I-30 between Cockrell Hill Road and Westmoreland Road	N/A	Complete	March 2013	\$10,573,794 (approximate public investment)	\$0
Hillside West senior housing project (environmental remediation and infrastructure improvements)	3757 Falls Bluff Drive (formerly 4512 West Davis Street)	130 units (each unit is affordable housing)	Complete	August 2013	\$3,249,000 (assessed value)	\$1,600,000
Oak Cliff Coffee Roasters (converted from Miguel's Auto Body Shop)	817 West Davis Street	2,600 square feet of retail space	Complete	July 2013	\$115,270 (assessed value)	\$0
Kessler Theater Renovation project (environmental remediation and demolition, historical façade, and infrastructure improvements)	1214 West Davis Street and 1215 West 7th Street	6,300 square feet of office and retail space; and 5,100 square foot entertainment venue	Phase I of the project (environmental remediation and demolition activities and historical façade improvements) are complete. Phase II of the project (infrastructure improvements) are complete	December 2012 (Phase I) June 2015 (Phase II)	\$1,358,293 (approximate investment) \$451,170 (assessed value)	\$199,643 [\$136,343 due to the sustainable development grant that the project received from the North Central Texas Council of Governments ("NCTCOG")]
Shared workspace occupied by the Common Desk (converted from Lucky Dog Books)	633 West Davis Street	10,400 square feet of retail space	Complete	June 2015	\$360,000\$ (assessed value)	\$0
Oil and Cotton and Davis Street Espresso (converted from Miguel's Auto Body Shop)	819 West Davis Street	3,920 square feet of retail space	Complete	June 2015	\$164,640 (assessed value)	\$0

Project	Location	Units/Square Feet ¹	Status	Date Completed	Approximate Investment / Assessed Value ²	TIF Investment ³
bbop Seoul Kitchen (conversion from an automotive garage)	828 West Davis Street	3,280 square feet of restaurant space	Conversion in progress	November 2015	Not available	\$0
TBD restaurant (conversion from an automotive garage)	810 West Davis Street	3,000 square feet of restaurant space	Conversion in progress	April 2016	Not available	\$0
West Davis Village (renovation of retail strip)	1314 West Davis Street	10,000 square feet of retail space and 2 units consisting of 7,000 square feet of residential space	Renovation in progress	April 2016	Not available	\$0
TBD restaurant (conversion from a church)	610 N. Tyler	4,048 square feet of restaurant space	Conversion in progress	August 2016	Not available	\$0
1600 Kings Highway	1610 Kings Highway	32 detached units	Under construction	December 2016	Not available	\$0
Bishop Heights	829, 901, 909 and 915 Cedar Hill Avenue; 815 North Van Buren Avenue; and 618, 626, 628 and West 5th Street	44 detached units	Under construction	December 2016	Not available	\$0
David Weekly Homes	1818, 1836, 1916 and 2002 Stevens Forrest	53 detached units	Under Construction	August 2018	Not available	\$0
North Oak Cliff Streetcar Extension	Not Applicable (benefits provided through the extension of the North Oak Cliff Streetcar system to the Davis Garden TIF District)	Not applicable	TBD	TBD	Not applicable	\$3,000,000 pursuant to the Davis Garden TIF District Grant Program. Subsidies will be used to help offset related operation and maintenance costs.
The Canyon in Oak Cliff	196 acres of undeveloped property located southwest of Interstate Highway 30 and North Westmoreland Road	2,762 residential units (represents a to be determined mix of for-sale and rental units); 368,296 square of retail space; 48,200 square feet of flex/retail space; and a 120 room hotel	The project's Infrastructure Improvements are underway. Construction on Phase I of the project is scheduled to commence November 2015.	Ongoing	\$472,000,000 (approximate planned investment)	\$128,875,756 in total funding (\$69,808,000 in future TIF revenues plus a grant up to \$59,067,756 pursuant to the Davis Garden TIF District Grant Program)

¹ Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage.

² Based upon A) market value of comparable projects for anticipated projects, B) private investment stated in the development agreement for projects that are approved or under construction, or C) DCAD market value for completed projects as of September 30, 2015 (unless project has not yet been assessed). Values may not be fully captured by the TIF district for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.

³ TBD indicates that development agreement has not yet been adopted and TIF investment is yet to be determined.

Value and Increment Revenue Summary

The Davis Garden TIF District's 2015 assessed taxable value was \$191,565,107. This represents an increase of \$53,730,510 (39.0%) over its adjusted base value of \$137,834,597 and an increase of \$8,169,771 (4.5%) over its taxable value for 2014. Of this amount, \$27,676,082 is attributed to the appreciation of property within Sub-district A (The Canyon) while \$21,698,200 is attributed to the appreciation of land and the construction of the Bell Bishop Arts Apartments at 1836 West Davis Street in Sub-district B. With the City and Dallas County's participation, the increase over the adjusted base value will result in the collection of approximately \$484,677 in total incremental revenue for the District.

The 2015 tax year represents the Davis Garden TIF District's seventh year of increment collections which is anticipated to be received in FY 2016.

Objectives, Programs and Success Indicators

The Davis Garden Final Project Plan and Reinvestment Zone Financing Plan was approved on February 27, 2008, as amended. The plan's defined development goals are provided below:

- Utilize TIF funding to encourage needed horizontal improvements and site preparation in the District. This includes environmental remediation and demolition of structurally and functionally obsolete structures to set the stage for future redevelopment activities as described in this plan.

The environmental remediation and demolition of six obsolete apartment complexes (1,503 units) have been completed since the District's creation. The complexes' former sites have been prepared for future redevelopment activities. The redevelopment of one site (the Cliffwood Assembly) is complete while three others (the Chateau Crete, Kings Highway and Kidd Springs Assemblies) are in progress.



The Bell Bishop Arts Apartments was completed during FY 2013. The multi-family development was built on the Cliffwood Assembly's former site.

(Source: City of Dallas)

- Utilize TIF funding to encourage the needed redevelopment of the large area (The Canyon) located southwest of the intersection of Interstate Highway 30 and North Westmoreland Road.

The following progress has been made since the District's creation:

- SLF III – The Canyon TIF, L.P.'s the Canyon in Oak Cliff project was approved by City Council on June 8, 2011. The project, which consists of the construction of public infrastructure improvements on approximately 196 acres of undeveloped land within the area, is currently in progress.
- GFD Opportunity I, LLC's Taylors Farm project (160 multi-family units), which was approved by City Council on November 9, 2009, was completed during FY 2012.
- GFD Opportunity II, LLC's Hillside West project (130 senior housing units), which was approved by City Council on April 28, 2010, was completed during FY 2013.



GFD Opportunity I, LLC completed the Taylors Farm project during FY 2012.

(Source: GFD Opportunity I, LLC)

- Create additional taxable value attributed to new private development and appreciation totaling approximately \$1.7 billion over the District's 32-year life.

The Kessler Theater and the buildings occupied by Bolsa, Bolsa Mercado, the Common Desk, Oak Cliff Coffee Roasters, and Oil and Cotton/Davis Street Espresso) have been renovated or converted for commercial use since the District's creation.

The \$53,730,510 increase over the District's adjusted base value is primarily attributed to the appreciation of property in Sub-district A (The Canyon) and the construction of the Bell Bishop Arts Apartments in Sub-district B.

- *The property in Sub-district A has increased \$27,676,082 above its adjusted base value of \$4,051,748.*
- *The property in Sub-district B has increased \$26,054,428 above its adjusted base value of \$133,782,849.*



GFD Opportunity II, LLC completed the Hillside West project during FY 2013.

(Source: GFD Opportunity II, LLC)

- Attract new private development in the District by replacing approximately 2,100 residential units with new residential units that will establish a more sustainable mix of for-sale and rental units; add approximately 6,600 residential units to increase population density in the area; and develop approximately 663,300 square feet of retail space and 1,245,000 square feet of other commercial space.

The following progress has been made since the District's creation:

- *Preparation of six sites for future redevelopment activities which included the demolition of 1,503 outdated apartment units (71.6 % of the goal) has occurred since the District's creation. This has resulted in 497 new residential units being built while an additional 131 units are under construction (9.5% of the goal):*
 - *The Taylors Farm Project has been completed. The multi-family development contains 160 units, 144 of which are designated for affordable housing.*
 - *The Hillside West Project has been completed. The multi-family development contains 130 units, all of which are designated for affordable housing.*
 - *The Bell Bishop Arts Apartments has been completed. The multi-family development consists of 207 market rate units.*
 - *The Kings Highway residential community, which will consist of 32 detached single-family homes, is under construction on the Kings Highway Assembly site.*
 - *The Bishop Springs residential community, which will consist of 44 detached single-family homes, is under construction on a site that consists of the Kidd Spring Assembly and several adjoining properties.*
 - *The David Weekly Homes, which will consist of 53 detached single-family homes, is under construction on the Chateau Creek Assembly site.*
- *The Kessler Theater's renovation and the conversion of four automotive garages along West Davis Street have created 25,799 square feet of retail or other commercial space since the District's creation. The conversion of two more automotive garages and a church that are in progress will add an additional 10,328 square feet. Another 416,496 square feet of retail or other commercial space is planned (23.7% of the goal).*



Construction of the Bishop Heights single-family housing development's initial units
(Source: City of Dallas)



The initial stages of constructing the 1600 Kings Highway single-family housing development
(Source: City of Dallas)

- Diversify housing options within the district by increasing homeownership opportunities while maintaining an affordable housing component of no less than 20% of all new units built throughout the Davis Garden TIF District.

Since the District's creation 497 new residential units have been built. An additional 131 units are under construction. Of the 628 units, 304 (48.4%) are or will be designated for affordable housing:

- *The Taylors Farm Project (144 of its 160 units are designated for affordable housing)*
 - *The Hillside West Project (each of its 130 units are designated for affordable housing)*
- Encourage the redevelopment of properties along the Davis Street, Fort Worth Avenue, North Westmoreland Road and Hampton Road corridors for new residential and commercial uses that feature enhanced urban design standards which are complementary to the historic and conservation districts in the immediate area.

The following progress has been made since the District's creation:

- *Site preparation has been completed for the redevelopment of six sites throughout the District. This includes three sites located along West Davis Street. The redevelopment of one site (the Cliffwood Assembly) is complete while three others (the Chateau Crete, Kings Highway and Kidd Springs Assemblies) are in progress.*
 - *The City of Dallas Design Studio has completed a study of the Davis Corridor. The findings will be used to develop a plan for public improvements along West Davis Street.*
- Sustain the stability of local schools while redevelopment activities occur within the area's neighborhoods by encouraging strong communication between the Dallas Independent School District and area developers.

Staff is working closely with neighborhood schools to coordinate redevelopment activities with the schools' needs. This includes meeting with the principal of the Rosemont Elementary and Primary Schools as part of the planning process for the Rosemont Safe Routes to School Project. Administrators from both schools and members of their Parent Teacher Associations have also been invited to participate in the District's TIF Board meetings.

- Diversify commercial and retail uses in the District by restoring historic commercial buildings and finding redevelopment options for commercial structures that are architecturally less significant.

The Kessler Theater and the buildings occupied by Bolsa, Bolsa Mercado, the Common Desk, Oak Cliff Coffee Roasters, and Oil and Cotton/Davis Street Espresso are properties with historic significance that have been renovated or converted for commercial use since the District's creation:

- *The Settles Garage has been converted into the Bolsa Restaurant and approximately 1,850 square feet of office space.*
 - *The Kemp Garage has been converted into approximately 4,000 square feet of commercial space that is occupied by Bolsa Mercado.*
 - *The retail building at 633 West Davis Street has converted into approximately 10,400 square feet of shared workspace that is occupied by the Common Desk.*
 - *The renovated Kessler Theater contains office and retail space for independent businesses, an instructional arts center for children and a performance venue.*
 - *The automotive garages that comprised Miguel's Auto Body Shop has been converted into two properties. The first of which is occupied by the Oak Cliff Coffee Roasters. It contains a coffee roastery and 1,300 square foot café. The second building is occupied by Oil and Cotton and Davis Street Espresso.*
- Provide opportunities for needed basic retail such as grocery stores, national tenants and diversify retail shopping.

There is an ongoing effort to provide opportunities that address the basic retail needs of the District's residents and occupants.

- Improve recreational opportunities and connections to City trails and open space within the District while providing better connections to County trails and other recreational amenities in the area.

The following progress has been made since the District's creation:

- *The Twelve Hills Nature Center, Inc.'s Urban Prairie Trailhead project, which was approved by City Council on October 14, 2009, was completed during FY 2010.*
- *Work has been completed on 3/4 mile along the Coombs Creek Trail (along Kessler Parkway from Sylvan Avenue to the tennis courts at Stevens Park Golf Course) during FY 2011. The project was funded by the 2006 Bond Fund program. New construction to extend the trail to Hampton Road is in progress. The work is anticipated to be completed during the third quarter of FY 2016.*
- *Approximately \$8 million in upgrades for Stevens Park Golf Course were completed during FY 2012. The upgrades were subsidized by several funding sources including the 2003 and 2006 Bond Fund programs.*
- *On June 12, 2013, City Council authorized a contract for the construction of a new pavilion at Kidd Springs Park. The project will be funded by the 2006 Bond Fund program.*

Twelve Hills Nature
Center's Urban Prairie
Trailhead project
(Source: City of Dallas)



- Improve transportation including but not limited to hike and bike trails, bus, trolley, streetcar, and freeway access, street improvements and construction of new public streets and thoroughfares.

The following progress has been made since the District's creation:

- *City Council approved a project pertaining to the design for Phase 1 of a new eastbound frontage road for I-30 located between Cockrell Hill Road and Westmoreland Road during FY 2011. The design and construction of the frontage road were completed during fiscal years 2012 and 2013, respectively.*
- *SLF III – The Canyon TIF, L.P.'s North Oak Cliff Streetcar Extension project was approved by City Council during FY 2011. The project's approval will provide funding to extend the North Oak Cliff Streetcar system to Davis Garden TIF District.*
- *During FY 2012 the Davis Garden TIF Board made the following recommendations concerning the best utilization for SLF's \$1 million deposit into the Davis Garden TIF Increment Fund for future TIF infrastructure improvements that benefit the District in lieu of the developer constructing median improvements, streetscape or other public improvements:*
 - Matching Funds for the Kessler Theater project's infrastructure improvements component – approximately \$60,000 in TIF funding leveraged an additional \$179,200 in matching funds from TxDOT (NCTCOG Grant). The funds are being used to construct streetscape improvements outside the theater along West Davis and Clinton Streets.

The project was completed during the fiscal year.

- Rosemont Plaza Project – comprised the closure of the diagonal portion of 7th Street between Mary Cliff Road/West Davis Street and Montclair Avenue to create a pedestrian plaza that combined the abandoned right-of-way with two small triangular medians to create a larger pedestrian plaza. Estimated Project Budget – \$376,156

The project was completed during the fiscal year.

- Rosemont Safe Routes to School Project – improved bicycle safety in the vicinity of schools through improved routing, signage and pedestrian amenities. The project consists of sidewalk improvements on the north side of Stevens Forest

Drive, a 10' bike trail that connects the sidewalk on Mary Cliff Road to the internal drive for the Rosemont Chris Semos Campus (through DISD property) and sidewalk improvements along Mary Cliff Road. Estimated Project Budget – \$85,472

The project was completed during the fiscal year.

- Davis Corridor Urban Design Study – the study was conducted by the City of Dallas DesignStudio. The study's findings were used to develop a concept for reconfiguring West Davis Street between Montclair Avenue and Zang Boulevard. Estimated Project Budget – \$35,880

The project was completed during FY 2014.

- Kings Plaza Project – the development of a park or public open space located at Kings Highway between West Davis Street and the intersection of Tyler Street & 7th Street and Kings Highway between Polk Street & West Davis Street. Estimated Project Budget – \$442,492

In addition, there is a pending proposal to reallocate a portion of the \$1 million in funding to facilitate the conversion of North Polk and North Tyler Streets into two-way operations.

- Generate approximately \$103.7 million (2008 dollars) in real property tax increment for the TIF Fund over 32 years of collections.

The District's assessed property value has increased 39.0% over its adjusted base value. The increase has generated approximately \$816,430 in incremental revenue (0.8% of the goal).

Developments that are Adjacent to the District



Homes in the Kessler Woods community (located adjacent to the TIF District and across the street from SLF's Chateau Creek redevelopment site)



Homes in the Kessler Springs community (within proximity of the District's Cedar Oaks apartment community which is located on Cedar Hill Avenue)

Year-End Summary of Meetings

Based on amended composition the Davis Garden TIF Board can consist of up to seven members, including six City of Dallas appointees and one from Dallas County. The board, which met once during the fiscal year, consisted of the following members:

- Jonathan R. Braddick – City appointee (attended the meeting)
- Reina Gonzalez – City appointee (attended the meeting)
- Rick Loessberg – Dallas County Representative (attended the meeting)
- Enrique A. MacGregor – City appointee (attended the meeting)
- Ed Oakley – City appointee (did not attend the meeting)
- Anga L. Sanders – City appointee (attended the meeting)
- Kyle R. Ward – City appointee and chairman (attended the meeting)

The Dallas City Council approved seven items related to the District during the fiscal year. These items are summarized below:

- On December 10, 2014, the City Council approved Resolution Number 14-2200, declaring approximately 24 acres of City-owned land contained in Joey Georgusis Park, unwanted and unneeded, located near the intersection of Pinnacle Park Boulevard and Pinnacle Point Drive, and authorizing its advertisement for sale and/or exchange by sealed bid with a minimum bid requirement of \$517,967 - Financing: No cost consideration to the City
- On January 14, 2015, the City Council approved Resolution Number 15-0116, authorizing a professional services contract with Halff Associates, Inc. for the preparation of plans and specifications to improve dam safety, shoreline erosion control and beautification at Kidd Springs Park located at 700 West Canty Street - Not to exceed \$145,337 - Financing: 2006 Bond Funds
- On January 28, 2015, the City Council approved Resolution Number 15-0173, authorizing an increase in the contract with North Texas Contracting, Inc. for construction of utilities, roadway and streetscape improvements for the Colorado Boulevard Extension from Interstate Highway 30 eastbound service road to Westmoreland Road to add new pay items and increase the quantity of some of the existing pay items related to grading, earthwork, drainage and utility infrastructure necessary to complete the project - Not to exceed \$506,935, from \$3,713,016 to \$4,219,951 - Financing: 2012 Bond Funds

- On February 25, 2015, the City Council approved Resolution Number 15-0363, accepting the FY 2014 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Sixteen, (Davis Garden TIF District), submitted by the Davis Garden TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City
- On February 25, 2015, the City Council approved Resolution Number 15-0377, authorizing a construction contract for a new trail at Stevens Park Golf Course and the tennis courts along Kessler Parkway and other miscellaneous items for the Coombs Creek Trail, Phase III located from Stevens Park tennis courts to Hampton Road - A S Con, Inc., lowest responsible bidder of six - Not to exceed \$1,131,842 - Financing: 2006 Bond Funds
- On May 27, 2015, the City Council approved Resolution Number 15-0988, authorizing a second amendment to the Chapter 380 economic development grant agreement with SLF III - THE CANYON TIF, L.P. to: (1) extend the construction start date from May 31, 2015 to December 31, 2015; and (2) increase the minimum private investment from \$10,000,000 to \$12,500,000 - Financing: No cost consideration to the City
- On August 12, 2015, the City Council approved Resolution Number 15-1454, conducting a public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 2016 for an alcoholic beverage establishment limited to a bar, lounge, or tavern and a microbrewery, microdistillery, or winery on property zoned Subdistrict 6 within Planned Development District No. 830 on the southeast corner of West Davis Street and North Tyler Street. Recommendation of Staff: Approval for a three-year period, subject to a revised site plan and conditions. Recommendation of CPC: Approval for a three-year period with eligibility for automatic renewals for additional three-year periods, subject to a revised site plan and conditions Z134-308(OTH) [HEARING CLOSED; CPC RECOMMENDATION FOLLOWED; ORDINANCE 29815]

Pending TIF Items

The approval of the FY 2015 Annual Report is the Davis Garden TIF District's only pending item.

Budget and Spending Status

The Davis Garden TIF District's Project Plan and Reinvestment Zone Financing Plan established a budget for public improvement expenditures that are necessary to support private investment. The District's budget and spending to date are provided on the following charts:

Davis Garden TIF District Projected Increment Revenues to Retire TIF Fund Obligations			
Category	TIF Budget (Total Dollars)	Allocated	Balance
Infrastructure Improvements	\$94,266,832	\$8,082,206	\$86,184,626
Environmental Remediation/Demolition	\$9,635,310	\$3,313,246	\$6,322,064
Affordable Housing	\$32,330,314	\$4,671,197	\$27,659,117
Historic Façade Restoration	\$5,495,954	\$86,535	\$5,409,419
District Wide Improvements - Parks, Open space, Trails, Trolley/Streetcar	\$12,329,769	\$3,088,145	\$9,241,624
The Canyon in Oak Cliff Improvements*	\$128,875,756	\$128,875,756	\$0
Administration and Implementation**	\$3,832,657	\$623,873	\$3,208,784
Total Project Costs	\$286,766,592	\$148,740,958	\$138,025,634
<p><i>All values are estimated expenditures based on Annual TIF Project Costs and Debt Service schedules. These values depend on timing of projects and will fluctuate. An interest rate of 5% is used throughout the TIF term.</i></p> <p><i>*Amount will be reduced if other sources of improvement funds are identified and allocated to The Canyon.</i></p> <p><i>**TIF administration costs shown are expensed through FY 2015.</i></p>			

Davis Garden TIF District Project Plan Budget (NPV Values)	
Category	TIF Budget (NPV)
Infrastructure Improvements	\$33,219,568
Environmental Remediation/Demolition	\$4,300,000
Affordable Housing	\$11,920,435
Historic Façade Restoration	\$1,946,858
District Wide Improvements - Parks, Open space, Trails, Trolley/Streetcar	\$4,358,953
The Canyon in Oak Cliff Improvements *	\$46,035,132
Administration and Implementation	\$1,877,595
Total Project Costs	\$103,658,541
<i>All values discounted to 2008 dollars at 5% annually. Actual expenditure values will depend on the timing of project costs.</i>	
<i>* Amount will be reduced if other sources of improvement funds are identified and allocated to The Canyon in Oak Cliff.</i>	

FY 2016 Work Program

The FY 2016 work program for the Davis Garden TIF District includes:

- Encourage development projects within the District in accordance with its final Project Plan and Reinvestment Zone Financing Plan
- Work with staff in the Public Works and Transportation Department concerning the potential conversion of North Polk and North Tyler Streets into two-way operations.

Appendix: Financials

City of Dallas, Texas				
Davis Garden Tax Increment Financing District Fund				
Reinvestment Zone Number Sixteen				
As of September 30, 2015				
Chapter 311.016 of V.C.T.A. requires the following information				
as part of the annual report on the status of the TIF District.				
Information is contained in detail on the attached				
financial statements.				
1. Amount and source of revenue in the tax increment fund established for the zone:				
	\$0	Interest Income		
	\$384,545	Ad Valorem Taxes (Collected in FY'2014-15 based on 2014 Final Tax Roll)		
	\$384,545	Total Revenue		
2. Amount and purpose of expenditures from the fund:				
	\$53,017	Administrative Expense		
	\$1,855	Non-Capital outlay		
	\$396,697	Capital outlay (1)		
	\$0	Additional Subsidy in Form of Grant (in lieu of interest expense)		
	\$451,569	Total Expenditures		
(1) These expenditures were for the following projects:				
		City Design Study of W. Davis St. Reconfiguration	\$0	
		Rosemont Plaza Safe Routes	\$396,697	
		Kessler Theater Pedestrian Amenities Design	\$0	
		Total	\$396,697	
3. The zone began reimbursing the General Fund for TIF administration costs in fiscal year 2009-10.				
4. a. Amount of Principal and Interest due-on outstanding bonded indebtedness:				
Davis Garden TIF District has incurred no bonded indebtedness as of September 30, 2015.				
b. The Zone entered into an agreement with SLF III – The Canyon TIF, L.P. to dedicate an amount not to exceed \$4,008,247 for horizontal development work throughout the TIF District. The project was completed in fiscal year 2012. Reimbursement of its TIF-eligible project costs will begin upon the availability of TIF funds from future increment collections.				
c. The Zone entered into an agreement with Twelve Hills Nature Center, Inc. to dedicate an amount not to exceed \$118,820 for the Twelve Hills Nature Center's Urban Prairie Trailhead project. The project was completed in fiscal year 2010. Reimbursement its TIF-eligible project costs will begin upon the availability of TIF funds from future increment collections.				
d. The Zone entered into an agreement with GFD Opportunity I, LLC to dedicate an amount not to exceed \$2,071,197 for the Taylors Farm project. The project was completed in fiscal year 2012. Reimbursement of its TIF-eligible project costs will begin upon the availability of TIF funds from future increment collections.				
e. The Zone entered into an agreement with SLF III – The Canyon TIF, L.P. to dedicate an amount not to exceed \$436,919 for the I-30 Frontage Road Design project. The project was completed in fiscal year 2012. Reimbursement of its TIF-eligible project costs will begin upon the availability of TIF funds from future increment collections.				

f. The Zone entered into an agreement with Kessler Theater, LLC to dedicate an amount not to exceed \$91,535 for the Kessler Theater project. The project's first phase was completed in fiscal year 2013. Reimbursement of its TIF-eligible project costs will begin upon the availability of TIF funds from future increment collections. The project's second phase is underway. Reimbursement of its TIF-eligible project costs will begin after its completion, subject to the availability of TIF funds.

g. The Zone entered into a development agreement with GFD Opportunity II, LLC to dedicate an amount not to exceed \$1,600,000 for the Hillside West project. The project was completed in fiscal year 2013. Reimbursement of its TIF-eligible project costs will begin upon the availability of TIF funds from future increment collections.

h. The Zone entered into an agreement with SLF III – The Canyon TIF, L.P. to dedicate an amount not to exceed \$128,875,756 for The Canyon In Oak Cliff project. The project is underway. Reimbursement of its TIF-eligible project costs will begin after applicable conditions for payment have been met, subject to the availability of TIF funds.

i. The Zone entered into an agreement with SLF III – The Canyon TIF, L.P. to dedicate an amount not to exceed \$3,000,000 for the North Oak Cliff Streetcar Extension project. Reimbursement of the project's TIF-eligible project costs will begin after its completion, subject to the availability of TIF funds.

j. The Zone entered into an agreement with Davis Street Market, LP to dedicate an amount not to exceed \$4,000,000 for the Davis Street Market project. Reimbursement of the project's TIF-eligible project costs will begin after its completion, subject to the availability of TIF funds.

Tax increment base and current captured appraised value retained by the zone:

Taxing Jurisdiction	Taxable Value 2015*	Base Year 1996 Value	Est. Captured Value 2015**
City of Dallas	\$191,565,107	\$137,834,597	\$53,730,510
Dallas County	\$192,240,515	\$137,794,777	\$54,445,738

* 2015 taxable value shown for taxing participating jurisdictions. County values are approximate and will vary slightly from the City value due to different exemption levels.

** Based on Certified Taxable Values. Final values will be determined on February 01, 2016.

Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

Taxing Jurisdiction	Assessment Per \$100***	Amount of Estimated 2015 Increment***
City of Dallas	0.71730	\$385,409
Dallas County	0.18233	\$99,268
Total for all Jurisdictions	\$0.89963	\$484,677

*** Participation rate for Dallas County is 0% for tax year 2008, 55% for tax years 2009 to 2011 and 75% thereafter. City of Dallas participates at variable rates as follows:

Tax Year	Rate
2008	0%
2009 - 2010	55%
2011	70%
2012 - 2029	90%

B. The total amount of estimated tax increment to be billed for the 2013 tax year is \$484,677. For the 2012 tax year, increment in the amount of \$384,545 was received.

City of Dallas, Texas						
Davis Garden Tax Increment Financing District Fund						
Balance Sheet as of September 30, 2015 (Unaudited)						
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)						
		<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Assets:						
Pooled cash and cash equivalents		\$964,925	\$1,012,178	\$932,224	\$1,009,859	\$1
Interest receivable		\$0	\$0	\$0	\$0	\$0
Total assets		<u>\$964,925</u>	<u>\$1,012,178</u>	<u>\$932,224</u>	<u>\$1,009,859</u>	<u>\$1</u>
Liabilities and Fund Balance (Deficit):						
Liabilities:						
Accounts and contracts payable		\$0	\$0	\$4,877	\$0	\$0
Advances from developers		\$0	\$0	\$0	\$0	\$0
Due to general fund		\$261,505	\$261,505	\$261,505	\$211,691	\$132,878
Accrued liability		\$19,771	\$0	\$0	\$0	\$0
Total liabilities		<u>\$281,275</u>	<u>\$261,505</u>	<u>\$266,381</u>	<u>\$211,691</u>	<u>\$132,878</u>
Fund Balance (Deficit):						
Fund Balance (Deficit)		\$683,650	\$750,674	\$665,842	\$798,168	(\$132,877)
Total Liabilities and Fund Equity		<u>\$964,925</u>	<u>\$1,012,178</u>	<u>\$932,224</u>	<u>\$1,009,859</u>	<u>\$1</u>
		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

City of Dallas, Texas						
Davis Garden Tax Increment Financing District Fund						
Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)						
For the Period September 30, 2015 (Unaudited)						
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)						
	<u>ITD</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Revenues:						
Tax increment-Governmental	\$643,303	\$318,328	\$145,090	\$13,493	\$2,722	\$123,964
Tax increment-Intergovernmental	\$173,127	\$66,217	\$33,802	\$8,362	\$7,135	\$39,695
Developer participation/Other income	\$1,000,162	\$0	\$161	\$0	\$1,000,001	\$0
Interest income	\$0	\$0	\$0	\$0	\$0	\$0
Net increase (decrease) in fair value of investments	(\$0)	\$0	\$0	(\$1)	\$0	(\$1)
Total revenues	\$1,816,591	\$384,545	\$179,053	\$21,854	\$1,009,858	\$163,659
Expenditures:						
Administrative expenses	\$623,873	\$53,017	\$65,972	\$71,914	\$78,813	\$131,702
Non-Capital Outlay	\$32,131	\$1,855	\$276	\$30,000	\$0	\$0
Capital outlay	\$476,937	\$396,697	\$27,973	\$52,266	\$0	\$0
Interest and fiscal charges	\$0	\$0	\$0	\$0	\$0	\$0
Total expenditures	\$1,132,941	\$451,569	\$94,221	\$154,180	\$78,813	\$131,702
Excess (Deficiency) of Revenues over Expenditures	\$683,650	(\$67,024)	\$84,831	(\$132,326)	\$931,045	\$31,958
Fund balance (Deficit) at beginning of year as previously reported	\$0	\$750,674	\$665,842	\$798,168	(\$132,877)	(\$164,834)
Fund balance (Deficit) at beginning of year, as restated	\$0	\$750,674	\$665,842	\$798,168	(\$132,877)	(\$164,834)
Fund balance (deficit) at end of year	\$683,650	\$683,650	\$750,674	\$665,842	\$798,168	(\$132,877)
Note: Fiscal year 2014-15 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.						

Notes to Financials

City of Dallas, Texas

Davis Garden Tax Increment Financing District

Notes to Financial Statements for the Year Ended September 30, 2015

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.
2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).
3. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.
4. The Zone's Financial Plan permits expenditures not to exceed \$4,495,793 (in current \$) over the life of the TIF to reimburse the City for administrative costs. The Zone began reimbursing the general fund in fiscal year 2009-10. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.
5. All project costs resulting in capital improvements that are owned by the City are capitalized by the City.
6. "Due to general fund" amount of \$261,505 at September 30, 2015 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

AGENDA ITEM # 23

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 2, 3, 4, 8, 14

DEPARTMENT: Office of Economic Development

CMO: Ryan S. Evans, 671-9837

MAPSCO: 35 M R U V Y; 36 A B E F J K; 45 C G J K L N P
T U V X Y Z; 55 B C F K M P Q R T U V X Y; 65 B C G H L M;
56 J N

SUBJECT

A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Seventeen, (TOD TIF District), submitted by the TOD TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 27432, as amended on December 10, 2008, establishing Tax Increment Financing Reinvestment Zone Number Seventeen, (TOD TIF District) The Transit-Oriented Development (TOD) around DART stations was created in the central portion of the City to help create a series of unique destinations. On April 14, 2010, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 27854, as amended.

The TOD TIF District's assessed 2015 taxable value was \$392,330,687. This represents an increase of 94.2% (\$190,256,166) from the assessed value of the base year (2008 and 2010), as amended and an increase of 18.8% (\$62,076,910) over the final value for the previous year. With the participation of the City and Dallas County, this increase will result in the collection of approximately \$1,574,262 in total incremental revenue for the TOD TIF District for the 2015 tax year.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On December 10, 2008, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Seventeen, the TOD TIF District by Ordinance No. 27432, as amended.

On April 14, 2010, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the TOD TIF District by Ordinance No. 27854, as amended.

On December 3, 2015, the TOD TIF District Board of Directors recommended that the FY 2015 Annual Report be accepted and approved.

Information about this item will be provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

No cost consideration to the City

February 24, 2016

WHEREAS, the City recognizes the importance of its role in local economic development initiatives and programs; and

WHEREAS, the City has established Tax Increment Financing Reinvestment Zone Number Seventeen, ("TOD TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment of Transit-Oriented Development (TOD) sites pursuant to Ordinance No. 27432, as amended, authorized by the City Council on December 10, 2008, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

WHEREAS, on April 14, 2010, City Council authorized the Final Project Plan and Reinvestment Zone Financing Plan for the TOD TIF District by Ordinance No. 27854, as amended; and

WHEREAS, the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone and a copy of the report shall be forwarded to the State Comptroller; and

WHEREAS, on December 3, 2015, the TOD TIF District Board of Directors passed a motion accepting the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Seventeen and recommending approval of same by the City Council.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Seventeen, (TOD TIF District), City of Dallas, Texas, as of September 30, 2015, a copy of which is attached hereto (**Exhibit A**) is hereby accepted.

Section 2. That the City Manager is hereby authorized to submit the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Seventeen to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and to the State Comptroller, as required by state law.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

TOD TIF District FY 2015 Annual Report



City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 671-9821

http://www.dallas-ecodev.org/area_redevelopment.html

October 1, 2014 to September 30, 2015

Reinvestment Zone Number Seventeen Tax Increment Financing District

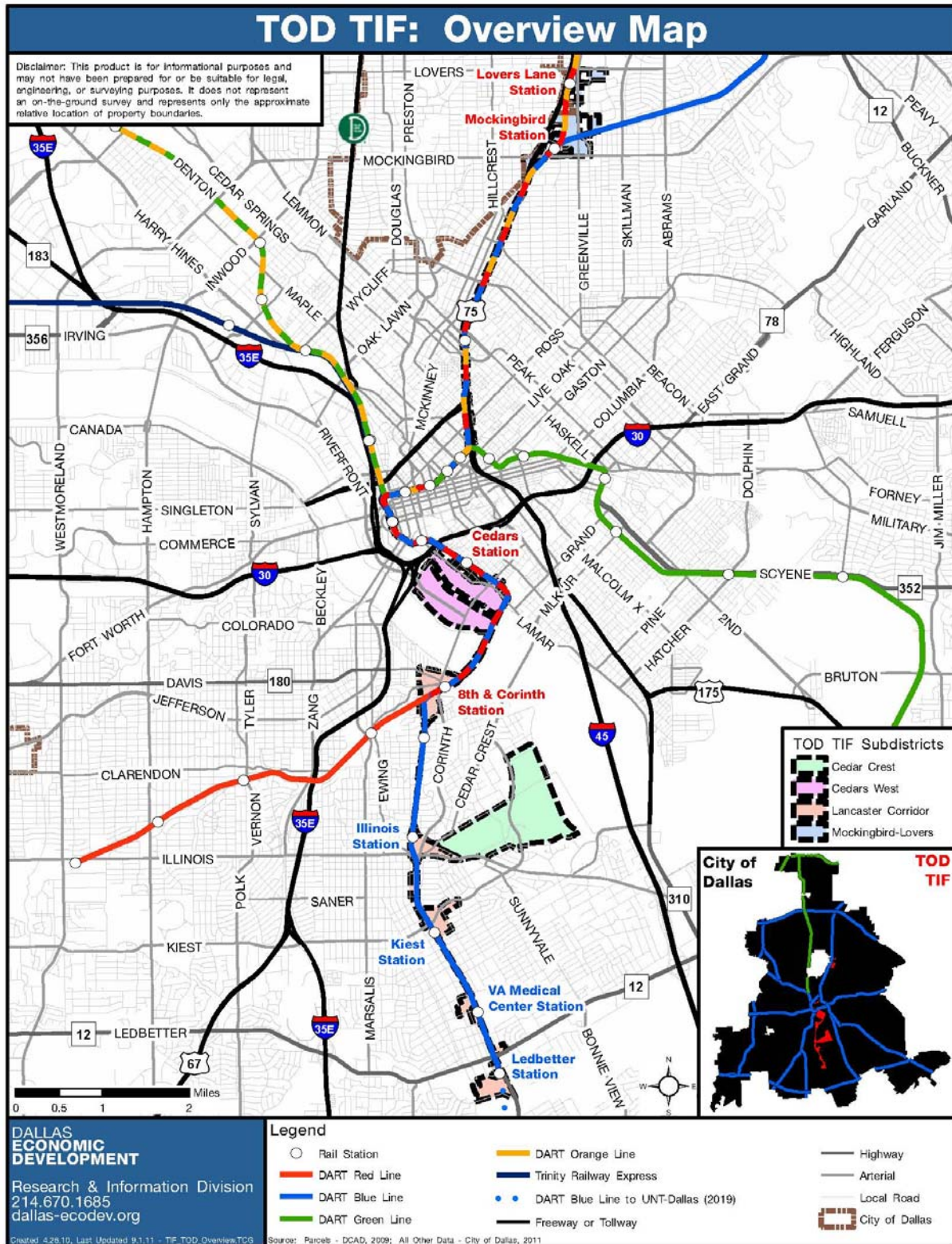


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Front cover shows the Alamo Drafthouse Cinema project under construction.

Mission Statement

The mission of the TOD TIF District is to provide a source of funding for public infrastructure improvements that will help create a series of unique destinations, as well as foster the construction of structures or facilities that will be useful or beneficial to the development of transit stations along the DART light rail system in the central portion of the City. Redevelopment of the Lancaster Corridor and encouragement of transit-oriented mixed-use development (TOD's) around DART stations are top City priorities. Linkage of areas proximate to the Lovers Lane/Mockingbird, Cedars West, and Lancaster Corridor transit stations via the DART Rail Lines facilitates higher density urban development in all areas and permits tax increment sharing to occur.

The TOD TIF District duration began on January 1, 2009, and will terminate on December 31, 2038, (including collection of the 2038 increment in calendar year 2039 and any related matters to be concluded in 2039).

TOD TIF District Accomplishments

Dallas City Council established the TOD TIF District by Ordinance Number 27432 on December 10, 2008, as amended.

The TOD TIF District contains a series of DART light rail station areas connected by the rail line. Chapter 311 of the Tax Code was amended in 2007 to allow the creation of a reinvestment zone for properties that have some connection to and will benefit a mass transit rail system. The original TIF boundary included three sub-districts (and eight DART light rail stations) – Mockingbird/Lovers Lane, Cedars West, and the Lancaster Corridor within the District defined by the relationship of areas geographically and/or to redevelopment goals.

The Dallas City Council adopted the TOD TIF District Project Plan and Reinvestment Zone Financing Plan on April 14, 2010 by Ordinance 27854, as amended in April and November 2010 and May 2012.

In FY 2010, the TIF Board and City Council approved a development agreement dedicating up to \$8,492,273 in future TIF revenues in support of the Lancaster Urban Village project. The Lancaster Urban Village project will be an important seed project for the Veterans Hospital "VA" DART Station area and has been planned in conjunction with a related project to expand the Dallas Urban League offices and training facilities. Staff has continued to work extensively with City Wide Community Development Corporation and their partner Catalyst Urban Development, LLC on coordination for other funding programs to complete the financing package for the project. In 2009, City Council approved an economic development forgivable loan agreement for to assist with land assemblage and related costs for the Dallas Urban League expansion and adjacent mixed-use development. Amendments related to the project were approved in 2011 and 2012.

In October 2010, the City was awarded a \$2.225 million HUD Community Challenge Planning Grant to be shared among three focus areas: 1) Lancaster Corridor/TOD TIF District (primarily Kiest and VA Station areas), 2) the DART Green Line Corridor including Hatcher Station-Spring Avenue JB Jackson, and Buckner station areas, and 3) the Vickery Meadow / Five Points Area. In 2013, the area plan for the Lancaster Corridor was adopted as an amendment to the forwardDallas! Comprehensive Plan.

In 2011, a \$400,000 TIF funding pledge for the SMU Boulevard streetscape and trail extension project was approved as a local match for a North Central Texas Council of Governments (NCTCOG) Sustainable Development grant. Amendments to extend project deadlines were approved in 2012, 2013 and 2015. The project construction was nearly complete as of summer 2015.

In 2012, the TIF Board approved by-law amendments to reflect changes in state law for TIF Board composition recognizing that only taxing jurisdictions that participate financially can have representation and a change in the TIF design review process to have that function undertaken as part of the City Design Studio Peer Review Panel. The TIF Board also approved a set of master design guidelines and mixed-income housing guidelines.

The Lancaster Urban Village project was completed and began leasing in 2014. The project has won numerous awards including: National Association of Homebuilders Pillar of the Industry Award for The Best Affordable Apartment Community and a best in creative financing award from the National Development Council (NDC) in 2015.

In 2015, both the TOD TIF District and the Lancaster Urban Village project received Celebrating Leadership in Development Excellence (CLYDE) awards.

In 2015, a development agreement for up to \$1,405,000 in future TIF funding and a Chapter 380 grant agreement for \$450,000 was approved in support of the Alamo Drafthouse Cinema Project in the Cedars West Sub-District. Staff continued to have discussions on other potential developments including a Matthews Southwest concept plan for a large development site along Riverfront Boulevard.

The City's Housing Department has been working with City Wide CDC on plans for a multi-phased Lancaster Kiest Village project with the first phase beginning with a new Rudy's Chicken restaurant. Serenity Place Apartments, a supportive housing development was also completed in 2015.

Initial projects within the District completed, under construction or in the development stage are shown in the table below.

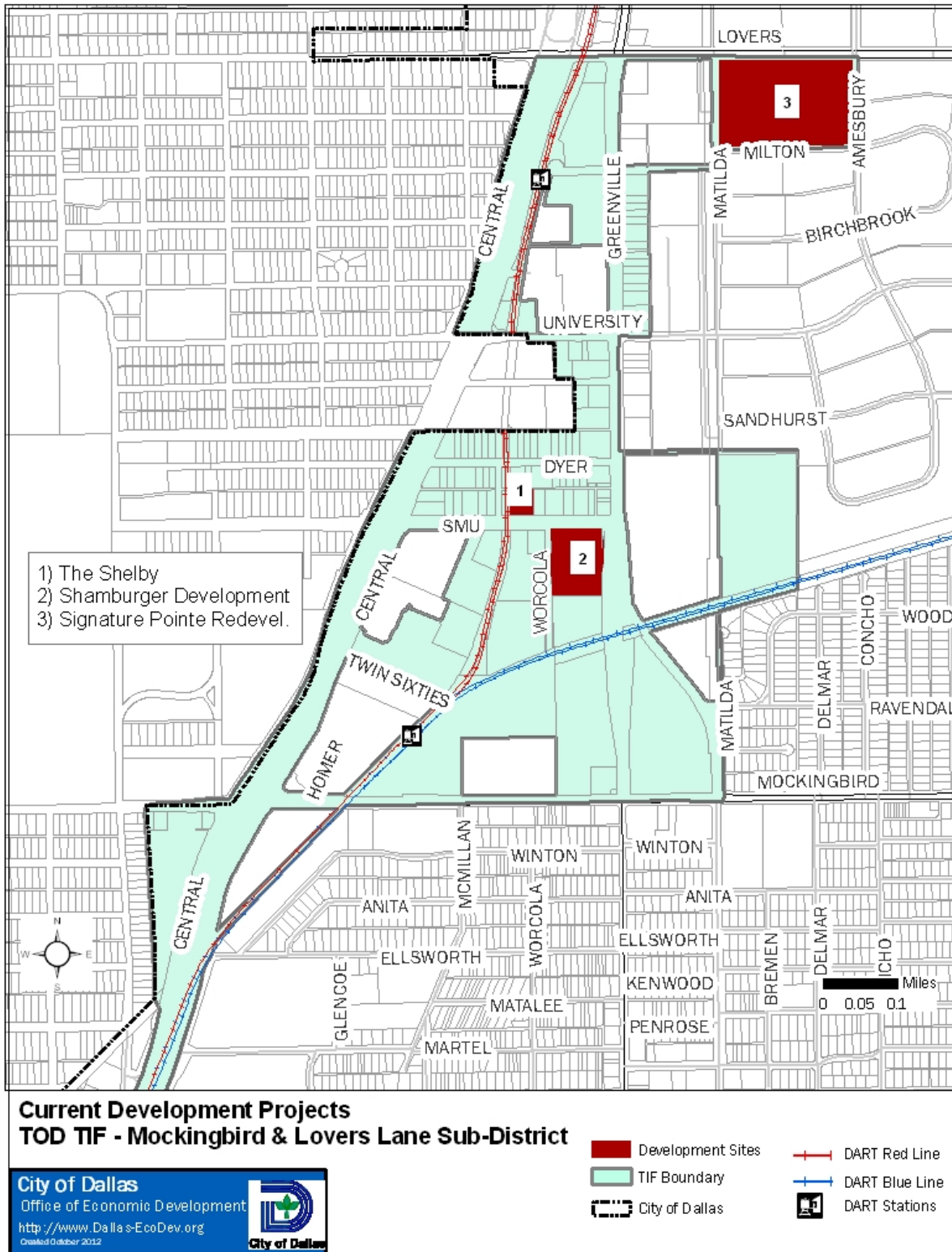
TOD TIF District Projects ¹						
Projects Within TIF District Utilizing TIF Funding						
Project	Location	Calendar Year Complete	Status	Units/ SF ²	Approx. or Estimated Value ³	TIF Investment ⁴
Lancaster Urban Village – Mixed Use Building ⁽⁷⁾	SW corner Ann Arbor Ave. & Lancaster Rd.	2014	Complete	193 units; 14,131 square feet retail	\$18,862,040	\$8,492,273
Alamo Drafthouse Cinema ⁽⁷⁾	S corner of Cadiz & Lamar St.	2016	Under construction	38,000 square feet theater/restaurant	\$4,800,000	\$1,405,000
Subtotal				193 units; 14,131 square feet retail; 38,000 square feet theater/ rest.	\$23,662,040	\$9,897,273
Projects Within TIF District Not Utilizing TIF Funding ⁵						
Project	Location	Calendar Year Complete	Status	Units/ SF ²	Approx. Value ³	TIF Investment ⁴
The Shelby	5609 SMU Blvd.	2009	Complete	55 units; 3,720 square feet retail	\$8,344,000	n/a
Crest Plaza Shopping Ctr. Remodel ⁽⁷⁾	2603 S. Lancaster Rd.	2010	Complete	112,000 square feet retail	\$1,000,000 Added Investment	n/a
The BLVD (former Shamburger site)	5640 SMU Blvd.	2013	Complete	417 units; 9,100 square feet retail	\$57,141,660	n/a
Sphinx Development Corp. – Fiji/Compton Phase I	201 Fran Way	2010	Complete	130 senior apt. units	\$3,122,440	n/a
Sphinx Development Corp. – Fiji/Compton Phase II ⁽⁷⁾	Fran Way at 8 th and Corinth Streets	2016-2017	Planned	49 townhomes	\$8,757,000	n/a
NYLO Dallas South Side Hotel	1325 S. Lamar	2012	Complete	76 hotel rooms (55,000 square feet total with amenities)	\$5,000,000	n/a

Signature Pointe redevelopment, Phase I ⁽⁷⁾	5936 Lovers Lane	2014	Complete	336 units	\$49,750,000	n/a
Signature Pointe redevelopment, Phase II ⁽⁷⁾	5850 Lovers Lane	2015	Complete	202 senior housing units; 109 assisted living units; 13,929 medical office	\$39,786,010	n/a
CVS Pharmacy	5050 S. Lancaster Rd.	2013	Complete	14,991 sf retail	\$2,483,520	n/a
Lancaster Kiest Village - Rudy's Chicken ⁽⁷⁾	3107 S. Lancaster Rd.	2014	Complete	1,625 sf restaurant	\$499,180	n/a
Lancaster Kiest Village - Serenity Place Apartments ⁽⁷⁾	1310 E. Corning Ave.	2015	Complete	45 units	\$6,130,120	n/a
Lancaster Kiest Village – commercial/office space ⁽⁷⁾	3115 S. Lancaster Rd.	2016	Planned	10,000 sf office	\$2,233,000	n/a
Subtotal				1,343 units; 76 hotel rooms; 141,436 square feet retail; 23,929 square feet office	\$184,246,930	\$0
Projects Utilizing and Not Utilizing TIF Funding						
Total				1,536 units; 76 hotel rooms; 193,567 square feet retail; 23,929 square feet office	\$207,908,970	\$9,897,273
¹ All information updated as of September 30, 2015. ² Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage. ³ Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF District for redevelopment projects once pre-existing value and/or the demolition of structures is netted out. ⁴ Principal amount not to be exceeded per the development agreement. TBD indicates that development agreement has not yet been adopted. Asterisk indicates investment also includes interest not shown. ⁵ Selected significant projects included. ⁶ Tax-exempt property. Amount shown is approximate investment in improvements. ⁷ Includes other incentives not shown. Contact City of Dallas Office of Economic Development for more information.						

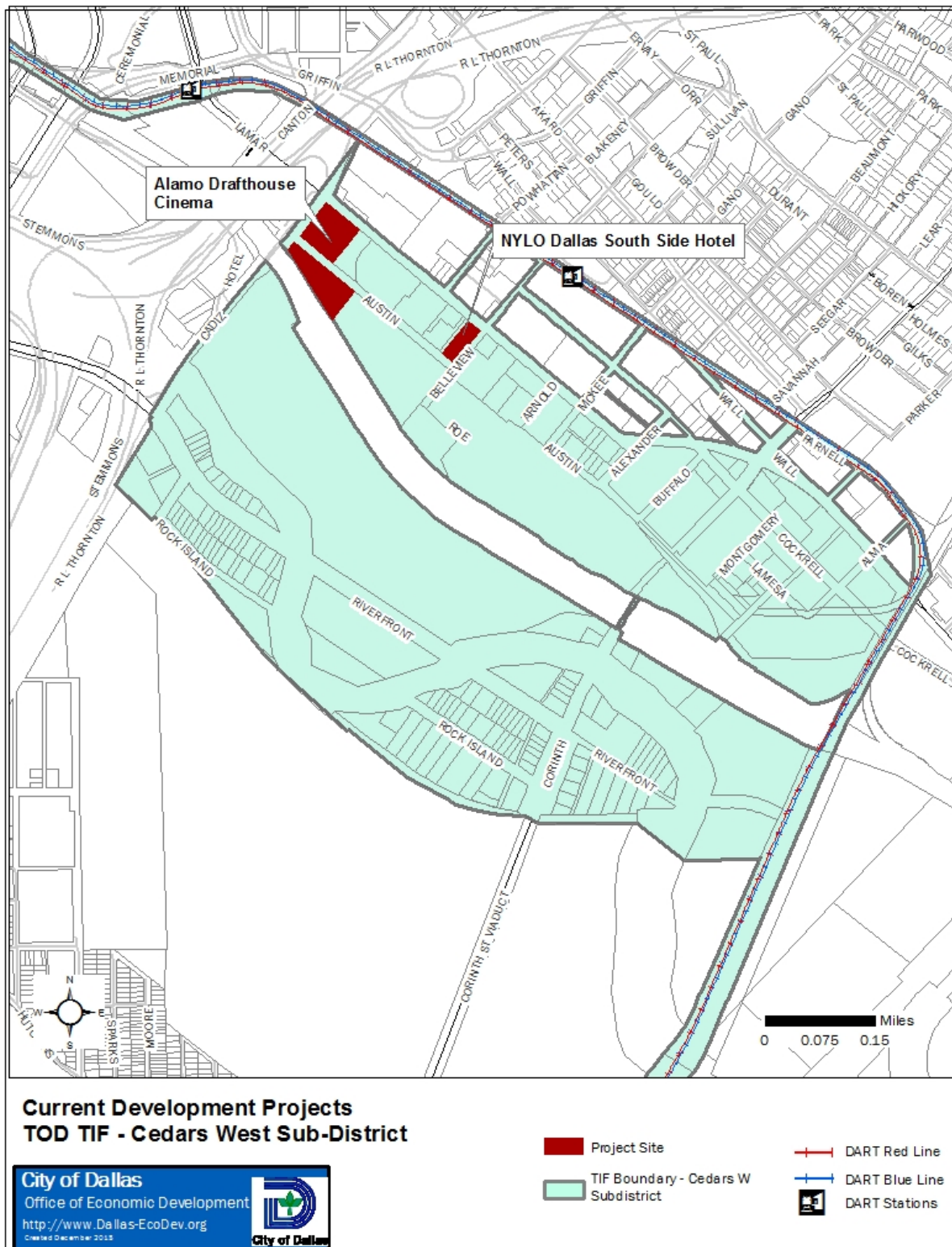
The City and other partners have some initiatives that began prior to FY 2015; however, will have a direct impact with public infrastructure for the District going forward. Two projects received funding commitments in 2006 from the North Central Texas Council of Government's Sustainable Development Call for Projects. Agreements are in place and the projects are currently in design.

District Initiatives – Other Public Support for Projects				
Activity	Scope	Status	Investment	Source
Mockingbird Plaza Sustainable Development Project	Streetscape improvements along SMU Blvd. and trail/bicycle improvements from SMU Blvd to Mockingbird DART Station. City bond funds also authorized for SMU Blvd. improvements.	Funding approved by the NCTCOG's RTC on April 13, 2006. City Council authorized Interlocal Agreement December 2006 (amended June 2011). A TIF agreement with SMU to reimburse for the local match was authorized in June 2011 and deadlines extended in 2013. Construction was near completion in summer 2015.	\$1,600,000 \$ 400,000 \$1,038,300	NCTCOG/RTC 2006 Local Match – Private (<i>agreement for TIF eligible reimbursement</i>) 2006 City bond funds
Sphinx at Fiji/Compton – Phase I-II Sustainable Development Project	Infrastructure including paving and drainage	Funding approved by the RTC on April 13, 2006. City Council authorized Interlocal Agreement December 2006. Street infrastructure work is complete.	\$2,811,986 \$ 702,997	NCTCOG/RTC 2006 Local Match – 2003 City bond funds
HUD Community Challenge Grant for Transit Oriented Development and Affordable Housing	Funding for planning and pre-development assistance related to affordable housing and TOD. Funding allocated to a portion of the Lancaster Corridor, Vickery Meadow/5-Points, and three Green Line DART stations areas - Hatcher, MLK and Buckner	The City was awarded the grant under the HUD Sustainable Communities Challenge Grants program in 2010. Fregonese Associates was selected as the consultant for planning activities (contract award up to \$799,968) related to the grant. In April 2013, the Dallas TOD Lancaster Corridor Area Plan was adopted.	\$2,225,000 Required Local Match for Grant: 20%	HUD funding TIF Funds (Vickery Meadow)

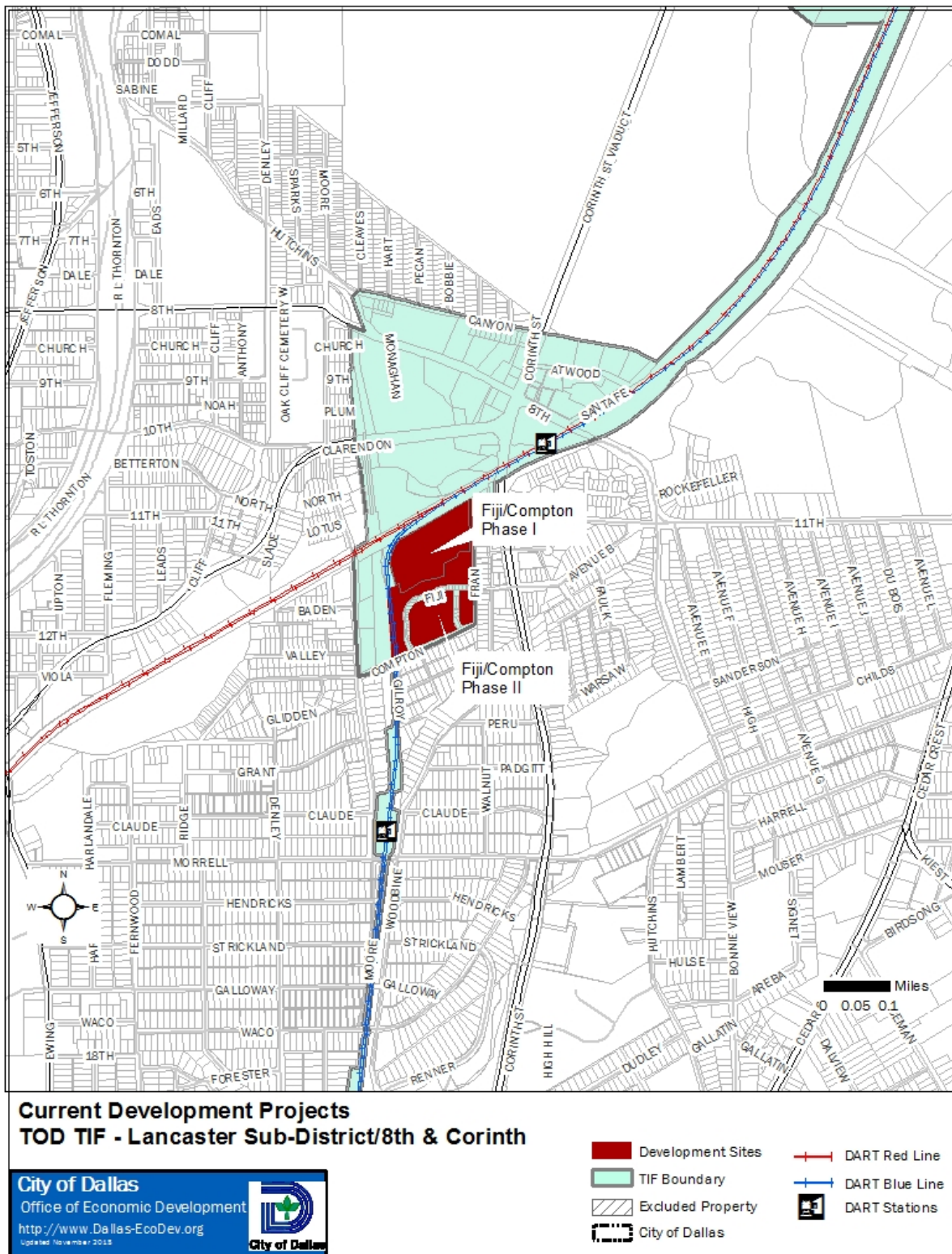
TIF District Development Project Map – Part 1 of 4



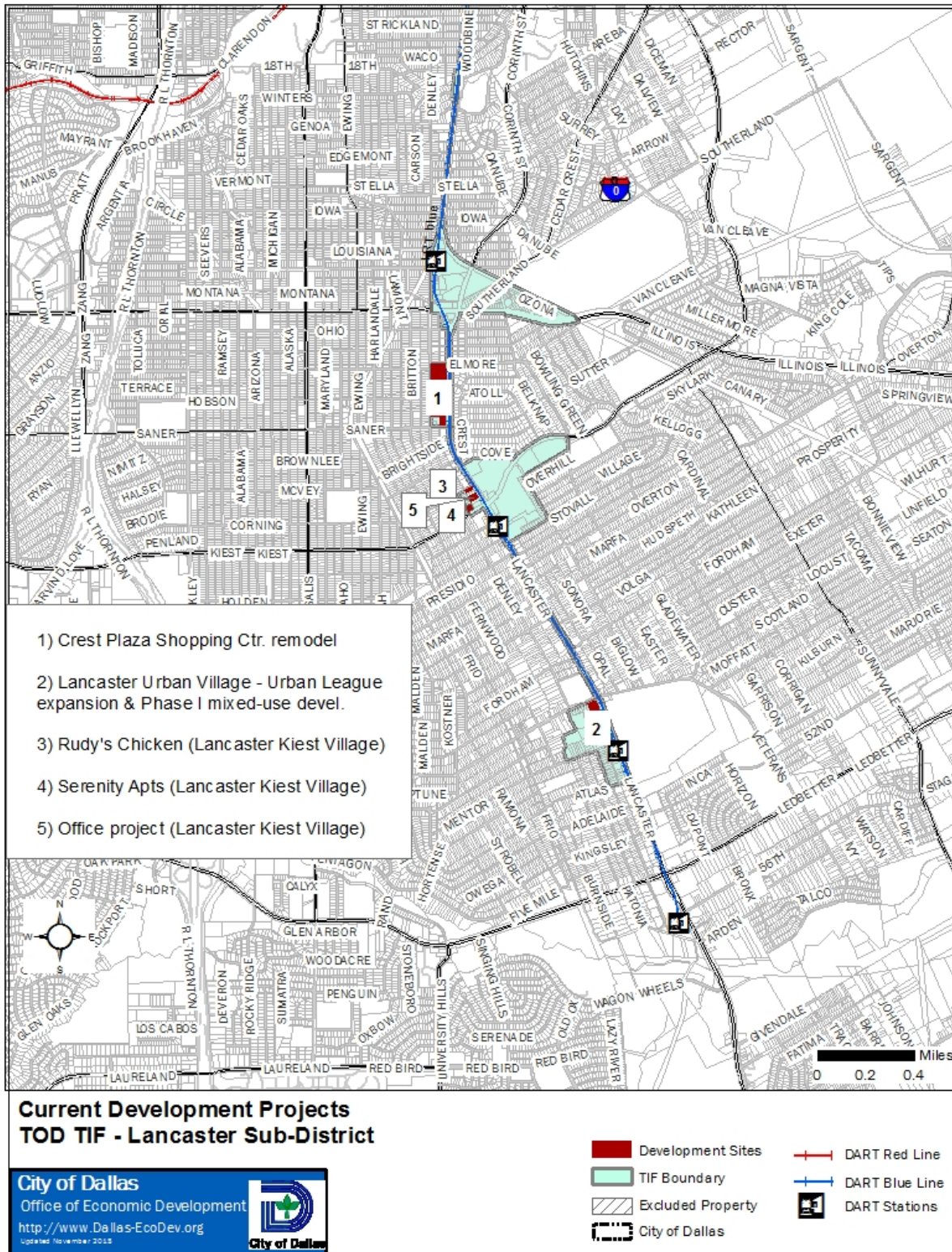
TIF District Development Project Map – Part 2 of 4



TIF District Development Project Map – Part 3 of 4



TIF District Development Project Map – Part 4 of 4



Value and Increment Revenue Summary

The TOD TIF District's assessed 2015 City taxable value was \$392,330,687 and varies for other taxing jurisdictions due to exemption levels. This represents an increase of \$190,256,166 or 94.2% over the base year (2008 and 2010) value, as amended. The TIF District anticipates collecting approximately \$1,574,262 in incremental tax revenue for tax year 2015. The overall increase in value is primarily attributable to new construction in the Mockingbird/Lovers Lane Sub-District and some new construction in the Lancaster Corridor Sub-District.

Objectives, Programs, and Success Indicators

The final TOD TIF Project Plan and Reinvestment Zone Financing Plan was adopted in April 2010. Among the goals of the Plan are:

- To create additional taxable value attributable to new private investment in projects in the TOD TIF District totaling approximately \$2,431,000,000
Over \$207.9 million in new investment has been completed, is underway or planned (9% of the goal).
- To attract higher density new private development in the TOD TIF District totaling approximately 2,480,000 square feet of new or upgraded retail and office space and 13,900 residential units, including townhome, multi-family, and single-family projects.
193,567 square feet of new and upgraded retail space and 23,929 square feet of office space has been completed, is underway or planned (9% of the goal). Approximately 1,536 residential units are completed, under construction or planned (11% of the goal).



Lancaster Urban Village completed (left). City staff from the Housing Department and Office of Economic development accepted a "best in creative financing" award for the project at the National Development Council Academy in Washington, D.C. in May 2015 (right)

- To focus on encouraging the redevelopment of properties in the TOD TIF District, increase density and provide enhanced urban design for the various station areas that is commensurate with forwardDallas!, the City's Comprehensive Plan.
Initial development projects under construction or planned show momentum for more urban, pedestrian friendly redevelopment in support of forwardDallas!.

The NYLO Dallas South Side hotel opened in 2012, a redevelopment of the historic Dallas Coffin Company Building.



- Encourage development projects that will increase DART ridership at rail stations within the TOD TIF District.
Initial development projects completed, under construction or planned will add 1,536 new households in close proximity to DART stations. The most recent average daily ridership figures as of September 2015 for the eight DART light rail stations in or adjacent to the District are shown in the table below:

Average Daily Ridership at DART LRT Stations in or adjacent to the District					
Station	Daily ridership Sept 2009 (base yr)	Daily ridership – Sept 2014	Daily ridership – Sept 2015	%change from 2014-2015	%change from base year
Lovers Lane	1,257	1,403	1,402	--	12%
Mockingbird	3,446	3,617	3,553	-2%	3%
Cedars	1,151	676	694	3%	-40%
8 th & Corinth	2,086	1,612	1,680	4%	-19%
Illinois	1,114	1,008	1,060	5%	-5%
Kiest	1,298	1,039	1,009	-3%	-22%
VA Medical Center	913	825	813	-1%	-11%
Ledbetter	2,682	2,325	2,218	-5%	-17%

- To improve access and connections between DART light rail station areas and strategic Dallas area amenities such as the campus and future research facilities of Southern Methodist University, the Bush Presidential Library, the Trinity River, Southside on Lamar, and the heart of Cedars to the Convention Center area, Dallas Zoo, Cedar Crest Golf Course, and Veterans Memorial Hospital.

The Mockingbird Plaza Sustainable Development Project and 2006 bond program public improvements were nearly complete in summer 2015 and will facilitate better pedestrian connectivity along SMU Boulevard and to the Mockingbird DART Station. Connections will be improved for this area in close proximity to Southern Methodist University and the Bush Presidential Library which opened in 2013. Improvements completed as part of the Lancaster Urban Village will improve connectivity to the Veterans Memorial Hospital and DART station.

- To increase recreational opportunities and improve connections to the City of Dallas trails and open space system in the District.

Mockingbird Plaza Sustainable Development Project improvements is nearly complete and will provide for a walking and bicycle trail between SMU Boulevard and the Mockingbird DART station. An extension of the Katy Trail improvements, with City bond funds, in the Mockingbird area is underway. Staff will continue to work with the Park and Recreation Department and other entities to address park and trail needs as the District evolves.



Streetscape improvements and trail connection as part of Mockingbird Plaza Sustainable Development Project near completion.

- To maintain the stability of local schools as redevelopment occurs in the housing market and promote improved training and job creation through partnerships with Southern Methodist University, Dallas County Community College District, the VA Hospital, Urban League, and the future University of North Texas Law School.

Redevelopment projects thus far have primarily involved vacant or underutilized commercial sites. A partnership with the Urban League and

coordination with the VA Hospital has begun as part of the Lancaster Urban Village project. Partnerships with Southern Methodist University and Dallas County Community College District can also continue to be explored going forward.

- To generate approximately \$185.2 million (NPV; 2009 dollars) in increment over 28 years of collections, with up to 85 percent participation by the City and 55 percent participation by Dallas County.

The District's 2015 total taxable value of \$392,330,687 is approximately 55% behind the original projection of \$867,531,273. The economic downturn early in the term of the TIF district impacted the pace of new construction and existing property values.

- To diversify retail and commercial uses in the District.

Retail leasing as part of The Shelby and BLVD developments has brought new restaurants along SMU Boulevard. The upgrades at the Crest Plaza Shopping Center have doubled the size of a grocery store in an underserved area.



The Shelby Lofts with Twisted Root Burger Co. on the ground floor.

- Add residential density including but not limited to provisions for affordable housing, elderly and special needs housing, and a sustainable mix of product types and destination related activities near DART light rail station within the District to promote overall system ridership and increase ridership levels at the specific stations in the District.

Initial projects completed, under construction or planned will add a significant number of new units adjacent or in close proximity to DART stations.

Year-End Summary of Meetings

The TOD TIF District Board of Directors met three times (one regular and two special called meetings) during the fiscal year from October 1, 2014 to September 30, 2015.

The Board, based on amended composition, can consist of up to nine members, including eight City of Dallas appointees and one appointee from Dallas County. During FY 2015 the Board members were (FY 2015 Board meetings attended): Neal Sleeper, Chair - City Representative (3 of 3 meetings), Jud Pankey, Vice Chair – City Representative (2 of 3 meetings), Jack Wierzenski – City Representative (2 of 3 meetings), James Frye – City Representative (1 of 3 meetings, *only served part of year*), Zad Roumaya – City Representative (1 of 3 meetings, *only served part of year*), Michael Barrett – City Representative (1 of 3 meetings, *only served part of year*), William Harris – City Representative (1 of 3 meetings, *only served part of year*), Michael Sitzarzewski – City Representative (1 of 3 meetings, *only served part of year*) and Rick Loessberg – Dallas County Representative (2 of 3 meetings). There was one City position vacant.

During the fiscal year, the City Council approved nine items associated with development projects or public initiatives in the TOD TIF District:

- On February 25, 2015, the City Council passed Resolution Number 15-0364 accepting the FY 2014 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Seventeen, (TOD TIF District), submitted by the TOD TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law.
- On April 22, 2015, the City Council passed Resolution Number 15-0772 authorizing a development agreement with CCH Alamo, LP in an amount not to exceed \$1,405,000, payable from future TOD TIF District funds in consideration of the development of the Alamo Drafthouse Cinema project on property generally south of the corner of Cadiz and Lamar Streets in Tax Increment Financing Reinvestment Zone Number Seventeen (TOD TIF District) - Not to exceed \$1,405,000 - Financing: TOD TIF District Funds.
- On April 22, 2015, the City Council passed Resolution Number 15-0773 authorizing a Chapter 380 economic development grant agreement in an amount not to exceed \$450,000 with CCH Alamo, LP related to the development of the Alamo Drafthouse Cinema project on property generally south of the corner of Cadiz and Lamar Streets pursuant to Chapter 380 of the Texas Local Government Code in accordance with the City's Public/Private Partnership Program - Not to exceed \$450,000 - Financing: 2012 Bond Funds.

- On May 27, 2015, the City Council passed Resolution Number 15-0961 an increase in the contract with RBR Infrastructure and Road, LLC to add new items requested by Oncor for burial of existing utilities for the Mockingbird Plaza Sustainable Development Project along SMU Boulevard from Central Expressway to Greenville Avenue - Not to exceed \$86,528, from \$2,052,842 to \$2,139,370 - Financing: 2006 Bond Funds (*Related to Mockingbird Plaza Sustainable Development Project*).
- On August 12, 2015, the City Council held a public hearing and passed Ordinance Number 29825 authorizing granting a WMU-5 Walkable Mixed Use District on property zoned an RR Regional Retail District on the south line of East Clarendon Drive, west of South Corinth Street Road Recommendation of Staff and CPC: Approval Z145-255(SM) (*Related to Matthews Southwest multi-family project*).

The following three items are related to the Katy Trail project:

- On August 12, 2015, the City Council passed Resolution Number 15-1480 authorizing (1) amendments to Resolution Nos. 11-1700, 11-3258, 12-3059 and 12-3060 to revise the source of funds for the contracts to design and construct the Katy Trail Phase VI; and (2) authorize the reallocation of the project specific funds from Dallas County and Regional Toll Revenue to the construction phase of the project - Financing: 2006 Bond Funds (\$7,294,809), decrease Capital Projects Reimbursement Funds (\$814,809) and Regional Toll Revenue II Funds (\$6,480,000).
- On August 12, 2015, the City Council passed Resolution Number 15-1481 authorizing Supplemental Agreement No. 7 to the professional services contract with HNTB Corporation to provide engineering services during construction for the Katy Trail Phase VI project from Ellsworth Avenue to Worcola Street - Not to exceed \$422,703, from \$2,582,793 to \$3,005,496 - Financing: 2006 Bond Funds.
- On August 12, 2015, the City Council passed Resolution Number 15-1482 authorizing a contract with Rebcon, Inc., lowest responsible bidder of two for construction of a concrete trail and pedestrian bridges for the Katy Trail Phase VI project from Ellsworth Avenue to Worcola Street - Not to exceed \$11,611,578 - Financing: Regional Toll Revenue II Funds (\$6,480,000), Capital Projects Reimbursement Funds (\$1,000,000) and General Obligation Commercial Paper Funds (\$4,131,578).
- On August 26, 2015, the City Council passed Resolution Number 15-1544 an amendment to Resolution No. 15-1200, previously approved on June 17, 2015, for a conditional grant agreement with Sphinx Development Corporation to change the name of the developer to SDC Compton Housing, LP (SDC) to pay for a portion of the construction costs for a single family development for 49

homes in South Dallas located on Eighth and Corinth Streets - Financing: No cost consideration to the City

Pending TIF Items

- Consideration of the FY 2015 TIF District Annual Report and a recommendation to the City Council for approval.

Budget and Spending Status

Each TIF District establishes a budget for the public improvement expenditures necessary to support private investment in the district in the Project Plan and Reinvestment Zone Financing Plan. The current TIF District budget is shown below:

TOD TIF District Projected Increment Revenue to Retire TIF Fund Obligations			
Category	TIF Budget*	Allocated	Balance
Lancaster Corridor Sub-Districts: public infrastructure improvements; environmental remediation & demolition; parks, open space, trails, gateways; façade restoration; grants for high density projects; and transit related improvements	\$119,304,881	\$4,215,673	\$115,089,208
Cedar Crest Sub-District: public infrastructure improvements; environmental remediation & demolition; parks, open space, trails, gateways; façade restoration; grants for high density projects; and transit related improvements	\$48,698,566	\$0	\$48,698,566
Mockingbird/Lovers Lane Sub-District: public infrastructure improvements; environmental remediation & demolition; parks, open space, trails, gateways; façade restoration; grants for high density projects; and transit related improvements	\$67,109,250	\$400,000	\$66,709,250
Cedars (West) Sub-District: public infrastructure improvements; environmental remediation & demolition; parks, open space, trails, gateways; façade restoration; grants for high density projects; and transit related improvements	\$121,911,458	\$1,405,000	\$120,506,458
Affordable Housing	\$48,793,557	\$4,276,600	\$44,517,157
Administration and implementation	\$8,160,184	\$306,996	\$7,853,188
Total Project Costs	\$415,132,972	\$10,604,269	\$404,528,703
<i>* NOTE: Budget shown above in total dollars. However, TIF plan shows the budget in net present value. **TIF administration costs shown are committed through FY 2015.</i>			

TOD TIF District Final Project Plan Budget	
Category	TIF Budget*
Lancaster Corridor Sub-Districts: public infrastructure improvements; environmental remediation & demolition; parks, open space, trails, gateways; façade restoration; grants for high density projects; and transit related improvements	\$49,781,005
Cedar Crest Sub-District: public infrastructure improvements; environmental remediation & demolition; parks, open space, trails, gateways; façade restoration; grants for high density projects; and transit related improvements	\$25,326,728
Mockingbird/Lovers Lane Sub-District: public infrastructure improvements; environmental remediation & demolition; parks, open space, trails, gateways; façade restoration; grants for high density projects; and transit related improvements	\$30,020,910
Cedars (West) Sub-District: public infrastructure improvements; environmental remediation & demolition; parks, open space, trails, gateways; façade restoration; grants for high density projects; and transit related improvements	\$54,576,532
Affordable Housing	\$21,832,521
Administration and implementation	\$3,640,000
Total	\$185,177,697
<i>* As approved in the Project Plan and Reinvestment Zone Financing Plan (discounted to 2009 dollars).</i>	

TOD TIF M/WBE Participation			
Project	Contractor	Total Contract Award Amount	Percentage Minority Participation
Lancaster Urban Village	A&A Construction, Foliage Factory Landscape, Inc. & Rumsey Site Construction	\$1,325,696	61.1%
Total		\$1,325,696	\$810,453 (61.1%)

FY 2016 Work Program

The FY 2016 work program includes:

- Provide staff support for the Alamo Drafthouse project and other current projects in the District.
- Work with interested developers on potential TIF project proposals.
- Continue coordination efforts for finalizing the 2006 NCTCOG Sustainable Development Project and bond program improvements.
- Work to improve connections to the City of Dallas trails and open space system in the District.
- Provide staff support for the implementation of the Dallas TOD Lancaster Corridor Area Plan completed as part of the HUD Community Challenge Grant.
- Investigate additional sources of funding for the District.

Appendix A – Financials

City of Dallas, Texas
TOD Tax Increment Financing District Fund
Reinvestment Zone Number Fourteen
As of September 30, 2015

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

1. Amount and source of revenue in the tax increment fund established for the zone:

\$0 Interest Income	
\$1,028,749 Ad Valorem Taxes (Collected in FY'2014-15 based on 2014 Final Tax Roll)	
<u>\$1,028,749</u>	Total Revenue

2. Amount and purpose of expenditures from the fund:

\$35,911 Administrative Expense	
\$0 Non-Capital outlay	
\$0 Capital outlay	
\$0 Additional Subsidy in Form of Grant (in lieu of interest expense)	
<u>\$35,911</u>	Total Expenditures

3. TIF administrative costs associated with staff time spent are being accumulated thru fiscal year 2011-12. The Zone began reimbursing the General Fund for these costs in fiscal year 2011-12.

4. a. Amount of Principal and Interest due-on outstanding bonded indebtedness is as follows:

TOD TIF District has incurred no bonded indebtedness as of September 30, 2015.

b. The Zone entered into a development agreement with City Wide CDC for the "Lancaster Urban Village" development in the TIF in an amount not to exceed \$8,492,273 with anticipated completion by December 31, 2015 and reimbursement to begin after and upon availability of TIF funds. The Zone also entered into a development

c. The Zone entered into a development agreement with Southern Methodist University to reimburse up to \$400,000 as part of a NCTCOG grant local match with project completion anticipated by June 30, 2015 and reimbursement to begin thereafter and upon availability of TIF funds.

d. The Zone entered into a development agreement with CCH Alamo, LP for the Alamo Drafthouse Cinema Project development in the TIF in an amount not to exceed \$1,405,000 with anticipated completion by June 30, 2017. and reimbursement to begin after and upon availability of TIF funds

5. Tax increment base and current captured appraised value retained by the zone:

Taxing Jurisdiction	Taxable Value 2015*	Base Year 2008 Value	Est. Captured Value 2015**
City of Dallas	\$392,330,687	\$202,074,521	\$190,256,166
Dallas County	\$424,044,105	\$210,610,066	\$213,434,039

*Taxable value shown for participating taxing jurisdictions. County values are approximate and will vary slightly from the City value due to different exemption levels.

**Based on DCAD Certified Taxable Value. The final values will be determined on February 01, 2016.

6. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

Taxing Jurisdiction	Assessment	Amount of
	Per \$100***	Estimated 2015 Increment****
City of Dallas	0.67745	\$1,288,890
Dallas County	0.13371	\$285,372
Total for all Jurisdictions	\$0.81116	\$1,574,262

***Participation rates for City of Dallas are 70% for tax years 2009-2011, 85% for tax years 2012-2029 and 70% for tax years 2030-2035.

***Participation rates for Dallas County are 0% for tax years 2009-2010 and 55% for tax years 2011-2030.

****The District is anticipated to collect increment by June of fiscal year 2012-13 for tax year 2012.

B. The total amount of estimated tax increment to be billed for the 2015 tax year is \$1,574,262. For the 2014 tax year, increment in the amount of \$1,028,749 was received.

City of Dallas, Texas
TOD Tax Increment Financing District Fund
Balance Sheet as of September 30, 2015 (Unaudited)
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Assets:					
Pooled cash and cash equivalents	\$1,731,777	\$738,938	\$45,883	\$0	\$0
Interest receivable	\$0	\$0	\$0	\$0	\$0
Total assets	\$1,731,777	\$738,938	\$45,883	\$0	\$0
Liabilities and Fund Balance (Deficit):					
Liabilities:					
Accounts and contracts payable	\$0	\$0	\$0	\$0	\$0
Advances from developers	\$0	\$0	\$0	\$0	\$0
Accrued interest	\$0	\$0	\$0	\$0	\$0
Due to general fund	\$203,176	\$203,176	\$203,176	\$195,554	\$165,952
Total liabilities	\$203,176	\$203,176	\$203,176	\$195,554	\$165,952
Fund Balance (Deficit):					
Fund Balance (Deficit)	\$1,528,600	\$535,762	(\$157,293)	(\$195,554)	(\$165,952)
Total Liabilities and Fund Equity	\$1,731,777	\$738,938	\$45,883	\$0	\$0
	\$0	\$0	\$0	\$0	\$0

TOD Tax Increment Financing District Fund
Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)
For the Period September 30, 2015 (Unaudited)
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)

	<u>ITD</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Revenues:						
Tax increment-Governmental	\$1,521,015	\$864,618	\$608,100	\$48,297	\$0	\$0
Tax increment-Intergovernmental	\$314,581	\$164,131	\$109,208	\$36,738	\$4,503	\$0
Interest income	\$0	\$0	\$0	\$0	\$0	\$0
Grant from City	\$0	\$0	\$0	\$0	\$0	\$0
Net increase (decrease) in fair value of investments	\$0	\$0	\$0	\$0	\$0	\$0
Total revenues	\$1,835,596	\$1,028,749	\$717,309	\$85,035	\$4,503	\$0
Expenditures:						
Administrative expenses	\$306,996	\$35,911	\$24,253	\$46,775	\$34,105	\$44,869
Non-Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0
Capital outlay	\$0	\$0	\$0	\$0	\$0	\$0
Interest and fiscal charges	\$0	\$0	\$0	\$0	\$0	\$0
Total expenditures	\$306,996	\$35,911	\$24,253	\$46,775	\$34,105	\$44,869
Excess (Deficiency) of Revenues over Expenditures	\$1,528,600	\$992,838	\$693,055	\$38,260	(\$29,602)	(\$44,869)
Fund balance (Deficit) at beginning of year as previously reported	\$0	\$535,762	(\$157,293)	(\$195,554)	(\$165,952)	(\$121,083)
Fund balance (Deficit) at beginning of year, as restated	\$0	\$535,762	(\$157,293)	(\$195,554)	(\$165,952)	(\$121,083)
Fund balance (deficit) at end of year	\$1,528,600	\$1,528,600	\$535,762	(\$157,293)	(\$195,554)	(\$165,952)

Note: Fiscal year 2014-15 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.

City of Dallas, Texas
TOD Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2015

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.
2. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.
3. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).
4. The Zone's Financial Plan permits expenditures not to exceed \$8,160,184 (in current \$) over the life of the TIF to reimburse the City for administrative costs. The Zone began reimbursing the General Fund upon collection of tax increment in fiscal year 2011-12. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.
5. All project costs resulting in capital improvements that are owned by the City are capitalized by the City.
6. "Due to general fund" amount of \$203,176 at September 30, 2015 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

AGENDA ITEM # 24

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 2

DEPARTMENT: Office of Economic Development

CMO: Ryan S. Evans, 671-9837

MAPSCO: 33 R; 34 J K N P Q T U

SUBJECT

A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eighteen, (Maple/Mockingbird TIF District), submitted by the Maple/Mockingbird TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. The City Council approved Ordinance No. 27435 on December 10, 2008, establishing Tax Increment Financing Reinvestment Zone Number Eighteen (Maple/Mockingbird TIF District). On September 23, 2009, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 27690.

The Maple/Mockingbird TIF District's assessed 2015 taxable value was \$379,680,038. This represents an increase of \$195,675,029 or 106.3% from the 2008 base year value and an increase of \$74,231,769 or 24.3% from last year (2014). From the inception of the district, approximately, 75.1% of the increment is from the new construction and 24.9% from the general appreciation. The total increment revenue collected in 2015 is expected to be \$1,325,600. The actual construction that occurred in 2015 will be reflected on the 2016 tax roll.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On December 10, 2008, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Eighteen, the Maple/Mockingbird TIF District, by Ordinance No. 27435.

On September 23, 2009, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Maple/Mockingbird TIF District by Ordinance No. 27690.

On December 14, 2015, the Maple/Mockingbird TIF Board of Directors recommended the FY 2015 Annual Report be accepted and approved.

Information about this item will be provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

No cost consideration to the City

February 24, 2016

WHEREAS, the City recognizes the importance of its role in local economic development initiatives and programs; and

WHEREAS, the City has established Tax Increment Financing Reinvestment Zone Number Eighteen, (Maple/Mockingbird TIF District) and established a Board of Directors for the District to promote development or redevelopment in the Maple/Mockingbird area pursuant to Ordinance No. 27435, authorized by the City Council on December 10, 2008, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

WHEREAS, on September 23, 2009, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Maple/Mockingbird TIF District by Ordinance No. 27690; and

WHEREAS, the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

WHEREAS, on December 14, 2015, the Maple/Mockingbird TIF District Board of Directors passed a motion accepting the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Eighteen and recommending approval of same by the City Council.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Eighteen, (Maple/Mockingbird TIF District), City of Dallas, Texas, as of September 30, 2015, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

Section 2. That the City Manager is hereby authorized to submit the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Eighteen, to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District; and to the State Comptroller, as required by state law.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Maple/Mockingbird TIF District FY 2015 Annual Report



City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 670-1685
<http://www.dallas-ecodev.org>

October 1, 2014 to September 30, 2015

Reinvestment Zone Number Eighteen Maple/Mockingbird Tax Increment Financing District

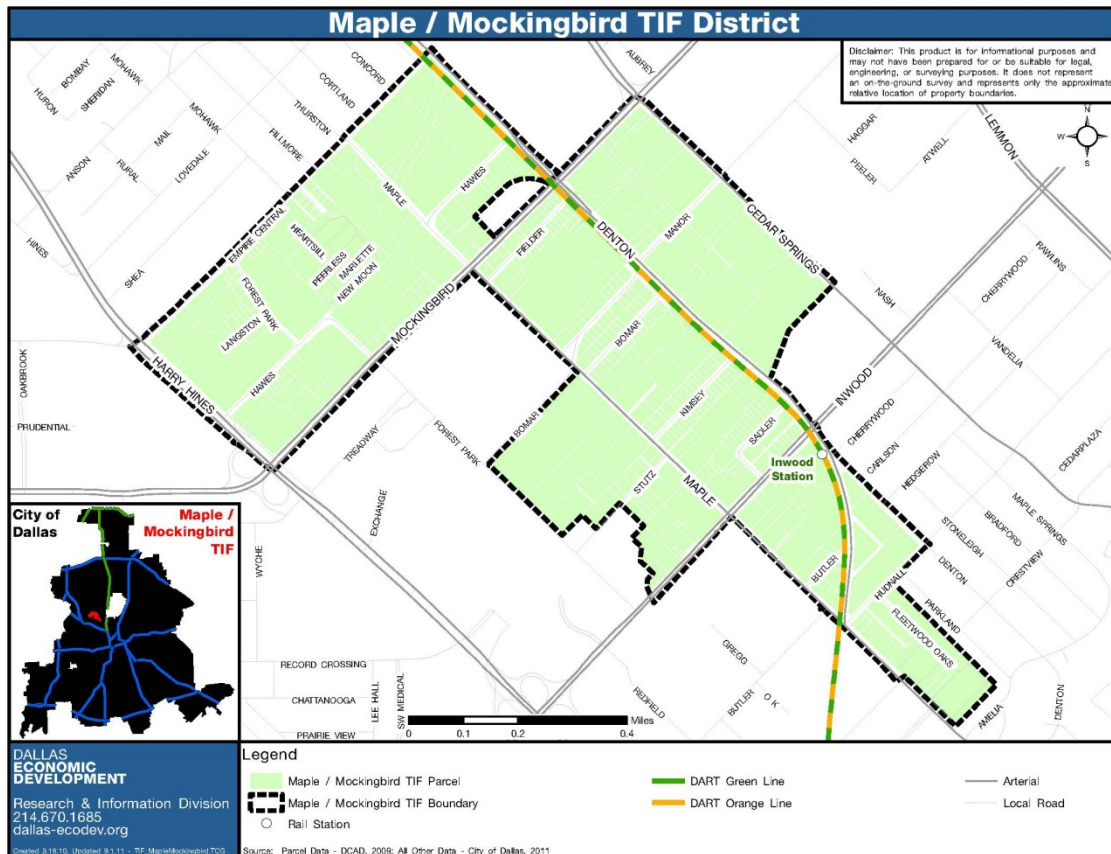


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Mission Statement

The mission of the Maple/Mockingbird TIF District is to provide a source of funding for public infrastructure improvements necessary to enhance the real estate market for the Maple/Mockingbird TIF District area. The Maple/Mockingbird Tax Increment Financing (TIF) District represents the outgrowth of the City of Dallas' effort to provide a model for redeveloping underdeveloped land near employment centers to take full advantage of the expanding DART light rail system and area resources such as Love Field Airport and the Southwestern Medical District.

The Maple/Mockingbird TIF District took effect on January 1, 2009, and will terminate on December 31, 2033, (including collection of the 2033 increment in calendar year 2034 and any related matters to be concluded in 2034) or when the budget of \$27.8 million (NPV) or \$58.4 million total dollars has been collected. The City of Dallas and Dallas County are the two participating jurisdictions. The City's participation is 70% in 2009 through 2011, increases to 85% in 2012 through 2026, and then decreases to 70% 2027 through 2033. Dallas County's participation is 55% for the first twenty years of the District.

District Accomplishments

The Maple/Mockingbird TIF District seen an influx of multifamily construction (ongoing and planned) over the last two years: Maple Station project, a transit oriented development near the Inwood Station consists of approximately 249 residential units located at 5252 and 5602 Maple Avenue. Maple Station project is the first TIF funded project in the Maple/Mockingbird TIF District. The total estimated private investment for the project is approximately \$36.2 million. The cost related TIF eligible public improvements is \$8,000,000. The public improvement includes paving, pedestrian friendly streetscape, sidewalk improvements and enhanced connectivity to the Inwood DART light rail station. The project started its construction in August 2013 and was completed in the summer of 2015. The Reserve on the North Campus at 2303 Stutz Road completed 18 townhomes (36 townhomes are planned). Eon at Maple at 6008 Maple Avenue completed 300 multifamily units. Southwestern Apartment by Greystar completed 359 multifamily units at 5919 Maple Avenue. Alexan MD by Trammell Crow Residential at 5940 Forest Park Road completed 343 multifamily units. Encore 6162 by Encore Multifamily LLC at 6162 Maple Avenue completed 300 multifamily units.

In addition, commercial uses are beginning to expand in the area: In 2011, Elliot's Hardware relocated its store to 5439 Denton Drive. In 2012, Rosewood Academy opened the childhood development center at 2310 Stutz Road in 2012 (former USPS location). The Kroger's store located at 4901 Maple Avenue, opened in 2012. Rosewood Academy and Kroger's are located adjacent to the District. In 2015, the first commercial TIF funded project was approved in the Maple/Mockingbird TIF District. The Aloft-Element at West Love hotel is currently under construction with completion expected in 2016. The total estimated private investment for the project is

approximately \$42.8 million. The cost related to TIF eligible public improvements is \$3,000,000. The public improvements includes paving, pedestrian friendly streetscape, sidewalk improvements, and connectivity to the proposed adjacent mixed-use development West Love.

DART Green Line expansion (NW corridor) is completed and the Inwood/Love Field light rail station was opened in December 2010. The Orange Line runs parallel with the Green Line through Downtown Dallas to Bachman Station in Northwest Dallas opened in 2012. During FY 2015, on an average, the Inwood/Love Field light rail station serviced 1,570 passengers per week day, a 4.0% increase in ridership compared to last year.

Total existing private development in the Maple/Mockingbird TIF District is approximately \$184.8 million and \$23.6 million private development is under construction. Listed below are photographs of the projects located in the Maple/Mockingbird TIF District at various stages of development



The Reserve on The Campus



Eon on Maple, Maple Apartments (Formerly AMLI)



Rosewood Academy – 2310 Stutz Drive (Adjacent to the District)



Maple Station – 5522 and 5602 Maple Avenue



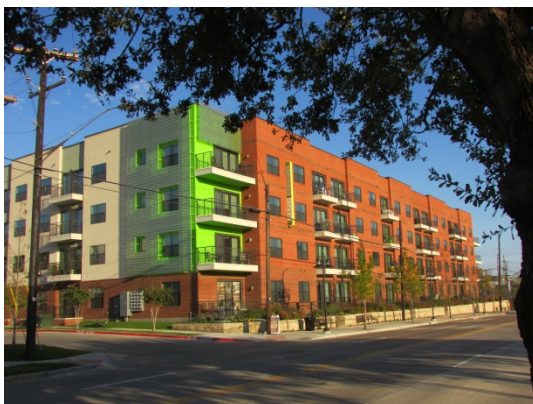
Southwestern Apartments by Greystar



Park 5940 MD (Formerly Alexan MD)



Century Medical District (Formerly Encore 6162 by Encore)



Alta Maple Station



aLoft/Element Hotel

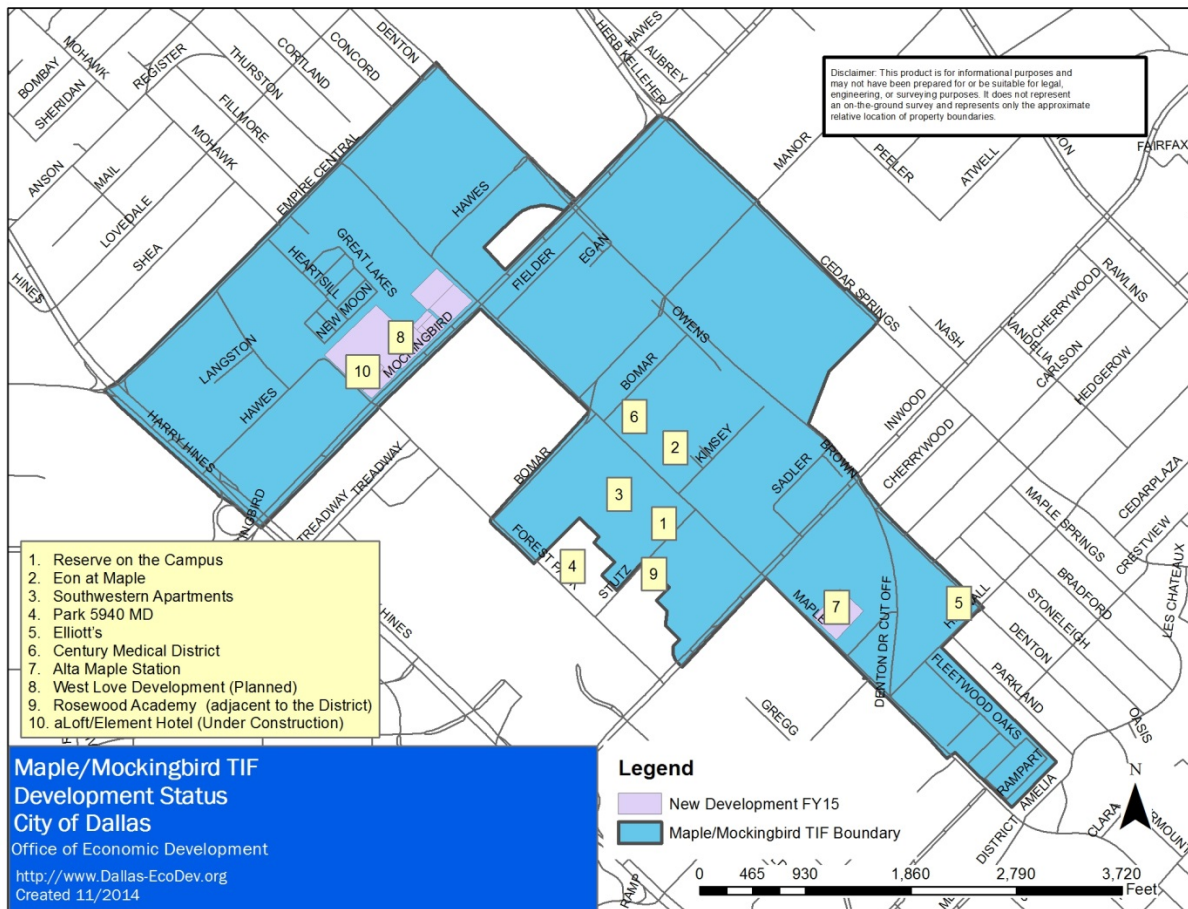
Maple/Mockingbird TIF District Projects

Maple/Mockingbird TIF District Projects¹						
Projects Within TIF District Utilizing TIF Funding						
Project	Location	Calendar Year Complete	Status	Units/ SF²	Approx. Value³	TIF Investment⁴
Alta Maple Station	5522 Maple Avenue	2015	Completed	249 units	\$22,882,790	\$8,000,000
aLoft / Element Hotel (Love Field Hotel)	2345 W Mockingbird Lane	2016	Under Construction	232 Guest Rooms; 145,000 SF of Hotel/Common Space	\$23,600,000	\$3,000,000
Total TIF Projects: Hotel under construction					\$46,482,790 \$23,600,000	\$11,000,000 \$3,000,000
Projects Within TIF District Not Utilizing TIF Funding						
Project	Location	Calendar Year Complete	Status	Units/ SF²	Approx. Value³	TIF Investment⁴
The Reserve on the Campus	2325 and 2335 Stutz Rd	2012	36 units planned and 18 completed	54 Townhomes completed	\$4,776,980	\$0
AMLI on Maple	6008 Maple Avenue	2012	Completed	300 apartments	\$39,614,000	\$0
Elliot's Hardware	5439 Denton Drive	2011	Completed	Retail - Approx. 30,000 square feet	\$974,080	\$0
The Southwestern (Formerly Southwestern Apartments by Greystar)	5959 Maple Avenue	2014	Completed	359 apartments	\$53,900,000	\$0
Park 5940 MD (Formerly Alexan MD)	5940 Forest Park Rd	2013	Completed	343 units	\$32,676,060	\$0
Century Medical District (Formerly Encore 6162)	6162 Maple Avenue	2015	Completed	300 Units	\$30,900,420	\$0
Balcones Realty Partners	Mockingbird Lane and Maple Avenue	TBD	Planned	Mixed-Use Development	\$100,000,000	TBD

<p>Total (TIF and Non-TIF) 1,563 units completed 36 units under construction and 30,000 square feet retail completed 11,000 square feet of office/retail adjacent to District 145,000 square feet of hotel/meeting space under construction</p>	<p>\$184,750,250 completed \$23,600,000 under Construction and \$100,000,000 planned</p>	<p>\$11,000,000</p>
--	---	----------------------------

¹ All information updated as of September 30, 2015.
² Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage.
³ Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF District for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.
⁴ Principal amount not to be exceeded per the development agreement. TBD indicates that development agreement has not yet been adopted.

TIF District Development Status Map



Value and Increment Summary

The Maple/Mockingbird TIF District's assessed 2015 taxable value was \$379,680,038. This represents an increase of \$195,675,029 or 106.3% from the 2008 base year value and an increase of \$74,231,769 or 24.3% from last year (2014). From the inception of the district, approximately, 75.1% of the increment is from the new construction and 24.9% from the general appreciation. The total increment revenue collected in 2015 is expected to be \$1,325,600. The actual construction that occurred in 2015 will be reflected on the 2016 tax roll.

Objectives, Programs, and Success Indicators

The final Maple/Mockingbird Project Plan and Reinvestment Zone Financing Plan was adopted in September 2009. The goals of the Plan are:

- To create additional taxable value attributed to new private investment in projects in the Mockingbird/Maple TIF District of a minimum of \$120 million over the initial five years of the TIF District and \$374.2 million over the term of the District.

Projects within the District had contributed approximately \$184.8 million (154.0% of goal) and new projects that are under construction will add an additional \$23.6 million (173.6% goal in the first five years creation of the District) and 55.7% of goal over the term of the District.

- To attract new private development adding approximately 2,500 new residential units and 650,000 square feet of retail space to increase the area's population density and shopping options, adding approximately 1.2 million square feet of new retail, office and medical.

New developments (completed) within the District added 1,563 residential units (62.8% of goal) and additional units under-construction will add 36 units (1.4% of goal); 30,000 square feet of retail (4.6% of goal) and adjacent to the District has added 11,000 square feet of office space (0.9% of goal).

- To increase the District's housing options while maintaining an affordable housing component of 20% of all new units built.

All residential projects that receive TIF funding are required to provide affordable units that total 20% of units being constructed. The Maple Station includes approximately 52 affordable units (20% of the units) providing affordable housing for 80% or less of the median family income as per the Mixed Income Housing Guidelines of the Maple/Mockingbird TIF District.

- To focus on encouraging the redevelopment of properties in the area south and west of Love Field with enhanced urban design.

Development within the District will comply with forwardDallas! the City's Comprehensive Plan, an advocate of pedestrian friendly, high density urban design.

- To diversify retail, office and medical uses in the District by identifying redevelopment options for obsolete and under-utilized commercial structures, thereby capturing demand from residents of Oak Lawn, the Park Cities, Arlington Park, Love Field West, Bluffview and Northwest Dallas.

Approximately 30,000 square feet of retail space has been added to date.

- To improve access and connections to the Inwood and Parkland stations on DART's Green Line and support increased levels of ridership at these stations.

Staff and the Board will continue to foster a working relationship with Medical District, DART, and potential developers to encourage transit oriented development that complements the District. During FY 2015, on an average, the Inwood/Love Field light rail station served 1,570 passengers per week day, increase of 4.0% over FY 2014.

- To improve recreational opportunities for the community and provide connections to the City of Dallas' trails and open space system in the District, enhance connections to other trail systems within Dallas County and create additional recreational amenities in the area.

Staff and the Board will seek ways to increase green space, recreational opportunities and trail connections within the District.

- To sustain the stability of local schools as redevelopment occurs in the housing market by maintaining strong communications between the Dallas Independent School District and area developers.

Staff and the Board will work with DISD representatives providing an avenue for developers to maintain strong communications as redevelopment occurs.

- To make a desirable neighborhood that incubates and supports growth of the Southwestern Medical District and medical businesses in Dallas, particularly taxable property and employment related to medical technology.

Staff and the Board will continue to foster a working relationship with Southwestern Medical District (UT Southwestern Medical Center, William P. Clements, Jr. University Hospital at UT Southwestern Medical Center, Children's Hospital, and Parkland Hospital) to create investment opportunities in the District. The three major institutions have recently undertaken major expansion projects. Parkland Memorial Hospital completed as of August 2015 a 17 story hospital surrounded by new clinics and parking garages located around the Southwestern Medical District/Parkland DART light rail station. UT Southwestern Medical Center completed construction of the BioCenter on a 13 acre tract of land located at the northeast corner of Inwood Road and Redfield Street in 2012. BioCenter project provides a venue adjacent to UT Southwestern for bio-medical companies that are engaged in research, development, marketing and small-scale manufacturing of goods and services in the bio-medical industry. The project currently is near 100% occupied. Future expansion is contingent on reaching deals with prospective tenants. The new William P. Clements Jr. University Hospital by UT Southwestern Medical Center located at 6201 Harry Hines Blvd opened December 6, 2014. The new hospital cost around \$800 million and will serve as a 460-bed hospital, replacing the existing St. Paul University Hospital. Children's Medical Center has recently completed the main hospital expansion and new surgery center. Children's expects to complete a third tower at the main hospital, new radiology facilities, and a new Ambulatory Care Pavilion over the next three years. The expansion in the Southwestern Medical District is expected to bring significant growth to the area.

- To generate an NPV of \$27.8 million or approximately \$58.4 million in total dollars in TIF revenues over 25 years of collections.

The assessed property value from the base year to 2015 increased by approximately 106.3% including an increase of 24.3% since 2014. This is an increase of approximately \$195.7 million. Based upon current estimates and established 2015 values, the district will generate \$61,210,669 (in 2015 dollars) by FY 2033 before the TIF expires in 2034.

Year-End Summary of Meetings

The Maple/Mockingbird TIF District Board of Directors met once during FY 2015 on December 08, 2014.

During FY 2015 the Board members were (FY 2015 Board meetings attended): Robert Prejean – City Representative (Attended 1 of 1 meetings); Se-Gwen Tyler – City Representative (Attended 1 of 1 meetings); Lily Fern Mak– City Representative

(Attended 1 of 1 meetings); Michael Serber – City Representative (Attended 0 of 1 meetings); Alan Hargrove – City Representative (Attended 1 of 1 meetings); and Rick Loessberg – Dallas County Representative (Attended 1 of 1 meetings).

During FY 2015, the City council approved two (2) items directly or indirectly associated with the Maple/Mockingbird TIF District. The council actions are listed below.

- On February 11, 2015, City Council approved Resolution No. 15-0289 authorizing a development agreement with M&M Hotel Venture, LLC, to dedicate future TIF revenues for reimbursement of eligible project costs related to infrastructure and utility improvements, and an Economic Development Grant to encourage construction of a hotel at 2345 West Mockingbird Lane, near the intersection of Maple and Forest Park Lane located in Tax Increment Financing Reinvestment Zone Eighteen (Maple/Mockingbird TIF District); and (2) the Maple/Mockingbird TIF District Board of Directors to dedicate an amount not to exceed \$1,650,000 plus an Economic Development TIF Grant in an amount not to exceed \$3,350,000 for a total not to exceed \$5,000,000 from future Maple/Mockingbird TIF District revenues, in accordance with the development agreement - Total not to exceed \$5,000,000 - Financing: Maple/Mockingbird TIF District Funds (subject to appropriations).
- On February 25, 2015, the City Council approved Resolution No. 15-0365, accepting the FY 2014 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eighteen, (Maple/Mockingbird TIF District), submitted by the Maple/Mockingbird TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City.

Pending TIF Items

- Consideration of the FY 2015 Maple/Mockingbird TIF District Annual Report and a recommendation to the Dallas City Council for approval.
- Potential TIF Project: West Love by Balcones Realty. The potential mixed-use development at the corner of Maple Avenue and Mockingbird Lane will consists of residential and commercial use.



West Love Development (Planned)



aLoft / Element - Love Field Hotel
(Under Construction)

Budget and Spending Status

Each TIF district establishes in its Project Plan and Reinvestment Zone Financing Plan a budget for public improvement expenditures necessary to support private investment in the district. The TIF's public improvement budget is approximately \$61.2 million in total dollars (\$27.8 million NPV). The current budget for the District is below:

Maple/Mockingbird TIF District Projected Increment Revenue of Retire TIF Fund Obligation			
Budget Category	TIF Budget	Allocated	Balance
Infrastructure/Utility Improvements - design and engineering; street paving construction and resurfacing; utility improvement, relocation and burial; streetscape; open space	\$34,813,376	\$2,595,000	\$32,218,376
Environmental Remediation and Demolition	\$4,957,601	\$315,000	\$4,642,601
Affordable Housing	\$9,364,358	\$4,400,000	\$4,964,358
Retail/High Density Grant Program	\$8,934,699	\$3,690,000	\$5,244,699
Administration and Implementation ²	\$3,140,636	\$189,083	\$2,951,553
Total Project Costs	\$61,210,669	\$11,189,083	\$50,021,586
¹ Budget shown in total dollars. TIF Project Plan shows the budget in Net Present Value.			
² TIF administration fee include funds expended of committed through FY 2015			

Maple/Mockingbird TIF District Project Plan Budget	
Category	TIF Budget (NPV)*
Infrastructure/Utility Improvements - design and engineering; street paving construction and resurfacing; utility improvement, relocation and burial; streetscape; open space	\$15,800,000
Environmental Remediation and Demolition	\$2,250,000
Affordable Housing	\$4,250,000
Retail/High Density Grant Program	\$4,055,000
Administration and Implementation	\$1,425,373
Total Project Costs	\$27,780,373
* As approved in the Project Plan and Reinvestment Zone Plan in 2009 dollars.	

FY 2016 Work Program

The FY 2016 work program for the Maple/Mockingbird TIF District is as follows:

- Promote new development projects in the District, including development sites along Mockingbird and the West Love project
- Identify additional redevelopment sites including the Inwood DART Station area, work with developers of anticipated development projects within the District to bring them to fruition and continue to seek growth in the District through the attraction of mixed-use, high-density development.
- Completion of TIF Project West Love Hotel by CAI Atlantic M&M Hotel Venture, LLC. The hotel development is under construction at the corner of Maple Avenue and Forest Park Lane.

Appendix – Financials

City of Dallas, Texas
Maple/Mockingbird Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2015

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.
2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).
3. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.
4. The Zone's Financial Plan permits expenditures not to exceed \$2,830,683 over the life of the TIF to reimburse the City for administrative costs. The Zone began reimbursing the General Fund in fiscal year 2010-11. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.
5. All project costs resulting in capital improvements that are owned by the City are capitalized by the City.
6. "Due to general fund" amount of \$123,017 at September 30, 2015 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

City of Dallas, Texas
Maple/Mockingbird Tax Increment Financing District Fund
Balance Sheet as of September 30, 2015 (Unaudited)
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)

	2015	2014	2013	2012	2011
Assets:					
Pooled cash and cash equivalents	\$1,479,665	\$533,701	\$0	\$9	\$9
Interest receivable	\$1,804	\$575	\$0	\$9	\$10
Total assets	\$1,481,469	\$534,277	\$0	\$18	\$20
Liabilities and Fund Balance (Deficit):					
Liabilities:					
Accounts and contracts payable	\$0	\$0	\$0	\$0	\$0
Advances from developers	\$0	\$0	\$0	\$0	\$0
Accrued interest	\$0	\$0	\$0	\$0	\$0
Due to general fund	\$123,017	\$123,017	\$123,017	\$105,978	\$92,653
Total liabilities	\$123,017	\$123,017	\$123,017	\$105,978	\$92,653
Fund Balance (Deficit):					
Fund Balance (Deficit)	\$1,358,452	\$411,260	(\$123,017)	(\$105,960)	(\$92,634)
Total Liabilities and Fund Equity	\$1,481,469	\$534,277	\$0	\$18	\$20
	\$0	\$0	\$0	\$0	\$0

Maple/Mockingbird Tax Increment Financing District Fund
Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)
For the Period September 30, 2015 (Unaudited)
With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)

	ITD	2015	2014	2013	2012	2011
Revenues:						
Tax increment-Governmental	\$1,285,568	\$818,778	\$463,313	\$0	\$0	\$0
Tax increment-Intergovernmental	\$250,162	\$160,176	\$89,986	\$0	\$0	\$0
Interest income	\$8,686	\$6,788	\$1,865	(\$9)	\$3	\$23
Net increase (decrease) in fair value of investments	\$3,119	\$3,168	(\$50)	(\$9)	\$0	\$1
Total revenues	\$1,547,535	\$988,910	\$555,115	(\$18)	\$4	\$25
Expenditures:						
Administrative expenses	\$189,083	\$41,718	\$20,838	\$17,039	\$13,330	\$31,358
Non-Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0
Capital outlay	\$0	\$0	\$0	\$0	\$0	\$0
Interest and fiscal charges	\$0	\$0	\$0	\$0	\$0	\$0
Total expenditures	\$189,083	\$41,718	\$20,838	\$17,039	\$13,330	\$31,358
Excess (Deficiency) of Revenues over Expenditures	\$1,358,452	\$947,192	\$534,277	(\$17,057)	(\$13,326)	(\$31,333)
Fund balance (Deficit) at beginning of year as previously reported	\$0	\$411,260	(\$123,017)	(\$105,960)	(\$92,634)	(\$61,300)
Fund balance (Deficit) at beginning of year, as restated	\$0	\$411,260	(\$123,017)	(\$105,960)	(\$92,634)	(\$61,300)
Fund balance (deficit) at end of year	\$1,358,452	\$1,358,452	\$411,260	(\$123,017)	(\$105,960)	(\$92,634)

Note: Fiscal year 2014-15 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.

1. Amount and source of revenue in the tax increment fund established for the zone:

\$9,956	Interest Income
<u>\$978,954</u>	Ad Valorem Taxes (Collected in FY'2014-15 based on 2014 Final Tax Roll)
<u>\$988,910</u>	Total Revenue

2. Amount and purpose of expenditures from the fund:

\$41,718	Administrative Expense
<u>\$0</u>	Additional Subsidy in Form of Grant (in lieu of interest expense)
<u>\$41,718</u>	Total Expenditures

3. The Zone started reimbursing the General Fund for TIF administrative costs in fiscal year 2010-11.

4. a. Amount of Principal and Interest due-on outstanding bonded indebtedness:

Maple Mockingbird TIF District has incurred no bonded indebtedness as of September 30, 2015.

b. The Zone entered into a development agreement with WP West Development Enterprises, LLC for the Maple Station project in the TIF in an amount not to exceed \$8,000,000 with anticipated completion by December 31, 2015 and reimbursement to begin in June 2016 from future increment collections, if available.

5. Tax increment base and current captured appraised value retained by the zone:

Taxing Jurisdiction	Taxable Value 2015*	Base Year 2008 Value	Est. Captured Value 2015**
City of Dallas	\$379,680,038	\$184,005,009	\$195,675,029
Dallas County	\$379,644,794	\$185,237,375	\$194,407,419

*Taxable value shown for participating taxing jurisdictions. County values are approximate and will vary slightly from the City value due to different exemption levels.

**Based on Certified Taxable Value. The final values will be determined on February 01, 2016.

6. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

Taxing Jurisdiction	Amount of	
	Assessment Per \$100***	Estimated 2015 Increment****
City of Dallas	0.67745	\$1,325,600
Dallas County	0.13371	\$259,932
Total for all Jurisdictions	\$0.81116	\$1,585,533

***Participation rates for City of Dallas are 70% for tax years 2009-2011, 85% for tax years 2012-2026 and 70% for tax years 2027-2031.

***Participation rate for Dallas County is 55% for tax years 2009-2030.

****The District began collecting increment in fiscal year 2009-10 for tax year 2009.

B. The total amount of estimated tax increment to be billed for the 2015 tax year is \$1,585,533. For the 2014 tax year, the zone received increment of \$978,954.

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 6

DEPARTMENT: Office of Economic Development

CMO: Ryan S. Evans, 671-9837

MAPSCO: 11A B C D E F G H J K L M N P Q R

SUBJECT

A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Nineteen, (Cypress Waters TIF District), submitted by the Cypress Waters TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as to the State Comptroller. The City Council approved Ordinance No. 28074 on December 8, 2010, establishing Tax Increment Financing Reinvestment Zone Number Nineteen, (Cypress Waters TIF District). On June 8, 2011 the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 28224, as amended.

The Cypress Waters TIF District's assessed tax value in 2015 was \$129,397,964, an increase of approximately \$127,326,527 (178,136%) over the adjusted 2010 base year assess value of \$71,437. With the participation of the City and Dallas County in 2015, the district's value will result in the collection of approximately \$1,032,816 (City - \$862,574; Dallas County - \$170,242) in incremental revenue for the Cypress Waters TIF District for the 2015 tax year. The final amount of increment collected may increase as roll back taxes for 2015 are paid.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On December 8, 2010, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Nineteen, the Cypress Waters TIF District by Ordinance No. 28074.

On June 8, 2011, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Cypress Waters TIF District by Ordinance No. 28224, as amended.

On December 21, 2015, the Cypress Waters TIF District Board of Directors recommended acceptance and approval of the FY 2015 Annual Report.

Information about this item will be provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

No cost consideration to the City

February 24, 2016

WHEREAS, the City recognizes the importance of its role in local economic development initiatives and programs; and

WHEREAS, the City has established Tax Increment Financing Reinvestment Zone Number Nineteen, ("Cypress Waters TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment in the Cypress Waters area pursuant to Ordinance No. 28074, authorized by the City Council on December 8, 2010, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

WHEREAS, on June 8, 2011, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Cypress Waters TIF District by Ordinance No. 28224, as amended; and

WHEREAS, the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

WHEREAS, on December 21, 2015, the Cypress Waters TIF District Board of Directors passed a motion accepting the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Nineteen and recommending approval of same by the City Council.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Nineteen, (Cypress Waters TIF District), City of Dallas, Texas, as of September 30, 2015, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

Section 2. That the City Manager is hereby authorized to submit the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Nineteen to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the district and to the State Comptroller, as required by state law.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Exhibit A

Cypress Waters TIF District FY 2015 Annual Report



City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 670-4551

www.dallas-ecodev.org/redevelopment

October 1, 2014 to September 30, 2015

Reinvestment Zone Number Nineteen

Cypress Waters

Tax Increment Financing District

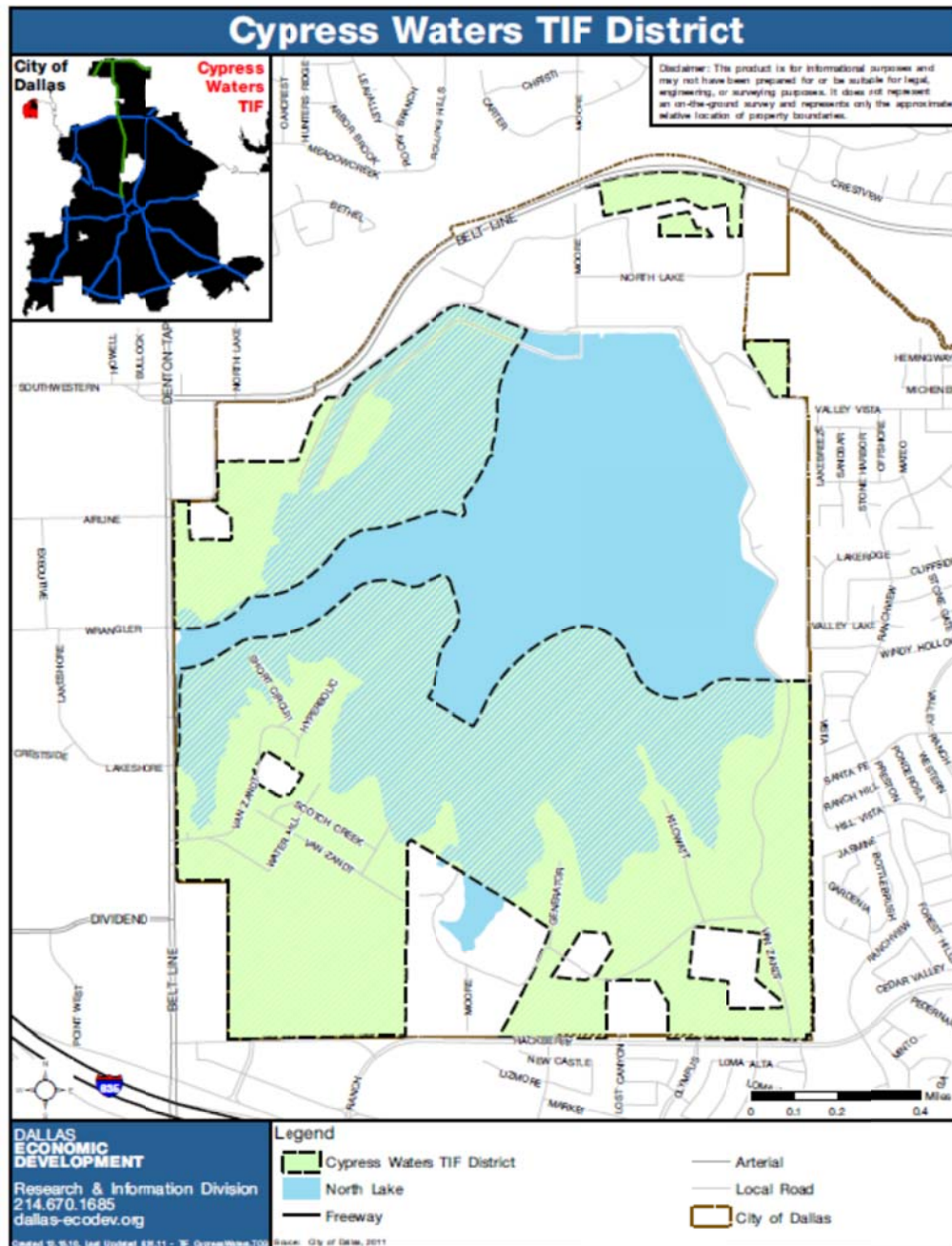


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Mission Statement

The Cypress Waters Tax Increment Financing (TIF) District represents the outgrowth of the City of Dallas' effort to provide a model for supporting the development of land near DFW Airport and to take full advantage of the planned expansion of the DART light rail system along the Cotton Belt Line.

The Cypress Waters TIF District was established on December 8, 2010, to encourage the initial development of a large tract of undeveloped land within the City of Dallas (approximately 1,661 acres in total) surrounding North Lake. This district will promote the creation of pedestrian-oriented, traditional neighborhood development (TND) containing multifamily and residential development, a potential senior housing component, pedestrian-oriented retail development, offices, and additional commercial development.

The Dallas City Council established the Cypress Waters TIF District by Ordinance Number 28074 on December 8, 2010. The Cypress Waters District began collecting funds on January 1, 2012, and it is scheduled to terminate on December 31, 2040 (including collection of the 2040 increment in calendar year 2041 and any related matters to be concluded in 2041) or when the full budget has been collected. The City of Dallas and Dallas County are the two participating jurisdictions. The City started to participate at 85% in 2012. The County's participation will be 55% from 2014 to 2033 or until the County's participation reaches its budget limit of \$10,500,000.

During FY 2015, Council amended the district's Final Plan to remove approximately 28 acres on the northern end of the district, making the estimated new base \$71,317. Council also reduced the budget to \$25,779,665. This new budget provides for infrastructure in support of Cypress Waters Phases 1 and 2, a future permanent public safety building, administration expenses, and funding to support a proposed interlocal agreement with Irving to more efficiently provide water service to the district.

District Accomplishments

The district is located in the area north and east of the intersection of LBJ Freeway (I-635) and Belt Line Road, with the entire site being located within the City of Dallas. The district contains approximately 939 acres of contiguous undeveloped land which will be adjacent to a 362 acre lake (once the ongoing reduction of North Lake is complete). The remaining property in the 1,661 acre area, including proposed school sites, a drilling site, and the site of a former power plant, is not part of the TIF district. However, during 2014, all of the drill sites were sold to Billingsley Company and will be developed in conjunction with the district.

Due to the remoteness of the property in the Cypress Waters TIF District from the remainder of the City of Dallas, fully developing the property required significant public expenditures for infrastructure and utility improvements (including extensive water and wastewater transmission, storage and distribution improvements); construction of primary roadway improvements; facilities for police, fire and emergency services;

environmental remediation; and lake reclamation. The use of TIF funds has allowed this large, master-planned development, which is currently located outside of accessible City of Dallas services, to commence development much sooner, and proceed to completion much more quickly, than such would occur absent the use and availability of TIF funds.

Two projects have been approved by the TIF board and by Council. Cypress Waters Phase 1 was approved by Council on June 6, 2011. This phase included approximately 673 multifamily units, master planned using the design principles of Traditional Neighborhood Development. The unit mix includes both flat and townhome rental units, inclusive of 135 affordable units

Cypress Waters Phase 2 was approved by the Council on November 14, 2012 and consists of infrastructure improvements in support of future office development. This phase includes construction of the extension of Cypress Waters Boulevard from Hackberry Drive to the Phase 1 development; 2) the extension of Saintsbury Street from the termination of the Phase 1 improvements to the proposed Cypress Waters Boulevard extension; 3) entryway features for both streets; 4) sidewalks along both streets and a cycle track on Cypress Waters Boulevard; and 5) publicly accessible green space in the center of this phase of development.

During FY 2015, City Council approved amendments to the TIF District and development agreement amendments for Cypress Waters Phase 1 and 2 projects, which are detailed below.

Cypress Waters TIF District Amendment – The District was amended to:

- Adjust district boundaries to remove 6 acres of land that will be transferred to the City of Irving (properties better served by Irving)
- Remove 22 acres on the north side of the district from the TIF's boundary; property will remain in the City of Dallas, but water and wastewater service will come from the City of Irving
- Add 49 acres to the district as a result of future changes in the location of the lake's edge
- Decrease district's total budget from \$160.1M to \$47.4M (decrease of \$112.7M)
 - Term of the district was not changed (2040), but complete reimbursement of TIF projects is projected for 2023 (17 years earlier)
 - TIF District will terminate (cease collecting increment) when the district's budget is collected
- Release developer from Mixed Income Housing, M/WBE Participation and Design Review requirements going forward, as no additional TIF funds would be sought or available to assist build out of the TIF district

Cypress Waters Phase 1 Development Agreement Amendment – The development agreement for this phase of the project was amended to:

- Redirect approximately \$206,681 in savings from roadways to the temporary public safety building to cover cost overruns for the building's construction
- Extend the deadlines for project completion and execution of an operating and maintenance agreement for Phase I by seven months from December 31, 2014 to July 31, 2015
- Make minor design changes to the location of the private development and the final design of the public improvements

Cypress Waters Phase 2 Development Agreement Amendment – The development agreement for this phase of the project was amended to:

- Move Saintsbury Street construction and utility construction from Phase 2C to Phase 2A
- Extend the start deadline for the entire project (except the sidewalks on the Saintsbury Street extension) from March 31, 2013 to April 30, 2014
- Extend the completion deadline from October 31, 2013 to April 30, 2015
- Clarify that the developer will be eligible for reimbursement of each phase upon completion of, and fulfillment of all requirements for, that phase and all prior phases
- Make minor design changes to the final design of the public improvements

As of the end of FY 2015, Cypress Waters Phases 1 and 2 public infrastructure improvement projects completed construction. Scotch Creek, Sycamore Park, and Parson's Green apartments completed construction and final certificates of occupancy were issued for all 673 units. The projects were enabled by Phase I infrastructure improvements. A lease agreement for a temporary police and fire service building was approved by Council December 2014 and the building received its final certificate of occupancy in July of 2015.

Parsons Green I, Scotch Creek and Sycamore Park – 673 units of multifamily and townhomes offering distinctive neighborhoods for residents of Cypress Waters



Parsons Green II – a 141 unit townhome project began construction during the fiscal year. Construction completion anticipated in 2016



As a result of the completion of Phase 2 infrastructure improvements, three office buildings finished construction and two office building projects began construction during the fiscal year.



8840 Cypress Waters Blvd. – a 166,140 square foot, multi-tenant office building completed construction in 2015. At full lease up, the building is expected to house over 800 employees.

8950 Cypress Waters Blvd. – a 175,585 square foot office building completed construction in 2015. The development serves as the corporate headquarters for Nation Star Mortgage with 750 employees.



8951 Cypress Waters Blvd. – a 187,710 square foot multi-tenant office building completed construction during 2015. The building is projected to house 1,000 employees at full lease up.



9001 Cypress Waters Blvd. – a 215,520 square foot, single tenant building began construction during the fiscal year. OneSource Virtual Inc. will relocate and expand its operations to Cypress Waters. Serving as the companies U.S. headquarters, by 2019 there will be 1,300 employees at the facility.

3001 Hackberry Rd – a 327,183 square foot single tenant building also began construction during the fiscal year and will be the corporate headquarters of CoreLogic. Construction completion is anticipated in 2017 and the corporate campus is expected to house 1,800 employees.



Projects Within the Cypress Waters TIF District Utilizing TIF Funding ¹						
Project	Location	Calendar Year Complete	Status	Units/ SF ²	Approx. Value ³	TIF Investment ⁴
Cypress Waters Phase 1 Public Infrastructure Improvements	Cypress Waters Blvd. & Chapel Oaks Dr., northeast of Belt Line Rd and Hackberry Rd	2014	Complete	N/A	N/A	\$9,757,267*
Parsons Green I <i>Supported by Phase 1I Public Improvement Project</i>	1111111 Watermill Rd 1111112 Watermill Rd	2014	Complete	65 res. Units	\$9,109,280	\$0
Scotch Creek <i>Supported by Phase 1 Public Improvement Project</i>	3155 Chapel Oaks Dr 3211 Scotch Creek Rd	2014	Complete	608 res. units	\$32,594,080	\$0
Sycamore Park <i>Supported by Phase 1 Public Improvement Project</i>	9240 Cypress Waters Blvd	2014	Complete	Included in Scotch Creek	\$14,296,640	\$0
Parson's Green II Townhomes	Water Mill Rd., Scotch Creek Rd., and Chapel Oaks Drive	2016	Under Construction	141 res. units	\$23,814,428	\$0
Cypress Waters Phase 2 Public Infrastructure Improvements	Cypress Waters Blvd and Saintsbury St.	2015 and 2021	Complete	N/A	N/A	\$6,522,398*
Single Tenant Office Bldg <i>Supported by Phase 2 Public Improvement Project</i>	8950 Cypress Waters Blvd.	2015	Complete	175,585 sf office	\$37,346,000	\$0
Multi-Tenant Office Bldg <i>Supported by Phase 2 Public Improvement Project</i>	8951 Cypress Waters Blvd.	2015	Complete	187,710 sf office	\$28,354,000	\$0
Multi-Tenant Office Bldg <i>Supported by Phase 2 Public Improvement Project</i>	8840 Cypress Waters Blvd.	2015	Complete	166,140 sf office	\$25,760,970	\$0
Single Tenant Office Bldg <i>Supported by Phase 2 Public Improvement Project</i>	9001 Cypress Waters Blvd.	2016	Under Construction	214,520 sf office	\$36,093,132	\$0
Single Tenant Office Bldg <i>Supported by Phase 2 Public Improvement Project</i>	3001 Hackberry Rd	2016	Under Construction	327,183 sf office	\$74,354,000	\$0
Single Tenant Office Bldg <i>Supported by Phase 2 Public Improvement Project</i>	9111 Cypress Waters Blvd	2017	Planned	250,000 sf office	\$45,337,000	\$0
Subtotal				814 units 1,128,138 sf office	\$327,059,530	\$16,279,665*
¹ All information updated as of September 30, 2015. ² Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage. ³ Based upon 1) approx. private investment for projects planned or under construction; 2) private investment stated in the development agreement for projects that are approved and/or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). ⁴ Principal amount not to be exceeded per the development agreement. TBD indicates that development agreement has not yet been adopted. Asterisk indicates investment also includes interest not shown. Note: Dallas Water Utilities has committed over \$5 million to water and wastewater infrastructure improvements within the district.						

Value and Increment Revenue Summary

The Cypress Waters TIF District's adjusted base tax value for 2010 was \$71,437. This base value reflects adjustments to the base to reflect the final 2010 values of the parcels in the district. The district's 2015 assessed tax value, as determined by the Dallas Central Appraisal District, was \$127,397,964. This represents an increase of approximately \$127,326,527 (178,136%) over the assessed value of the base year (2010) value.

The district's value increased by \$67,970,768 (114.4%) from the previous year's value. This increase in district value will result in the collection of approximately \$1,032,816 in incremental revenue for the district (City - \$862,574; County - \$170,242). The final amount of increment collected may increase as roll back taxes for 2015 are paid.

Objectives, Programs, and Success Indicators

The final Cypress Waters Project Plan and Reinvestment Zone Financing Plan was adopted on June 8, 2011. In 2015, the District's Project and Reinvestment Zone Financing Plan was amended and two of the development goals and objectives were revised to reflect a decrease in the budget for the District. The amended goals are in bold. Specific actions addressing each goal and objective follow in italics.

- Create additional taxable value attributable to new private investment in projects in the Cypress Waters TIF District totaling approximately ~~\$2.2 billion~~ **\$1.5 billion** over the thirty-year life of the TIF district.

The district has seen an increase in value of approximately \$127 million, (or 8.5% of amended goal) from a combination of agricultural exemption being removed from some parcels and the initial increase in value from both Phase 1 and Phase 2 construction. Construction on the first 3 office buildings completed this year.

- Attract new private development, including approximately 10,000 new residential units, 4,000,000 square feet of commercial space (including approximately 700,000 square feet of data center use and 2,000,000 square feet of light warehouse/industrial use), and an estimated 150,000 square feet of pedestrian-oriented retail space, all of which are anticipated to create an estimated 9,000 on-site jobs.

Three residential development projects supported by Phase 1 public infrastructure improvements completed December 2014, adding 673 multi-family homes to the District (including 135 affordable units). Construction of an additional 141 residential units, as part of Phase II of the Parson's Green development, began during the 2015 fiscal year. In total, approximately 814 residential units (inclusive of approximately 163

affordable units) have completed or begun construction within the District, representing 8.1% of the housing goal.

Three office buildings completed construction in 2015 and two office buildings began construction, as a result of the completion of Phase 2 public infrastructure improvements completed during the fiscal year. In total approximately 1,286,138 square feet of office space has completed or begun construction within the District, representing 64.3% of the commercial space goal.

- To improve ridership on DART via the planned expansion along the Cotton Belt Line.

The master plan for the district includes development adjacent to the planned Cotton Belt Station on the north side of the district.

- Improve recreational opportunities for the community and the future residents within the TIF district via extensive, publicly accessible green space on the site along the lake edge and along power line easements, in addition to multiple parks, hike and bike trails, and pedestrian connections throughout the district. Additional open space may be available through the utilization of Coppell ISD land and as part of an MMD and/or TIF-funded public amenity center.

The Phase 1 development includes wide sidewalks leading to the adjacent power line easement and to a future connection to the lake trail.

The Phase 2 development includes a combination cycle track and pedestrian path along Cypress Waters Boulevard and three large green spaces in the district.

Dallas County's current five-year plan includes \$2,500,000 in 2017 and \$2,500,000 in 2018 in support of five miles of trails from Irving's Champion Trail into Cypress Waters. Upon completion, this would provide a continuous 12-mile trail from Cypress Waters to the Las Colinas Urban Center.

- Create a model for exceptional development standards in terms of its complexity, scope, design, environmental sensitivity, and connectivity.

The Phase 1 development is a model for dense, pedestrian-oriented development on under-utilized, infill property.

On August 13, 2012, the board approved the Urban Design Guidelines for Projects Located in City of Dallas Tax Increment Financing Districts.

The City Design Studio reviewed design for the Phase 2 public and private development, which will provide pedestrian and bicycle connectivity between the housing, commercial, and recreational space.

Coppell Independent School District opened Richard J. Lee Elementary School in the fall of 2014. Lee Elementary is the first net-zero elementary school in the state of Texas. The campus includes daylight harvesting, rainwater collection, and geothermal heating and cooling.

- Develop the property in a manner where fiscal impacts for the remainder of the City are limited and a development pattern is secured that is a net benefit to the City from a fiscal, land use and community standpoint.

Cypress Waters is in a location outside of currently accessible City services. As part of Phase 1, the developer has finished construction on temporary facilities for police and fire service. A lease for the building was approved by Council in December 2014.

Private development as part of Phase 2 includes new office space providing potential jobs to Cypress Waters residents.

A proposed Phase 3 agreement, which incorporates potential cooperation with the City of Irving on a new water tower, will save the City and the district nearly \$14 million.

- Generate an NPV of ~~\$65 million~~ **\$26 million** or approximately ~~\$160 million~~ **\$47 million** in total dollars in TIF revenues over the 30-year life of the district.

City participation in TIF increment collections began in tax year 2012. As of the end of the 2015 fiscal year approximately \$1.8 million in TIF revenue has been generated, representing 3.9% of the district's amended goal.

Year-End Summary of Meetings and Council Items

The Cypress Waters TIF District Board of Directors met four (4) times during the 2015 fiscal year (October 1, 2014 to September 30, 2015): December 15, 2014, February 23, 2015, March 16, 2015 and May 11, 2015

The Board of Directors consists of seven (7) members, including six (6) City of Dallas appointees and one (1) Dallas County appointee. During FY 2015, the Cypress Waters TIF Board consisted of the following members:

Mary Poss, City appointee and chairperson (attended 3 of 4 meetings)
Violetta Lill, City appointee and vice chairperson (attended 4 of 4 meetings)
Elizabeth Solender, City appointee (attended 4 of 4 meetings)
Dr. Jose Gomez, City appointee (attended 3 of 4 meetings)
David Pittman, City appointee (Attended 3 of 4 meetings)
Vacant, City appointee
Rick Loessberg, Dallas County appointee (attended 2 of 4 meetings)

During fiscal year 2015, the City Council approved thirteen (13) items directly or indirectly associated with the Cypress Waters TIF District. The Council actions are listed below:

- On October 8, 2014, Council authorized a public hearing to receive comments regarding an application for and subsequently authorized Ordinance Nos. 29502 and 29503 granting an expansion of Subareas A-1 and A-2 of Planned Development District No. 741 onto property zoned an A(A) Agricultural District, to incorporate Subareas F and G into Subarea A-2 of Planned Development District No. 741 and an ordinance terminating Specific Use Permit No. 1806 for gas drilling and production, east of Belt Line Road and north of Ranch Trail Recommendation of Staff and CPC: Approval, subject to a revised conceptual plan and revised conditions, and approval of the termination of Specific Use Permit No. 1806. Z134-175(LHS)
- On December 10, 2014, Council authorized Resolution No. 14-2199 authorizing a 14 year lease agreement with CW MF1 Land, Ltd. for approximately 2,500 square feet of office space located at 3015 Chapel Oaks Drive for a Fire and Rescue and Police station for the period December 15, 2014 through December 14, 2028 – Not to exceed \$4,254 - Financing: Current Funds (subject to annual appropriations)
- On February 25, 2015, Council authorized resolution number 15-0366 accepting the FY 2014 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Nineteen, (Cypress Waters TIF District), submitted by the Cypress Waters TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing

jurisdiction that levies taxes on real property in the District and the State Comptroller, as required by state law.

- On May 27, 2015, Council authorized resolution number 15-0942 authorizing a public hearing to be held on June 10, 2015, to receive comments on amendments to Cypress Waters TIF District (the "District") to: (1) modify the boundaries; (2) adjust the base year value of the District; (3) decrease the District's total budget from \$65,698,683 NPV (approximately \$160,115,818 total dollars) to \$25,779,665 (approximately \$49,465,852 total dollars), a decrease of \$39,919,018 NPV (approximately \$110,649,966 total dollars) to reflect the early termination of the District after repayment of Phase I, II, DWU/Irving water/wastewater obligations, and funding of the public safety building; (4) correct the infrastructure/utility improvements category consistent with changes to state law to allow TIF funding to be used for infrastructure constructed outside the boundary if it benefits the District; and (5) make corresponding modifications to the Cypress Waters TIF District boundary, budget, and Project and Reinvestment Zone Financing Plans and, at the close of the public hearing, consideration of an ordinance to reflect these changes - Financing: No cost consideration to the City
- On May 27, 2015, Council authorized resolution number 15-0986 authorizing a Chapter 380 economic development grant agreement with CoreLogic Solutions, LCC in an amount up to \$600,000 to stimulate business development activity in the City of Dallas in conjunction with the relocation and expansion of its regional workforce and operations to a new office facility at 3001 Hackberry Road, pursuant to the Public/Private Partnership Program - Not to exceed \$600,000 - Financing: Public/Private Partnership Funds
- On June 10, 2015, Council authorized resolution number 15-1075 authorizing an amendment to the development agreement with Billingsley LD, Ltd., for Cypress Waters Phase I to: (1) redirect approximately \$206,681 in savings from roadways to the temporary public safety building; (2) extend the deadlines for completion of the improvements and the execution of an operating and maintenance agreement for Phase I by seven months from December 31, 2014 to July 31, 2015; and (3) make minor design changes to the location of the private development and the final design of the public improvements - Financing: No cost consideration to the City
- On June 10, 2015, Council authorized resolution number 15-1075 authorizing execution of a development agreement with Billingsley LD, Ltd., pursuant to an amendment to Resolution No. 12-2781, previously approved on November 14, 2012, for Cypress Waters Phase 2, to: (1) move Saintsbury Street construction and utility construction from Phase 2c to Phase 2a; (2) extend various project deadlines; (3) clarify that the developer will be eligible for reimbursement of each phase upon completion of, and fulfillment of all requirements for each phase; and

(4) make minor design changes to the final design of the public improvements - Financing: No cost consideration to the City

- On June 10, 2015, Council authorized resolution number 15-1106 authorizing a public hearing to receive comments on amendments to Cypress Waters TIF District (the "District") to: (1) modify the boundaries; (2) adjust the base year value of the District; (3) decrease the District's total budget from \$65,698,683 NPV (approximately \$160,115,818 total dollars) to \$25,779,665 (approximately \$49,465,852 total dollars), a decrease of 39,919,018 NPV (approximately \$110,649,966 total dollars) to reflect the early termination of the District after repayment of Phase I, II, DWU/Irving water/wastewater obligations, and funding of the public safety building; (4) correct the infrastructure/utility improvements category consistent with changes to state law to allow TIF funding to be used for infrastructure constructed outside the boundary if it benefits the District; (5) make corresponding modifications to the Cypress Waters TIF District boundary, budget, and Project and Reinvestment Zone Financing Plans; and (6) at the close of the public hearing, approved Ordinance No. 29769 amending Ordinance Nos. 28074 and 28224, previously approved on December 8, 2010 and June 8, 2011, to reflect these amendments - Financing: No cost consideration to the City
- On June 17, 2015, Council authorized resolution number 15-1192 authorizing the City Manager to negotiate and enter into an Interlocal Agreement, approved as to form by the City Attorney, with the City of Irving for water service, financial participation in water supply and infrastructure projects, and wastewater service - Not to exceed \$5,748,518 - Financing: Water Utilities Capital Construction Funds
- On June 17, 2015, Council authorized resolution number 15-1193 authorizing the City Manager to negotiate and enter into a Phase III Development Agreement, approved as to form by the City Attorney, with Billingsley LD, Ltd., to (1) provide water service, water supply, and wastewater service for the Cypress Waters area; (2) authorize receipt and deposit of funds from Billingsley LD, Ltd. in the amount of \$4,023,963 for use in Irving-led construction projects; and (3) authorize DWU participation of 30% of engineering costs - Not to exceed \$880,817 - Financing: Water Utilities Capital Construction Funds (\$880,817) and Revenue (\$4,023,963)
- On June 17, 2015, Council authorized resolution number 15-1194 authorizing an amendment to the existing Cypress Waters Memorandum of Understanding, approved as to form by the City Attorney, with Cypress Waters Land Development, LLC. ("Billingsley" or "Developer") to: (1) update the provisions for Public Infrastructure Improvements to reflect the cost-sharing for such infrastructure improvements by the City of Dallas (through Dallas Water Utilities), the City of Irving, and the Developer; (2) reflect the early termination of the Cypress Waters TIF District; and (3) release the Developer from the affordable housing, M/WBE, and design review obligations for the remaining build-out of the

District, in consideration for the early termination of the Cypress Waters TIF District - Financing: No cost consideration to the City

- On June 17, 2015, Council authorized resolution number 15-1263 authorizing a Chapter 380 economic development grant agreement pursuant to the Public/Private Partnership Program with Toyota Industries Commercial Finance, Inc. in an amount not to exceed \$277,500 to stimulate business development activity in the City of Dallas in conjunction with the location of its new U.S. headquarters to an existing office facility at 8951 Cypress Waters Boulevard - Not to exceed \$277,500 - Financing: Public/Private Partnership Funds
- On August 12, 2015, Council approved resolution number 15-1403 and ordinance number 29797 abandoning a utility easement to CWO3 Land, Ltd., the abutting owner, containing approximately 570 square feet of land, located near the intersection of Saintsbury Street and Cypress Waters Boulevard - Revenue: \$5,400, plus the \$20 ordinance publication fee

Budget and Spending Status

Each TIF district, in their Project Plan and Reinvestment Zone Financing Plan, establishes a budget for public improvement expenditures necessary to support private investment in the district. The District's budget was reduced during the fiscal year. The amended budget and spending status is shown below.

Cypress Waters TIF District Projected Increment Revenues to Retire TIF Fund Obligations*			
Category	TIF Budget	Allocated	Balance
Public infrastructure improvements	\$41,046,172	\$16,279,665	\$24,766,507
Public safety improvements	\$4,332,943	\$0	\$4,332,943
Administration and implementation**	\$2,065,585	\$187,554	\$1,878,031
Total project costs	\$47,444,700	\$16,467,219	\$30,977,481
*Budget shown above in current dollars, updated yearly; TIF Project Plan shows the budget in net present value. Values above do not include interest payments.			
**Administration and implementation for FY 2014 are included in the above allocation.			

Cypress Waters TIF District Project Plan Budget (NPV, 2010 dollars)	
Category	TIF Budget*
Public infrastructure improvements: paving, streetscape, water/wastewater, storm sewer, utility burial/relocation, and land acquisition	\$18,279,665
Public safety	\$6,000,000
Administration and implementation	\$1,500,000
Total project costs	\$25,779,665
* As approved in the Final Project Plan and Reinvestment Zone Financing Plan.	

FY 2016 Work Program

Pending items for the Cypress Waters TIF District include:

- Adoption of FY 2015 Annual Report
- Encourage development projects within the district in accordance with the final Project Plan and Reinvestment Zone Financing Plan.

Appendix: Financials

City of Dallas, Texas

Cypress Waters Tax Increment Financing District Fund

Balance Sheet as of September 30, 2015 (Unaudited)

With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Assets:					
Pooled cash and cash equivalents	\$712,835	\$133,609	\$0	\$0	\$0
Interest receivable	\$908	\$162	\$0	\$0	\$0
Total assets	<u>\$713,743</u>	<u>\$133,771</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Liabilities and Fund Balance (Deficit):					
Liabilities:					
Accounts and contracts payable	\$0	\$0	\$0	\$0	\$0
Due to general fund	\$112,097	\$112,097	\$112,097	\$74,874	\$54,138
Total liabilities	<u>\$112,097</u>	<u>\$112,097</u>	<u>\$112,097</u>	<u>\$74,874</u>	<u>\$54,138</u>
Fund Balance (Deficit):					
Fund Balance (Deficit)	<u>\$601,647</u>	<u>\$21,674</u>	<u>(\$112,096)</u>	<u>(\$74,874)</u>	<u>(\$54,138)</u>
Total Liabilities and Fund Equity	<u>\$713,744</u>	<u>\$133,771</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
	\$0	\$0	(\$0)	\$0	\$0

Cypress Waters Tax Increment Financing District Fund

Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)

For the Period September 30, 2015 (Unaudited)

With Comparative Totals for September 30, 2014, 2013, 2012, and 2011 (Audited)

	<u>ITD</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Revenues:						
Tax increment-Governmental	\$704,444	\$548,572	\$155,557	\$314	\$0	\$0
Tax increment-Intergovernmental	\$79,359	\$79,359	\$0	\$0	\$0	\$0
Interest income	\$3,829	\$3,304	\$524	\$1	\$0	\$0
Affordable housing payment	\$0	\$0	\$0	\$0	\$0	\$0
Net increase (decrease) in fair value of investments	\$1,569	\$1,583	(\$14)	\$0	\$0	\$0
Total revenues	<u>\$789,201</u>	<u>\$632,818</u>	<u>\$156,067</u>	<u>\$316</u>	<u>\$0</u>	<u>\$0</u>
Expenditures:						
Administrative expenses	\$187,554	\$52,846	\$22,297	\$37,537	\$20,737	\$46,113
Non-Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0
Capital outlay	\$0	\$0	\$0	\$0	\$0	\$0
Interest and fiscal charges	\$0	\$0	\$0	\$0	\$0	\$0
Total expenditures	<u>\$187,554</u>	<u>\$52,846</u>	<u>\$22,297</u>	<u>\$37,537</u>	<u>\$20,737</u>	<u>\$46,113</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$601,647</u>	<u>\$579,973</u>	<u>\$133,770</u>	<u>(\$37,222)</u>	<u>(\$20,737)</u>	<u>(\$46,113)</u>
Fund balance (Deficit) at beginning of year as previously reported	\$0	\$21,674	(\$112,096)	(\$74,874)	(\$54,138)	(\$8,025)
Fund balance (Deficit) at beginning of year, as restated	<u>\$0</u>	<u>\$21,674</u>	<u>(\$112,096)</u>	<u>(\$74,874)</u>	<u>(\$54,138)</u>	<u>(\$8,025)</u>
Fund balance (deficit) at end of year	<u>\$601,647</u>	<u>\$601,647</u>	<u>\$21,674</u>	<u>(\$112,096)</u>	<u>(\$74,874)</u>	<u>(\$54,138)</u>

Note: Fiscal year 2014-15 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.

City of Dallas, Texas
Cypress Waters Tax Increment Financing District Fund
Reinvestment Zone Number Nineteen
As of September 30, 2015

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

1. Amount and source of revenue in the tax increment fund established for the zone:

\$4,887	Interest Income
\$0	Affordable housing payment
\$627,931	Ad Valorem Taxes (Collected in FY'2014-15 based on 2014 Final Tax Roll)
<u>\$632,818</u>	Total Revenue

2. Amount and purpose of expenditures from the fund:

\$52,846	Administrative Expense
\$0	Additional Subsidy in Form of Grant (in lieu of interest expense)
<u>\$52,846</u>	Total Expenditures

3. a. Amount of Principal and Interest due-on outstanding bonded indebtedness is as follows:

Cypress Waters TIF District has incurred no bonded indebtedness as of September 30, 2015.

b. The Zone has entered into a development agreement with Billingsley LD, Ltd for the Cypress Waters Phase I development in an amount not to exceed \$9,757,267 plus additional subsidy in form of grant (in lieu of interest). Reimbursement to the developer began in fiscal year 2015 with pay-off anticipated in several years upon availability of TIF funds.

c. The Zone has entered into a development agreement with Billingsley LD, Ltd for the Cypress Waters Phase II development in an amount not to exceed \$6,522,398, plus a TIF grant to be determined later, with anticipated completion of Phases 2a, 2b and 2c ranging from January 31, 2014 to December 31, 2021 and reimbursement to begin thereafter upon availability of TIF funds.

4. Tax increment base and current captured appraised value retained by the zone:

Taxing Jurisdiction	Taxable Value 2015*	Base Year 2010 Value	Est. Captured Value 2015**
City of Dallas	\$127,397,964	\$71,437	\$127,326,527
Dallas County	\$127,397,964	\$71,340	\$127,326,624

*Taxable value shown for participating taxing jurisdictions. County will begin participating in tax year 2014 and the values will vary slightly from the City value due to different exemption levels.

**Based on Certified Taxable Value. The final values will be determined on February 01, 2016.

5. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

Taxing Jurisdiction	Amount of Assessment Estimated 2015	
	Per \$100***	Increment***
City of Dallas	0.67745	\$862,574
City of Dallas-2015 PH I Rollback Taxes	0.00000	\$0
Dallas County	0.13371	\$170,242
Dallas County-2015 PH I Rollback Taxes	0.00000	\$0
Total for all Jurisdictions	<u>\$0.81116</u>	<u>\$1,032,816</u>

***Participation rates for City of Dallas and Dallas County are 85% for tax years 2012 to 2034 and 55% for tax years 2014 to 2033 respectively.

B. The total amount of estimated tax increment to be billed for the 2015 tax year is \$1,032,816. For 2014 tax year, the Zone received increment of \$627,931.

City of Dallas, Texas
Cypress Waters Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2015

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.
2. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.
3. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).
4. The Zone's Financial Plan permits expenditures not to exceed \$2,065,585 over the life of the TIF to reimburse the City for administrative costs. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.
5. "Due to general fund" amount of \$112,097 at September 30, 2015 represents the TIF administration costs that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 8, 11

DEPARTMENT: Office of Economic Development

CMO: Ryan S. Evans, 671-9837

MAPSCO: 14R 15N 15P 63S 63T 63W 63X

SUBJECT

A resolution accepting the FY 2015 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Twenty (Mall Area Redevelopment TIF District), submitted by the Mall Area Redevelopment TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

BACKGROUND

State law (the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the zone, as well as to the State Comptroller.

On May 14, 2014, City Council approved Ordinance No. 29340, establishing Tax Increment Financing Reinvestment Zone Number Twenty (Mall Area Redevelopment TIF District). On June 17, 2015, the City Council approved Ordinance No. 29771, authorizing the Project Plan and Reinvestment Zone Financing Plan for the Mall Area Redevelopment TIF District and the City Manager to execute a participation agreement with Dallas County. On August 18, 2015, the Dallas County Commissioners Court passed Court Order No. 2015-1122 authorizing: (1) the participation of Dallas County in the City of Dallas Mall Area Redevelopment TIF District, beginning on January 1, 2020, subject to Valley View Mall (excluding Sears and the existing theater) being demolished by the same date, by providing 55% of its increment for either twenty years, until the County's total net present value contribution reaches \$21.6 million (using a discount rate of 4%), or the City of Dallas terminates the district, whichever comes first and (2) the County Judge to sign any related participation agreement with the City of Dallas.

BACKGROUND (Continued)

The Mall Area Redevelopment TIF District's assessed value in 2015 was \$170,084,490, an increase of approximately \$1,726,860 (1.0%) over the assessed value of the base year (2014) value of \$168,357,630. The positive increase in the TIF District's tax base is primarily attributed to slightly appreciating property values.

For tax year 2015, with the City's participation and the County's participation in the TIF District being 0% respectively, there will be no captured incremental tax revenue deposited into the TIF fund. For tax year 2016, with the City's participation being 90%, any increase in assessed value in 2016 over the assessed value of the base year (2014) will be treated as "captured" value, and the resulting incremental revenue will be added to the TIF fund for the duration of the Mall Area Redevelopment TIF District.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 14, 2014, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Twenty, the Mall Area Redevelopment TIF District, by Ordinance No. 29340.

On June 17, 2015, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Mall Area Redevelopment TIF District by Ordinance No. 29771.

On December 10, 2015, the Mall Area Redevelopment TIF District Board of Directors recommended that the FY 2015 Annual Report be accepted and approved.

Information about this item will be provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

No cost consideration to the City

February 24, 2016

WHEREAS, the City recognizes the importance of its role in local economic development initiatives and programs; and

WHEREAS, the City established Tax Increment Financing Reinvestment Zone Number Twenty ("Mall Area Redevelopment TIF District" or "District") and established a Board of Directors for the District pursuant to Ordinance No. 29340, authorized by the City Council on May 14, 2014, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

WHEREAS, on June 17, 2015, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Mall Area Redevelopment TIF District by Ordinance No. 29771; and

WHEREAS, the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in a reinvestment zone and a copy of the report shall be forwarded to the State Comptroller; and

WHEREAS, on December 10, 2015, the Mall Area Redevelopment TIF District Board of Directors passed a motion accepting the FY 2015 Annual Report for the Mall Area Redevelopment TIF District and recommending approval of same by the City Council.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Twenty (Mall Area Redevelopment TIF District), City of Dallas, Texas, as of September 30, 2015, a copy of which is attached hereto (**Exhibit A**) is hereby accepted.

Section 2. That the City Manager is hereby authorized to submit the FY 2015 Annual Report for Tax Increment Financing Reinvestment Zone Number Twenty to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and to the State Comptroller, as required by state law.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

MALL AREA REDEVELOPMENT TIF DISTRICT (REINVESTMENT ZONE NUMBER TWENTY)

**ANNUAL REPORT
FY 2015**



City of Dallas

Office of Economic Development
1500 Marilla Street, 2CN
Dallas, Texas 75201
(214) 670-1691

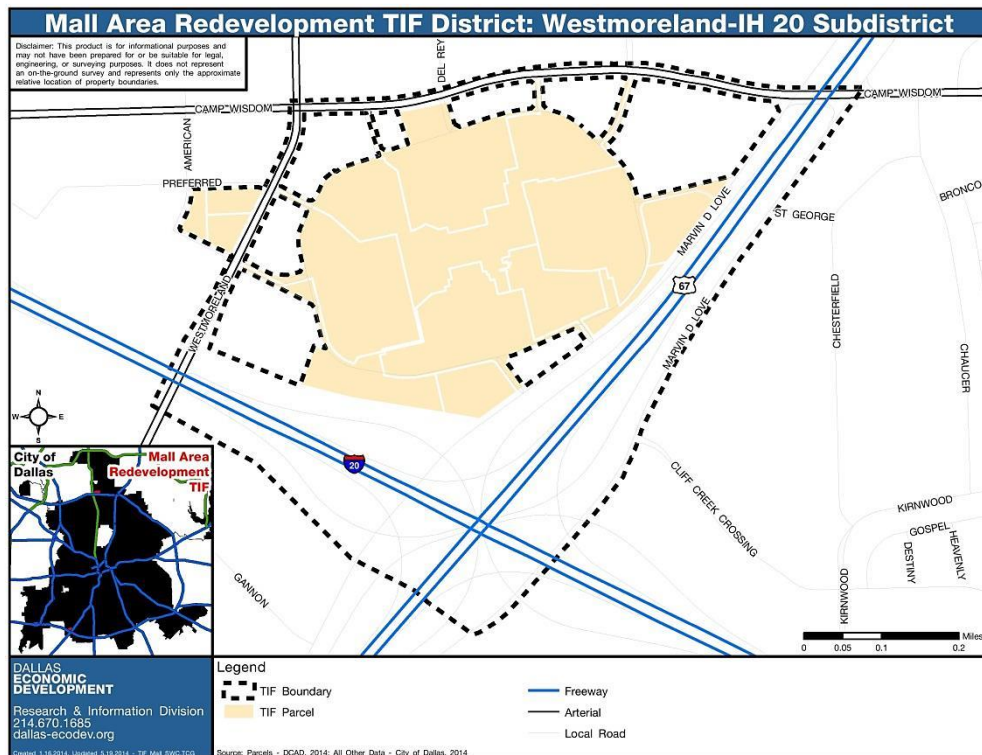
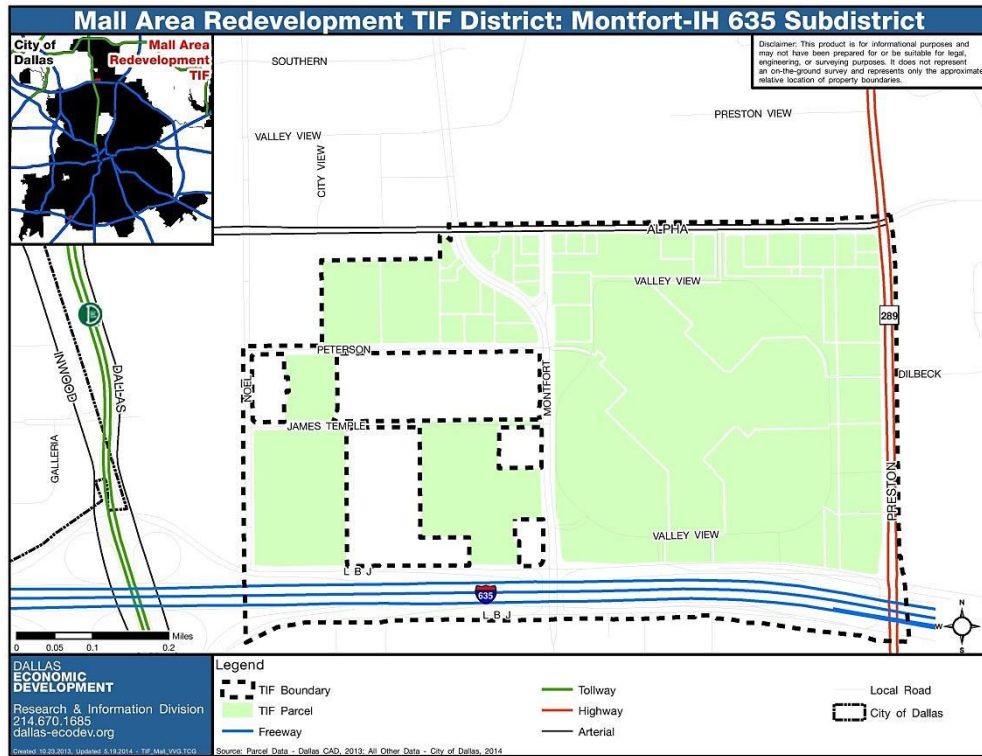
www.dallas-ecodev.org/redevelopment

(October 1, 2014 to September 30, 2015)

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District Map



Mission Statement

The Mall Area Redevelopment Tax Increment Financing District (TIF District) represents the City of Dallas' effort to encourage the sustainable redevelopment of properties including and around two obsolete shopping malls while taking advantage of each area's strategic regional location at the crossroads of key transportation corridors.

As allowed by Chapter 311 of the Texas Tax Code, the TIF District comprises two non-contiguous sub-districts—the Montfort-IH 635 Sub-District for the Valley View Center Mall area in northern Dallas and the Westmoreland-IH 20 Sub-District for the Southwest Center Mall area in southern Dallas.

The Montfort-IH 635 Sub-District is generally bounded by Alpha Road, Preston Road, Noel Road, and Interstate Highway 635 (LBJ Freeway). The Montfort-IH 635 Sub-District encompasses approximately 173.9 acres, not including rights-of-way. The Montfort-IH 635 Sub-District is recommended by and consistent with the City's adopted Valley View-Galleria Area Plan (2013) and serves as a long-term funding tool to help implement the shared vision for the area by further leveraging other implementation tools (PD 887 form-based zoning and Thoroughfare Plan amendments) enacted by the City Council.

The Westmoreland-IH 20 Sub-District is generally bounded by Westmoreland Road, Camp Wisdom Road, Highway 67 (Marvin D. Love Freeway), and Interstate Highway 20 (LBJ Freeway). The Westmoreland-IH 20 Sub-District encompasses approximately 96.6 acres, not including rights-of-way. The Westmoreland-IH 20 Sub-District is recommended by and consistent with the City-sponsored Advisory Services Panel report entitled "Southwest Center Mall" published by the Urban Land Institute (2009) and serves as a long-term funding tool to help implement many of the report's recommendations over time.

The mission of the TIF District is to provide a source of funding for a program of public infrastructure improvements, economic development grants, and land acquisition/assembly for public open space, which is intended to stimulate private investment in each mall area to occur earlier and to a much greater extent than would occur solely through private investment in the reasonably foreseeable future.

Originally, the Valley View Center Mall and the Southwest Center Mall were created by complex configurations of super-blocks, private land ownership, and reciprocal easement agreements that bound multiple owners together. Over the last decade as market conditions have shifted significantly, these same configurations have heavily burdened each mall area, making redevelopment and revitalization extremely difficult without public participation.

With the assistance of this TIF District, each mall area is to be reconfigured into a traditional pattern of public streets, public open space, public infrastructure, and smaller parcels of private land ownership, thereby setting the stage for incremental redevelopment that is flexible to meet market demands and community needs.

TIF District Accomplishments

FY 2014

- The City Council established (i.e. designated) the Mall Area Redevelopment TIF District by Ordinance Number 29340 in May 2014.

FY 2015

- The City Council approved By-Laws for the Board of Directors by Resolution Number 15-1143 in June 2015.
- The City Council approved the Project Plan and Reinvestment Zone Financing Plan by Ordinance Number 29771 in June 2015.
- The Dallas County Commissioners Court approved the participation of Dallas County in the Mall Area Redevelopment TIF District by Court Order 2015-1122 in August 2015.
- The TIF Board approved a Grant Program and associated Guidelines to implement the Project Plan and Reinvestment Zone Financing Plan for the Mall Area Redevelopment TIF District in September 2015.
- The TIF Board approved Urban Design Guidelines for Projects located in TIF Districts in the City of Dallas to be applied to the Mall Area Redevelopment TIF District in September 2015.
- Specifically in the Montfort-IH 635 Sub-District, staff coordinated extensively with several development groups regarding prospective projects, including detailed TIF incentive negotiations with an entity led by Jeffrey and Scott Beck on a planned “Dallas Midtown Phase 1” catalyst project on the site of the existing Valley View Center Mall. Components of the project received preliminary review by the City’s Urban Design Peer Review Panel (UDPRP) in March and May 2015. Beck Ventures formally submitted an application for TIF incentives in late April 2015 but subsequently withdrew the application in late July 2015.
- Specifically in the Westmoreland-IH 20 Sub-District, staff coordinated with several investors considering a potential bid to purchase the in-line portion of Southwest Center Mall, including detailed incentive negotiations with the winning bidder, an entity led by Peter Brodsky.

Value and Increment Revenue Summary

The base value of the zone is the total appraised value of all taxable real property in the TIF District as determined by the Dallas Central Appraisal District in the 2014 certified

roll. The TIF District's base value was \$168,357,630 (\$148,591,740 in the Montfort-IH 635 Sub-District and \$19,765,890 in the Westmoreland-IH 20 Sub-District).

In 2015, the total appraised value of all taxable real property in the TIF District as determined by the Dallas Central Appraisal District in the 2015 certified roll was \$170,084,490, representing an increase of \$1,726,860 (1.0%) over the base year. For the individual sub-districts, the total appraised value of all taxable real property in the Montfort-IH 635 Sub-District in 2015 was \$149,713,500, representing an increase of \$1,121,760 (0.8%) over the base year, and the total appraised value of all taxable real property in the Westmoreland-IH 20 Sub-District in 2015 was \$20,370,990, representing an increase of \$605,100 (3.1%) over the base year. The positive increase in the TIF District's tax base is primarily attributed to slightly appreciating property values.

In future years, the TIF District will report captured incremental tax revenue deposited into the TIF fund. However, because the City's participation and the County's participation in the TIF District are both 0% for tax year 2015, there will be no captured incremental tax revenue deposited into the TIF fund for tax year 2015.

Objectives, Programs, and Success Indicators

The final Project Plan and Reinvestment Zone Financing Plan for the Mall Area Redevelopment TIF District was approved in June 2015. The following goals are included in the Project Plan and Reinvestment Zone Financing Plan:

- Goal 1: To create additional taxable value attributed to new private investment in projects in the Montfort-IH 635 Sub-District totaling approximately \$3.92 billion in total dollars over the 30-year life of the Sub-District.
- Goal 2: To create additional taxable value attributed to new private investment in projects in the Westmoreland-IH 20 Sub-District totaling approximately \$295.2 million in total dollars over the 30-year life of the Sub-District.
- Goal 3: To attract new higher density private development in the Montfort-IH 635 Sub-District totaling approximately 707,870 square feet of new retail space; 72,991 square feet of renovated movie theater; 3,987,022 square feet of new office space; 957 new hotel rooms; and 7,674 new residential units (including apartments and condominiums).
- Goal 4: To attract new higher density private development in the Westmoreland-IH 20 Sub-District totaling approximately 140,000 square feet of new retail space; 45,000 square feet of movie theater; 70,000 square feet of new office space; 80 new hotel rooms; and 1,620 new residential units (including apartments and townhomes).
- Goal 5: To encourage the sustainable redevelopment of properties including and around two severely declining shopping malls in a manner in which negative fiscal

impacts for the remainder of the City are limited and a walkable development pattern is achieved that is a net benefit to the City from a fiscal, land use, and quality of life standpoint.

- Goal 6: To increase public open space in the District.
- Goal 7: To generate approximately \$431.4 million (net present value of approximately \$182.5 million in 2014 dollars) in TIF fund revenues over the 30-year life of the District.

Year-End Summary of Meetings and Council Items

The Mall Area Redevelopment TIF District Board of Directors met four (4) times during FY 2015. The Board can consist of up to seven members, including six (6) City of Dallas appointees and one (1) Dallas County appointee. During FY 2015, the Board members were (FY 2015 Board meetings attended):

- Fred Wells—City representative (4 of 4 meetings)
- B.J. Bass—City representative (4 of 4 meetings)
- Josh Womack—City representative (4 of 4 meetings)
- Bruce Bernbaum—City representative (3 of 4 meetings)
- Arthur Hollingsworth—City representative (3 of 3 meetings)
- Jeff Kitner—City representative (2 of 2 meetings)
- Rick Loessberg—County representative (1 of 1 meeting).

During FY 2015, the Board approved and forwarded five (5) substantive items to City Council:

- On December 9, 2014, the Board approved the FY 2014 Annual Report.
- On February 19, 2015, the Board approved By-Laws for the Mall Area Redevelopment TIF District.
- On May 14, 2015, the Board approved the final Project Plan and Reinvestment Zone Financing Plan for the Mall Area Redevelopment TIF District.
- On September 24, 2015, the Board approved a Grant Program and associated Guidelines to implement the Project Plan and Reinvestment Zone Financing Plan for the Mall Area Redevelopment TIF District.

- On September 24, 2015, the Board approved Urban Design Guidelines for Projects located in TIF Districts in the City of Dallas to be applied to the Mall Area Redevelopment TIF District.

During FY 2015, the City Council took action on ten (10) items associated with the Mall Area Redevelopment TIF District:

- On February 25, 2015, the City Council passed Resolution Number 15-0367 accepting the FY 2014 Annual Report on the status of the Mall Area Redevelopment TIF District and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District and to the State Comptroller.
- On June 17, 2015, the City Council passed Ordinance Number 29771 approving the Project Plan and Reinvestment Zone Financing Plan and authorizing the City Manager to execute a participation agreement with Dallas County for the Mall Area Redevelopment TIF District.
- On June 17, 2015, the City Council passed Resolution Number 15-1143 authorizing approval of By-Laws for the Board of Directors of the Mall Area Redevelopment TIF District.
- On June 17, 2015, the City Council held a public hearing for zoning file Z145-188(SM) and passed Ordinance Number 29788 granting an amendment to Planned Development District No. 887, the Valley View-Galleria Special Purpose District, on property generally south of Alpha Road, west of Preston Road, north of LBJ Freeway, and east of Montfort Drive. Recommendation of Staff and CPC: Approval, subject to a revised streets plan and conditions.
- On June 17, 2015, the City Council held a public hearing and passed Ordinance Number 29789 authorizing an amendment to the City of Dallas Thoroughfare Plan to change the dimensional classifications of: (1) Peterson Lane from Preston Road to Unnamed FN6 from a special two-lane undivided collector (SPCL 2U) roadway with parking within 69-feet of right-of-way and 44-feet of pavement to a special four-lane divided collector (SPCL 4D) roadway within 70-feet of right-of-way and 45-feet of pavement; (2) Peterson Lane from Unnamed FN6 to a local street Road 1 from a special two-lane undivided collector (SPCL 2U) roadway with parking within 69-feet of right-of-way and 44-feet of pavement to a special two-lane undivided (SPCL 2U) roadway with parking within 65-feet of right-of-way and 40-feet of pavement; and (3) Peterson Lane from Road 1 to Unnamed FN5 from a special two-lane undivided collector (SPCL 2U) roadway with parking within 69-feet of right-of-way and 44-feet of pavement to a special one-lane couplet (SPCL 1 CPLT) Peterson East and Peterson West with one-travel-lane and one-parking-lane in each direction within 38.5 feet of right-of-way and 26-feet of pavement.

During FY 2015, the Dallas County Commissioners Court took action on two (2) items associated with the Mall Area Redevelopment TIF District:

- On August 18, 2015, the Dallas County Commissioners Court passed Court Order 2015-1122 authorizing: (1) the participation of Dallas County in the City of Dallas Mall Area Redevelopment TIF District, beginning on January 1, 2020, subject to Valley View Mall (excluding Sears and the existing theater) being demolished by the same date, by providing 55% of its increment for either twenty years, until the County's total net present value contribution reaches \$21.6 million (using a discount rate of 4%), or the City of Dallas terminates the district, whichever comes first and (2) the County Judge to sign any related participation agreement with the City of Dallas.
- On August 18, 2015, the Dallas County Commissioners Court passed Court Order 2015-1123 appointing the County's Director of Planning & Development, Rick Loessberg, to serve as the County's representative to the Mall Area Redevelopment TIF District Board of Directors and that he serve in this capacity until a successor is named.

Budget and Spending Status

Each TIF district establishes a budget for the public improvement expenditures necessary to support private investment in the district. As included in the Project Plan and Reinvestment Zone Financing Plan for the Mall Area Redevelopment TIF District, the budget is shown below:

Mall Area Redevelopment TIF District Projected Increment Revenue to Retire TIF Fund Obligations			
	B	C	B - C
Category	TIF Budget**	Allocated	TIF Balance
Montfort-IH 635 Sub-District			
Public Infrastructure Improvements; Environmental Remediation & Demolition; Grants for Economic Development	\$257,864,296	\$0	\$257,864,296
Set Aside for Land Acquisition for Sub-District-Wide Central Open Space***	\$70,929,777	\$0	\$70,929,777
Set Aside for Sub-District-Wide Infrastructure Improvements	\$23,643,259	\$0	\$23,643,259
Westmoreland-IH 20 Sub-District			
Public Infrastructure Improvements; Environmental Remediation & Demolition; Parks, Open Space, Trails, Gateways; Grants for Economic Development	\$71,278,447	\$0	\$71,278,447
Administration and Implementation*	\$7,684,059	\$401,601	\$7,282,458
Total Project Costs	\$431,399,838	\$401,601	\$430,998,237
* TIF Administration costs are pending until collection of sufficient tax increment to reimburse the City. Collection is scheduled to begin with tax year 2016.			
** TIF Budget shown above is in total dollars.			
*** For land acquisition and associated costs; not for design, construction, maintenance, or operating/programming costs.			

Mall Area Redevelopment TIF District Project Plan Budget (NPV)*	
Category	TIF NPV Budget
Montfort-IH 635 Sub-District	
Public Infrastructure Improvements; Environmental Remediation & Demolition; Grants for Economic Development	\$109,123,655
Set Aside for Land Acquisition for Sub-District-Wide Central Open Space	\$30,000,000
Set Aside for Sub-District-Wide Infrastructure Improvements	\$10,000,000
Westmoreland-IH 20 Sub-District	
Public Infrastructure Improvements; Environmental Remediation & Demolition; Parks, Open Space, Trails, Gateways; Grants for Economic Development	\$30,088,432
Administration and Implementation	\$3,250,000
Total Project Costs	\$182,462,088
<i>* As approved in the Project Plan and Reinvestment Zone Financing Plan.</i>	

FY 2016 Work Program

The FY 2016 work program for the Mall Area Redevelopment TIF District includes:

- Consideration of any potential TIF District boundary amendments and/or plan amendments.
- Consideration/adoption of policies for the TIF District, including Mixed Income Housing Guidelines and an Increment Allocation Policy.
- Coordination and staff support for City-initiated public infrastructure projects in/near the TIF District, including street improvements and water/wastewater improvements.
- Consideration of a development agreement with a development entity led by Jeffrey and Scott Beck for TIF eligible expenditures in conjunction with a "Dallas Midtown Phase 1" catalyst development project expected to exceed \$200 million in private investment on the site of the existing Valley View Center Mall.
- Continue coordination efforts with other interested property owners/investors/developers on potential TIF project proposals.
- Coordination with Dallas County on execution of an interlocal agreement for participation in the TIF District.

- Continue coordination and staff support for the implementation of the Valley View-Galleria Area Plan and the ULI vision for Southwest Center Mall, including funding opportunities from other governmental entities or private philanthropic entities; City bond projects; park land acquisition; public improvement district.

Appendix: Financials

City of Dallas, Texas				
Mall Area Redevelopment Tax Increment Financing District Fund				
Reinvestment Zone Number Twenty				
As of September 30, 2015				
Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.				
1. Amount and source of revenue in the tax increment fund established for the zone:				
	\$0	Interest Income		
	\$0	Ad Valorem Taxes (Collected in FY 15 based on 2014 Final Tax Roll)		
	\$0	Total Revenue		
2. Amount and purpose of expenditures from the fund:				
	\$401,601	Administrative Expense		
	\$0	Non-Capital Outlay		
	\$0	Capital outlay		
	\$0	Additional Subsidy in Form of Grant (in lieu of interest expense)		
	\$401,601	Total Expenditures		
3. Amount of Principal and Interest due-on outstanding indebtedness:				
a. The zone did not have any bonded indebtedness at fiscal year end.				
4. Tax increment base and current captured appraised value retained by the zone:				
		Taxable	Base Year	Est. Captured
	Taxing Jurisdiction	Value 2015*	2014 Value	Value 2015
	City of Dallas	\$170,084,490	\$168,357,630	\$1,726,860
	Dallas County	\$170,084,490	\$168,357,630	\$1,726,860
Taxable value shown for participating taxing jurisdictions. County values are approximate and may vary slightly from City values due to different exemption levels.				
*Based on Certified Taxable Value. The final values will be determined on February 01, 2016.				
5. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:				
A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:				
		Assessment	Estimated 2015	
	Taxing Jurisdiction	Per \$100	Increment**	
	City of Dallas	0.79700	\$0	
	Dallas County	0.24310	\$0	
	Total for all Jurisdictions	\$1.04010	\$0	
**City of Dallas and Dallas County do not participate in the zone in 2015. Participation rates for City of Dallas and Dallas County are as follows:				
	City of Dallas	Dallas County		
	90% for tax years 2016-2042	55% for tax years 2020-2039		
	75% for tax year 2043			
	55% for tax year 2044			
B. The total amount of estimated tax increment to be billed for the 2015 tax year is \$0. For the 2014 tax year, the Zone received increment of \$0.				

City of Dallas, Texas					
Mall Area Redevelopment Tax Increment Financing District Fund					
Balance Sheet as of September 30, 2015 (Unaudited)					
With Comparative Totals for September 30, 2014 and 2013 (Audited)					
		<u>2015</u>	<u>2014</u>	<u>2013</u>	
Assets:					
Pooled cash and cash equivalents		\$0	\$0	\$0	
Interest receivable		\$0	\$0	\$0	
Total assets		\$0	\$0	\$0	
Liabilities and Fund Balance (Deficit):					
Liabilities:					
Accounts and contracts payable		\$0	\$0	\$0	
Due to other funds		\$401,601	\$0	\$0	
Total liabilities		\$401,601	\$0	\$0	
Fund Balance (Deficit):					
Fund Balance (Deficit)		(\$401,601)	\$0	\$0	
Total Liabilities and Fund Equity		\$0	\$0	\$0	
		\$0	\$0	\$0	
Mall Area Redevelopment Tax Increment Financing District Fund					
Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)					
For the Period September 30, 2015 (Unaudited)					
With Comparative Totals for September 30, 2014 and 2013 (Audited)					
	<u>ITD</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	
Revenues:					
Tax increment-Governmental	\$0	\$0	\$0	\$0	
Tax increment-Intergovernmental	\$0	\$0	\$0	\$0	
Interest income	\$0	\$0	\$0	\$0	
Net increase (decrease) in fair value of investments	\$0	\$0	\$0	\$0	
Total revenues	\$0	\$0	\$0	\$0	
Expenditures:					
Administrative expenses	\$401,601	\$401,601	\$0	\$0	
Non-Capital Outlay	\$0	\$0	\$0	\$0	
Capital outlay	\$0	\$0	\$0	\$0	
Interest and fiscal charges	\$0	\$0	\$0	\$0	
Total expenditures	\$401,601	\$401,601	\$0	\$0	
Excess (Deficiency) of Revenues over Expenditures	(\$401,601)	(\$401,601)	\$0	\$0	
Fund balance (Deficit) at beginning of year					
as previously reported	\$0	\$0	\$0	\$0	
Fund balance (Deficit) at beginning of year,					
as restated	\$0	\$0	\$0	\$0	
Fund balance (deficit) at end of year	(\$401,601)	(\$401,601)	\$0	\$0	
Note: FY 15 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.					

City of Dallas, Texas
Mall Area Redevelopment Tax Increment Financing District
(Reinvestment Zone #20)
Notes to Financial Statements for the Year Ended September 30, 2015

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.
2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).
3. The TIF Zone fund's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.
4. The TIF Zone's Financing Plan permits expenditures not to exceed \$7,684,059 over the life of the TIF Zone to reimburse the City for administrative expenditures. Through FY 2015, the TIF Zone had recognized an actual total of \$401,601 in administrative expenditures, comprised of the following: (1) \$47,562 in staff time for FY 2015, which will be reimbursed to the City's General Fund upon collection of sufficient increment anticipated in FY 2017; (2) \$98,002 in staff time for FY 2014, which will be reimbursed to the City's General Fund upon collection of sufficient increment anticipated in FY 2017; (3) \$248,137 in a grant to the North Dallas Chamber of Commerce for the 2012-2013 Valley View-Galleria Area Planning Study, which will be reimbursed to the City's Public/Private Partnership Fund upon collection of sufficient increment anticipated in FY 2017; and (4) \$7,900 for real property appraisal services necessary to assist the City with implementation, which will be reimbursed to the City's Public/Private Partnership Fund upon collection of sufficient increment anticipated in FY 2017. Any future remittance for administrative expenditures would come from excess cash as tax increment revenue increases as a result of increased assessed values.
5. In the Balance Sheet, the "due to other funds" amount of \$401,601 at September 30, 2015 represents the TIF Zone's administrative costs that have been earned but will be reimbursed to the City's General Fund and Public/Private Partnership Fund in future years based on availability of TIF funds.
6. All project costs resulting in capital improvements which are owned by the City are capitalized in the City's fixed assets.

KEY FOCUS AREA: Clean, Healthy Environment

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): All

DEPARTMENT: Housing/Community Services

CMO: Alan Sims, Chief of Neighborhood Plus, 670-1611

MAPSCO: N/A

SUBJECT

Authorize the first amendment to the contract with the Department of State Health Services to accept additional grant funds awarded for the continuation of the Special Supplemental Nutrition Program for the Women, Infants and Children Program for an Innovation Center for the period October 1, 2015 through September 30, 2016 - Not to exceed \$150,000, from \$15,599,144 to \$15,749,144 - Financing: Department of State Health Services Grant Funds

BACKGROUND

Since 1974, the Department of State Health Services (DSHS) has funded the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) in Dallas. The WIC Program provides nutritious food, nutrition education, breastfeeding promotion and support, and referrals to health and social services. The program serves infants, children under age 5, and pregnant, postpartum and breastfeeding women. WIC is a United States Department of Agriculture program administered in Texas by the Department of State Health Services. In Dallas County, the WIC Program is administered by the City of Dallas, Housing/Community Services Department.

This item authorizes the acceptance of additional grant funds, increasing the total contract budget by \$150,000 for the WIC Innovation Center in DSHS funding award letter dated January 14, 2016. The total expenditures pursuant to the first amendment are not to exceed \$150,000.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Authorized a contract for the Special Supplemental Nutrition Program for Women, Infants and Children Program in the amount of \$15,599,144 on October 14, 2015, by Resolution No. 15-1871.

Information about this item will be provided to the Housing Committee on February 16, 2016.

FISCAL INFORMATION

\$150,000 - Department of State Health Services Grant Funds

February 24, 2016

WHEREAS, on October 14, 2015, City Council authorized a contract for the Special Supplemental Nutrition Program for Women, Infants and Children Program in the amount of \$15,599,144, by Resolution No. 15-1871; and

WHEREAS, the Department of State Health Services has awarded additional grant funds in the amount of \$150,000 for the continuation of the City of Dallas Women, Infants and Children (WIC) Program; and

WHEREAS, there is a continued need for the Special Supplemental Nutrition Program for Women, Infants and Children, funded through the Department of State Health Services;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That following approval as to form by the City Attorney, the City Manager is hereby authorized to execute the first amendment to the contract (Contract No. 2016-048796-0001 and CFDA No. 10.557) with the Department of State Health Services to accept additional grant funds awarded for the continuation of the Special Supplemental Nutrition Program for the Women, Infants and Children Program for an Innovation Center for the period October 1, 2015 through September 30, 2016, in an amount not to exceed \$150,000 from \$15,599,144 to \$15,749,144, and execute any and all documents required by the contract.

Section 2. That the Chief Financial Officer is hereby authorized to receive and deposit grant funds from the Department of State Health Services in Fund F470, Dept. HOU, Unit 1825, Revenue Source 6509 in an amount not to exceed \$150,000.

Section 3. That the City Manager is hereby authorized to increase appropriations in the amount of \$150,000, from \$15,599,144 to \$15,749,144 in Fund F470, Dept. HOU, to be established in Unit 1825, various Object Codes, according to the attached Schedule.

Section 4. That the Chief Financial Officer is hereby authorized to disburse grant funds from the Department of State Health Services in Fund F470, Dept. HOU, Unit 1825, various Object Codes, according to the attached Schedule in an amount not to exceed \$150,000.

Section 5. That the City Manager is hereby authorized to reimburse to the Department of State Health Services any expenditure identified as ineligible. The City Manager shall notify the appropriate City Council Committee of expenditures identified as ineligible not later than 30 days after the reimbursement.

February 24, 2016

Section 6. That the City Manager shall keep the appropriate City Council Committee informed of all final granting agency monitoring reports not later than 30 days after the receipt of the report.

Section 7. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

SCHEDULE

**Department of State Health Services
Women, Infants and Children Program
October 1, 2015 through September 30, 2016**

Fund F470, Dept. HOU, Unit 1825, Revenue Source 6509

<u>Object Code</u>	<u>Description</u>	<u>Amount</u>
1101	Salaries	\$ 58,380
1301	Pension	\$ 8,074
1303	Life Insurance	\$ 24
1304	Health Insurance	\$ 5,956
1306	FICA (Medicare Only)	\$ 847
1309	Wellness Program	\$ 33
2110	Supplies	\$ 8,500
2232	Food (Cooking Demonstrations)	\$ 4,400
2261	Educational & Recreational Supplies	\$ 4,400
2710	Furniture & Fixtures	\$ 8,042
2731	Data Processing Equipment	\$ 1,800
3030	Printing & Photo Services	\$ 1,000
3099	Misc Special Services	\$ 4,219
3330	Rents	\$ 10,000
3361	Professional Development	\$ 4,000
3651	Gen Fund Cost Reimbursement	\$ 25,000
3851	Pension Bond Debt Services	\$ 5,325
	Total	\$ 150,000

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 7

DEPARTMENT: Housing/Community Services

CMO: Alan Sims, Chief of Neighborhood Plus, 670-1611

MAPSCO: 46R V

SUBJECT

Authorize a public hearing to be held on March 23, 2016 to receive comments on the proposed sale of ten unimproved properties (list attached) acquired by the taxing authorities from the Sheriff to South Dallas Fair Park Innercity Community Development Corporation, a qualified non-profit organization, under the HB110 process of the City's Land Transfer Program and the release of the City's non-tax liens included in the foreclosure judgment and post-judgment non-tax liens, if any - Financing: No cost consideration to the City

BACKGROUND

The HB110 process of the City's Land Transfer Program, in accordance with Section 2-26 of the Dallas City Code ("Code") and with Section 253.010 of the Texas Local Government Code, permits the City to sell land, which the City has acquired as a trustee, for itself and the other taxing jurisdictions, from the Sheriff pursuant to the tax foreclosure process, to a qualified non-profit organization for the purpose of providing affordable housing, subject to the consent of the other taxing jurisdictions.

Property eligible for the HB110 process of the City's Land Transfer Program must to be sold by quitclaim deed and include a possibility of reverter and right of re-entry, triggered under certain conditions, including if construction of affordable housing is not completed on the property within three years of the non-profit's receipt of the quitclaim deed. The quitclaim deed must also include deed restrictions that ensure the desired development of the property and maintain the affordability of the property as required by the Code. Per the Code, the sales price of each property is \$1,000 for up to 7,500 square feet of land plus \$0.133 for each additional square foot of land, which amount is distributed by the City to both the City and the other taxing jurisdictions in accordance with Section 34.06 of the Texas Tax Code, plus an amount equal to the actual fees charged for recording the Sheriff's deed and the quitclaim deed in the real property records. Prior to the approval of any sale, the Code requires that the City Council hold a public hearing to receive comments on the proposed sale of land and provide certain notices to the public.

BACKGROUND (continued)

South Dallas Fair Park Inncity Community Development Corporation (ICDC) submitted a proposal to construct ten (10) single-family homes containing approximately 1,350 square feet on the ten unimproved HB110 process-eligible, Land Transfer Program properties, identified on Exhibit A, attached to the resolution, for purchase by a low to moderate income homebuyers at a proposed sales price of approximately \$102,000 with construction to begin in March 2017.

This item calls for a public hearing on March 23, 2016, at 1:00 PM in the City Council Chambers, Dallas City Hall, 6th floor, 1500 Marilla Street, Dallas, Texas, to allow the public an opportunity to comment on the proposed sale of the ten unimproved properties to ICDC. At the close of the public hearing, the City Council will be asked to authorize the sale of the properties to ICDC by quitclaim deeds and the release of the City's non-tax liens included in the foreclosure judgment and the post-judgment non-tax liens, if any.

In conformance with the Code, at least ten calendar days prior to the public hearing, a sign indicating the time and place of the public hearing will be placed on the property, notification of the public hearing will be mailed to property owners within 200 feet of the property, and notice of the public hearing will be published in the Dallas Morning News.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

Information about this item will be provided to the Housing Committee on February 16, 2016.

FISCAL INFORMATION

No cost consideration to the City

MAP

Attached

Tax Foreclosure and Seizure Property Resale

<u>Parcel No.</u>	<u>Address</u>	<u>Non-Profit Organization</u>	<u>Mapsco</u>	<u>DCAD Amount</u>	<u>Sale Amount</u>	<u>Vac/ Imp</u>	<u>Zoning</u>
1.	3604 Frank	South Dallas Fair Park Innercity Community Development Corporation	46V	\$5,000	\$1,000.00	V	PD-595
2.	4347 Frank	South Dallas Fair Park Innercity Community Development Corporation	46R	\$10,160	\$1,000.00	V	PD-595
3.	4405 Frank	South Dallas Fair Park Innercity Community Development Corporation	46R	\$5,000	\$1,000.00	V	PD-595
4.	4409 Frank	South Dallas Fair Park Innercity Community Development Corporation	46R	\$5,000	\$1,000.00	V	PD-595
5.	4414 Frank	South Dallas Fair Park Innercity Community Development Corporation	46R	\$3,750	\$1,000.00	V	PD-595

Tax Foreclosure and Seizure Property Resale

<u>Parcel No.</u>	<u>Address</u>	<u>Non-Profit Organization</u>	<u>Mapsco</u>	<u>DCAD Amount</u>	<u>Sale Amount</u>	<u>Vac/ Imp</u>	<u>Zoning</u>
6.	4415 Frank	South Dallas Fair Park Innercity Community Development Corporation	46R	\$5,000	\$1,000.00	V	PD-595
7.	4418 Frank	South Dallas Fair Park Innercity Community Development Corporation	46R	\$5,000	\$1,000.00	V	PD-595
8.	4435 Frank	South Dallas Fair Park Innercity Community Development Corporation	46R	\$5,000	\$1,000.00	V	PD-595
9.	4431 Frank	South Dallas Fair Park Innercity Community Development Corporation	46R	\$5,000	\$1,000.00	V	PD-595
10.	4519 Frank	South Dallas Fair Park Innercity Community Development Corporation	46R	\$5,000	\$1,000.00	V	PD-595

February 24, 2016

WHEREAS, the City's Land Transfer Program, in accordance with Section 2-26 of the Dallas City Code ("Code") and with Section 253.010 of the Texas Local Government Code, permits the City to sell land, which the City has acquired as a trustee, for itself and the other taxing jurisdictions, from the Sheriff pursuant to the tax foreclosure process, to a qualified non-profit organization for the purpose of providing affordable housing, subject to the consent of the other taxing jurisdictions; and

WHEREAS, property eligible for the HB110 process of the City's Land Transfer Program must be sold by quitclaim deed and include a possibility of reverter and right of re-entry, triggered under certain conditions, including if construction of affordable housing is not completed on the property within three years of the non-profit's receipt of the quitclaim deed; and

WHEREAS, the quitclaim deed must also include deed restrictions that ensure the desired development of the property and maintain the affordability of the property as required by the Code; and

WHEREAS, per the Code, the sales price of each property is \$1,000 for up to 7,500 square feet of land plus \$0.133 for each additional square foot of land, which amount is distributed by the City to both the City and the other taxing jurisdictions in accordance with Section 34.06 of the Texas Tax Code, plus an amount equal to the actual fees charged for recording the Sheriff's deed and the quitclaim deed in the real property records; and

WHEREAS, prior to the approval of any sale, the Code requires that the City Council hold a public hearing to receive comments on the proposed sale of land and provide certain notices to the public; and

WHEREAS, South Dallas Fair Park Innercity Community Development Corporation (ICDC) submitted a proposal to construct ten (10) single-family homes containing approximately 1,350 square feet on the ten unimproved HB110 process-eligible, Land Transfer Program properties, identified on Exhibit A, attached hereto, for purchase by low to moderate income homebuyers at a proposed sales price from approximately \$102,000 with construction to begin in March 2017; and

WHEREAS, at least ten calendar days prior to the public hearing, a sign indicating the time and place of the public hearing will be placed on the property, notification of the public hearing will be mailed to property owners within 200 feet of the property, and notice of the public hearing will be published in the Dallas Morning News;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

February 24, 2016

Section 1. That the public hearing shall be held at 1:00 p.m. on March 23, 2016 in the City Council Chambers, Dallas City Hall, 6th floor, 1500 Marilla Street, Dallas, Texas, at which time any interested person may appear and speak for or against the proposed sale by quitclaim deeds of ten (10) unimproved properties, identified on Exhibit A, acquired by the taxing authorities from the Sheriff to ICDC, a qualified non-profit organization, in accordance with the HB 110 process of the City's Land Transfer Program.

Section 2. That at least ten calendar days prior to the public hearing, a sign indicating the time and place of the public hearing shall be placed on the property, notification of the public hearing shall be mailed to property owners within 200 feet of the property, and notice of the public hearing shall be published in the Dallas Morning News.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

EXHIBIT "A"

LAND TRANSFER PROPERTIES				
PARCEL NUMBER	STREET ADDRESS LEGAL DESCRIPTION	QUALIFIED PURCHASER	NUMBER OF HOMEOWNER UNITS	SALE AMOUNT
1	3604 Frank Lot 11, F.C. Hertlings Addition Block I/1828	South Dallas Innerscity Community Development Corporation	1	\$1,000.00
2	4347 Frank Lot 22, Mayers Second Avenue Addition Block H/1852	South Dallas Innerscity Community Development Corporation	1	\$1,000.00
3	4405 Frank Lot 43, Magnolia Park Addition Block B/2432	South Dallas Innerscity Community Development Corporation	1	\$1,000.00
4	4409 Frank Lot 42 & Southwest Part of Lot 41, Magnolia Park Addition Block B/2432	South Dallas Innerscity Community Development Corporation	1	\$1,000.00
5	4414 Frank Lot 5, Magnolia Park Addition Block D/2434	South Dallas Innerscity Community Development Corporation	1	\$1,000.00
6	4415 Frank Lot 40 & Northeast 15 Feet of Lot 41, Magnolia Park Addition Block B/2432	South Dallas Innerscity Community Development Corporation	1	\$1,000.00
7	4418 Frank Lot 6, Magnolia Park Addition Block D/2434	South Dallas Innerscity Community Development Corporation	1	\$1,000.00
8	4435 Frank Lot 36, Magnolia Park Addition Block B/2432	South Dallas Innerscity Community Development Corporation	1	\$1,000.00
9	4431 Frank Lot 37, Magnolia Park Addition Block B/2432	South Dallas Innerscity Community Development Corporation	1	\$1,000.00
10	4519 Frank Lot 31, Magnolia Park Addition Block B/2432	South Dallas Innerscity Community Development Corporation	1	\$1,000.00
TOTAL				\$10,000.00

AGENDA ITEM # 29

KEY FOCUS AREA: Culture, Arts and Recreation and Educational Enhancements

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): All

DEPARTMENT: Library

CMO: Joey Zapata, 670-1204

MAPSCO: N/A

SUBJECT

Authorize **(1)** the acceptance of a grant from Humanities Texas (HTx), funded by the National Endowment for the Humanities for the Day of the Book/Dia del Libro Family Reading Program (HTx Grant No. 2016-4954/CFDA No. 45.129) in the amount of \$4,284, for the period January 1, 2016 through May 31, 2016; **(2)** project cost-sharing in the amount of \$5,554 through in-kind contributions; and **(3)** execution of the grant agreement – Total not to exceed \$4,284 – Financing: National Endowment for the Humanities (\$4,284) and In-Kind Contributions (\$5,554)

BACKGROUND

The Humanities Texas Family Reading Program grant supports Dia del Libro (Day of the Book) project as a joint effort and partnership between the Dallas Public Library and La Casa de España to promote Spanish culture and heritage in the city of Dallas. This project will also be part of a larger library event, The Dallas Book Festival which promotes a love for books, reading and literacy through multilingual and multicultural activities.

By extension of the Dallas Book Festival, the Dia del Libro family programming will engage, educate and spotlight the city of Dallas and its wide range of ethnic and cultural diversity through various family literacy workshops and activities in hopes of inspiring parents to read aloud to their children which, in-turn, will encourage a lifelong love of reading. Funding from the Humanities Texas Reading Program grant will cover costs associated with the purchase of books to be given to participants as well as program supplies, professional children's performers and promotional materials.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item will be provided to the Arts, Culture and Libraries Committee on February 16, 2016.

FISCAL INFORMATION

\$4,284.00 - National Endowment for the Humanities

\$5,554.00 - In-Kind Contributions

February 24, 2016

WHEREAS, Humanities Texas has awarded the City of Dallas grant funds to support the Dallas Public Library's efforts to provide fun and engaging family literacy activities that inspire parents to read aloud to their children and encourage a lifelong love of reading.

WHEREAS, funds have been awarded to the City of Dallas for the Dallas Public Library for such programs and initiatives that support family literacy and focuses on the important role that caregivers/parents play in their child(ren)'s lives when they read aloud and together with them.

WHEREAS, it is recommended that the City Manager be authorized to accept the grant funds in an amount not to exceed \$4,284.00 for the period January 1, 2016 through May 31, 2016.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is hereby authorized to accept grant funds from Humanities Texas (HTx), funded by the National Endowment for the Humanities (HTx Grant No. 2016-4954/CFDA No. 45.129) for the Day of the Book/Dia del Libro Family Reading Program in an amount not to exceed \$4,284.00 for the period January 1, 2016 through May 31, 2016 and execute the grant agreement.

Section 2. That the Chief Financial Officer is hereby authorized to receive and deposit award funds into Fund F484, Department LIB, Unit 1823, Revenue Source 6506 in an amount not to exceed \$4,284.00.

Section 3. That the City Manager is hereby authorized to establish appropriations in F484, Department LIB, Unit 1823, various object codes in an amount not to exceed \$4,284.00 per attached Schedule.

Section 4. That the Chief Financial Officer is hereby authorized to disburse funds from F484, Department LIB, Unit 1823, various object codes in an amount not to exceed \$4,284.00 per attached Schedule.

Section 5. That the Chief Financial Officer is hereby authorized to provide In-Kind Contributions in an amount not to exceed \$5,554.00.

Section 6. That the City Manager is hereby authorized to reimburse the granting agency any expenditure identified as ineligible. The City Manager shall notify the appropriate City Council Committee of expenditures identified as ineligible not later than 30 days after the reimbursement.

February 24, 2016

Section 7. That the City Manager shall keep the appropriate City Council Committee informed of all final granting agency monitoring reports not later than 30 days after the receipt of the report.

Section 8. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Humanities Texas 2016 - Family Reading Program
Fund F484, Unit 1823

Object Code		Amount
2110	Office Supplies	500
2280	Other Supplies	100
2860	Referene Books (Give - away books)	1,440
3030	Printing	1,244
3099	Misc. Special Services (Speakers, Performers)	1,000
Total		4,284

AGENDA ITEM # 30

KEY FOCUS AREA: E-Gov

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): N/A

DEPARTMENT: Office of Financial Services

CMO: Jeanne Chipperfield, 670-7804

MAPSCO: N/A

SUBJECT

Authorize a public hearing to be held on March 23, 2016 to receive comments on the FY 2016-17 Operating, Capital, and Grant / Trust budgets - Financing: No cost consideration to the City

BACKGROUND

Each year the City of Dallas holds public hearings to provide the citizens of Dallas the opportunity to speak on the upcoming year's budget.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

FISCAL INFORMATION

No cost consideration to the City.

February 24, 2016

WHEREAS, the City Council is committed to providing the citizens of Dallas with the opportunity to speak on the City's FY 2016-17 budget;

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That a public hearing on the City's FY 2016-17 Operating, Capital, and Grant / Trust budgets will be held on March 23, 2016 in the Council Chambers.

Section 2. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

AGENDA ITEM # 31

KEY FOCUS AREA: Culture, Arts and Recreation and Educational Enhancements

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 4

DEPARTMENT: Park & Recreation

CMO: Willis Winters, 670-4071

MAPSCO: 55-P Q R T U

SUBJECT

Authorize a contract for golf course renovations to include the replacement of existing greens and bunkers at Cedar Crest Golf Course located at 1800 Southerland Avenue - Signet Golf Associates II, Inc., lowest responsible bidder of four - Not to exceed \$525,494 - Financing: Golf Improvement Funds (2016-7047) (PKR-2016-00000032)

BACKGROUND

On December 11, 2015, four bids were received for golf course renovations to include the replacement of existing greens and bunkers at Cedar Crest Golf Course. This item authorizes award of the construction contract to Signet Golf Associates II, Inc. for the Base Bid and Alternate Nos. 1 and 2 with a total bid amount of \$525,493.20.

Signet Golf Associates II, Inc. has had no contractual activities with the City of Dallas for the past three years.

ESTIMATED SCHEDULE OF PROJECT

Began Design	October 2014
Completed Design	December 2014
Begin Construction	May 2016
Complete Construction	November 2016

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Park and Recreation Board authorized advertisement for bids on November 20, 2014.

The Park and Recreation Board authorized award of the contract on February 19, 2015.

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

The Park and Recreation Board authorized the rejection of bid, recession of a contract award and re-advertisement for new bids on April 2, 2015.

The Park and Recreation Board authorized award of the contract on February 4, 2016.

Information about this item will be provided to the Quality of Life & Environment Committee on February 22, 2016.

FISCAL INFORMATION

Golf Improvement Funds - \$525,493.20

M/WBE INFORMATION

See attached.

ETHNIC COMPOSITION

Signet Golf Associates II, Inc.

White Male	4	White Female	1
Hispanic Male	4	Hispanic Female	0
Black Male	0	Black Female	0
Other Male	0	Other Female	0

BID INFORMATION

The following four bids were received and opened on December 11, 2015:

*Denotes successful bidder

<u>Bidders</u>	<u>Base Bid</u>	<u>Alter. Nos. 1 and 2**</u>	<u>Total Bid</u>
*Signet Golf Associates II, Inc. 45 Red Fox Run Pinehurst, NC 28374	\$485,643.20	\$39,850.00	\$525,493.20
Landscape Unlimited, LLC	\$587,280.00	\$41,250.00	\$628,530.00
Wadsworth Golf Course	\$624,990.00	\$48,570.00	\$673,560.00
United Golf, LLC	\$811,152.00	\$117,367.00	\$928,519.00

**Alternate No. 1 - provides for installation of new tee and tee extensions.

**Alternate No. 2 - provides for installation of drainage basins.

OWNER

Signet Golf Associates II, Inc.

Peter Dejak, President

Jill Dejak, Secretary

MAP

Attached

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a contract for golf course renovations to include the replacement of existing greens and bunkers at Cedar Crest Golf Course located at 1800 Southerland Avenue - Signet Golf Associates II, Inc., lowest responsible bidder of four - Not to exceed \$525,494 - Financing: Golf Improvement Funds (2016-7047) (PKR-2016-00000032)

Signet Golf Associates II, Inc. is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

PROJECT CATEGORY: Construction

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$0.00	0.00%
Total non-local contracts	\$525,493.20	100.00%
TOTAL CONTRACT	\$525,493.20	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

None

Non-Local Contractors / Sub-Contractors

<u>Non-local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Big Sky Sod	HFWBC159820616	\$29,491.58	5.61%
Statewide Trucking	WFDB22783Y1016	\$38,643.75	7.35%
GJ Seeding	WFWB85202N0417	\$4,425.00	0.84%
Total Minority - Non-local		\$72,560.33	13.81%

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$29,491.58	5.61%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$43,068.75	8.20%
Total	\$0.00	0.00%	\$72,560.33	13.81%



Mapsco
55 P,Q,R,T,U

District
4

Cedar Crest Golf Course (1800 Southernland Ave)

February 4, 2016

February 24, 2016

WHEREAS, on December 11, 2015, four bids were received for golf course renovations to include the replacement of existing greens and bunkers at Cedar Crest Golf Course located at 1800 Southerland Avenue.

<u>Bidders</u>	<u>Base Bid</u>	<u>Alter. Nos. 1 & 2**</u>	<u>Total Bid</u>
Signet Golf Associates II, Inc.	\$485,643.20	\$39,850.00	\$525,493.20
Landscape Unlimited, LLC	\$587,280.00	\$41,250.00	\$628,530.00
Wadsworth Golf Course	\$624,990.00	\$48,570.00	\$673,560.00
United Golf, LLC	\$811,152.00	\$117,367.00	\$928,519.00

**Alternate No. 1 - provides for installation of new tee and tee extensions.

**Alternate No. 2 - provides for installation of drainage basins.

Now, Therefore,

BE IT RESOLVED BY THE PARK AND RECREATION BOARD AND THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City Manager is hereby authorized to enter into a contract with Signet Golf Associates II, Inc. for golf course renovations to include the replacement of existing greens and bunkers at Cedar Crest Golf Course, in an amount not to exceed \$525,493.20. (2016-7047) (PKR-2016-00000032)

SECTION 2. That the President of the Park and Recreation Board and the City Manager are hereby authorized to execute a contract with Signet Golf Associates II, Inc., after approval as to form by the City Attorney.

SECTION 3. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$525,493.20 to Signet Golf Associates II, Inc. from Golf Improvement Funds, Fund 0332, Department PKR, Unit 9363, Object 4599, Activity PK19, Program PKP9363, CT-PKR16019531, Commodity 91200, Vendor VS90207.

SECTION 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

AGENDA ITEM # 32

KEY FOCUS AREA: Public Safety

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): All

DEPARTMENT: Public Works Department

CMO: Jill A. Jordan, P.E., 670-5299

MAPSCO: N/A

SUBJECT

A resolution: **(1)** designating a new hearing officer to hear contested civil red light camera citations under the City's automated red light camera enforcement program and contested school bus stop arm citations under the City's school bus stop arm program; and **(2)** removing one hearing officer who is no longer employed by the City - Financing: No cost consideration to the City

BACKGROUND

Section 28-206 of the Dallas City Code requires that the City Council designate hearing officers from a list of persons recommended by the City Manager (or his designee) to hear contested civil red light camera citations. Similarly, Section 28-223 requires that the City Council designate hearing officers from a list of persons recommended by the City Manager (or his designee) to hear contested school bus stop arm citations.

This action designates Carolyn Minor as a hearing officer for the school bus stop arm program and the red light camera enforcement program effective February 1, 2016, thereby giving her the authority to hear contested civil red light camera citations and contested civil school bus citations.

In addition, this resolution removes Mary Pagan as a hearing officer, as she is no longer employed by the City.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On April 12, 2006, City Council adopted Ordinance No. 26305, amending Chapter 28 of the Dallas City Code that created a civil offense for a red-light violation at a camera-enforced intersection.

On November 5, 2007, City Council adopted Ordinance No. 26988, amending Chapter 28 of the Dallas City Code that conformed the City's red-light camera ordinance to state law.

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

On December 12, 2007, City Council adopted Resolution No. 07-3793, designating hearing officers for adjudication of red-light camera citations.

On May 23, 2012, City Council adopted Ordinance No. 28654, amending Chapter 28 of the Dallas City Code that created a civil offense for school bus stop arm violations using photographic-enforcement.

On May 11, 2015, the Public Safety Committee was briefed by memorandum regarding the City's red light camera enforcement program and school bus stop arm program.

On May 27, 2015, City Council adopted Resolution No. 15-0964 designating hearing officers for the adjudication of civil red light camera citations and school bus stop arm citations.

Information about this item will be provided to the Public Safety Committee on February 22, 2016.

FISCAL INFORMATION

No cost consideration to the City

February 24, 2016

WHEREAS, on April 12, 2006, City Council adopted Ordinance No. 26305, amending Chapter 28 of the Dallas City Code to create a civil offense and a civil penalty for a red light violation at a camera-enforced intersection; and,

WHEREAS, Ordinance No. 26305 requires that the City Council designate hearing officers to hear contested red light camera citations; and,

WHEREAS, on May 23, 2012, City Council adopted Ordinance No. 28654, amending Chapter 28 of the Dallas City Code to create a civil offense and a civil penalty for a school bus stop arm violation of the Automated School Bus Stop Arm Enforcement Program; and,

WHEREAS, Ordinance No. 28654 requires that City Council designate hearing officers to hear contested school bus stop arm citations; and,

WHEREAS, Carolyn Minor was recommended by the City Manager to hear contested school bus stop arm citations and to hear contested red light camera citations, and is hereby designated as hearing officer for the school bus stop program and the red light camera program, effective February 1, 2016.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That Carolyn Minor, who was recommended by the City Manager to hear contested school bus stop arm citations and to hear contested red light camera citations, is hereby designated as hearing officer for the school bus stop arm program and the red light camera program, effective February 1, 2016.

Section 2. That Mary Pagan be removed as a hearing officer as she is no longer employed by the City.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Clean, Healthy Environment

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 8

DEPARTMENT: Sanitation Services

CMO: Joey Zapata, 670-3009

MAPSCO: 67K

SUBJECT

Authorize a professional services contract with Burns & McDonnell Engineering Company, Inc. for technical consulting services to evaluate key operational and financial components of the City's solid waste system, including bulk and brush collection alternatives, collections fleet maintenance and replacement program, and refuse and recycling collection operations - Not to exceed \$96,500 - Financing: Sanitation Current Funds (subject to appropriations)

BACKGROUND

This agenda item will authorize Burns & McDonnell Engineering Company, Inc. to provide technical consulting services to evaluate key operational and financial components of the City's solid waste system, including bulk and brush collection alternatives, collections fleet maintenance and replacement program, and refuse and recycling collection operations.

As part of this evaluation Burns & McDonnell Engineering Company, Inc. will provide financial and operational analysis, including program cost increases or savings, of potential alternatives to the City's bulk and brush collection program recently briefed to the Quality of Life & Environment Committee. Additionally, as the Department continually evaluates service cost and efficiency opportunities and since collection methodology and fleet maintenance/replacement are significant cost drivers within Sanitation Services' budget, Burns & McDonnell Engineering Company, Inc. will provide analysis of these two areas and provide information for long term planning needs and to identify if there are areas where operational efficiencies might be achieved.

Key members of the Burns & McDonnell Engineering team have been involved in past Sanitation Services bulk and brush operational reviews, transfer station and landfill operational reviews, as well as the City's recent Resource Recovery Planning Study and subsequent Recycle Processing and Material Recovery Facility (MRF) procurement process.

ESTIMATED SCHEDULE OF PROJECT

Begin Study	March 2016
Complete Study	July 2016

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On April 27, 2015, the Quality of Life & Environment Committee was briefed regarding Sanitation Services bulk and brush collection.

On October 12, 2015, the Quality of Life & Environment Committee was briefed regarding Sanitation Services bulk and brush collection.

Information about this item will be provided to the Quality of Life & Environment Committee on February 22, 2016.

FISCAL INFORMATION

\$96,500.00 - Sanitation Current Funds (subject to appropriations)

M/WBE INFORMATION

See attached.

ETHNIC COMPOSITION

Burns & McDonnell Engineering Company, Inc.

White Male	3,315	White Female	963
Black Male	135	Black Female	67
Hispanic Male	170	Hispanic Female	57
Other Male	288	Other Female	83

OWNER

Burns & McDonnell Engineering Company, Inc.

Bill Halliburton, Principal

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a professional services contract with Burns & McDonnell Engineering Company, Inc. for technical consulting services to evaluate key operational and financial components of the City's solid waste system, including bulk and brush collection alternatives, collections fleet maintenance and replacement program, and refuse and recycling collection operations - Not to exceed \$96,500 - Financing: Sanitation Current Funds (subject to appropriations)

Burns & McDonnell Engineering Company, Inc. is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce.

PROJECT CATEGORY: Professional Services

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$96,500.00	100.00%
Total non-local contracts	\$0.00	0.00%
TOTAL CONTRACT	\$96,500.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

None

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	\$0.00	0.00%	\$0.00	0.00%

February 24, 2016

WHEREAS, on April 27, 2015 and October 12, 2015, Sanitation Services briefed alternatives to the City's current bulk and brush collection program to the Quality of Life & Environment Committee; and,

WHEREAS, the Quality of Life & Environment Committee wanted to evaluate the financial impacts of the bulk and brush alternatives briefed; and,

WHEREAS, as the Department continually evaluates service cost and efficiency opportunities within Sanitation Services' budget; and,

WHEREAS, the analysis of these areas will provide information for long term planning needs; and,

WHEREAS, it is desirable to authorize a professional services contract with Burns & McDonnell Engineering Company, Inc. to conduct an evaluation of the key operational and financial components of the City's solid waste system, including bulk and brush collection alternatives, collections fleet maintenance and replacement program, and refuse and recycling collection operations.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is hereby authorized to enter into a professional services contract with Burns & McDonnell Engineering Company, Inc. (VS0000057931), for technical consulting services to evaluate key operational and financial components of the City's solid waste system, including bulk and brush collection alternatives, collections fleet maintenance and replacement program, and refuse and recycling collection operations, after it has been approved as to form by the City Attorney.

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$96,500.00 from service contract number MASCBurns&McDonnell (subject to appropriations).

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

AGENDA ITEM # 34

KEY FOCUS AREA: Clean, Healthy Environment

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 8

DEPARTMENT: Sanitation Services

CMO: Joey Zapata, 670-3009

MAPSCO: 67K

SUBJECT

Authorize a professional services contract with Modern Geosciences, LLC for environmental consulting services for the McCommas Bluff Landfill - Not to exceed \$96,600 - Financing: Sanitation Current Funds (subject to appropriations) (2016-11822) (SAN-2016-0000097)

BACKGROUND

Recently the Dallas City Council awarded a fifteen year contract to Fomento de Construcciones y Contratas, S.A. dba FCC, S.A. to process the City's single stream recycling materials and to build a material recycling facility at the McCommas Bluff Landfill. During the community outreach related to this procurement, residents in the area near the McCommas Bluff Landfill expressed a desire for an environmental assessment of the landfills impacts to the surrounding community. Although the McCommas Bluff Landfill is regulated and permitted by the Texas Commission on Environmental Quality and complies with all environmental monitoring requirements, Sanitation Services agreed to hire an environmental consulting firm to conduct an air quality assessment of the landfill and the nearby sensitive receptor area.

BACKGROUND (Continued)

The purpose of this contract is to assess air quality and other conditions (noise and traffic) in the 310 corridor near the landfill and in the residential area west of the landfill to ascertain any contributions from the McCommas Bluff Landfill. This assessment will include:

- Assessment of what environmental components needs to be reviewed, measured and analyzed, and where to conduct monitoring, including:
 - Community outreach and identifying concerns
 - Historical assessments and current corridor land use
 - Review of current air quality, noise and traffic data
 - Assessment of potential air emissions that could be generated by the landfill
 - Incorporate data on weather patterns, landfill operations, and other events that could impact monitoring
- Monitoring and assessment program:
 - Collect audio, visual, air quality and olfactory monitoring data
 - Evaluate any nearby air sampling data being collected by the City or State
 - Consider data on actual weather patterns and other known events
 - Evaluate data and issue final report

ESTIMATED SCHEDULE OF PROJECT

Development of Air Monitoring Plan	March 2016
Air Monitoring	April-July 2016
Air Quality Evaluation Report	August 2016

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item will be provided to the Quality of Life & Environment Committee on February 22, 2016.

FISCAL INFORMATION

\$96,600.00 - Sanitation Current Funds (subject to appropriations)

M/WBE INFORMATION

See attached.

ETHNIC COMPOSITION

Modern Geosciences, LLC

White Male	6	White Female	4
Black Male	0	Black Female	0
Hispanic Male	0	Hispanic Female	0
Other Male	0	Other Female	1

OWNER

Modern Geosciences, LLC

Kenneth S. Tramm, Principal

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a professional services contract with Modern Geosciences, LLC for environmental consulting services for the McCommas Bluff Landfill - Not to exceed \$96,600 - Financing: Sanitation Current Funds (subject to appropriations) (2016-11822) (SAN-2016-0000097)

Modern Geosciences, LLC is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce.

PROJECT CATEGORY: Professional Services

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$0.00	0.00%
Total non-local contracts	\$96,600.00	100.00%
TOTAL CONTRACT	<u>\$96,600.00</u>	<u>100.00%</u>

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

None

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	<u>\$0.00</u>	<u>0.00%</u>	<u>\$0.00</u>	<u>0.00%</u>

February 24, 2016

WHEREAS, on September 9, 2015, City Council awarded a fifteen year contract to Fomento de Construcciones y Contratas, S.A. dba FCC, S.A. to process the City's single stream recycling materials and to build a material recycling facility at McCommas Bluff Landfill by Resolution No. 15-1650; and,

WHEREAS, during the community outreach related to this procurement, residents in the area near the McCommas Bluff Landfill expressed a desire for an environmental assessment of the landfill's impacts to the surrounding community; and,

WHEREAS, it is desirable to authorize a professional services contract with Modern Geosciences, LLC to conduct an air quality assessment of the landfill and the nearby sensitive receptor area.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is hereby authorized to enter into a professional services contract with Modern Geosciences, LLC (VS0000063453), for environmental consulting services for the McCommas Bluff Landfill, after it has been approved as to form by the City Attorney. (2016-11822) (SAN-2016-0000097)

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$96,600.00 from service contract number MASCMoModernGeosciences (subject to appropriations).

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): All

DEPARTMENT: Street Services

CMO: Jill A. Jordan, P.E., 670-5299

MAPSCO: 6J 11AB AD AF 12Y Z 16L M P Q T U V X Z 17S W X 22C D
23B Y Z 26B F K P T X 27J 30AR AU AV BN BK BL BM BN
BP 34D S 35M R S U V 36A B E J 37X 38B 42J K M P S T U
V X 43L M S T U V 44K S T U V 45C G L M R S T V W X Z
46A F G H J K M R N R S V W Y Z 47S 48N P T U Y Z 51BZ
52A B E F J N P S W 53F V Y Z 54H M R Q U Y 55B D 56A B
C D F G K P Q U Y 57A E F G L M N P R 59W 61AP AQ AR
AV 61 BC BD BG BH BK BL BN BP BQ BR BS BT BU BV 62Z
63A B D F H M R Q U V W X Y 66C D H M W X Y Z 67J N P T
U W X 68L M P Q R 69A B C D H J K L M 69AC AD AE AJ AK
AL AQ AR AU 70A B C S T U Y Z 73A B C D H 74A B E F G H
E 75D 76A B C

SUBJECT

An ordinance amending Chapter 28 of the Dallas City Code to **(1)** regulate the speed and direction of vehicles on certain streets, expressways, and freeways; **(2)** designate school traffic zones; and **(3)** designate one-way streets and alleys (lists attached) – Financing: No cost consideration to the City

BACKGROUND

Engineering studies have been conducted at the locations listed, and it is recommended that the appropriate sections of the ordinance be amended to reflect changes in speed limits, school zone locations and one-way streets. The attached lists show the affected areas as they pertain to speed limits, school speed limit zones and one way designations.

Listed speed limit changes for Expressways and Freeways are based on the Texas Transportation Commission Minute Orders 114203, 114229, 106410 and 106769, as amended.

BACKGROUND (Continued)

This ordinance covers both new school zones and changes in existing zones. New school zones are studied based on requests from the Dallas Police Department, school principals, concerned citizens and other stakeholders. After an engineering study is completed, a school zone is established if it meets all necessary criteria.

One-way designations in school areas are determined based on engineering studies. One-way operation is not always the best operation for safety or traffic flow around schools.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item will be provided to the Transportation and Trinity River Project Committee on February 22, 2016.

FISCAL INFORMATION

No cost consideration to the City.

SECTION 28-44
STREETS OTHER THAN EXPRESSWAYS AND FREEWAYS - ADDITIONS

<u>Street Name</u>	<u>Extent</u>	<u>Speed Limit</u>	<u>Council District</u>
Dickerson Street	McCallum Boulevard to 270 feet south of Hiddencreek Drive	35	12
E. Belt Line Road	1250 feet east of Sanders Loop to 450 feet east of S. Northlake Road	50	6
Elsie Faye Heggins Street	Lamar Street to 500 feet south of Lyons Street	35	7
Martin Luther King Jr. Boulevard	Overpass at Lamar Street to Cedar Crest Boulevard	35	4, 7

SECTION 28-44
STREETS OTHER THAN EXPRESSWAYS AND FREEWAYS - DELETIONS

<u>Street Name</u>	<u>Extent</u>	<u>Speed Limit</u>	<u>Council District</u>
Hatcher Street	Lamar Street to 500 feet of Lyons Street	35	7
Martin Luther King Jr. Boulevard	Overpass at Lamar Street to Cedar Crest Boulevard	40	4, 7

SECTION 28-45 SPEEDS - EXPRESSWAY AND FREEWAYS - ADDITIONS

<u>Street Name</u>	<u>Extent</u>	<u>Speed Limit</u>	<u>Council District</u>
C. F. Hawn Freeway (US 175)	S. Central Expressway (SH 310) to Prairie Creek Road	Set by Texas Transportation Commission Minute Order No. 114203	5, 7
C. F. Hawn Freeway (US 175)	Prairie Creek Road to Dallas south city limit	Set by Texas Transportation Commission Minute Order No. 114203	5, 8
Dallas Ft. Worth Turnpike (IH 30)	West city limit to Stemmons Freeway (IH 35E)	Set by Texas Transportation Commission Minute Order No. 114203	1, 3, 6
E. R. L. Thornton Freeway (IH 30)	First Avenue to Rockwall county line	Set by Texas Transportation Commission Minute Order No. 114203	2, 7, 9
Interstate Highway 30	Dallas County line to Rockwall west city limits	Set by Texas Transportation Commission Minute Order No. 114203	9
Julius Schepps Freeway (IH 45)	E. R. L. Thornton Freeway (IH 30) to Hutchins north city limits	Set by Texas Transportation Commission Minute Order No. 114203	2, 4, 7, 8

SECTION 28-45 SPEEDS - EXPRESSWAY AND FREEWAYS - ADDITIONS

<u>Street Name</u>	<u>Extent</u>	<u>Speed Limit</u>	<u>Council District</u>
Lyndon B. Johnson Freeway (IH 20)	Grand Prairie east city limit to Duncanville west city limit	Set by Texas Transportation Commission Minute Order No. 114203	3
Lyndon B. Johnson Freeway (IH 20)	Duncanville east city limit to Lancaster west city limit	Set by Texas Transportation Commission Minute Order No. 114203	8
Lyndon B. Johnson Freeway (IH 20)	Lancaster east city limit to Hutchins west city limit	Set by Texas Transportation Commission Minute Order No. 114203	8
Lyndon B. Johnson Freeway (IH 20)	Hutchins east city limit to Balch Springs west city limit	Set by Texas Transportation Commission Minute Order No. 114203	8
Lyndon B. Johnson Freeway (IH 635)	Farmers Branch city limit to Stemmons Freeway (IH 35E)	Set by Texas Transportation Commission Minute Order No. 114203	6
Lyndon B. Johnson Freeway (IH 635)	N. Central Expressway (US 75) to Kingsley Road	Set by Texas Transportation Commission Minute Order No. 114203	10, 11
Lyndon B. Johnson Freeway (IH 635)	Stemmons Freeway (IH 35E) to N. Central Expressway (US 75)	Set by Texas Transportation Commission Minute Order No. 114203	6

SECTION 28-45 SPEEDS - EXPRESSWAY AND FREEWAYS - ADDITIONS

<u>Street Name</u>	<u>Extent</u>	<u>Speed Limit</u>	<u>Council District</u>
Marvin D. Love Freeway (US 67)	S. R. L. Thornton Freeway (IH 35E) to Dallas south city limit	Set by Texas Transportation Commission Minute Order No. 114203	3, 4, 8
N. Central Expressway (IH 345)	Woodall Rodgers Freeway (Spur 366) to E. R. L. Thornton Freeway (IH 30)	Set by Texas Transportation Commission Minute Order No. 114203	2, 14
N. Central Expressway (US 75)	Richardson south city limit to Woodall Rodgers Freeway (Spur 366)	Set by Texas Transportation Commission Minute Order No. 114203	11, 13, 14
S. R. L. Thornton (IH 35E)	E. R. L. Thornton Freeway (IH 30) to Dallas south city limit	Set by Texas Transportation Commission Minute Order No. 114203	1, 2, 3, 4, 8
Spur 408	Walton Walker Boulevard (Loop 12) to Lyndon B. Johnson Freeway (IH 20)	Set by Texas Transportation Commission Minute Order No. 114229	3
Walton Walker Boulevard (Loop 12)	Spur 408 to Irving south city limit	Set by Texas Transportation Commission Minute Order No. 114229	3, 6

SECTION 28-45 SPEEDS - EXPRESSWAY AND FREEWAYS - DELETIONS

<u>Street Name</u>	<u>Extent</u>	<u>Speed Limit</u>	<u>Council District</u>
Central Expressway (US 75)	North city limits to Lyndon B. Johnson Freeway	Set by Texas Transportation Commission Minute Order No. 106410, as amended	1
Central Expressway (US 75)	Lyndon B. Johnson Freeway to Woodall Rodgers Freeway	Set by Texas Transportation Commission Minute Order No. 106769, as amended	10, 11, 13, 14
Central Expressway (Elevated Bypass)	Central Expressway (north) at Woodall Rodgers Freeway to Central Expressway (south) at Grand Avenue	Set by Texas Transportation Commission Minute Order No. 106769, as amended	2, 7
C. F. Hawn Freeway (US 175)	Central Expressway (S. M. Wright Freeway) to Lyndon B. Johnson Freeway (IH20)	Set by Texas Transportation Commission Minute Order No. 106769, as amended	5, 8
C. F. Hawn Freeway (US 175)	Lyndon B. Johnson Freeway (IH 20) to the city limits	Set by Texas Transportation Commission Minute Order No. 106410, as amended	5, 7

SECTION 28-45 SPEEDS - EXPRESSWAY AND FREEWAYS - DELETIONS

<u>Street Name</u>	<u>Extent</u>	<u>Speed Limit</u>	<u>Council District</u>
Interstate Highway 20	All portions within the city limits	Set by Texas Transportation Commission Minute Order No. 106410, as amended	8
Interstate Highway 30	Stemmons Freeway to the west city limits	Set by Texas Transportation Commission Minute Order No. 106769, as amended	3, 8
Interstate Highway 30	2000 feet west of Chaha Road to 6300 feet west of Lakeside Drive	Set by Texas Transportation Commission Minute Order No. 106410, as amended	1, 3, 6
Julius Schepps Freeway (IH 45)	Central Expressway to Lyndon B. Johnson Freeway (IH 20)	Set by Texas Transportation Commission Minute Order No. 106769, as amended	2, 4, 7, 8, 14
Julius Schepps Freeway (IH 45)	Lyndon B. Johnson Freeway (IH 20) to the south city limits	Set by Texas Transportation Commission Minute Order No. 106410, as amended	8
Lyndon B. Johnson Freeway (IH 635)	The west city limits to Stemmons Freeway (IH 35E)	Set by Texas Transportation Commission Minute Order No. 106410, as amended	6

SECTION 28-45 SPEEDS - EXPRESSWAY AND FREEWAYS - DELETIONS

<u>Street Name</u>	<u>Extent</u>	<u>Speed Limit</u>	<u>Council District</u>
Lyndon B. Johnson Freeway (IH 635)	Stemmons Freeway (IH 35E) to the east city limits	60	6
Marvin D. Love Freeway (US 67)	R. L. Thornton Freeway to Interstate Highway 20	Set by Texas Transportation Commission Minute Order No. 106769, as amended	3, 4, 8
Marvin D. Love Freeway (US 67)	Interstate Highway 20 to the south city limits	Set by Texas Transportation Commission Minute Order No. 106410, as amended	3, 4, 8
R. L. Thornton Freeway (IH 35E)	Interstate Highway 20 to the south city limits	Set by Texas Transportation Commission Minute Order No. 106410, as amended	8
R. L. Thornton Freeway (IH 35E)	Stemmons Freeway to Interstate Highway 20	Set by Texas Transportation Commission Minute Order No. 106769, as amended	1, 2, 3, 4, 8
R. L. Thornton Freeway (IH 30)	First Avenue to the east city limits	Set by Texas Transportation Commission Minute Order No. 106769, as amended	2, 7

SECTION 28-45 SPEEDS - EXPRESSWAY AND FREEWAYS - DELETIONS

<u>Street Name</u>	<u>Extent</u>	<u>Speed Limit</u>	<u>Council District</u>
Spur 408	Walton Walker Boulevard to Interstate Highway 20	Set by Texas Transportation Commission Minute Order No. 106769, as amended	3
Walton Walker Boulevard (Loop 12)	The city limits of Irving, Texas to Spur 408	Set by Texas Transportation Commission Minute Order No. 106769, as amended	3, 6

SECTION 28-50 SCHOOL ZONES - ADDITIONS

<u>Location</u>	<u>School</u>	<u>Council District</u>	<u>Cause</u>
2400-2800 Al Lipscomb Way	Billy E. Dade Middle	7	Street Name Change
4400-4600 Bernal Drive	Eladio R. Martinez Learning Center	6	Extent Correction
3900-4200 Blue Ridge Boulevard	Thomas Tolbert Elementary	3	Extent Correction
3700-3900 Boulder Drive	T. W. Browne Middle	3	Extent Correction
9000-9100 Church Road	Merriman Park Elementary	10	New Zone
11300-11600 Dennis Road	Herbert Marcus Elementary	13	Extent Correction
2400-2500 Elsie Faye Heggins St.	Lincoln High	7	Street Name Change
2700-3000 Elsie Faye Heggins St.	Lincoln High	7	Street Name Change
3200-3300 Elsie Faye Heggins St.	Lincoln High	7	Street Name Change
1500-1600 S. Ervay Street	Vogel Alcove	2	School Reopened
3700-3800 S. Franklin Street	Daniel Webster Elementary	3	Extent and Street Name Corrections
9400 Hargrove Drive	Uplift Triumph Preparatory	2	New Zone

SECTION 28-50 SCHOOL ZONES - ADDITIONS

<u>Location</u>	<u>School</u>	<u>Council District</u>	<u>Cause</u>
7300-7400 La Vista Drive	Eduardo Mata Elementary	2	New Zone
11600-11800 Neering Drive	M. T. Reilly Elementary	9	New Zone
800-1100 Nomas Street	Lorenzo DeZavala Elementary	6	Extent Correction
3200-3300 N. Hampton Road	L. G. Pinkston High	6	Extent and Street Name Corrections
2800-2900 St. David Drive	Zan Wesley Holmes, Jr. Middle	3	New Zone
3400 Sheila Lane	Uplift Education	2	New Zone
2900-3000 S. Hampton Road	Jimmie Tyler Brashear Elementary	3, 4	Extent Correction
4000-4100 S. Hampton Road	St. Elizabeth Catholic	3, 4	Extent Correction
3000-3300 W. Jefferson	George Peabody Boulevard Elementary	1	Extension of Existing Zone
100-300 W. Lawson Road	Dr. Linda Henrie Elementary	8	New School
4900-5000 W. Lovers Lane	Providence Christian School of Texas	2	New Zone

SECTION 28- 50 SCHOOL ZONES- DELETIONS

<u>Location</u>	<u>School</u>	<u>Council District</u>	<u>Cause</u>
4300-4700 Bernal Drive	Eladio R. Martinez Learning Center	6	Extent Correction
4000 Blue Ridge Boulevard	Thomas Tolbert Elementary	3	Extent Correction
3700-3900 Boulder Drive	T. W. Browne Middle	3	Extent Correction
11300-11600 Dennis Road	Herbert Marcus Elementary	3	Extent Correction
3700-3800 Franklin Avenue	Daniel Webster Elementary	3	Extent and Name Suffix Correction
4300-4400 Gilbert Avenue	Irma L Rangel Young Women's Leadership	14	School Closed
2400-2800 Grand Avenue	Billy E. Dade Middle	7	Street Name Change
2900-3100 N. Hampton Road	L. G. Pinkston High	6	Extent Correction
2400-2500 Hatcher Street	Lincoln High	7	Street Name Change
2700-3000 Hatcher Street	Lincoln High	7	Street Name Change
3200-3300 Hatcher Street	Lincoln High	7	Street Name Change
2800-3000 Morgan Drive	Alta Mesa Learning Center	8	Learning Center Closed
800-1100 Nomas Street	Lorenzo DeZavala Elementary	6	Extent Correction

SECTION 28- 50 SCHOOL ZONES - DELETIONS

<u>Location</u>	<u>School</u>	<u>Council District</u>	<u>Cause</u>
4000-4100 S. Hampton Road	St. Elizabeth Catholic	3, 4	Extent Correction
2900 S. Hampton Road	Jimmie Tyler Brashear Elementary	3, 4	Block Number Change and Extent Correction
3000-3100 W. Jefferson Boulevard	George Peabody Elementary	1	Extension of Existing Zone

SECTION 28-59 ONE WAY STREETS AND ALLEYS

ADDITIONS

<u>Street Name</u>	<u>Extent</u>	<u>Direction</u>	<u>Council District</u>
Anthony Street	Eighth Street to Ninth Street	North	4

SECTION 28-59 ONE WAY STREETS AND ALLEYS

DELETIONS

<u>Street Name</u>	<u>Extent</u>	<u>Direction</u>	<u>Council District</u>
Anthony Street	Eighth Street to Ninth Street	South	4
Victory Avenue	North Houston Street to Continental Avenue	South	2, 14
N. Houston Street	Continental Avenue to Victory Avenue West	North	2, 14

SECTION 28-60 ONE WAY STREETS IN SCHOOL ZONES - ADDITIONS

<u>Street Name</u>	<u>Extent</u>	<u>Direction</u>	<u>Council District</u>	<u>Cause</u>
Bertrand Avenue	2nd Avenue to Spring Garden Avenue	West	7	New Zone
Grigsby Avenue	Bryan Street to Live Oak Street	North	2	Street Name Suffix Change

SECTION 28-60 ONE WAY STREETS IN SCHOOL ZONES - DELETIONS

<u>Street Name</u>	<u>Extent</u>	<u>Direction</u>	<u>Council District</u>	<u>Cause</u>
Grigsby Street	Bryan Street to Live Oak Street	North	2	Street Name Suffix Change
Hopeful Vista Lane	Lenosa Lane to Kleberg Road	South	8	No Longer School Zone
Lenosa Lane	Belt Line Road to Carleta Drive	West	8	No Longer School Zone
Morgan Drive	Texoma Way to San Jose Avenue	West	8	No Longer School Zone
Park Row Avenue	Jeffries Street to Malcolm X Boulevard	West	7	School Relocated
Wayside Drive	North Leg to the South Leg of Mesa Circle	North	2	School Closed

ORDINANCE NO. _____

An ordinance amending Chapter 28, “Motor Vehicles and Traffic,” of the Dallas City Code by amending Sections 28-44, 28-45, 28-50, 28-59, 28-60 and streets other than expressways and freeways; expressways and freeways; speed in school zones; signs; one-way streets and alleys; and one-way streets in school zones; providing a penalty not to exceed \$200; providing a saving clause; providing a severability clause; and providing an effective date.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That Section 28-44, “Streets Other Than Expressways and Freeways,” of Division 2, “Speed Regulations,” of Article VI, “Operation of Vehicles,” of Chapter 28, “Motor Vehicles and Traffic,” of the Dallas City Code is amended by alphabetically adding and deleting the following described streets described streets other than expressway and freeways:

ADDITIONS

<u>STREET</u>	<u>EXTENT</u>	<u>SPEED (MPH)</u>
“Dickerson Street	McCallum Boulevard to 270 feet south of Hidden Creek Drive	35
Elsie Faye Heggins Street	Lamar Street to 500 feet South of Lyons Street	35
Martin Luther King Jr. Boulevard	Overpass at Lamar Street to Cedar Crest Boulevard	35
E. Belt Line Road	1250 feet east of Sanders Loop to 450 feet east of S. Northlake Road	50”

DELETIONS

"Hatcher Street	Lamar Street to 500 feet south of Lyons Street	35
Martin Luther King Jr. Boulevard	Overpass at Lamar Street to Cedar Crest Boulevard	40"

SECTION 2. That Section 28-45, "Expressways and Freeways," of Division 2, "Speed Regulations," of Article VI, "Operation of Vehicles," of Chapter 28, "Motor Vehicles and Traffic," of the Dallas City Code is amended by alphabetically adding and deleting the following described streets described expressway and freeways:

ADDITIONS

<u>STREET</u>	<u>EXTENT</u>	<u>SPEED (MPH)</u>
"C.F. Hawn Freeway (US 175)	S. Central Expressway (SH 310) to Prairie Creek Road	Set by Texas Transportation Commission Minute Order No. 114203
C.F. Hawn Freeway (US 175)	Prairie Creek Road to Dallas south city limits	Set by Texas Transportation Commission Minute Order No. 114203
Dallas Ft. Worth Turnpike (IH 30)	West city limits to Stemmons Freeway (IH 35E)	Set by Texas Transportation Commission Minute Order No. 114203
E.R.L. Thorton Freeway (IH 30)	First Avenue to Rockwall county line	Set by Texas Transportation Commission Minute Order No. 114203
Interstate Highway 30	Dallas county line to Rockwall west city limits	Set by Texas Transportation Commission Minute Order No. 114203
Julius Schepps Freeway (IH 45)	E. R. L. Thornton Freeway (IH 30) to Hutchins north city limits	Set by Texas Transportation Commission Minute Order No. 114203
Lyndon B. Johnson Freeway (IH 20)	Grand Prairie east city limits to Duncanville west city limits	Set by Texas Transportation Commission Minute Order No. 114203

Lyndon B. Johnson Freeway (IH 20)	Duncanville east city limits to Lancaster west city limits	Set by Texas Transportation Commission Minute Order No. 114203
Lyndon B. Johnson Freeway (IH 20)	Lancaster east city limits to Hutchins west city limits	Set by Texas Transportation Commission Minute Order No. 114203
Lyndon B. Johnson Freeway (IH 20)	Hutchins east city limits to Balch Springs west city limits	Set by Texas Transportation Commission Minute Order No. 114203
Lyndon B. Johnson Freeway (IH 635)	Farmers Branch city limits to Stemmons Freeway (IH 35E)	Set by Texas Transportation Commission Minute Order No. 114203
Lyndon B. Johnson Freeway (IH 635)	N. Central Expressway (US 75) to Kingsley Road	Set by Texas Transportation Commission Minute Order No. 114203
Lyndon B. Johnson Freeway (IH 635)	Stemmons Freeway (IH 35E) to N. Central Expressway (US 75)	Set by Texas Transportation Commission Minute Order No. 114203
Marvin D. Love Freeway (US 67)	S. R. L. Thorton Freeway (IH 35E) to Dallas south city limits	Set by Texas Transportation Commission Minute Order No. 114203
N. Central Expressway (IH 345)	Woodall Rodgers Freeway (Spur 366) to E. R. L. Thorton Freeway (IH 30)	Set by Texas Transportation Commission Minute Order No. 114203
N. Central Expressway (US 75)	Richardson south city limits to Woodall Rodgers Freeway (Spur 366)	Set by Texas Transportation Commission Minute Order No. 114203
S. R. L. Thorton Freeway (IH 35E)	E. R. L. Thorton Freeway (IH 30) to Dallas south city limits	Set by Texas Transportation Commission Minute Order No. 114203
Spur 408	Walton Walker Boulevard (Loop 12) to Lyndon B. Johnson Freeway (IH 20)	Set by Texas Transportation Commission Minute Order No. 114229

Walton Walker Boulevard (Loop 12)	Spur 408 to Irving south city limits	Set by Texas Transportation Commission Minute Order No. 114229”
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DELETIONS

<u>STREET</u>	<u>EXTENT</u>	<u>SPEED (MPH)</u>
“Central Expressway (US 75)	North city limits to Lyndon B. Johnson Freeway	Set by Texas Transportation Commission Minute Order No. 106410, as amended
Central Expressway (US 75)	Lyndon B. Johnson Freeway to Woodall Rodgers Freeway	Set by Texas Transportation Commission Minute Order No. 106769, as amended
Central Expressway (Elevated Bypass)	Central Expressway (north) at Woodall Rodgers Freeway to Central Expressway (south) at Grand Avenue	Set by Texas Transportation Commission Minute Order No. 106769, as amended
C. F. Hawn Freeway (US 175)	Central Expressway (S. M. Wright Freeway) to Lyndon B. Johnson Freeway (IH 20)	Set by Texas Transportation Commission Minute Order No. 106769, as amended
C. F. Hawn Freeway (US 175)	Lyndon B. Johnson Freeway (IH 20) to the city limits	Set by Texas Transportation Commission Minute Order No. 106410, as amended
Interstate Highway 20	All portions within the city limits	Set by Texas Transportation Commission Minute Order No. 106410, as amended
Interstate Highway 30	Stemmons Freeway to the west city limits	Set by Texas Transportation Commission Minute Order No. 106769, as amended
Interstate Highway 30	2000 feet west of Chaha Road to 6300 feet west of Lakeside Drive	Set by Texas Transportation Commission Minute Order No. 106410, as amended
Julius Schepps Freeway (IH 45)	Central Expressway to Lyndon B. Johnson Freeway (IH 20)	Set by Texas Transportation Commission Minute Order No. 106769, as amended

Julius Schepps Freeway (IH 45)	Lyndon B. Johnson Freeway (IH 20) to the south city limits	Set by Texas Transportation Commission Minute Order No. 106410, as amended
Lyndon B. Johnson Freeway (IH 635)	The west city limits to Stemmons Freeway (IH 35E)	Set by Texas Transportation Commission Minute Order No. 106410, as amended
Lyndon B. Johnson Freeway (IH 635)	Stemmons Freeway (IH 35E) to to the east city limits	60
Marvin D. Love Freeway (US 67)	R. L. Thornton Freeway to Interstate Highway 20	Set by Texas Transportation Commission Minute Order No. 106769, as amended
Marvin D. Love Freeway (US 67)	Interstate Highway 20 to the south city limits	Set by Texas Transportation Commission Minute Order No. 106410, as amended
R. L. Thorton Freeway (IH 35E)	Interstate Highway 20 to the south city limits	Set by Texas Transportation Commission Minute Order No. 106410, as amended
R. L. Thorton Freeway (IH 35E)	Stemmons Freeway to Interstate Highway 20	Set by Texas Transportation Commission Minute Order No. 106769, as amended
R. L. Thorton Freeway (IH 30)	First Avenue to the east city limits	Set by Texas Transportation Commission Minute Order No. 106769, as amended
Spur 408	Walton Walker Boulevard to Interstate Highway 20	Set by Texas Transportation Commission Minute Order No. 106769, as amended
Walton Walker Boulevard (Loop 12)	The city limits of Irving, Texas to Spur 408	Set by Texas Transportation Commission Minute Order No. 106769, as amended"

SECTION 3. That Subsection (c) of Section 28-50, "Speed in School Zones; Signs; Designated Streets," of Division 2, "Speed Regulations," of Article VI, "Operation of Vehicles," of Chapter 28, "Motor Vehicles and Traffic," of the Dallas City Code is amended by

alphabetically adding and deleting the following described streets designated as school traffic zones where the speed of motor vehicles is limited to 20 miles per hour:

ADDITIONS

<u>STREET</u>	<u>BLOCK(S)</u>	<u>EXTENT</u>
“Al Lipscomb Way	2400-2800	20' W. of Good Latimer Expressway to 60' E. of Malcolm X Boulevard
Bernal Drive	4400-4600	100' W. of Peoria Avenue to 60' E. of Schoefield Drive
Blue Ridge Boulevard	3900-4200	210' W. of Guadalupe Avenue to 365' E. of Los Angeles Boulevard
Boulder Drive	3700-3900	60' N. of Gladiolus Lane to 225' N. of Larkspur Lane
Church Road	9000-9100	125' W. of Arborgate Drive to 370' E. of Tory Sound Drive
Dennis Road	11300-11600	320' S. of Northaven Road to 200' N. of Modella Avenue
Elsie Faye Heggins Street	2400-2500	200' E. of Leland Avenue to 250' E. of Crozier Street
Elsie Faye Heggins Street	2700-3000	250' W. of Malcolm X Boulevard to 30' E. of Louie Lane
Elsie Faye Heggins Street	3200-3300	10' W. of Spring Garden Drive to 200' W. of Bradshaw Street
Hargrove Drive	9400	150' S. of Oradell Lane to Sheila Lane
La Vista Drive	7300-7400	150' N. of East Grand Avenue to 400' N. of Dead End of La Vista Drive
Neering Drive	11600-11800	50' N. of Sinclair Avenue to 100' N. of Lippitt Avenue

Nomas Street	800-1100	105' E. of Crossman Avenue to 115' W. of Sylvan Avenue
N. Hampton Road	3200-3300	210' S. to 235' N. of Dennison Street
S. Ervay Street	1500-1600	100' S. of Gano Street to Sullivan Drive
S. Franklin Street	3700-3800	500' S. of Gibbs Williams Road to 25' N. of Bridal Wreath Lane
S. Hampton Road	4000-4100	200' N. to 315' S. of Vatican Lane
S. Hampton Road	2900-3000	125' S. to 650' S. of Perryton Drive
Sheila Lane	3400	300' E. of Lakefield Boulevard to Hargrove Drive
St. David Drive	2800-2900	225' W. of St. Gabriel Drive to 60' W. of St. Rita Drive
W. Jefferson Boulevard	3000-3300	290' W. of S. Westmoreland Road to 245' E. of Barnett Avenue
W. Lawson Road	100-300	130' S. of Lasater Road to 430' S. of Golden Spur Road
W. Lovers Lane	4900-5000	430' E. to 590' W. of Briarwood Lane”

DELETIONS

<u>STREET</u>	<u>BLOCK(S)</u>	<u>EXTENT</u>
“Bernal Drive	4300-4700	60' W. of Peoria Avenue to 60' E. of Shuster Drive
Blue Ridge Boulevard	4000	210' W. of Guadalupe Avenue to 270' E. of Los Angeles Boulevard
Boulder Drive	3700-3900	5' N. of Gladiolus Lane to 150' N. of Larkspur Lane
Dennis Road	11300-11600	100' S. of Northaven Road to 200' N. of Modella Avenue

Franklin Avenue	3700-3800	500' S. of Gibb Williams Road to 25' N. of Bridal Wreath Lane
Gilbert Avenue	4300-4400	244' N. to 209' S. of Herschel Avenue
Grand Avenue	2400-2800	20' W. of Good Latimer Expressway to 60' E. of Malcolm X Boulevard
Hampton Road	2900-3100	265' S. to 235' N. of Dennison Street
S. Hampton Road	2900	135' S. to 800' S. of Perryton Drive
S. Hampton Road	4000-4100	800' N. of Ledbetter Drive to 300' N. of Vatican Lane
Hatcher Street	2400-2500	200' E. of Leland Avenue to 250' E. of Crozier Street
Hatcher Street	2700-3000	250' W. of Malcolm X Boulevard to 30' E. of Louie Lane
Hatcher Street	3200-3300	10' W. of Spring Garden Drive to 200' W. of Bradshaw Street
Morgan Drive	2800-3000	100' E. of Santa Rosa Drive to 200' E. of Texoma Way
Nomas Street	800-1100	Sylvan Avenue to 150' E. of Crossman Avenue
W. Jefferson Boulevard	3000-3100	245' E. to 320' W. of Barnett Avenue”

SECTION 4. That Section 28-59, “One-Way Streets and Alleys,” of Article VII, “One-Way Streets and Alleys,” of Chapter 28, “Motor Vehicles and Traffic,” of the Dallas City Code is amended by alphabetically adding and deleting the following described streets where the direction of motor vehicles is limited as follows:

ADDITIONS

<u>STREET</u>	<u>EXTENT</u>	<u>DIRECTION</u>
“Anthony Street	Eighth Street to Ninth Street	North”

DELETIONS

<u>STREET</u>	<u>EXTENT</u>	<u>DIRECTION</u>
“Anthony Street	Eighth Street to Ninth Street	South
N. Houston Street	Continental Avenue to Victory Avenue West	North
Victory Avenue	North Houston Street to Continental Avenue	South”

SECTION 5. That Section 28-60, “One-Way Streets in School Zones,” of Article VII, “One-Way Streets and Alleys,” of Chapter 28, “Motor Vehicles and Traffic,” of the Dallas City Code is amended by alphabetically adding and deleting the following described streets where the direction of motor vehicles is limited as follows:

ADDITIONS

<u>STREET</u>	<u>EXTENT</u>	<u>DIRECTION</u>
“Bertrand Avenue	2nd Avenue to Spring Garden Avenue	West
Grigsby Avenue	Bryan Street to Live Oak Street	North”

DELETIONS

<u>STREET</u>	<u>EXTENT</u>	<u>DIRECTION</u>
“Grigsby Street	Bryan Street to Live Oak Street	North
Hopeful Vista Lane	Lenosa Lane to Kleberg Road	South
Lenosa Lane	Belt Line Road to Carleta Drive	West

Morgan Drive	Texoma Way to San Jose Avenue	West
Park Row Avenue	Jeffries Street to Malcolm X Boulevard	West
Wayside Drive	North Leg to the South Leg of Mesa Circle	North”

SECTION 6. That a person violating a provision of this ordinance, upon conviction, is punishable by a fine not to exceed \$200.

SECTION 7. That Chapter 28 of the Dallas City Code shall remain in full force and effect, save and except as amended by this ordinance.

SECTION 8. That the terms and provisions of this ordinance are severable and are governed by Section 1-4 of Chapter 1 of the Dallas City Code, as amended.

SECTION 9. That this ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:

WARREN M.S. ERNST, City Attorney

By _____
Assistant City Attorney

Passed _____

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 10

DEPARTMENT: Sustainable Development and Construction
Water Utilities

CMO: Ryan S. Evans, 671-9837
Mark McDaniel, 670-3256

MAPSCO: 17W

SUBJECT

Authorize acquisition from the State of Texas, of approximately 560,399 square feet located near the intersection of Greenville Avenue and Markville Drive for the 12000 Greenville Project - Not to exceed \$3,386,000 (\$3,365,000 plus closing costs and title expenses not to exceed \$21,000) - Financing: Water Utilities Capital Improvement Funds

BACKGROUND

This item authorizes the acquisition of approximately 560,399 square feet of land located near the intersection of Greenville Avenue and Markville Drive for the 12000 Greenville Project.

Dallas Water Utilities (DWU) currently occupies approximately sixteen acres of land at the Dallas Southeast Service Center. The 2006 City of Dallas Bond Program set aside funds for a new Equipment and Building (EBS) services fleet maintenance facility to be placed at Southeast Service center. In 2012, after programming efforts by a consultant, it was determined that the best way to place this future EBS facility and keep both EBS and DWU fully functional was to relocate Dallas Water Utilities to a new location. The purchase of this 560,399 square feet property from the Texas Department of Transportation will allow for the relocation/consolidation of DWU meter operations and a space for DWU material services to support that function. These two divisions are functionally interconnected and must be moved together to maintain a high level of service. DWU currently owns the Abrams pump station facility which is immediately adjacent to this parcel. Purchasing this property and combining with the Abrams property will also allow potential reduction in additional DWU leases over time.

BACKGROUND (Continued)

The 12000 Greenville property is currently owned by the Texas Department of Transportation (TXDOT) which has determined the property is no longer needed for state highway purposes. A Priority Right to Purchase letter from TXDOT was sent to the City on October 23, 2015.

The City determined that it would exercise its priority right to purchase and sent a letter stating such on November 22, 2015. TXDOT transportation commission approved this letter on December 17, 2015 as noted in the Minute Order dated December 17, 2015. When formal letter of notification is received from TXDOT, the City of Dallas will have 60 days to approve the purchase of this property through council action and close on the property. The consideration is based on an independent appraisal.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Council will be briefed by memorandum regarding this item.

FISCAL INFORMATION

Water Utilities Capital Improvement Funds - \$3,386,000 (\$3,365,000 plus closing cost and title expenses not to exceed \$21,000)

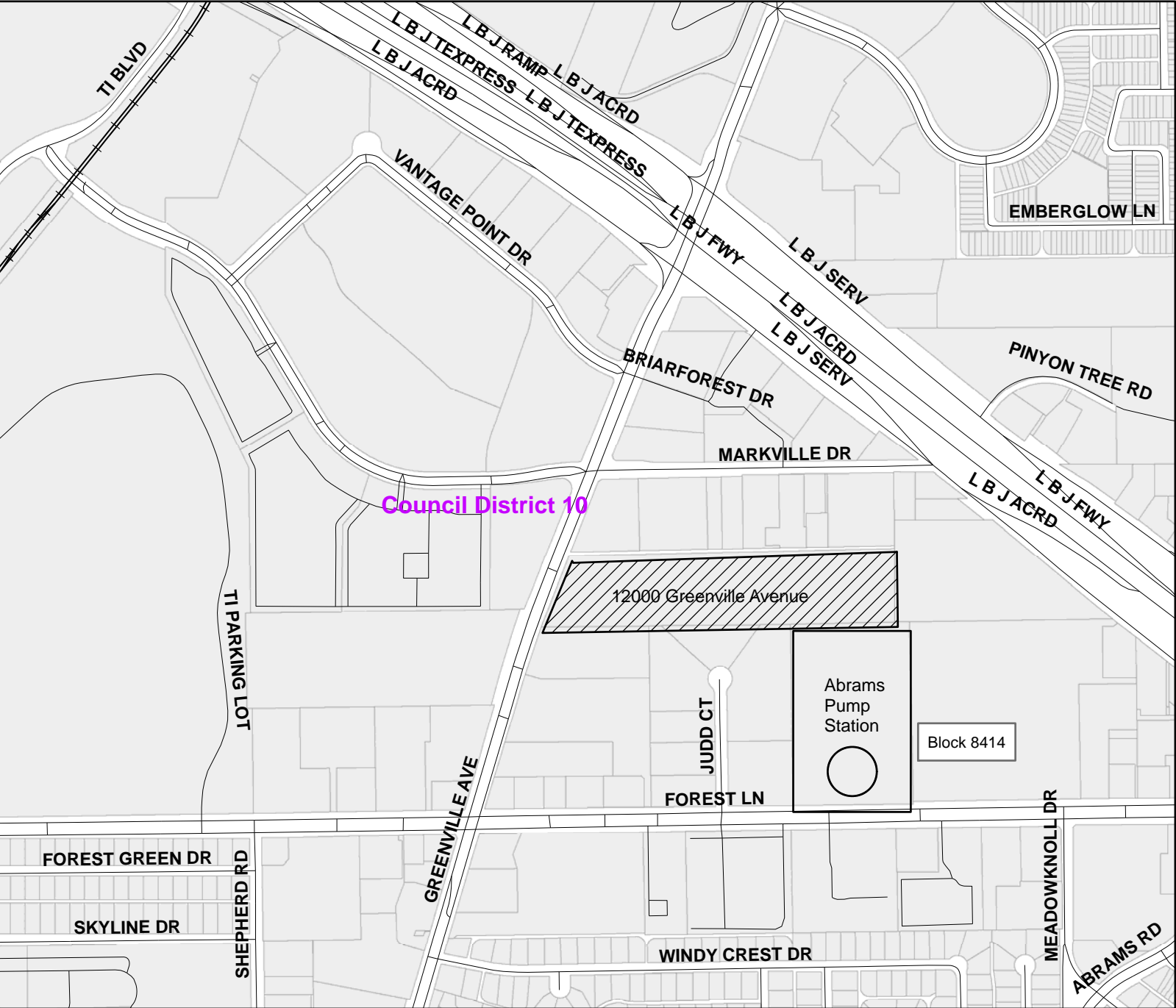
OWNERS

State of Texas

Texas Department of Transportation

MAP

Attached

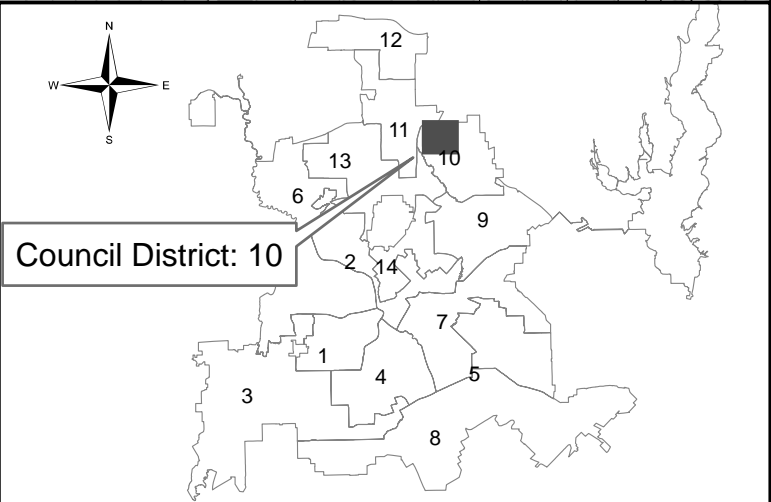


Mapsc0: 17 W

SUBJECT:



12000 Greenville Avenue



February 24, 2016

A RESOLUTION DETERMINING UPON THE NECESSITY OF ACQUIRING REAL PROPERTY AND AUTHORIZING ITS PURCHASE FOR PUBLIC USE.

DEFINITIONS: For the purposes of this resolution, the following definitions of terms shall apply:

"CITY": The City of Dallas

"PROPERTY": Approximately 560,399 square feet of land located in Dallas County, Texas, also commonly known as 12000 Greenville Avenue and being the same property more particularly described in "Exhibit A", attached hereto and made a part hereof for all purposes, and any and all improvements, rights and appurtenances appertaining thereto.

"PROJECT": 12000 Greenville Project

"USE": The relocation/consolidation of DWU meter operations provided, however, to the extent fee title to the PROPERTY is acquired, such title and the PROPERTY shall not be limited to or otherwise deemed restricted to the USE here provided.

"PROPERTY INTEREST": Fee Simple Title subject to the exceptions, reservations, covenants, conditions and/or interests, if any, provided in the form instrument more particularly described in Exhibit "B" attached hereto and made a part hereof for all purposes.

"OWNER": State of Texas, provided, however, that the term "OWNER" as used in this resolution means all persons having an ownership interest, regardless of whether those persons are actually named herein.

"PURCHASE AMOUNT": \$3,365,000

"CLOSING COSTS AND TITLE EXPENSES": Not to exceed \$21,000

"AUTHORIZED AMOUNT": Not to exceed \$3,386,000

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the USE of this PROPERTY for the PROJECT is a public use.

SECTION 2. That public necessity requires that CITY acquire the PROPERTY INTEREST in the PROPERTY for the PROJECT.

February 24, 2016

SECTION 3. That the City Manager, and/or the City Manager's designee, is hereby authorized and directed to consummate and accept the purchase, grant, and conveyance to CITY of the PROPERTY INTEREST in and to the PROPERTY pursuant to the conveyancing instrument substantially in the form described in Exhibit "B", attached hereto and made a part hereof for all purposes, and approved as to form by the City Attorney and to execute, deliver and receive such other usual and customary documents necessary, appropriate and convenient to consummating this transaction.

SECTION 4. That to the extent the PROPERTY is being purchased wholly or partly with bond proceeds CITY has obtained an independent appraisal of the PROPERTY'S market value.

SECTION 5. That OWNER has been provided with a copy of the Landowner's Bill of Rights as contemplated by applicable state statute.

SECTION 6. That in the event this acquisition closes, the Chief Financial Officer is authorized and directed to draw a warrant in favor of the OWNER, or the then current owner of record, or the title company closing the transaction described herein in the PURCHASE AMOUNT and CLOSING COSTS AND TITLE EXPENSES payable out of Water Utilities Capital Improvement Funds:

\$2,539,000 - Fund No. 2115, Department DWU, Unit PW42, Activity MPSA, Program No. 716065, Object 4210, Encumbrance No. CT-DWU716065CP

\$847,000 - Fund No. 2116, Department DWU, Unit PS42, Activity MPSA, Program No. 716066, Object 4210, Encumbrance No. CT-DWU716066CP.

The PURCHASE AMOUNT, CLOSING COSTS and TITLE EXPENSES together shall not exceed the AUTHORIZED AMOUNT.

SECTION 7. That CITY is to have possession and/or use, as applicable, of the PROPERTY at closing; and CITY will pay any title expenses and closing costs. All costs and expenses described in this section shall be paid from the previously described funds.

February 24, 2016

SECTION 8. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED AS TO FORM:
WARREN M. S. ERNST, City Attorney

BY 
Assistant City Attorney

Exhibit "A"
Description of a 12.865 Acre Tract of Land
In The J.D. Hamilton Survey Abstract 647
City of Dallas Block 8414
Dallas County, Texas

Page 1 of 3
May 15, 2006

BEING a tract of land situated in the J.D. Hamilton Survey, Abstract No. 647, City of Dallas, Dallas County, Texas, and being that tract as conveyed to State of Texas as recorded in Volume 4613, Page 205 of the Deed Records of Dallas County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a 5/8" iron rod found on the southeast right of way line of Greenville Avenue at the southwest corner of said State of Texas tract and being the northwest corner of a Replat of Lot 5, Block 8411 of Forest Green Business Park, an Addition to the City of Dallas as recorded in Volume 81162, Page 1422 of said Deed Records;

THENCE along the southeast right of way line of Greenville Avenue and a curve to the right having a central angle of 02 degrees 00 minutes 12 seconds, a radius of 6105.64 feet, a chord distance of 213.46 feet that bears North 20 degrees 31 minutes 58 seconds East, around said curve an arc distance of 213.47 feet to a 1/2" iron rod set;

THENCE North 21 degrees 32 minutes 04 seconds East, along the southeast right of way line of Greenville Avenue, a distance of 164.37 feet to a 1/2" iron rod set at the northwest corner of said State of Texas tract and being on the southern line of a 15 alley right of way;

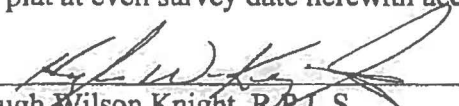
THENCE North 89 degrees 00 minutes 35 seconds East, along the common line of said State of Texas tract and said 15 alley right of way, a distance of 1524.27 feet to a 1/2" iron rod set at the northeast corner of said State of Texas tract and being on the western line of Adams Center, an Addition to the City of Dallas as recorded in Volume 82250, Page 4794 of said Deed Records;

THENCE South 00 degrees 47 minutes 16 seconds East, along the common line of said State of Texas tract and said Adams Center, a distance of 351.96 feet to a 1/2" iron rod set at the southeast corner of said State of Texas tract and being on the northern line of a City of Dallas tract;

THENCE South 89 degrees 03 minutes 46 seconds West, along the southern line of said State of Texas tract, a distance of 1664.31 feet to the POINT OF BEGINNING and containing 12.865 acres of land, more or less.

All bearings are on the Texas State Plane Coordinate System, N.A.D. 83 (1993 Adj.) North Central Zone. All distances and coordinates shown are surface and may be converted to grid by dividing by TxDOT conversion factor of 1.000136506.

A plat at even survey date herewith accompanies this legal description.



Hugh Wilson Knight, R.P.L.S.
Texas Registration No. 4872

Douphrate & Associates, Inc.
2235 Ridge Road, Suite 200
Rockwall, Texas 75087
Ph. (972) 771-9004



GREENVILLE AVENUE

N21°32'04"E
164-37'

1/2"RS

N89°00'35"E

15' ALLEY

1524.27'

MATCH LINE SHEET 3 OF 3

5/8"RS

S89°03'46"W

1664.31'

FOREST GREEN BUSINESS PARK
REPLAT OF LOT 5
BLOCK 8411
VOL. 81462, PG. 1492

R=6105.64'
L=213.47'
Δ=2°00'12"
CD=213.46'
CB=N20°31'58"E

- HACKBERRY
- OAK
- MESQUITE
- PECAN
- SHRUB
- FIRE HYDRANT
- POWER POLE
- LIGHT POLE
- SIGN
- WATER METER
- GAS METER
- MONITORING WELL
- CLEANOUT
- WATER VALVE
- BOLLARD



A PLAT OF A SURVEY
OF A 12.865 ACRE
TRACT OF LAND IN THE
J.D. HAMILTON SURVEY
ABSTRACT NUMBER 647
CITY OF DALLAS BLOCK 8414
DALLAS COUNTY, TEXAS
MAY 15, 2006

STATE OF TEXAS
VOL. 4613, PG. 205
D.R.D.C.T.

GAS TANK

18" CMP
12" CMP

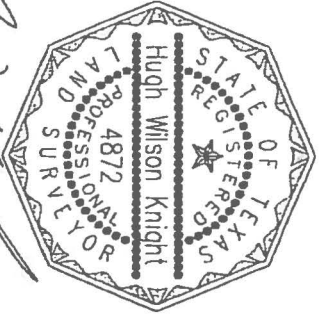
24" RCP

CHAIN LINK
FENCE

ALL BEARINGS ARE ON THE TEXAS STATE PLANE
COORDINATE SYSTEM, NAD 83 (1993 AD)
NORTH CENTRAL ZONE. ALL DISTANCES AND
COORDINATES SHOWN ARE SURFACE AND MAY
BE CONVERTED TO GRID BY DIVIDING BY 1.000135566
CONVERSION FACTOR OF 1.000135566

A LEGAL DESCRIPTION AT EVEN
SURVEY DATE HEREWITH
ACCOMPANIES THIS PLAT

HUGH WILSON KNIGHT
R.P.L.S. NO. 4872



LOT 1A, BLOCK 11/8414
HALL-MARK INDUSTRIAL PARK
VOL. 93229, PG. 6540
D.R.D.C.T.

EXHIBIT "A"
Page 3 of 3

N89°00'35"E

10' ALLEY

1524.27'

S00°47'16"E

351.96'

S89°03'46"W

CITY OF DALLAS

1664.31'

12.865 AC.
STATE OF TEXAS
VOL. 4613, PG. 205
D.R.D.C.T.

ADAMS CENTER
VOL. 82250,
PG. 4794
D.R.D.C.T.

MATCH LINE SHEET 2 OF 3

TANK

COVERED
AREA

ASPHALT

COVERED
AREA

ASPHALT

1/2IRS

1/2IRS

FOREST NORTH
INDUSTRIAL PARK
VOL. 73130, PG. 816
D.R.D.C.T.

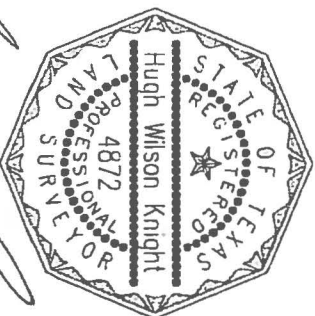
- ASH
- DAK
- ECU
- HACKBERRY
- PECAN
- SHRUB
- FIRE HYDRANT
- POWER POLE
- LIGHT POLE
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- WATER METER
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A PLAT OF A SURVEY
OF A 12.865 ACRE
TRACT OF LAND IN THE
J.D. HAMILTON SURVEY
ABSTRACT NUMBER 647
CITY OF DALLAS BLOCK 8414
DALLAS COUNTY, TEXAS
MAY 15, 2006

ALL BEARINGS ARE ON THE TEXAS STATE PLANE
COORDINATE SYSTEM, NAD 83 (1983 ADI)
NORTH CENTRAL ZONE. ALL DISTANCES AND
COORDINATES SHOWN ARE SURFACE AND MAY
BE CONVERTED TO GRID BY DIVIDING BY TADOT
CONVERSION FACTOR OF 1.0001136506

A LEGAL DESCRIPTION AT EVEN
SURVEY DATE HEREWITH
ACCOMPANIES THIS PLAT.



HUGH WILSON KNIGHT
R.P.L.S. NO. 4872

EXHIBIT B

DEED WITHOUT WARRANTY

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

I-635
RCSJ 2374-01-179
Tract 1

THE STATE OF TEXAS, acting through the Texas Transportation Commission and on behalf of the Texas Department of Transportation, hereinafter referred to as **Grantor**, pursuant to Minute Order 114455 passed by the Texas Transportation Commission on December 17, 2015, as shown by the official minutes of the Texas Transportation Commission, in consideration of the sum of THREE MILLION THREE HUNDRED SIXTY-FIVE THOUSAND AND NO/100 DOLLARS (\$3,365,000.00) to Grantor in hand paid by the **CITY OF DALLAS, 1500 Marilla Street, Dallas, Texas, 75201**, a Texas municipal corporation, hereinafter referred to as **Grantee**, whether one or more, the receipt and sufficiency of which is hereby acknowledged and confessed and for which no lien is retained, either express or implied, has this day Sold and by these presents does Grant, Bargain, Sell, and Convey unto Grantee all of Grantor's right, title, and interest in and to that certain tract or parcel of land and improvements thereon situated in Dallas County, Texas, said land being more particularly described in Exhibit A, attached hereto and made a part hereof; **SAVE AND EXCEPT**, however, there is excepted and reserved herefrom all of Grantor's right, title and interest, if any, in and to all of the oil, gas, sulphur, and other minerals, of every kind and character, in, on, under, and that may be produced from the property described in Exhibit A, but Grantor waives all rights of ingress and egress to the surface thereof for the purpose of exploring, developing, mining, or drilling for same, provided, however, that operations for exploration or recovery of any such minerals shall be permissible so long as all surface operations in connection therewith are located at a point outside of said property.

Anything herein to the contrary notwithstanding, this conveyance is made subject to the rights of any and all existing public utilities or common carriers in accordance with V.T.C.A., Transportation Code, Chapter 202, Subchapter B, Section 202.029. Any required adjustment will be at no cost to Grantor. In addition, this conveyance is subject to all matters of public record and to all easements, leases, agreements, or licenses, or other interests which affect the property, and to any matter which would be disclosed by title examination, survey, investigation, or inquiry, including but not limited to the rights of parties in possession.

BY THE ACCEPTANCE OF THIS DEED, GRANTEE REPRESENTS THAT GRANTEE IS RELYING SOLELY ON GRANTEE'S OWN EXPERTISE AND THAT OF ITS CONSULTANTS, AND THAT GRANTEE HAS CONDUCTED SUCH INSPECTIONS AND INVESTIGATIONS OF THE PROPERTY, INCLUDING, BUT NOT LIMITED TO, THE PHYSICAL AND ENVIRONMENTAL CONDITIONS THEREOF, AND IS RELYING UPON SAME, AND HEREBY ASSUMES THE RISK OF ANY ADVERSE MATTERS, INCLUDING, BUT NOT LIMITED TO, ADVERSE PHYSICAL AND ENVIRONMENTAL CONDITIONS THEREOF, AND IS RELYING UPON SAME, AND TO EXTENT ALLOWED BY LAW HEREBY ASSUMES THE RISK OF ANY ADVERSE MATTERS, INCLUDING, BUT NOT LIMITED TO, ADVERSE PHYSICAL AND ENVIRONMENTAL CONDITIONS THAT MAY NOT HAVE BEEN REVEALED BY GRANTEE'S INSPECTIONS AND INVESTIGATIONS. GRANTEE FURTHER ACKNOWLEDGES AND AGREES THAT GRANTEE IS ACQUIRING THE PROPERTY ON AN "AS IS, WHERE IS" AND "WITH ALL FAULTS" BASIS, WITHOUT REPRESENTATIONS, WARRANTIES OR COVENANTS, EXPRESS OR IMPLIED, OF ANY KIND OR NATURE. GRANTEE HEREBY WAIVES AND RELINQUISHES ALL RIGHTS AND PRIVILEGES ARISING OUT OF, OR WITH RESPECT OR IN RELATION TO, ANY

REPRESENTATIONS, WARRANTIES OR COVENANTS, WHETHER EXPRESS OR IMPLIED, WHICH MAY HAVE BEEN MADE OR GIVEN, OR WHICH MAY HAVE BEEN DEEMED TO HAVE BEEN MADE OR GIVEN, BY GRANTOR. TO EXTENT ALLOWED BY LAW GRANTEE HEREBY ASSUMES ALL RISK AND LIABILITY (AND AGREES THAT GRANTOR SHALL NOT BE LIABLE FOR ANY SPECIAL, DIRECT, INDIRECT, CONSEQUENTIAL OR OTHER DAMAGES) RESULTING OR ARISING FROM GRANTEE'S USE, MAINTENANCE, REPAIR, OR OPERATION OF THE PROPERTY.

WITHOUT LIMITING THE GENERAL PROVISIONS ABOVE, IT IS UNDERSTOOD AND AGREED THAT GRANTOR IS NOT MAKING AND SPECIFICALLY DISCLAIMS ANY WARRANTIES OR REPRESENTATIONS OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, AS TO (a) MATTERS OF TITLE; (b) ZONING; (c) TAX CONSEQUENCES; (d) PHYSICAL OR ENVIRONMENTAL CONDITIONS; (e) AVAILABILITY OF ACCESS, INGRESS OR EGRESS; (f) OPERATING HISTORY OR PROJECTIONS; (g) VALUATION; (h) AVAILABILITY AND ADEQUACY OF UTILITIES; (i) GOVERNMENTAL APPROVALS; (j) GOVERNMENTAL REGULATIONS OR ANY OTHER MATTER OR THING RELATING TO OR AFFECTING THE PROPERTY, INCLUDING, WITHOUT LIMITATION: (1) THE VALUE, CONDITION, MERCHANTABILITY, MARKETABILITY, PROFITABILITY, SUITABILITY, OR FITNESS OF THE PROPERTY FOR A PARTICULAR USE OR PURPOSE; (2) THE MANNER OR QUALITY OF THE CONSTRUCTION OR MATERIALS, IF ANY, INCORPORATED INTO ANY OF THE PROPERTY; AND (3) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE PROPERTY. GRANTEE FURTHER EXPRESSLY ACKNOWLEDGES AND AGREES THAT GRANTOR IS NOT REPRESENTING OR WARRANTING THAT ANYTHING CAN OR WILL BE ACCOMPLISHED THROUGH GRANTEE'S OR GRANTOR'S EFFORTS WITH REGARD TO THE PLANNING, PLATTING OR ZONING PROCESS OF ANY GOVERNMENTAL AUTHORITIES, BOARDS OR ENTITIES. GRANTEE FURTHER ACKNOWLEDGES THAT GRANTOR HAS NOT WARRANTED, AND DOES NOT HEREBY WARRANT, THAT THE PROPERTY NOW OR IN THE FUTURE WILL MEET OR COMPLY WITH THE REQUIREMENTS OF ANY SAFETY CODE, ENVIRONMENTAL LAW OR REGULATION OF ANY STATE OR FEDERAL AUTHORITY OR JURISDICTION.

This Deed without Warranty is expressly made by Grantor and accepted by Grantee without any warranty of title of any kind, oral or written, express or implied, whether existing by common law or by statute or any other manner. Grantee expressly agrees that the implied covenants set forth in Section 5.023 of the Texas Property Code are not applicable to this Deed without Warranty.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in any wise belonging unto said Grantee and Grantee's heirs, successors, and/or assigns forever, subject to the reservations and exceptions described herein.

EXHIBIT B

IN TESTIMONY WHEREOF, I have caused the Seal of the State to be affixed.

Executed this the _____ day of _____, 2016.

GREG ABBOTT
GOVERNOR OF TEXAS

Recommended for Approval:

Executive Director

Attest:

Carlos Cascos
Secretary of State

Approved:

Ken Paxton
Attorney General

By: _____
Garland Williams
Assistant Attorney General

**NOTE TO COUNTY CLERK: PROPERTY CODE § 12.006 AUTHORIZES THE
RECORDATION OF THIS INSTRUMENT WITHOUT ACKNOWLEDGMENT OR FURTHER
PROOF OF THE SIGNATURE OF THE GOVERNOR.**

Exhibit "A"
Description of a 12.865 Acre Tract of Land
In The J.D. Hamilton Survey Abstract 647
City of Dallas Block 8414
Dallas County, Texas

Page 1 of 3
May 15, 2006

BEING a tract of land situated in the J.D. Hamilton Survey, Abstract No. 647, City of Dallas, Dallas County, Texas, and being that tract as conveyed to State of Texas as recorded in Volume 4613, Page 205 of the Deed Records of Dallas County, Texas and being more particularly described by metes and bounds as follows:

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THENCE along the southeast right of way line of Greenville Avenue and a curve to the right having a central angle of 02 degrees 00 minutes 12 seconds, a radius of 6105.64 feet, a chord distance of 213.46 feet that bears North 20 degrees 31 minutes 58 seconds East, around said curve an arc distance of 213.47 feet to a 1/2" iron rod set;

THENCE North 21 degrees 32 minutes 04 seconds East, along the southeast right of way line of Greenville Avenue, a distance of 164.37 feet to a 1/2" iron rod set at the northwest corner of said State of Texas tract and being on the southern line of a 15 alley right of way;

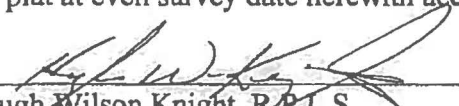
THENCE North 89 degrees 00 minutes 35 seconds East, along the common line of said State of Texas tract and said 15 alley right of way, a distance of 1524.27 feet to a 1/2" iron rod set at the northeast corner of said State of Texas tract and being on the western line of Adams Center, an Addition to the City of Dallas as recorded in Volume 82250, Page 4794 of said Deed Records;

THENCE South 00 degrees 47 minutes 16 seconds East, along the common line of said State of Texas tract and said Adams Center, a distance of 351.96 feet to a 1/2" iron rod set at the southeast corner of said State of Texas tract and being on the northern line of a City of Dallas tract;

THENCE South 89 degrees 03 minutes 46 seconds West, along the southern line of said State of Texas tract, a distance of 1664.31 feet to the POINT OF BEGINNING and containing 12.865 acres of land, more or less.

All bearings are on the Texas State Plane Coordinate System, N.A.D. 83 (1993 Adj.) North Central Zone. All distances and coordinates shown are surface and may be converted to grid by dividing by TxDOT conversion factor of 1.000136506.

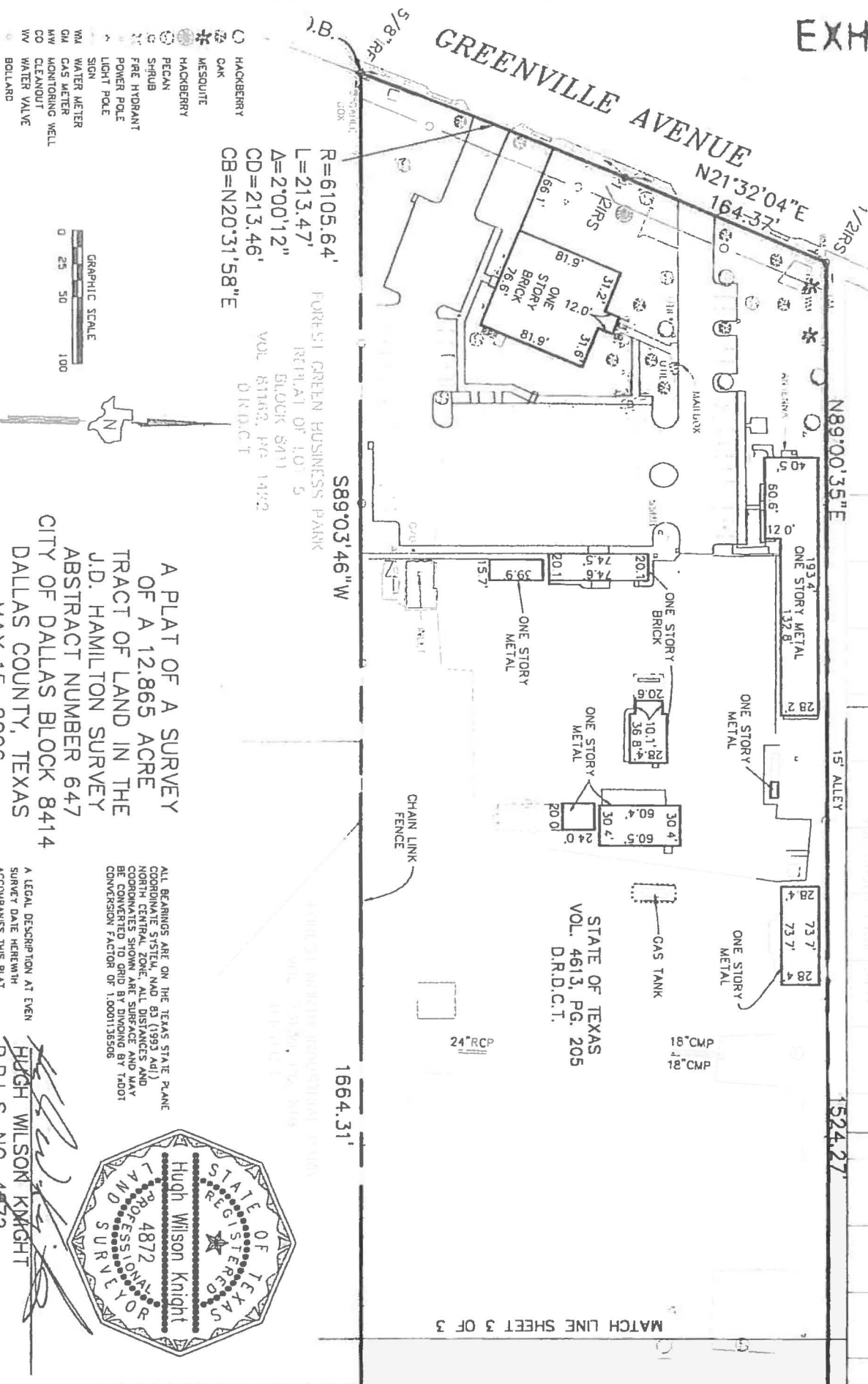
A plat at even survey date herewith accompanies this legal description.



Hugh Wilson Knight, R.P.L.S.
Texas Registration No. 4872

Douphrate & Associates, Inc.
2235 Ridge Road, Suite 200
Rockwall, Texas 75087
Ph. (972) 771-9004





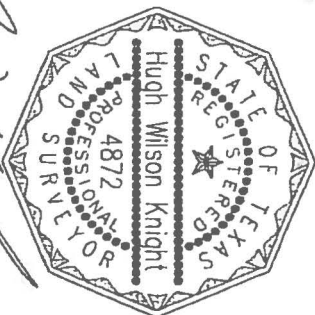
A PLAT OF A SURVEY
OF A 12.865 ACRE
TRACT OF LAND IN THE
J.D. HAMILTON SURVEY
ABSTRACT NUMBER 647
CITY OF DALLAS BLOCK 8414
DALLAS COUNTY, TEXAS
MAY 15, 2006

ALL BEGININGS ARE ON THE TEXAS STATE PLANT
COORDINATE SYSTEM, NAD 83 (1993 Ad1)
NORTH CENTRAL ZONE. ALL DISTANCES AND
COORDINATES SHOWN ARE SURFACE AND MAY
BE CONVERTED TO GRID BY DIVIDING BY T-DOOT
CONVERSION FACTOR OF 1.0001135506

A LEGAL DESCRIPTION AT EVEN
SURVEY DATE HEREWITH
ACCOMPANIES THIS PLAT

[Handwritten signature]
HUGH
R.P.S.

~~HUGH WILSON KNIGHT~~
~~R.P.L.S. NO. 4872~~



MATCH LINE SHEET 3 OF 3

LOT 1A, BLOCK 11/8414
HALL-MARK INDUSTRIAL PARK
VOL. 93229, PG. 6540
D.R.D.C.T.

EXHIBIT "A"
Page 3 of 3

N89°00'35"E

10' ALLEY

1524.27'

S00°47'16"E

351.96'

1664.31'

S89°03'46"W

ADAMS CENTER
VOL. 82250,
PG. 4794
D.R.D.C.T.

STATE OF TEXAS
VOL. 4613, PG. 205
D.R.D.C.T.

12.865 AC.

CITY OF DALLAS

FOREST NORTH
INDUSTRIAL PARK
VOL. 73130, PG. 816
D.R.D.C.T.

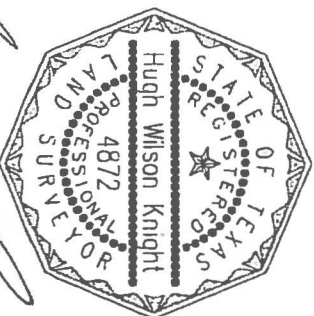
- ASH
- DAK
- ECU
- HACKBERRY
- PECAN
- SHRUB
- FIRE HYDRANT
- POWER POLE
- SIGN
- WATER METER
- GAS METER
- MONITORING WELL
- CLEANOUT
- WATER VALVE
- BOLLARD



A PLAT OF A SURVEY
OF A 12.865 ACRE
TRACT OF LAND IN THE
J.D. HAMILTON SURVEY
ABSTRACT NUMBER 647
CITY OF DALLAS BLOCK 8414
DALLAS COUNTY, TEXAS
MAY 15, 2006

ALL BEARINGS ARE ON THE TEXAS STATE PLANE
COORDINATE SYSTEM, NAD 83 (1993 ADI)
NORTH CENTRAL ZONE. ALL DISTANCES AND
COORDINATES SHOWN ARE SURFACE AND MAY
BE CONVERTED TO GRID BY DIVIDING BY TADOT
CONVERSION FACTOR OF 1.0001136506

A LEGAL DESCRIPTION AT EVEN
SURVEY DATE HEREWITH
ACCOMPANIES THIS PLAT.



HUGH WILSON KNIGHT
R.P.L.S. NO. 4872

AGENDA ITEM # 37

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: February 24, 2016
COUNCIL DISTRICT(S): 4
DEPARTMENT: Sustainable Development and Construction
CMO: Ryan S. Evans, 671-9837
MAPSCO: 45W

SUBJECT

A resolution declaring approximately 2,306 square feet of undevelopable City-owned land unwanted and unneeded located near the intersection of Hutchins and Eads Avenues, and authorizing its sale to Skyview Development LLC, the abutting owner – Revenue: \$2,306

BACKGROUND

This item will declare a tract of undevelopable City-owned land containing approximately 2,306 square feet unwanted and unneeded located near the intersection of Hutchins and Eads Avenues, and authorize its sale to Skyview Development LLC, the abutting owner. The purchase price of \$2,306 is based on Dallas Central Appraisal District values. The land cannot be used independently under the current zoning or under applicable subdivision or other development control ordinances, and should be sold only to the abutting owner.

The property will be conveyed with a restriction prohibiting the placement of industrialized housing and a reservation of all oil, gas and other minerals in and under the property. The current zoning for this property is Regional Retail and the tax value is \$2,306. This land will return to the tax rolls upon conveyance.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item will be provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

Revenue: \$2,306

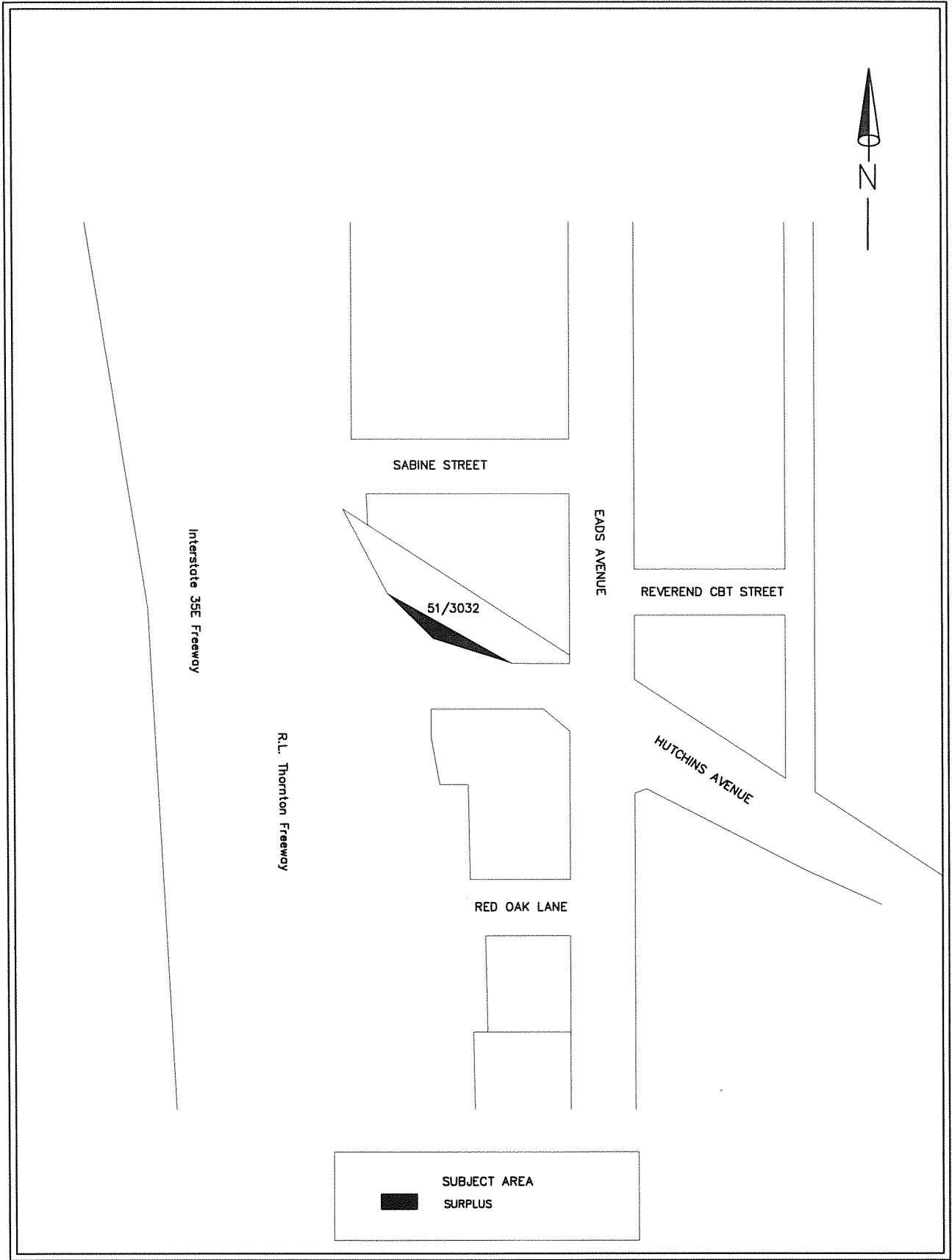
OWNER

Skyview Development LLC

Royce West, Manager

MAP

Attached



SUBJECT AREA
SURPLUS

February 24, 2016

WHEREAS, the City of Dallas is the owner of a tract of land containing approximately 2,306 square feet of land, Block 51/3032, Dallas County, Texas, (the "Property"), and located near the intersection of Hutchins and Eads Avenues, which is no longer needed for municipal use; and

WHEREAS, the tract is a narrow strip of land, that because of its shape, and small area, cannot be used independently under its current zoning or under applicable subdivision or other development control ordinances, and may be sold without public bid to the abutting owner; and

WHEREAS, Skyview Development LLC, the abutting property owner, proposes to purchase said property at fair market value; **Now, Therefore,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That upon receipt of **TWO THOUSAND THREE HUNDRED SIX DOLLARS AND NO/100 (\$2,306.00) DOLLARS** from Skyview Development LLC, the City Manager or designee is authorized to execute a Deed Without Warranty, to be attested by the City Secretary upon approval as to form by the City Attorney for approximately 2,306 square feet of land, Block 51/3032, Dallas County, Texas and located near the intersection of Hutchins and Eads Avenues. The Deed Without Warranty is subject to the conditions contained in Section 2.

SECTION 2. That the Deed Without Warranty shall provide that the conveyance to Skyview Development LLC ("**GRANTEE**") is subject to the following:

- (a) a restriction prohibiting the placement of industrialized housing on the property; and
- (b) reservation by the City of Dallas of all oil, gas and other minerals in and under the property with a waiver of surface access rights relating to said minerals; and
- (c) any visible and apparent easements and any encroachments whether of record or not; and
- (d) any and all covenants, conditions, reservations, restrictions, exceptions, easements, rights-of-way, mineral interests, mineral leases or other instruments of record and applicable to the property or any part thereof; and

February 24, 2016

- (e) to the maximum extent allowed by law, (i) **GRANTEE** is taking the Property "AS IS, WHERE IS, WITH ALL FAULTS"; (ii) GRANTOR disclaims responsibility as to the accuracy or completeness of any information relating to the Property; (iii) **GRANTEE** assumes all responsibility to examine all applicable building codes and zoning ordinances to determine if the Property can be used for the purposes desired and to check for outstanding or pending code enforcement actions including but not limited to repair or demolition orders; and (iv) GRANTOR expressly disclaims and **GRANTEE** expressly waives, any warranty or representation, express or implied, including without limitation any warranty of condition, habitability, merchantability or fitness for a particular purpose of the Property; and
- (f) GRANTOR makes no representations of any nature regarding the Property and specifically disclaims any warranty, guaranty or representation, oral or written, express or implied, past, present, or future, concerning: (i) the nature and condition of the Property, including without limitation, the water, soil and geology, and the suitability thereof and the Property for any and all activities and uses which **GRANTEE** may elect to conduct thereon, and the existence of any environmental substances, hazards or conditions or presence of any endangered or protected species thereon or compliance with all applicable laws, rules or regulations; (ii) the nature and extent of any right-of-way, lease, possession, lien, encumbrance, license, reservation, condition or otherwise; (iii) the compliance of the Property or its operation with any law, ordinance or regulation of any federal, state, or local governmental authority; and (iv) whether or not the Property can be developed or utilized for any purpose. For purposes hereof, "environmental substances" means the following: (a) any "hazardous substance" under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C.A. Section 9601 et. seq., as amended, (b) any "hazardous substance" under the Texas Hazardous Substances Spill Prevention and Control Act, Tex. Water Code, Section 26.261, et. seq., as amended, (c) petroleum or petroleum-based products (or any derivative or hazardous constituents thereof or additives thereto), including without limitation, fuel and lubrication oils, (d) any "hazardous chemicals" or "toxic chemicals" under the Occupational Safety and Health Act, 29 U.S.C.A. Section 651 et. seq., as amended, (e) any "hazardous waste" under the Resource Conservation and Recovery Act, 42 U.S.C.A. Section 6901 et. seq., as amended, (f) asbestos, (g) polychlorinated biphenyls, (h) underground storage tanks,

February 24, 2016

whether empty, filled, or partially filled with any substance, (i) any substance, the presence of which is prohibited by federal, state or local laws and regulations, and (j) any other substance which by federal, state or local laws and regulations requires special handling or notification of governmental authorities in its collection, storage, treatment or disposal. References to particular acts or codifications in this definition include all past and future amendments thereto, as well as applicable rules and regulations as now or hereafter promulgated thereunder; and

- (g) such other terms and requirements of the sale and/or disclaimers as the City deems necessary, convenient or appropriate.

SECTION 3. That the sale proceeds shall be deposited into the General Fund 0001, Dept DEV, Bal Sheet 0519 and Department of Sustainable Development and Construction, Real Estate Division shall be reimbursed for the cost of obtaining legal description, appraisal and other administrative costs incurred. The reimbursement proceeds shall be deposited in General Fund 0001, Dept DEV, Unit 1183, Object 5011 and any remaining proceeds shall be transferred to the General Capital Reserve Fund 0625, Dept BMS, Unit 8888, Revenue Source 8118.

SECTION 4. That if a title policy is desired by **GRANTEE**, same shall be at the expense of said **GRANTEE**.

SECTION 5. That the sale shall be subject to standby fees, taxes and assessments, if any, by any taxing authority for the year of closing and subsequent years and assessments by any taxing authority for prior years due to changes in land usage or ownership, the payment of said standby fees, taxes and assessments being assumed by grantee.

SECTION 6. That the procedures required by Section 2-24 of the Dallas City Code that are not required by state law concerning the sale of unneeded real property are waived with respect to this tract of land.

SECTION 7. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED AS TO FORM:
WARREN M. S. ERNST, City Attorney

BY 
Assistant City Attorney

AGENDA ITEM # 38

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: February 24, 2016
COUNCIL DISTRICT(S): 8
DEPARTMENT: Sustainable Development and Construction
CMO: Ryan S. Evans, 671-9837
MAPSCO: 58Y

SUBJECT

An ordinance abandoning a portion of a utility easement to Sikka Investments, LLC, the abutting owner, containing approximately 3,391 square feet of land, located near the intersection of C. F. Hawn Freeway and Murdock Road - Revenue: \$5,400, plus the \$20 ordinance publication fee

BACKGROUND

This item authorizes the abandonment of a portion of a utility easement to Sikka Investments, LLC, the abutting owner. The area will be included with the property of the abutting owner for the construction of a convenience store and gas station. The cost for this abandonment is the minimum processing fee pursuant to the Dallas City Code, therefore, no appraisal is required.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item will be provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

Revenue: \$5,400, plus the \$20 ordinance publication fee

OWNER

Sikka Investments, LLC

Barkat Daredia, Manager

MAP

Attached



Log 41825

Abandonment area =  Utility Easement

Mapsco 58-Y

Applicant Sikka Investments LLC

ORDINANCE NO. _____

An ordinance providing for the abandonment and relinquishment of a portion of a utility easement, located in City Block 1/6360 in the City of Dallas and County of Dallas, Texas; providing for the quitclaim thereof to Sikka Investments, LLC; providing for the terms and conditions of the abandonment, relinquishment and quitclaim made herein; providing for the indemnification of the City of Dallas against damages arising out of the abandonment herein; providing for the consideration to be paid to the City of Dallas; providing for the payment of the publication fee; and providing an effective date for this ordinance.

ooo0ooo

WHEREAS, the City Council of the City of Dallas, acting pursuant to law and upon the request and petition of Sikka Investments, LLC, a Texas limited liability company; hereinafter referred to as **GRANTEE**, deems it advisable to abandon, relinquish and quitclaim the City of Dallas' right, title and interest in and to the hereinafter described tract of land to **GRANTEE**, and is of the opinion that, subject to the terms and conditions herein provided, said portion of utility easement is no longer needed for municipal use, and same should be abandoned, relinquished and quitclaimed to **GRANTEE** as hereinafter provided, for the consideration hereinafter stated; and

WHEREAS, the City Council of the City of Dallas is of the opinion that the best interest and welfare of the City will be served by abandoning, relinquishing and quitclaiming the same to **GRANTEE** for the consideration and subject to the terms and conditions hereinafter more fully set forth; **Now, Therefore**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City of Dallas hereby abandons and relinquishes all of its right, title and interest in and to the tract of land described in Exhibit A, attached hereto and made a part hereof; subject, however, to the conditions hereinafter more fully set out.

SECTION 2. That for and in monetary consideration of the sum of **FIVE THOUSAND FOUR HUNDRED AND NO/100 (\$5,400.00) DOLLARS** paid by **GRANTEE**, and the further consideration described in Section 8 and 9, the City of Dallas does by these presents **FOREVER QUITCLAIM** unto the said **GRANTEE**, subject to the conditions, reservations, and exceptions hereinafter made and with the restrictions and upon the covenants below stated, all its right, title and interest in and to the certain tract or parcel of land hereinabove described in "Exhibit A" **TO HAVE AND TO HOLD** all of such right, title and interest in and to the property and premises, subject aforesaid, together with all and singular the rights, privileges, hereditaments and appurtenances thereto in any manner belonging unto the said **GRANTEE** forever.

SECTION 3. That upon payment of the monetary consideration set forth in Section 2, **GRANTEE** accepts the terms, provisions, and conditions of this ordinance.

SECTION 4. That the Chief Financial Officer is authorized to deposit the sum paid by **GRANTEE** pursuant to Section 2 above in the General Fund 0001, Department DEV, Balance Sheet 0519 and Department of Sustainable Development and Construction - Real Estate Division shall be reimbursed for the cost of obtaining the legal description, appraisal and other administrative costs incurred. The reimbursement proceeds shall be deposited in General Fund 0001, Department DEV, Unit 1183, Object 5011 and any remaining proceeds shall be transferred to the General Capital Reserve Fund 0625, Department BMS, Unit 8888, Revenue Source 8416.

SECTION 5. That the abandonment, relinquishment and quitclaim provided for herein are made subject to all present zoning and deed restrictions, if the latter exist, and are subject to all existing easement rights of others, if any, whether apparent or non-apparent, aerial, surface, underground or otherwise.

SECTION 6. That the terms and conditions contained in this ordinance shall be binding upon **GRANTEE**, its successors and assigns.

SECTION 7. That the abandonment, relinquishment and quitclaim provided for herein shall extend only to that interest the Governing Body of the City of Dallas may legally and lawfully abandon, relinquish and quitclaim.

SECTION 8. That as a condition of this abandonment and as a part of the consideration for the quitclaim to **GRANTEE** herein, **GRANTEE**, its successors and assigns, agree to indemnify, defend, release and hold harmless the City of Dallas as to any and all claims for damages, fines, penalties, costs or expenses to persons or property that may arise out of, or be occasioned by or from: (i) the use and occupancy of the area described in Exhibit A by **GRANTEE**, its successors and assigns; (ii) the presence, generation, spillage, discharge, release, treatment or disposition of any Hazardous Substance on or affecting the area set out in Exhibit A, (iii) all corrective actions concerning any discovered Hazardous Substances on or affecting the area described in Exhibit A, which **GRANTEE**, its successors and assigns agree to undertake and complete in accordance with applicable federal, state and local laws and regulations; and (iv) the abandonment, closing, vacation and quitclaim by the City of Dallas of the area set out in Exhibit A. **GRANTEE**, its successors and assigns hereby agree to defend any and all suits, claims, or causes of action brought against the City of Dallas on account of same, and discharge any judgment or judgments that may be rendered against the City of Dallas in connection therewith. For purposes hereof, “Hazardous Substance” means the following: (a) any “hazardous substances” under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 et seq., as amended; (b) any “hazardous substance” under the Texas Hazardous Substances Spill Prevention and Control Act, TEX. WATER CODE, Section 26.261 et seq., as amended; (c) petroleum or petroleum-based products (or any derivative or hazardous constituents thereof or additives thereto), including without limitation, fuel and lubricating oils; (d) any “hazardous chemicals” or “toxic chemicals” under the Occupational Safety and Health Act, 29 U.S.C. Section 651 et seq., as amended; (e) any “hazardous waste” under the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., as amended; and (f) any “chemical substance” under the Toxic Substance Control Act, 15 U.S.C. Section 2601 et seq., as amended. References to particular acts or codifications in this definition include all past and future amendments thereto, as well as applicable rules and regulations as now or hereafter promulgated thereunder.

SECTION 9. That as a condition of this abandonment and as a part of consideration for the quitclaim made herein, **GRANTEE** shall contact the Texas Excavation Safety System (Texas 811) to have facilities marked and located within affected easements before any excavations are stated.

SECTION 10. That the City Secretary is hereby authorized and directed to certify a copy of this ordinance for recordation in the Deed Records of Dallas County, Texas, which certified copy shall be delivered to the Director of Department of Sustainable Development and Construction, or designee. Upon receipt of the monetary consideration set forth in Section 2, plus the fee for the publishing of this ordinance, which **GRANTEE** shall likewise pay, the Director of Department of Sustainable Development and Construction, or designee shall deliver to **GRANTEE** a certified copy of this ordinance. The Director of Department of Sustainable Development and Construction, or designee, shall be the sole source for receiving certified copies of this ordinance for one year after its passage.

SECTION 11. That this ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:
WARREN M. S. ERNST
City Attorney

DAVID COSSUM
Director of Department of Sustainable
Development and Construction

BY Brian N. Ernst
Assistant City Attorney

BY Kathy Green
for Assistant Director

Passed _____.

10' UTILITY EASEMENT ABANDONMENT

PART OF A 10' UTILITY EASEMENT TO THE CITY OF DALLAS

PART OF LOTS 41-45, BLOCK 1/6360, CIRCLE ESTATES

SARAH PERRY SURVEY, ABSTRACT NO. 1164

CITY OF DALLAS, DALLAS COUNTY, TEXAS

EXHIBIT A

Being a 3,391 square feet (0.0778 acre) tract of land situated in the Sarah Perry Survey, Abstract No. 1164 in the City of Dallas, Dallas County, Texas, and being part of a 10 foot utility easement, recorded in Volume 2702, Page 393, Map Records, Dallas County, Texas, over and across a portion of Lots 41-45, Block 1/6360 of Circle Estates, an Addition to the City of Dallas, Dallas County, Texas, according to the plat thereof recorded in Volume 9, Page 123, Map Records, Dallas County, Texas, same tract of land conveyed to Sikka Investments, LLC, a Texas Limited Liability Company by Special Warranty Deed recorded in Instrument No. 201500036458, Official Public Records, Dallas County, Texas, and being more particularly described by metes and bounds as follows:

Commencing at a 5/8 inch iron rod found for corner at the intersection of the North line of Elkton Circle (60' right-of-way) and the East line of Murdock Road (variable width), said point being the Southwest corner of said Lot 45, Block 1/6360 of Circle Estates;

Thence North 03 degrees 14 minutes 38 seconds East, basis of bearings, along the East line of said Murdock Road, a distance of 89.53 feet to a point for corner, and the Point of Beginning;

Thence North 03 degrees 14 minutes 38 seconds East, continuing along the East line of said Murdock Road, a distance of 10.47 feet to a point for corner at the common Northwest corner of said Lot 45, Block 1/6360 and the Southwest corner of Lot 1, Block 1/6360 of said Circle Estates;

Thence departing the East line of said Murdock Road and traversing along the common South line of Lots 1-7 and the North line of Lots 41-45, Block 1/6360 of said Circle Estates as follows:

North 76 degrees 05 minutes 14 seconds East, a distance of 242.24 feet to a point for corner;

South 53 degrees 01 minutes 43 seconds East, a distance of 100.00 feet to a point for corner, said point being in the Southwest line of C.F. Hawn Freeway (variable width right-of-way), and being the North corner of Lot 40, Block 1/6360 of said Circle Estates;

Thence South 36 degrees 34 minutes 50 seconds West along the Northwest line of said Lot 40, Block 1/6360, a distance of 10.00 feet to a point for corner;

Thence leaving the Northwest line of said Lot 40, Block 1/6360 and traversing through said Lots 41-45, Block 1/6360 as follows:

North 53 degrees 01 minutes 43 seconds West, a distance of 95.31 feet to a point for corner;

South 76 degrees 05 minutes 14 seconds West, a distance of 240.57 feet to the Point of Beginning and containing 3,391 square feet or 0.0778 of an acre of land.

Gary E. Johnson, R.P.L.S. # 5299



TEXAS HERITAGE SURVEYING, INC.
10610 Metric Drive, Suite 124, Dallas, TX 75243
Office 214-340-9700 Fax 214-340-9710
txheritage.com
Firm No. 10169300

(For SPRG use only)	
Reviewed by:	CEC
Date:	11-16-15
SPRG NO.:	3360

Bearings are based upon the Texas State Plane Coordinate System, North Central Zone, North American Datum of 1983, (2011). Along the East line of said Murdock Road and the West line of said Circle Estates. (N03°14'38"E)

JOB# 1500140-2
DATE: 11/11/15
Page 1 of 2
MC

10' UTILITY EASEMENT ABANDONMENT

PART OF A 10' UTILITY EASEMENT TO THE CITY OF DALLAS
PART OF LOTS 41-45, BLOCK 1/6360, CIRCLE ESTATES
SARAH PERRY SURVEY, ABSTRACT NO. 1164
CITY OF DALLAS, DALLAS COUNTY, TEXAS

EXHIBIT A

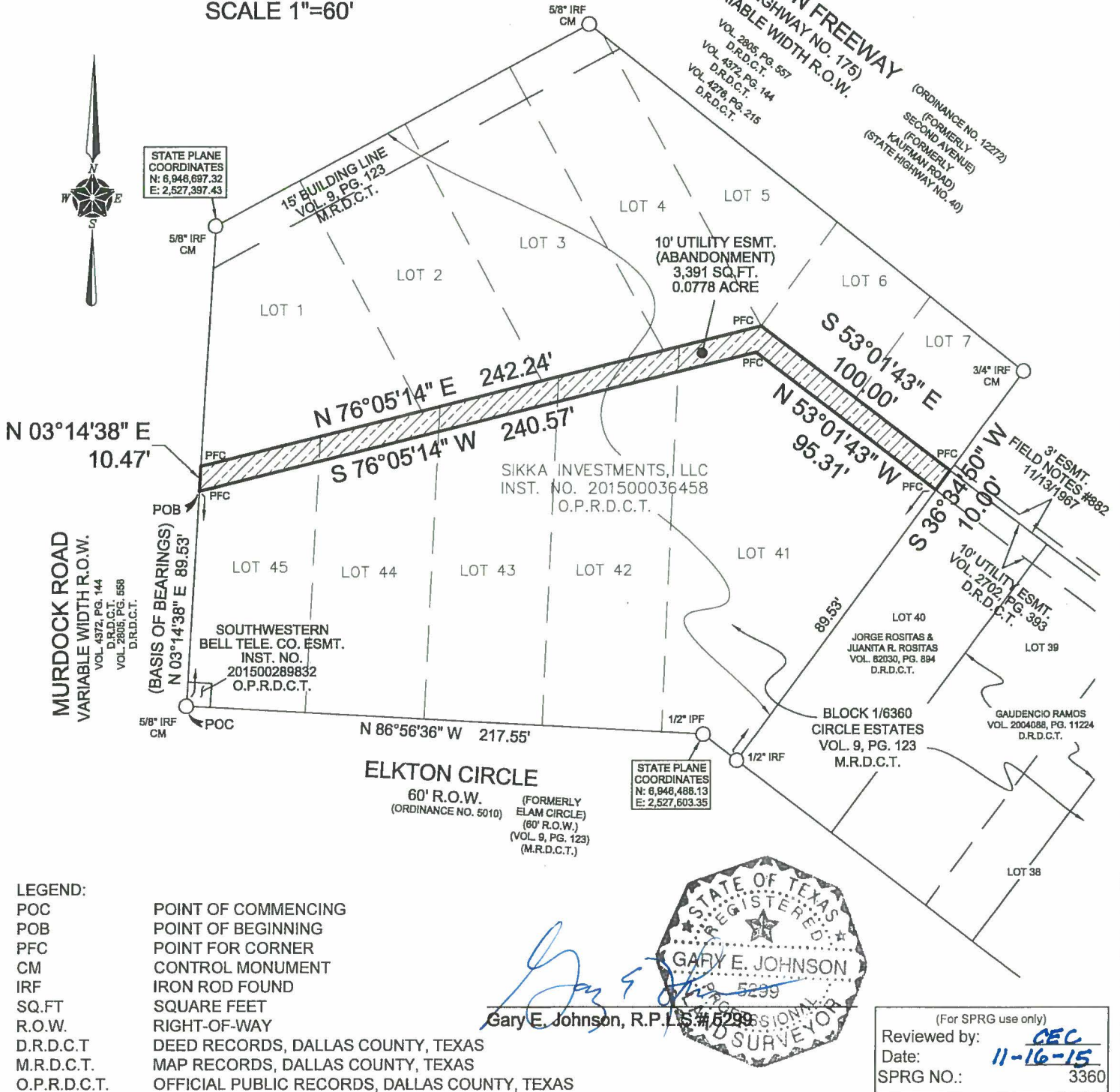
80 60 40 20 0 30 60 90 120



SCALE 1"=60'



STATE PLANE
COORDINATES
N: 6,946,697.32
E: 2,527,397.43



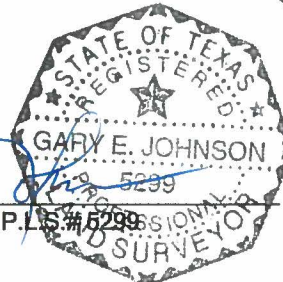
LEGEND:

POC	POINT OF COMMENCING
POB	POINT OF BEGINNING
PFC	POINT FOR CORNER
CM	CONTROL MONUMENT
IRF	IRON ROD FOUND
SQ.FT	SQUARE FEET
R.O.W.	RIGHT-OF-WAY
D.R.D.C.T.	DEED RECORDS, DALLAS COUNTY, TEXAS
M.R.D.C.T.	MAP RECORDS, DALLAS COUNTY, TEXAS
O.P.R.D.C.T.	OFFICIAL PUBLIC RECORDS, DALLAS COUNTY, TEXAS



TEXAS HERITAGE SURVEYING, INC.
10610 Metric Drive, Suite 124, Dallas, TX 75243
Office 214-340-9700 Fax 214-340-9710
txheritage.com
Firm No. 10169300

Bearings are based upon the Texas State
Plane Coordinate System, North Central
Zone, North American Datum of 1983,
(2011). Along the East line of said Murdock
Road and the West line of said Circle
Estates. (N03°14'38"E)



Gary E. Johnson, R.P.L.S. #5239

(For SPRG use only)
Reviewed by: **CEC**
Date: **11-16-15**
SPRG NO.: 3360

JOB# 1500140-2
DATE: 11/11/15
Page 2 of 2
Scale: 1" = 60'
MC

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 9

DEPARTMENT: Trinity Watershed Management
Water Utilities
Public Works Department

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

MAPSCO: 38E F & J

SUBJECT

Authorize a construction contract with Jeske Construction Company, lowest responsible bidder of four, for the construction of stormwater drainage mains, water and wastewater main improvements, street reconstruction and landscape improvements for the Peavy Road at Galway Drive to Fuller Drive Storm Drainage Project – Not to exceed \$1,936,755 – Financing: 2006 Bond Funds (\$189,353), General Obligation Commercial Paper Funds (\$909,167), Water Utilities Capital Improvement Funds (\$804,335) and Water Utilities Capital Construction Funds (\$33,900)

BACKGROUND

The 2006 Bond Program funded the engineering design of five alley reconstruction and four storm drainage projects approved on September 9, 2009, by Resolution No. 09-2222. The City contracted with LIM & Associates, Inc. for the engineering design of the Peavy, Galway to Fuller Storm Drainage Project. The project includes new stormwater drainage mains, water and wastewater main replacement, street reconstruction and landscape improvements. This improvement will minimize localized flooding in this neighborhood.

This action authorizes a construction contract with Jeske Construction Company, the lowest responsive bidder of four, for the construction of the Peavy, Galway to Fuller Drainage Project.

ESTIMATED SCHEDULE OF PROJECT

Began Design	September 2009
Completed Design	August 2015
Begin Construction	March 2016
Complete Construction	November 2016

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Authorized a professional services contract for engineering services with LIM & Associates, Inc. on September 9, 2009, by Resolution No. 09-2222.

Authorized Supplemental Agreement No.1 to the professional services contract with LIM & Associates, Inc. on October 13, 2010, by Resolution No. 10-2615.

Information about this item will be provided to the Transportation and Trinity River Project Committee on February 22, 2016.

FISCAL INFORMATION

2006 Bond Funds - \$189,353.38

2006 Bond Program (General Obligation Commercial Paper Funds) - \$909,166.62

Water Utilities Capital Improvement Funds - \$804,335.00

Water Utilities Capital Construction Funds - \$33,900.00

Design	\$ 336,270.00
Supplemental Agreement No. 1	\$ 33,187.00
Supplemental Agreement No. 2	\$ 4,500.00
Supplemental Agreement No. 3	\$ 31,021.94
Supplemental Agreement No. 4	\$ 3,000.00
Construction (this action)	<u>\$1,936,755.00</u>
Total Project Cost	\$2,344,733.94

M/WBE INFORMATION

See attached.

ETHNIC COMPOSITION

Jeske Construction Company

Hispanic Female	0	Hispanic Male	16
African-American Female	0	African-American Male	6
Other Female	0	Other Male	0
White Female	1	White Male	5

BID INFORMATION

The following bids were received and opened on October 30, 2015:

*Denotes successful bidder(s)

<u>BIDDERS</u>	<u>BID AMOUNT</u>
*Jeske Construction Company P.O. 59025 Dallas, Texas 75229	\$1,936,755.00
Tiseo Paving	\$1,999,900.25
RBR Infrastructure & Roads, LLC	\$2,075,406.00
Texas Standard Construction	\$2,276,487.00
Engineer's estimate:	\$1,506,542.00

OWNER(S)

Jeske Construction Company

Steve Jeske, President

MAP

Attached

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a construction contract with Jeske Construction Company, lowest responsible bidder of four, for the construction of stormwater drainage mains, water and wastewater main improvements, street reconstruction and landscape improvements for the Peavy Road at Galway Drive to Fuller Drive Storm Drainage Project – Not to exceed \$1,936,755 – Financing: 2006 Bond Funds (\$189,353), General Obligation Commercial Paper Funds (\$909,167), Water Utilities Capital Improvement Funds (\$804,335) and Water Utilities Capital Construction Funds (\$33,900)

Jeske Construction Company is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

PROJECT CATEGORY: Construction

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$1,935,755.00	99.95%
Total non-local contracts	\$1,000.00	0.05%
TOTAL CONTRACT	\$1,936,755.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Logan Trucking, Inc.	BMMB63584N1116	\$3,000.00	0.15%
Flow Line Utilities, Inc.	HMMB64155N0217	\$665,000.00	34.35%
W.O.E. Construction, Inc.	WFWBC223000516	\$3,000.00	0.15%
Total Minority - Local		\$671,000.00	34.66%

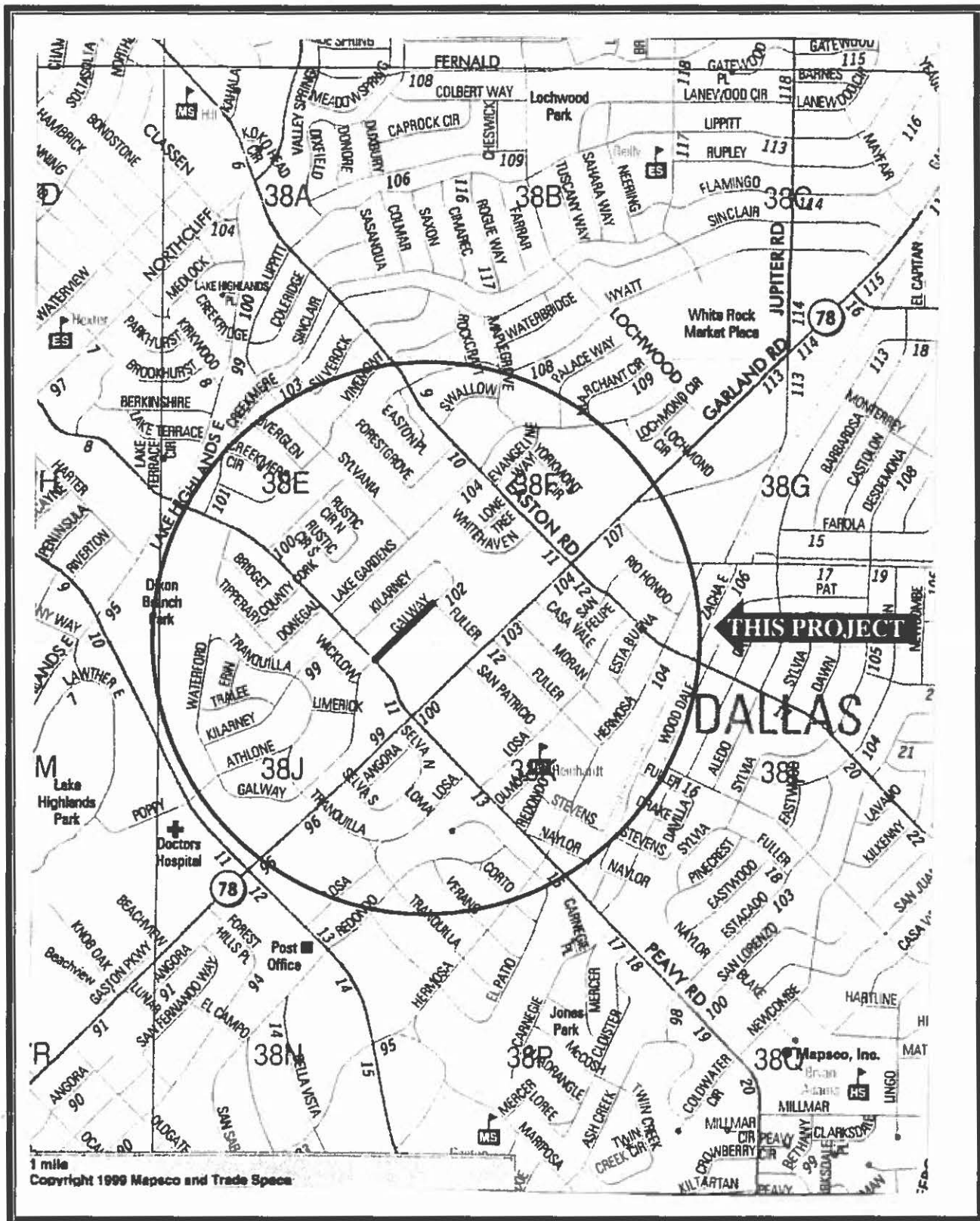
Non-Local Contractors / Sub-Contractors

<u>Non-local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Buyer's Barricades, Inc.	WFDB24016Y0516	\$600.00	60.00%
MMG Building Services & Construction Services, LLC	WFWB62284N0616	\$400.00	40.00%
Total Minority - Non-local		\$1,000.00	100.00%

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$3,000.00	0.15%	\$3,000.00	0.15%
Hispanic American	\$665,000.00	34.35%	\$665,000.00	34.34%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$3,000.00	0.15%	\$4,000.00	0.21%
	<hr/>	<hr/>	<hr/>	<hr/>
Total	\$671,000.00	34.66%	\$672,000.00	34.70%

PEAVY @ GALWAY - FULLER STORM DRAINAGE PROJECT



MAPSCO 38 E, F, & J

February 24, 2016

WHEREAS, on September 9, 2009, Resolution No. 09-2222 authorized a professional services contract with LIM & Associates for the engineering design of five alley reconstruction projects and four storm drainage projects in the amount of \$336,270.00; and,

WHEREAS, on October 13, 2010, Resolution No. 10-2615 authorized Supplemental Agreement No.1 to the professional services contract with LIM & Associates, Inc. for additional stormwater and wastewater design in the amount of \$33,187.00, from \$336,270.00 to \$369,457.00; and,

WHEREAS, on August 8, 2011, Administrative Action No. 11-2133 authorized Supplemental Agreement No. 2 to the professional services contract with LIM & Associates, Inc. for additional survey in the amount of \$4,500.00, from \$369,457.00 to \$373,957.00; and,

WHEREAS, on April 1, 2013, Administrative Action No. 13-0588 authorized Supplemental Agreement No. 3 to the professional services contract with LIM & Associates, Inc. for additional water and wastewater design in the amount of \$31,021.94, from \$373,957.00 to \$404,978.94; and,

WHEREAS, on November 14, 2014, Administrative Action No. 14-2003 authorized Supplemental Agreement No. 4 to the professional services contract with LIM & Associates, Inc. for stormwater drainage survey in the amount of \$3,000.00, from \$404,978.94 to \$407,978.94; and,

WHEREAS, bids were received on October 30, 2015, for the Peavy Road at Galway Drive to Fuller Drive Storm Drainage Project as follows:

Jeske Construction Company	\$1,936,755.00
Tiseo Paving	\$1,999,900.25
RBR Infrastructure & Roads LLC	\$2,075,406.00
Texas Standard Construction	\$2,276,487.00

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is hereby authorized to execute a construction contract with Jeske Construction Company for construction of stormwater drainage mains, water and wastewater main improvements, street reconstruction and landscape improvements for the Peavy Road at Galway Drive to Fuller Drive Storm Drainage Project in the amount not to exceed \$1,936,755.00, this being the lowest responsive bid received as indicated by the tabulation of bids, after it has been approved as to form by the City Attorney.

February 24, 2016

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds in accordance with the terms and conditions of the contract from:

Flood Protection and Storm Drainage Facilities Fund
Fund 4T23, Dept. TWM, Unit T527, Activity SDRS
Object 4540, Program No. PB06T527, CT TWM06T527F9
Vendor No. 083791, in an amount not to exceed \$ 909,166.62

Flood Protection and Storm Drainage Facilities Fund
Fund 7T23, Dept. TWM, Unit T527, Activity SDRS
Object 4540, Program No. PB06T527, CT TWM06T527F9
Vendor No. 083791, in an amount not to exceed \$ 26,220.03

Flood Protection and Storm Drainage Facilities Fund
Fund 8T23, Dept. TWM, Unit T527, Activity SDRS
Object 4540, Program No. PB06T527, CT TWM06T527F9
Vendor No. 083791, in an amount not to exceed \$ 163,133.35

Water Capital Improvement Fund
Fund 3115, Dept. DWU, Unit PW42
Object 4550, Program No. 716031, CT DWU716031CP
Vendor No. 083791, in an amount not to exceed \$ 440,860.00

Wastewater Capital Improvement Fund
Fund 3116, Dept. DWU, Unit PS42
Object 4560, Program No. 716032, CT DWU716032CP
Vendor No. 083791, in an amount not to exceed \$ 363,475.00

Water Construction Fund
Fund 0102, Dept. DWU, Unit CW42
Object 3221, Program No. 716031X, CT DWU716031EN
Vendor No. 083791, in an amount not to exceed \$ 18,100.00

Wastewater Construction Fund
Fund 0103, Dept. DWU, Unit CS42
Object 3222, Program No. 716032X, CT DWU716031EN
Vendor No. 083791, in an amount not to exceed \$ 15,800.00

Total Amount \$1,936,755.00

Section 3. That this resolution shall take effective immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

AGENDA ITEM # 40

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 9

DEPARTMENT: Trinity Watershed Management
Public Works Department

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

MAPSCO: 38Y Z

SUBJECT

Authorize a construction contract with MACVAL Associates, LLC, lowest responsible bidder of three, for the construction of stormwater drainage improvements, alley reconstruction, and landscape improvements for the Ash Creek Estates at Meadow Way Storm Drainage Project – Not to exceed \$786,445 – Financing: 2006 Bond Funds (\$586,040) and General Obligation Commercial Paper Funds (\$200,405)

BACKGROUND

The 2006 Bond Program funded the engineering design of five alley reconstruction and four storm drainage projects on September 9, 2009, by Resolution No. 09-2222. The City contracted with LIM & Associates Inc., for the engineering design of the Ash Creek Estates at Meadow Way Storm Drainage Project. The project includes new stormwater drainage, alley reconstruction and landscape improvements. This project will minimize repeated flooding in the project area.

This action authorizes a construction contract with MACVAL & Associates, LLC, the lowest responsive bidder of three for the construction of the Ash Creek Estates at Meadow Way Project.

ESTIMATED SCHEDULE OF PROJECT

Began Design	September 2009
Completed Design	August 2015
Begin Construction	March 2016
Complete Construction	November 2016

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Authorized a professional services contract for engineering services with LIM & Associates, Inc. on September 9, 2009, by Resolution No. 09-2222.

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

Authorized Supplemental Agreement No. 1 to the professional services contract with LIM & Associates, Inc. on October 13, 2010, by Resolution No. 10-2615.

Information about this item will be provided to the Transportation and Trinity River Project Committee on February 22, 2016.

FISCAL INFORMATION

2006 Bond Funds - \$586,039.65

2006 Bond Program (General Obligation Commercial Paper Funds) - \$200,404.65

Design	\$ 336,270.00
Supplemental Agreement No. 1	\$ 33,187.00
Supplemental Agreement No. 2	\$ 4,500.00
Supplemental Agreement No. 3	\$ 31,021.94
Supplemental Agreement No. 4	\$ 3,000.00
Construction (this action)	<u>\$ 786,444.30</u>
Total Project Cost	\$1,194,423.24

M/WBE INFORMATION

See attached.

ETHNIC COMPOSITION

MACVAL Associates, LLC

Hispanic Female	0	Hispanic Male	5
African-American Female	1	African-American Male	5
Other Female	0	Other Male	0
White Female	0	White Male	0

BID INFORMATION

The following bids were received and opened on October 30, 2015:

*Denotes successful bidder(s)

<u>BIDDERS</u>	<u>BID AMOUNT</u>
*MACVAL Associates, LLC 8500 N. Stemmons Frwy Suite 5060 Dallas, Texas 75247	\$ 786,444.30
Camino Construction, LP	\$1,009,092.00
Jeske Construction Company	\$1,404,860.00
Engineer's estimate:	\$622,434.00

OWNER(S)

MACVAL Associates, LLC

Aloysius (Al) A. Attah, P.E., CPIM, President

MAP

Attached

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a construction contract with MACVAL Associates, LLC, lowest responsible bidder of three, for the construction of stormwater drainage improvements, alley reconstruction, and landscape improvements for the Ash Creek Estates at Meadow Way Storm Drainage Project – Not to exceed \$786,445 – Financing: 2006 Bond Funds (\$586,040) and General Obligation Commercial Paper Funds (\$200,405)

MACVAL Associates, LLC is a local, minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractor.

PROJECT CATEGORY: Construction

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$786,444.30	100.00%
Total non-local contracts	\$0.00	0.00%
TOTAL CONTRACT	\$786,444.30	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Flow Line Utilities, Inc.	HMMB64155N0217	\$305,610.00	38.86%
Total Minority - Local		\$305,610.00	38.86%

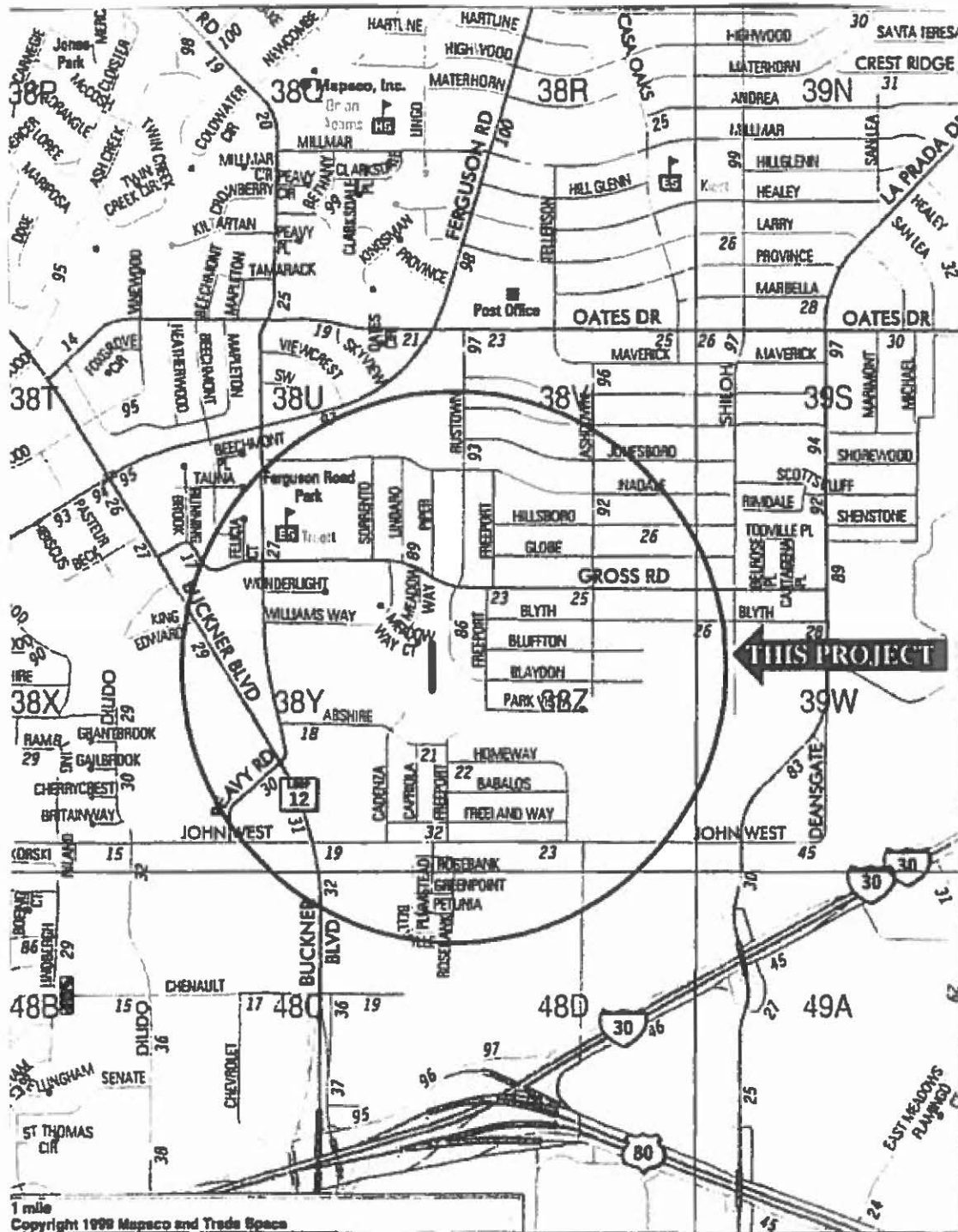
Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$305,610.00	38.86%	\$305,610.00	38.86%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	\$305,610.00	38.86%	\$305,610.00	38.86%

ASH CREEK ESTATES @ MEADOW WAY STORM DRAINAGE PROJECT



MAPSCO 38 Y, Z

February 24, 2016

WHEREAS, on September 9, 2009, Resolution No. 09-2222 authorized a professional services contract with LIM & Associates for the engineering design of 5 alley reconstruction projects and 4 storm drainage projects in the amount of \$336,270.00; and,

WHEREAS, on October 13, 2010, Resolution No. 10-2615 authorized Supplemental Agreement No. 1 to the professional services contract with LIM & Associates, Inc. for additional stormwater and wastewater design in the amount of \$33,187.00, from \$336,270.00 to \$369,457.00; and,

WHEREAS, on August 8, 2011, Administrative Action No. 11-2133 authorized Supplemental Agreement No. 2 to the professional services contract with LIM & Associates, Inc. for additional survey in the amount of \$4,500.00, from \$369,457.00 to \$373,957.00; and,

WHEREAS, on April 1, 2013, Administrative Action No. 13-0588 authorized Supplemental Agreement No. 3 to the professional services contract with LIM & Associates, Inc. for additional water and wastewater design in the amount of \$31,021.94, from \$373,957.00 to \$404,978.94; and,

WHEREAS, on November 14, 2014, Administrative Action No. 14-2003 authorized Supplemental Agreement No. 4 to the professional services contract with LIM & Associates, Inc. for stormwater drainage survey in the amount of \$3,000.00, from \$404,978.94 to \$407,978.94; and,

WHEREAS, bids were received on October 30, 2015, for the construction of stormwater drainage improvements, alley reconstruction, and landscape improvements for the Ash Creek Estates at Meadow Way Storm Drainage Project as follows;

MACVAL Associates, LLC	\$ 786,444.30
Camino Construction, LP	\$1,009,092.00
Jeske Construction Company	\$1,404,860.00

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is hereby authorized to execute a construction contract with MACVAL Associates, LLC for stormwater drainage improvements, alley reconstruction, and landscape improvements for the Ash Creek Estates at Meadow Way Storm Drainage Project in an amount not to exceed \$786,444.30, this being the lowest responsive bid received as indicated by the tabulation of bids, after it has been approved as to form by the City Attorney.

February 24, 2016

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds in accordance with the terms and conditions of the contract from:

Flood Protection and Storm Drainage Facilities Fund Fund 3T23, Dept. TWM, Unit T517, Activity SDRS Object 4540, Program No. PB06T517, CT TWM06T517F1 Vendor No. VS0000025999, in an amount not to exceed	\$304,017.61
Flood Protection and Storm Drainage Facilities Fund Fund 4T23, Dept. TWM, Unit T517, Activity SDRS Object 4540, Program No. PB06T517, CT TWM06T517F1 Vendor No. VS0000025999, in an amount not to exceed	\$200,404.65
Flood Protection and Storm Drainage Facilities Fund Fund 7T23, Dept. PBW, Unit T517, Activity SDRS Object 4540, Program No. PB06T517, CT TWM06T517F1 Vendor No. VS0000025999, in an amount not to exceed	\$2,008.84
Flood Protection and Storm Drainage Facilities Fund Fund 8T23, Dept. PBW, Unit T517, Activity SDRS Object 4540, Program No. PB06T517, CT TWM06T517F1 Vendor No. VS0000025999, in an amount not to exceed	\$60,556.50
Flood Protection and Storm Drainage Facilities Fund Fund 9T23, Dept. TWM, Unit T517, Activity SDRS Object 4540, Program No. PB06T517, CT TWM06T517F1 Vendor No. VS0000025999, in an amount not to exceed	\$207,251.00
Flood Protection and Storm Drainage Facilities Fund Fund BT23, Dept. TWM, Unit T517, Activity SDRS Object 4540, Program No. PB06T517, CT TWM06T517F1 Vendor No. VS0000025999, in an amount not to exceed	<u>\$12,205.70</u>
Total not to exceed	\$786,444.30

Section 3. That this resolution shall take effective immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

AGENDA ITEM # 41

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 1

DEPARTMENT: Trinity Watershed Management
Public Works Department
Water Utilities

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

MAPSCO: 53R

SUBJECT

Authorize a contract with McMahon Contracting, LP, lowest responsible bidder of four, for the construction of a bridge replacement, stormwater drainage, channel improvements, water and wastewater improvements, street reconstruction and landscape improvements for the Elmwood Branch Bridge at Franklin Floodplain Management Project – Not to exceed \$1,537,360 – Financing: 2006 Bond Funds (\$92,626), General Obligation Commercial Paper Funds (\$1,257,700), Water Utilities Capital Construction Funds (\$18,186) and Water Utilities Capital Improvement Funds (\$168,848)

BACKGROUND

The 2006 Bond Program funded the engineering design of a flood management project approved by Council on July 10, 2009 by Resolution No. 09-1463. The City contracted with Salcedo Group Inc. for engineering design of the Elmwood Branch Bridge at Franklin Floodplain Management Project. The project includes bridge replacement, stormwater drainage and channel improvements, and water/wastewater replacement, street reconstruction and landscape improvements. These improvements will minimize the localized flooding experienced by the neighborhood.

This action authorizes a construction contract with McMahon Contracting, LP, the lowest responsive bidder of four for the construction of the Elmwood Branch Bridge at Franklin Project.

ESTIMATED SCHEDULE OF PROJECT

Began Design	September 2009
Completed Design	August 2015
Begin Construction	March 2016
Complete Construction	November 2016

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Authorized a Professional Services contract for engineering services with Salcedo Group, Inc. on July 10, 2009, by Resolution No.09-1463.

Information about this item will be provided to the Transportation and Trinity River Project Committee on February 22, 2016.

FISCAL INFORMATION

2006 Bond Funds - \$92,625.99

2006 Bond Program (General Obligation Commercial Paper) - \$1,257,699.60

Water Utilities Capital Construction Funds - \$18,185.75

Water Utilities Capital Improvement Funds - \$168,847.73

Design	\$ 53,295.00
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Construction (this action)	<u>\$1,537,359.07</u>
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Total Project Cost	\$1,590,654.07
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M/WBE INFORMATION

See attached.

ETHNIC COMPOSITION

McMahon Contracting, LP

Hispanic Female	4	Hispanic Male	85
African-American Female	0	African-American Male	6
Other Female	0	Other Male	0
White Female	7	White Male	36

BID INFORMATION

The following bids were received and opened on October 23, 2015:

*Denotes successful bidder(s)

<u>BIDDERS</u>	<u>BID AMOUNT</u>
*McMahon Contracting, LP 3019 Roy Orr Grand Prairie, Texas 75050	\$1,537,359.07
ARK Contracting Services, LLP	\$1,577,845.00
Texas Standard Construction LTD	\$2,391,227.00
Jeske Construction Company	\$2,545,047.00
Engineer's estimate:	\$1,104,405.00

OWNER(S)

McMahon Contracting, LP

Shawn McMahon, Manager

MAP

Attached

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a contract with McMahon Contracting, LP, lowest responsible bidder of four, for the construction of a bridge replacement, stormwater drainage, channel improvements, water and wastewater improvements, street reconstruction and landscape improvements for the Elmwood Branch Bridge at Franklin Floodplain Management Project – Not to exceed \$1,537,360 – Financing: 2006 Bond Funds (\$92,626), General Obligation Commercial Paper Funds (\$1,257,700), Water Utilities Capital Construction Funds (\$18,186) and Water Utilities Capital Improvement Funds (\$168,848)

McMahon Contracting, LP is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

PROJECT CATEGORY: Construction

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$995,465.83	64.75%
Total non-local contracts	\$541,893.24	35.25%
TOTAL CONTRACT	\$1,537,359.07	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
North Texas Trucking, Inc.	HMDB25958Y0716	\$25,417.00	2.55%
J.E. Guzman Construction, Inc.	HMMB64868N0417	\$15,640.00	1.57%
Magnum Manhole & Underground Company	WFDB64723Y0416	\$3,504.00	0.35%
Total Minority - Local		\$44,561.00	4.48%

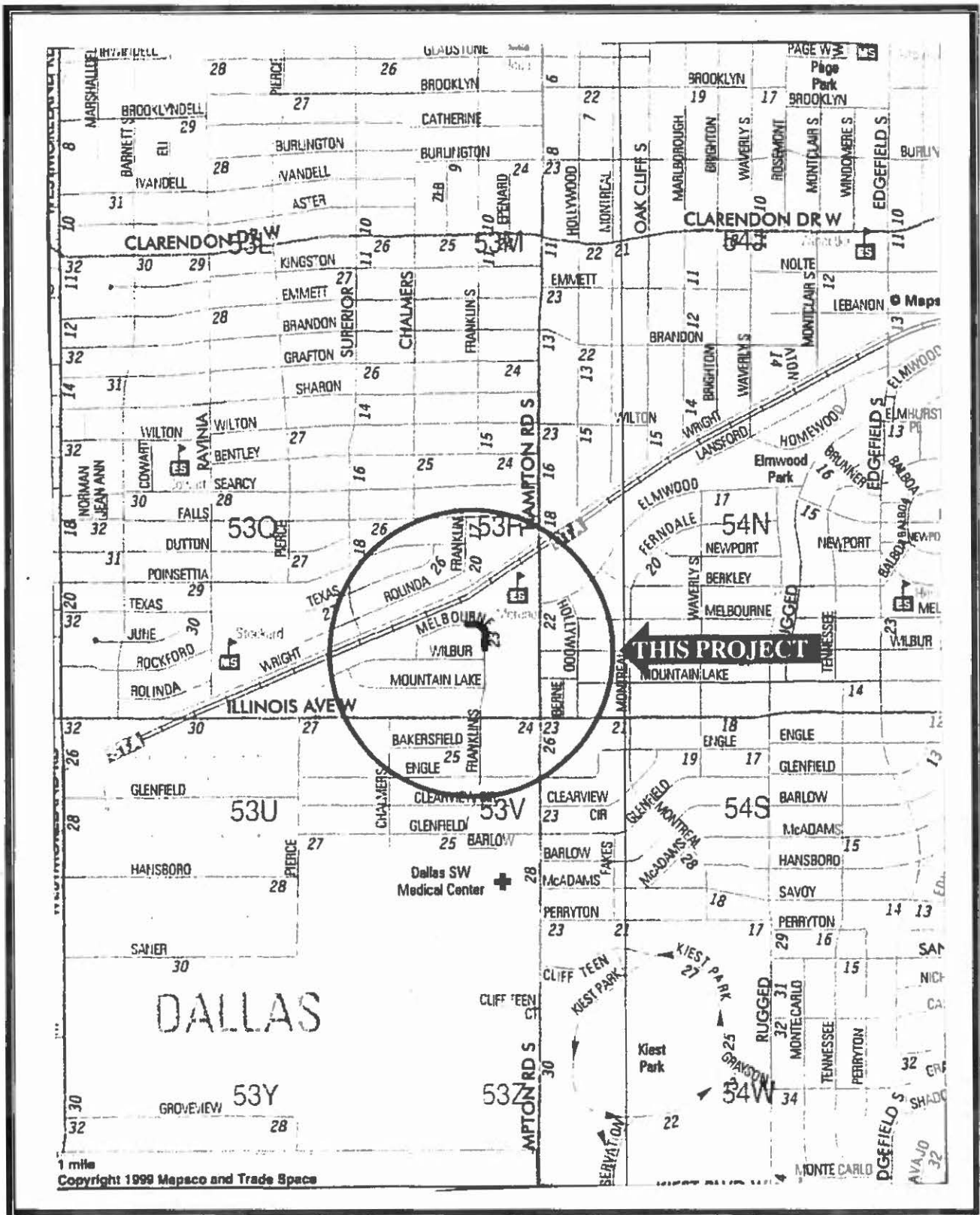
Non-Local Contractors / Sub-Contractors

<u>Non-local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Environmental Safety Services, Inc.	HMMB62416N0716	\$325,800.00	60.12%
LB Transportation Operations, LLC	WFWB63580N1116	\$14,017.49	2.59%
Total Minority - Non-local		\$339,817.49	62.71%

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$41,057.00	4.12%	\$366,857.00	23.86%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$3,504.00	0.35%	\$17,521.49	1.14%
	<hr/>	<hr/>	<hr/>	<hr/>
Total	\$44,561.00	4.48%	\$384,378.49	25.00%

ELMWOOD BRANCH BRIDE @ FRANKLIN FLOOD MANAGEMENT PROJECT



February 24, 2016

WHEREAS, on June 10, 2009, Resolution No. 09-1463 authorized a professional services contract with Salcedo Group, Inc., for the engineering design of a flood management project in the amount of \$53,295.00; and,

WHEREAS, bids were received on October 23, 2015, for the Elmwood Branch Bridge at Franklin Floodplain Management Project as follows;

McMahon Contracting, LP	\$1,537,359.07
ARK Contracting Services, LLP	\$1,577,845.00
Texas Standard Construction LTD	\$2,391,227.00
Jeske Construction Company	\$2,545,047.00

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is hereby authorized to execute a construction contract with McMahon Contracting, LP for the bridge replacement, stormwater drainage and channel improvements, and water/wastewater replacement, street reconstruction and landscape improvements for the Elmwood Branch Bridge at Franklin Floodplain Management Project, in the amount not to exceed \$1,537,359.07, this being the lowest responsive bid received as indicated by the tabulation of bids, after it has been approved as to form by the City Attorney,

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds in accordance with the terms and conditions of the contract from:

Flood Protection and Storm Drainage Facilities Fund	
Fund 4T23, Dept. TWM, Unit T505, Activity SDRS	
Object 4540, Program No. PB06T505, CT TWM06T505F2	
Vendor No. VS0000061048, in an amount not to exceed	\$1,257,699.60

Flood Protection and Storm Drainage Facilities Fund	
Fund 6T23, Dept. PBW, Unit T505, Activity SDRS	
Object 4540, Program No. PB06T505, CT TWM06T505F2	
Vendor No. VS0000061048, in an amount not to exceed	\$8,895.45

Flood Protection and Storm Drainage Facilities Fund	
Fund BT23, Dept. TWM, Unit T505, Activity SDRS	
Object 4540, Program No. PB06T505, CT TWM06T505F2	
Vendor No. VS0000061048, in an amount not to exceed	\$350.46

February 24, 2016

Flood Protection and Storm Drainage Facilities Fund
Fund 8T23, Dept. PBW, Unit T505, Activity SDRS
Object 4540, Program No. PB06T505, CT TWM06T505F2
Vendor No. VS0000061048, in an amount not to exceed \$83,380.08

Water Capital Improvement Fund,
Fund 3115, Dept. DWU, Unit PW42, Object 4550
Program No. 713041, CT DWU713041CP,
Vendor No. VS0000061048, in an amount not to exceed \$75,538.93

Water Construction Fund
Fund 0102, Dept. DWU, Unit CW42, Object 3221
Program No. 713041X, CT DWU713041EN,
Vendor No. VS0000061048, in an amount not to exceed \$6,929.56

Wastewater Capital Improvement Fund
Fund 3116, Dept. DWU, Unit PS42, Object 4560
Program No. 713042, CT DWU713042CP
Vendor No. VS0000061048, in an amount not to exceed \$93,308.80

Wastewater Construction Fund
Fund 0103, Dept. DWU, Unit CS42, Object 3222
Program No. 713042X, CT DWU713042EN
Vendor No. VS0000061048, in an amount not to exceed \$11,256.19

Total not to exceed \$1,537,359.07

Section 3. That this resolution shall take effective immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

AGENDA ITEM # 42

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: February 24, 2016
COUNCIL DISTRICT(S): 2
DEPARTMENT: Water Utilities
CMO: Mark McDaniel, 670-3256
MAPSCO: 46 M

SUBJECT

Authorize a Pipeline Crossing Agreement with Union Pacific Railroad Company to allow the City of Dallas to construct, maintain, and operate a proposed water pipeline under railroad tracks and right-of-way in Beeman Avenue at the Union Pacific Railroad crossing - Financing: This action has no cost consideration to the City

BACKGROUND

This item authorizes an agreement with Union Pacific Railroad Company, which will allow the City of Dallas to construct, maintain, and operate approximately 145 feet of 12-inch water main under Union Pacific Railroad Company railroad tracks and right-of-way at the Beeman Avenue railroad crossing. This installment is part of Dallas Water Utilities' ongoing water main improvement program. The new 12-inch water main will replace two existing water mains built in the 1960s. The main installation is expected to improve water quality, meet The American Railway Engineering and Maintenance-of-Way Association standards, and reduce maintenance costs.

ESTIMATED SCHEDULE OF PROJECT

Began Design	February 2014
Completed Design	December 2014
Begin Construction	June 2016
Complete Construction	December 2016

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Authorized a professional services contract with Espey Consultants, Inc., dba RPS Espey to evaluate alternatives and provide designs for the (1) renewal of Wastewater Interceptor Mains impacted by Texas Department of Transportation's Downtown Horseshoe project; and (2) renewal of deteriorated water and wastewater mains at various locations on February 26, 2014, by Resolution No. 14-0415.

Authorized a contract with Ark Contracting Services, LLC for the installation of water and wastewater mains at 20 locations on March 25, 2015, by Resolution No. 15-0510.

Information about this item will be provided to the Transportation & Trinity River Project Committee on February 22, 2016.

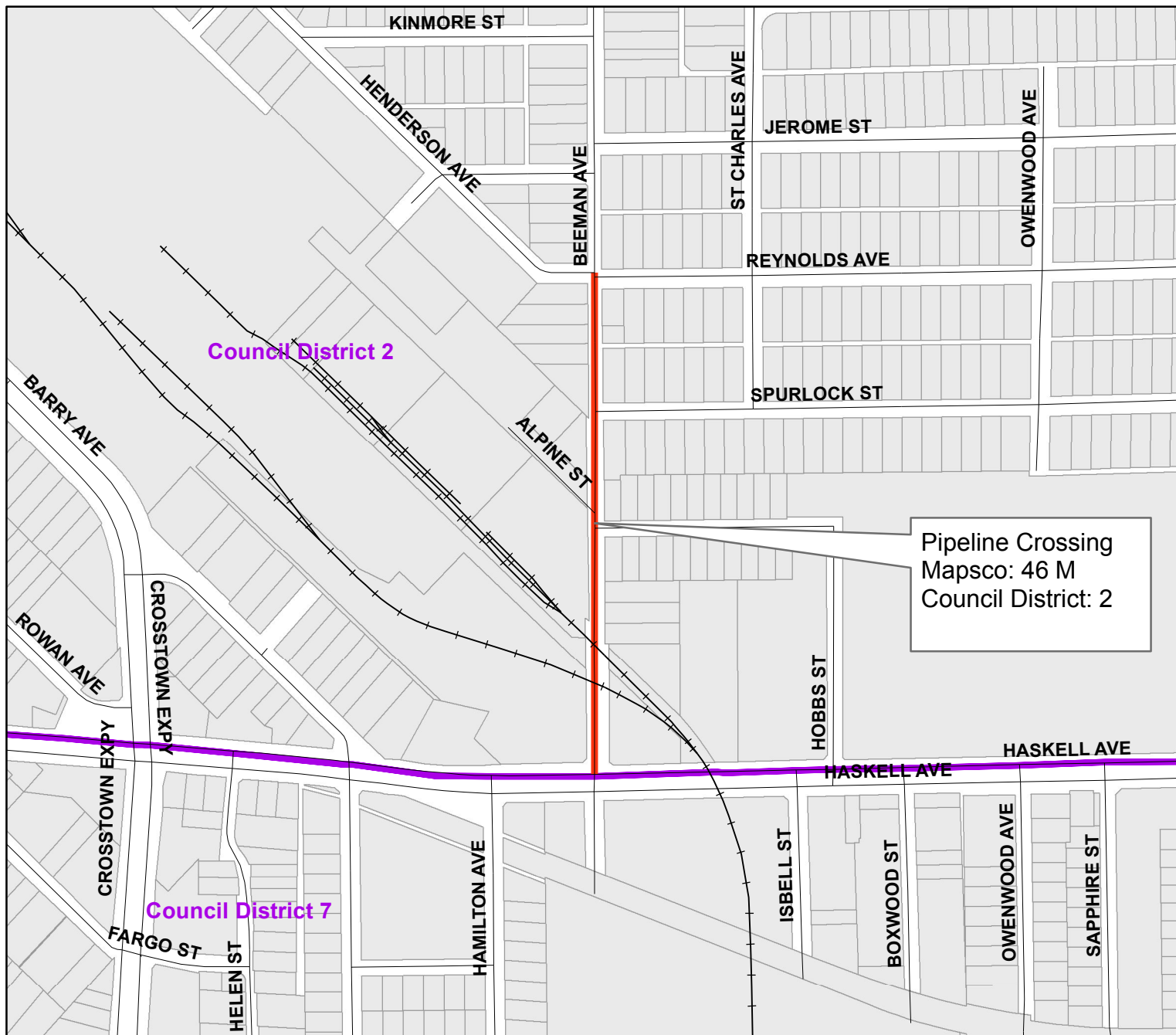
FISCAL INFORMATION

This action has no cost consideration to the City

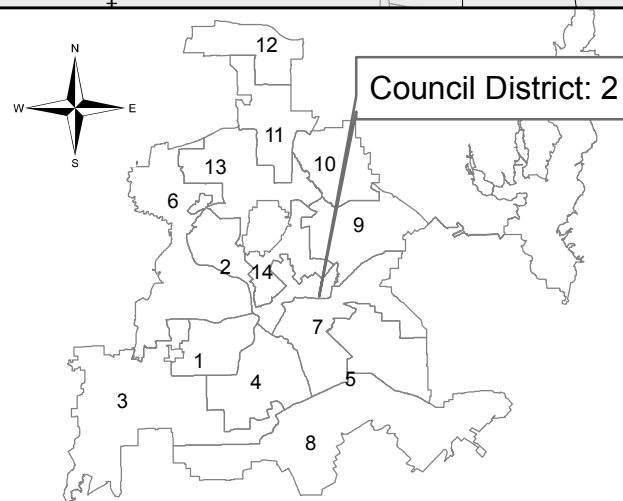
Design	\$ 2,610,166.00
Construction Contract	\$13,013,619.00
Pipeline Crossing Agreement (this action)	<u>\$ 0.00</u>
Total Project Cost	\$15,623,785.00

MAP

Attached



Beeman Avenue
at Union Pacific Railroad Company Crossing



**Dallas Water Utilities
Pipeline Crossing Agreement
with Union Pacific Railroad Company**

February 24, 2016

WHEREAS, Dallas Water Utilities plans to construct, maintain, and operate a proposed water pipeline under Union Pacific Railroad Company's railroad tracks and right-of-way in Beeman Avenue; and,

WHEREAS, Union Pacific Railroad Company is requesting the City of Dallas enter into a Pipeline Crossing Agreement to construct, maintain, and operate a proposed water pipeline under the railroad tracks and right-of-way in Beeman Avenue; and,

WHEREAS, there is no cost consideration to the City of Dallas associated with this agreement.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is hereby authorized to enter into an agreement with Union Pacific Railroad Company to construct, maintain, and operate a proposed water pipeline under Union Pacific Railroad Company's railroad tracks and right-of-way in Beeman Avenue, after it has been approved as to form by the City Attorney.

Section 2. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: E-Gov

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): All

DEPARTMENT: Business Development & Procurement Services
Water Utilities

CMO: Jeanne Chipperfield, 670-7804
Mark McDaniel, 670-3256

MAPSCO: N/A

SUBJECT

Authorize a two-year master agreement for clamps, couplings, sleeves and adapters - Fortiline, Inc. in the amount of \$326,372 or \$331,372 (Tie bid - line 140), Ferguson Enterprises in the amount of \$120,677 or \$125,677 (Tie bid - line 140), Powerseal Pipeline Products Corp. in the amount of \$90,991 and HD Supply Waterworks, LTD in the amount of \$68,878, lowest responsible bidders of four - Total not to exceed \$611,918 - Financing: Water Utilities Current Funds

BACKGROUND

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, for a specific term, which are ordered on an as needed basis.

This master agreement will provide various types and sizes of clamps, couplings and sleeves utilized in the installation and/or repair of water mains and service lines within water treatment facilities and the distribution system. This agreement will allow Water Utilities to acquire and stock needed parts with minimal delay, reducing repair time on water systems. Access to these supplies will allow Water Utilities to repair pipes, water meters, bypass valves and other equipment as needs arise. Water Utilities maintains 5,024 miles of water mains throughout the water distribution system. Approximately 2,700 repairs were performed during the prior fiscal year to the mains due to external corrosion, system loads and temperature change.

Casting of lots is utilized to identify a vendor for lines for which the City has received identical bids. This process is being executed in accordance with Texas Local Government Code, Section 271.901.

BACKGROUND (Continued)

This section of the Texas local Government Code states, in part:

- The municipality must select from the identical bids by the casting of lots
- The casting of lots must be in the presence of the governing body of the municipality
- If one of the bidders submitting an identical bid is a resident of the municipality, the municipality must select that bidder

This particular solicitation resulted in identical bids from vendors located outside the city limits.

This solicitation was structured in a manner which required bidders to submit a response using unit pricing. This bid resulted in a 2.91% increase over comparable unit prices for goods. Additionally, this solicitation also required bidders to submit discounts/mark ups on parts to be ordered from manufacturer's catalogs. Therefore this bid also resulted in an average percentage discount from manufacturer catalog of 26.00% compared to an average discount of 6.00% for the bid awarded in 2014.

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 139 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, notifications were sent by the BDPS' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On September 12, 2012, City Council authorized a one-year master agreement for the purchase of clamps, adapters, couplings and sleeves by Resolution No. 12-2230.

On August 27, 2014, City Council authorized a one-year master agreement for clamps, couplings, sleeves and adapters by Resolution No. 14-1349.

Information about this item will be provided to the Budget, Finance and Audit Committee on February 16, 2016.

FISCAL INFORMATION

\$611,917.18 - Water Utilities Current Funds

M/WBE INFORMATION

26 - Vendors contacted
26 - No response
0 - Response (Bid)
0 - Response (No bid)
0 - Successful vendor

139 - M/WBE and Non-M/WBE vendors were contacted

The recommended awardees have fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826 as amended.

ETHNIC COMPOSITION

Fortiline, Inc.

White Male	9	White Female	1
Black Male	2	Black Female	0
Hispanic Male	2	Hispanic Female	0
Other Male	3	Other Female	0

Ferguson Enterprises

White Male	3	White Female	1
Black Male	0	Black Female	0
Hispanic Male	0	Hispanic Female	0
Other Male	0	Other Female	0

Powerseal Pipeline Products Corp.

White Male	14	White Female	2
Black Male	2	Black Female	0
Hispanic Male	47	Hispanic Female	5
Other Male	10	Other Female	0

HD Supply Waterworks, LTD

White Male	9	White Female	2
Black Male	1	Black Female	0
Hispanic Male	4	Hispanic Female	1
Other Male	0	Other Female	1

BID INFORMATION

The following bids were received from solicitation number BM1525 and were opened on October 16, 2015. This master agreement is being awarded to the lowest responsive and responsible bidders by line. Information related to this solicitation is available upon request.

*Denotes successful bidders

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
*Fortiline, Inc.	11200 Seagoville Rd. Balch Springs, TX 75180	Multiple Lines**
*Ferguson Enterprises	7982 U.S. Hwy. 69 N. Tyler, TX 75706	Multiple Lines**
*Powerseal Pipeline Products Corp.	701 Pleasant View Dr. Wichita Falls, TX 76306	Multiple Lines
*HD Supply Waterworks, LTD	4333 Irving Blvd. Dallas, TX 75247	Multiple Lines

**Note: Fortiline, Inc. and Ferguson Enterprises submitted tie bids for line 140. Fortiline, Inc. award amount without line 140 is \$326,371.94. If Fortiline, Inc. wins the tie the award amount will be \$331,371.94. Ferguson Enterprises award amount without line 140 is \$120,677.12. If Ferguson Enterprises wins the tie the award amount will be \$125,677.12.

OWNERS

Fortiline, Inc.

Tim Tysinger, President
James Cagle, Vice President
Jason Painter, Secretary

Ferguson Enterprises

Frank Roach, President
Kevin Murphy, Vice President
Dave Kelter, Treasurer

OWNERS (Continued)

Powerseal Pipeline Products Corp.

Patrick Powers, President
Steve Kilcrease, Vice President
Edson Luna, Secretary/Treasurer

HD Supply Waterworks, LTD

Jerry L. Webb, President
Donald W. Clayton, Vice President
Judy Borrow, Secretary
Mark R Witkowski, Treasurer

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a two-year master agreement for clamps, couplings, sleeves and adapters - Fortiline, Inc. in the amount of \$326,372 or \$331,372 (Tie bid - line 140), Ferguson Enterprises in the amount of \$120,677 or \$125,677 (Tie bid - line 140), Powerseal Pipeline Products Corp. in the amount of \$90,991 and HD Supply Waterworks, LTD in the amount of \$68,878, lowest responsible bidders of four - Total not to exceed \$611,918 - Financing: Water Utilities Current Funds

Fortiline, Inc. and HD Supply Waterworks, LTD, are local, non-minority firms, have signed the "Business Inclusion & Development" documentation, and propose to use their own workforce. Ferguson Enterprises and Powerseal Pipeline Products Corp. are non-local, non-minority firms, have signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce.

PROJECT CATEGORY: Goods

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$400,249.88	65.41%
Total non-local contracts	\$211,667.30	34.59%
TOTAL CONTRACT	\$611,917.18	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

None

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	\$0.00	0.00%	\$0.00	0.00%

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a two-year master agreement for clamps, couplings, sleeves and adapters - Fortiline, Inc. in the amount of \$326,372 or \$331,372 (Tie bid - line 140), Ferguson Enterprises in the amount of \$120,677 or \$125,677 (Tie bid - line 140), Powerseal Pipeline Products Corp. in the amount of \$90,991 and HD Supply Waterworks, LTD in the amount of \$68,878, lowest responsible bidders of four - Total not to exceed \$611,918 - Financing: Water Utilities Current Funds

Fortiline, Inc. and HD Supply Waterworks, LTD, are local, non-minority firms, have signed the "Business Inclusion & Development" documentation, and propose to use their own workforce. Ferguson Enterprises and Powerseal Pipeline Products Corp. are non-local, non-minority firms, have signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce.

PROJECT CATEGORY: Goods

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$395,249.88	64.59%
Total non-local contracts	\$216,667.30	35.41%
TOTAL CONTRACT	\$611,917.18	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

None

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	\$0.00	0.00%	\$0.00	0.00%

February 24, 2016

WHEREAS, on September 12, 2012, City Council authorized a one-year master agreement for the purchase of clamps, adapters, couplings and sleeves by Resolution No. 12-2230; and,

WHEREAS, on August 27, 2014, City Council authorized a one-year master agreement for clamps, couplings, sleeves and adapters by Resolution No. 14-1349;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That a master agreement for the purchase of clamps, couplings, sleeves and adapters is authorized with Fortiline, Inc. (VS0000073028) in the amount of \$326,371.94 or \$331,371.94 (Tie bid – line 140), Ferguson Enterprises (VS87464) in the amount of \$120,677.12 or \$125,677.12 (Tie bid – line 140), Powerseal Pipeline Products Corp. (075233) in the amount of \$90,990.18 and HD Supply Waterworks, LTD (VS0000038746) in the amount of \$68,877.94, for a term of two years in a total amount not to exceed \$611,917.18.

Section 2. That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for clamps, couplings, sleeves and adapters. If a written contract is required or requested for any or all purchases for clamps, couplings, sleeves and adapters under the master agreement instead of individual purchase orders, the City Manager is authorized to execute the contract upon approval as to form by the City Attorney.

Section 3. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$611,917.18 from Master Agreement number BM1525.

Section 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 8

DEPARTMENT: Office of Economic Development

CMO: Ryan S. Evans, 671-9837

MAPSCO: N/A

SUBJECT

Authorize a New Markets Tax Credit (NMTC) transaction between the Dallas Development Fund (DDF) and its subsidiaries, JPMorgan Chase and its subsidiaries, and C.H. Guenther & Sons, Inc. and its affiliates (Developer) for the construction of improvements and equipment related to a food manufacturing facility located at 4616 Langdon Road (Project) - Financing: No cost consideration to the City

BACKGROUND

The City of Dallas authorized the creation of the Dallas Development Fund (DDF), a non-profit Community Development Entity (CDE), by Resolution No. 09-0461 on February 11, 2009, to apply for a New Markets Tax Credit (NMTC) allocation from the U.S. Department of Treasury's Community Development Financial Institutions Fund in its 2009 funding cycle. DDF was awarded a \$55 million allocation under the 2009 cycle, and that allocation was officially accepted by DDF on March 31, 2010. DDF applied for additional allocation in 2012, and was awarded \$30 million in the 2012 funding cycle, and again applied for allocation in 2014, and was awarded \$45 million under that funding cycle.

The NMTC program permits taxpayers to receive a credit against federal income taxes for making qualified equity investments in designated CDEs. These investments must be used by the CDE for projects and investments in low-income communities, as defined by the NMTC program. The credit provided to the investor totals 39 percent of the cost of the investment and is claimed over a 7-year credit allowance period.

On January 27, 2016, DDF considered and approved a NMTC transaction between DDF, JPMorgan Chase, and the Developer. This NMTC allocation will use up to \$8 million of DDF's \$45 million NMTC allocation; JPMorgan Chase will invest up to \$8 million in NMTC allocation from DDF which will in turn generate approximately \$2.6 million in gross NMTC equity for the benefit of the Project.

BACKGROUND (Continued)

Additionally, the National New Markets Tax Credit Fund, Inc. (CRF), a Community Development Entity and Community Development Financial Institution with a national footprint, based in Minneapolis, will provide up to \$14.5 million in allocation for the project, bringing the total allocation amount for this project to \$22.5 million. The total project cost is approximately \$36 million.

C.H. Guenther & Sons, Inc. (CHG) is a privately held, Texas-based food manufacturer. Headquartered in San Antonio, Texas. CHG employs 2000+ in 16 manufacturing locations across North America and Europe, including four locations in Texas, and sells its fresh, frozen, and dry blend products under multiple brands through retail, foodservice, and industrial channels. CHG specializes in the production of grain-based products, including frozen rolls and biscuits, pancake/biscuit mixes, dumplings, as well as gravies/sauces, and seasoning. Pioneer Frozen Foods, Inc. (Pioneer), a wholly-owned subsidiary of CHG, will own and operate the Project.

In 2014, CHG acquired the vacant 134,000 SF Dallas Morning News printing facility on a 50-acre site on Langdon Road in Southern Dallas. The NMTC Project will reconfigure and equip the Dallas Morning News building into a food manufacturing facility that will specialize in frozen and prebaked biscuits, as well as roll and tortilla doughs. This reconfiguration involves more than \$4 million of construction, \$20 million in manufacturing, packaging, storage, and IT equipment for a first production line, and a \$12 million 71,000 SF freezer with capacity for 8,500 pallets. This freezer will provide storage space not only for the items manufactured onsite, but also a Pioneer facility in Duncanville. Altogether, the Project is anticipated to create 93 new jobs in Southern Dallas.

The jobs have minimum starting wages of \$18 per hour with an average wage overall of \$26.90 per hour. 100% of positions will be eligible for a comprehensive benefits package (healthcare, retirement, paid-time-off benefits) equal to \$10.80 per hour. The company reportedly focuses on employee satisfaction as a means to reduce turnover and increase employee productivity. At Pioneer's nearby Duncanville plant, average employee tenure is 7 years. 42 positions will be entry-level production positions; the balance of the positions are skilled production positions, including quality technicians, warehouse clerks, and maintenance technicians. CHG offers onsite training and certifications and promotes its employees from within, creating opportunities for growth and advancement.

The Project is located at 4616 Langdon Road in Southern Dallas. The area qualifies as highly-distressed with an unemployment rate of 1.6 times the National Average and a location within an Enterprise Zone.

BACKGROUND (Continued)

Without NMTC financing, CHG would significantly delay investments in and/or eliminate portions of the project.

Additional information on the project can be found in Attachment A to the resolution.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On February 11, 2009, City Council authorized the creation of the Dallas Development Fund (DDF), a non-profit Community Development Entity (CDE), by Resolution No. 09-0461.

On January 13, 2010, City Council authorized the acceptance of the \$55 million NMTC allocation.

On January 19, 2010, the Economic Development Committee was briefed on the DDF and the NMTC program.

On March 25, 2015, City Council authorized a 75 percent business personal property tax abatement agreement for 8 years with Pioneer Frozen Foods, Inc., a Texas corporation in consideration of the acquisition of 4616 Langdon Road for the purpose of establishing a food production facility of approximately 132,000 square feet located on approximately 50 acres within an Enterprise Zone in Dallas pursuant to the City's Public/Private Partnership Program, by Resolution No. 15-0522.

On September 21, 2015, the Economic Development Committee was briefed on the DDF and the NMTC program.

On January 27, 2016, the Dallas Development Fund was briefed on the C.H. Guenther food manufacturing project and approved the transaction.

Information about this item will be provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

No cost consideration to the City

OWNER

C.H. Guenther & Son, Inc.

Ms. Janelle Sykes, Chief Financial Officer

February 24, 2016

WHEREAS, the City is committed to supporting enhanced economic development opportunities for low-income communities within the City and to low-income persons residing within those communities; and

WHEREAS, the United States Department of Treasury has established the New Markets Tax Credit (NMTC) program to stimulate investments in predominately low-income communities; and

WHEREAS, the goals and purposes of the NMTC program are consistent with and complementary to the economic development programs previously established by the City to support expanded economic development opportunities for low-income communities within the City and to low-income persons residing within those communities; and

WHEREAS, under the NMTC program, tax credits are competitively awarded annually by the Treasury Department through its Community Development Financial Institutions (CDFI) Fund to qualified Community Development Entities (CDEs) after review and evaluation of applications submitted by CDEs, which are then made available to investors; and

WHEREAS, the City of Dallas created the Dallas Development Fund (DDF) as a non-profit Texas corporation in order to apply for an award under the NMTC program; and

WHEREAS, the DDF was awarded a \$55 million NMTC allocation under the 2009 NMTC program; and

WHEREAS, the DDF was awarded a \$30 million NMTC allocation under the 2012 NMTC program; and

WHEREAS, the DDF was awarded a \$45 million NMTC allocation under the 2014 NMTC program; and

WHEREAS, the DDF board has approved awarding of up to \$8 million in NMTC allocation to C.H. Guenther & Sons, Inc. for the construction of improvements related to a food manufacturing facility located at 4616 Langdon Road.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

February 24, 2016

Section 1. That the City Council hereby authorizes a New Markets Tax Credit (NMTC) transaction between the Dallas Development Fund (DDF) and its subsidiaries, JPMorgan Chase Bank, N.A., and its subsidiaries, and C.H. Guenther & Sons, Inc. and its affiliates (Developer) for the construction of improvements and equipment related to the food manufacturing project at 4616 Langdon Road as further described in **Attachment A**.

Section 2. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

DATE: January 2016

SUBJECT: C.H. Guenther/Pioneer Foods

FROM: City of Dallas Office of Economic Development

Project Overview

Project Sponsor: C.H. Guenther

Founded in 1851, C.H. Guenther & Sons, Inc. (CHG) is a privately held, Texas-based food manufacturer. Headquartered in San Antonio, TX, CHG employs 2000+ in 16 manufacturing locations across North America and Europe, including four locations in Texas, and sells its fresh, frozen, and dry blend products under multiple brands through retail, foodservice, and industrial channels. CHG specializes in the production of grain-based products, including frozen rolls and biscuits, pancake/biscuit mixes, dumplings, as well as gravies/sauces, and seasoning. Pioneer Frozen Foods, Inc. (Pioneer), a wholly-owned subsidiary of CHG, will own and operate the Project.

Project Description

In 2014, CHG acquired the vacant 134,000 SF Dallas Morning News printing facility on a 50-acre site on Langdon Road in Southern Dallas. The NMTC Project will reconfigure and equip the Dallas Morning News building into a food manufacturing facility that will specialize in frozen and prebaked biscuits, as well as roll and tortilla doughs. This reconfiguration involves more than \$4 million of construction, \$20 million in manufacturing, packaging, storage, and IT equipment for a First Production Line, and a \$10 million 71,000 SF freezer with capacity for 8,500 pallets. This freezer will provide storage space not only for the Project's First Production Line, but also a Pioneer facility in Duncanville and for a future production line at the project site. Altogether, the Project is anticipated to create 93 new jobs in Southern Dallas. Please see Exhibit 1 for Project Images.

The Project is located at 4616 Langdon Road in Southern Dallas with good access to I-20, I-45, and I-35E. The area qualifies as highly-distressed with an unemployment rate of 1.6x the National Average and a location within an Enterprise Zone.

Related/Sponsoring Entities

The NMTC borrower is anticipated to be Pioneer Frozen Foods, Inc., which will own and operate the Langdon Road facility. The Qualified Active Low Income Community Business ("QALICB") for NMTC purposes will be a "Portion of the Business" (POB) of Pioneer, specifically defined as the company's operations at the 4616 Langdon Road location.

Financing Terms

DDF Proposed Allocation

Up to \$8 Million

Third-Party Proposed Allocation

Up to \$14.5 Million in allocation from National New Markets Tax Credit Fund, Inc. (CRF), a Community Development Entity and Community Development Financial Institution with a national footprint, based in Minneapolis. Between DDF and CRF's allocation, a total of \$22.5MM in allocation is anticipated.

NMTC Investor

J.P. Morgan Chase (Chase)

Anticipated Closing Costs and Fees

Dallas Development Fund will charge upfront fees totaling 4% of the QEI (estimated at \$320,000). In addition, DDF will charge an annual Asset Management Fee of \$28,000 per year.

DDF will separately secure reimbursement for costs associated with closing this transaction, as well as audit and tax return preparation costs associated with maintaining the financing structure during the 7-year NMTC compliance period.

Financing Structure

As NMTC Equity investor, Chase will provide up to a total of approximately \$7.371 million in NMTC Equity (\$0.84 pricing) to support the \$22.5MM in total allocation from DDF and CRF. CHG will provide the balance of the approximately \$16.014 million in funding to the project as a "Leverage Loan" for the transaction. The underlying sources for the Leverage Loan will include a combination of CHG cash and monetization/recapitalization of recent expenditures. Chase will form a special purpose investment fund entity and will be responsible for management of this fund. The equity and leverage debt will be combined to capitalize the investment fund, which in turn will make a Qualified Equity Investment (QEI) of up to \$8 million into a subsidiary of Dallas Development Fund ("DDF Sub-CDE") and pay a 2% CDE Fee to DDF. This fund will also make a QEI of up to \$14.5 million to a CRF Sub-CDE and pay a 5% CDE fee to CRF.

Dallas Development Fund (DDF) and CRF, through the aforementioned Sub-CDEs, will in turn make Qualified Low-Income Community Investment (QLICI) loans to the QALICB. Pursuant to DDF's Allocation Agreement, DDF will take a fee of 2% of the QEI in order to finance its activities. The total QLICI loans to the QALICB will be up to approximately \$22.34 million, including a \$7.84 million from DDF Sub-CDE and \$14.5 million from the CRF Sub-CDE. Beyond the \$22.34 million in QLICI loans, CHG will provide the \$13.92 million balance as cash equity to complete the \$34.8 million project.

The financing sources for this project are summarized in the table below.

Closing Timeline

This Project financing is expected to close in Quarter 2 2016.

Table 1: Preliminary Project Sources and Uses

Sources	Total
Net NMTC Equity (Net of all up-front + reserved NMTC costs/fees)	\$ 4,872,750
Sponsor Equity (as leverage loan)	\$ 16,014,000
Sponsor Equity (to QALICB)	\$ 15,915,087
Total Base Project Sources	\$ 36,801,837
Uses	Total
Dry Ingredient Storage, Blending & Delivery	\$ 2,000,000
Dough Mixing & Delivery	\$ 1,270,000
Dough Sheeting/Baking Process	\$ 4,525,000
Freezing	\$ 1,400,000
Packaging & Case Packing	\$ 2,303,000
Pallet Pattern Program, Startup	\$ 200,000
Ice Machine & Expandable NH3	\$ 3,075,000
Co2 Tank and Piping	\$ 350,000
Installations	\$ 2,900,000
Building Construction	\$ 4,040,000
Support Services	\$ 350,000
Contingency	\$ 1,354,650
Capitalized Interest	\$ 600,000
QA Equipment	\$ 30,000
IT Infrastructure, Licensing & Software	\$ 404,187
71,000 SF Freezer	\$ 12,000,000
GRAND TOTAL	\$ 36,801,837

Community Benefits and Need for Assistance

Community Benefits

The primary community impact of this Project is the creation of high-quality, accessible job in Southern Dallas. In total, the Project is anticipated to create 125 permanent, full-time jobs within three years, including 76 jobs for the First Production Line and 17 jobs for the 71,000 SF freezer.

- **Job Quality:** These jobs have minimum starting wages of \$18 per hour (1.7x the living wage for one adult in Dallas per the MIT Living Wage Calculator) with an average wage overall of \$26.90 per hour (2.6x living wage for one adult in Dallas). 100% of positions will be eligible for a comprehensive benefits package (healthcare, retirement, paid-time-off benefits) equal to \$10.80 per hour. The company reportedly focuses on employee satisfaction as a means to reduce turnover and increase employee productivity. At Pioneer's nearby Duncanville plant, employee turnover is very low with an average tenure of 7 years.

- **Job Accessibility:** These jobs are accessible to residents of Southern Dallas. 42 positions will be entry-level production positions; the balance of the positions are skilled production positions, including quality technicians, warehouse clerks, and maintenance technicians. CHG offers onsite training and certifications and promotes its employees from within, creating opportunities for growth and advancement.

Beyond the job creation at the site, CHG will be refurbishing a long vacant building in Southern Dallas. The 134,000 SF Dallas Morning News building was built in 2008 and was closed within a year of opening. Since its closure, the building has been vacant. In addition to its outlay to purchase the facility, CHG will invest at least \$34MM at the site for this project. Additionally, CHG is exploring adding a second production line at the 50-acre site in 2019.

Need For NMTC Assistance

But for DDF's NMTC financing, CHG would significantly delay investments in and/or eliminate portions of the project. DDF's financing will support the conversion of a vacant building that was initially designed for printing newspapers into a food manufacturing facility. Converting the facility from newspaper manufacturing to food manufacturing requires costly upfront upgrades to comply with food safety and quality regulations. However, by converting the entire space to allow for food manufacturing, future planned expansion will occur at much lower costs.

Beyond the expense of conversion, without DDF's NMTC financing, CHG would delay the 71,000 SF freezer. Initially, CHG had planned on relying on leased freezer space to support the new Langdon Road facility. Only after the first production line was up and running at the Langdon Road facility would CHG consider investing in the new freezer. With NMTC financing, CHG is able to build the freezer component in 2017, creating up to 17 additional jobs in Southern Dallas much sooner.

Exhibit 1: Project Images



Langdon Road Building



Babb Air Impingement Tunnel Oven



Moline Sheeting Line

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 2

DEPARTMENT: Office of Economic Development

CMO: Ryan S. Evans, 671-9837

MAPSCO: N/A

SUBJECT

Authorize a New Markets Tax Credit (NMTC) transaction between the Dallas Development Fund (DDF) and its subsidiaries, an affiliate of an NMTC Investor (the "Bank"), and Resource Center, and its affiliates (Developer) for the construction of improvements related to a new Resource Center facility and other improvements (Project) - Financing: No cost consideration to the City

BACKGROUND

The City of Dallas authorized the creation of the Dallas Development Fund (DDF), a non-profit Community Development Entity (CDE), by Resolution No. 09-0461 on February 11, 2009, to apply for a New Markets Tax Credit (NMTC) allocation from the U.S. Department of Treasury's Community Development Financial Institutions Fund in its 2009 funding cycle. DDF was awarded a \$55 million allocation under the 2009 cycle, and that allocation was officially accepted by DDF on March 31, 2010. DDF applied for additional allocation in 2012, and was awarded \$30 million in the 2012 funding cycle, and again applied for allocation in 2014, and was awarded \$45 million under that funding cycle.

The NMTC program permits taxpayers to receive a credit against federal income taxes for making qualified equity investments in designated CDEs. These investments must be used by the CDE for projects and investments in low-income communities, as defined by the NMTC program. The credit provided to the investor totals 39 percent of the cost of the investment and is claimed over a 7-year credit allowance period.

On January 27, 2016, DDF considered and approved a NMTC transaction between DDF and the Developer. This NMTC allocation will use up to \$6.5 million of DDF's \$45 million NMTC allocation; bank will invest up to \$6.5 million in NMTC allocation from DDF which will in turn generate approximately \$2.1 million in gross NMTC equity for the benefit of the Project. The total project cost is approximately \$8.3 million. The NMTC investor is expected to be JPMorgan Chase Bank.

BACKGROUND (Continued)

Founded in 1985, Resource Center is a leader in HIV prevention and treatment as well as health, education, social, and advocacy services for the lesbian, gay bisexual, and transgender (LGBT) community in Dallas. In FY 2015, Resource Center's programs and services served more than 60,000 unique individuals. The services offered by Resource Center are crucial for public health in Dallas. Dallas County has the highest rate of HIV infections per capita in Texas, which disproportionately affects the City's low-income and minority populations. Responding to these needs, each year, Resource Center provides HIV services to 2600+ very low-income HIV clients (30% of whom are homeless).

NMTC financing will support the construction of a new 20,000 SF community center at Inwood and Cedar Springs Roads and renovation of Resource Center's existing 12,000 SF Reagan and Brown building. The new Resource Center facility will include flexible community space for their own and external programs, seven therapy rooms for expanded mental health services, dedicated space for youth programs, and offices for Resource Center staff. The renovated Reagan and Brown building will consolidate Resource Center's HIV services and food pantry into one location.

Both projects are located in highly-distressed, NMTC-qualified Census Tracts. The Reagan and Brown facility, located at 2701 Reagan Street, qualifies as highly-distressed based on 32.7% Poverty and a median income equal to 34.3% of the Dallas Regional Median. The new center, located at 5750 Cedar Springs Road, qualifies as highly-distressed based on 34.2% Poverty and a median income equal to 54.7% of the Dallas Regional Median.

Without NMTC assistance, Resource Center would have a financing gap which would require reducing the project scope of the renovation and/or limiting the planned programmatic expansions in both facilities.

Additional information on the project can be found in Attachment A to the Resolution.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On February 11, 2009, City Council authorized the creation of the Dallas Development Fund (DDF), a non-profit Community Development Entity (CDE).

On January 13, 2010, City Council authorized the acceptance of the \$55 million NMTC allocation.

On January 19, 2010, the Economic Development Committee was briefed on the DDF and the NMTC program.

On September 21, 2015 the Economic Development Committee was briefed on the DDF and the NMTC program.

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

On January 27, 2016, the Dallas Development Fund was briefed on the Resource Center project and approved the transaction.

Information about this item will be provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

No cost consideration to the City

OWNER

Resource Center

CeCe Cox, Executive Director

February 24, 2016

WHEREAS, the City is committed to supporting enhanced economic development opportunities for low-income communities within the City and to low-income persons residing within those communities; and

WHEREAS, the United States Department of Treasury has established the New Markets Tax Credit (NMTC) program to stimulate investments in predominately low-income communities; and

WHEREAS, the goals and purposes of the NMTC program are consistent with and complementary to the economic development programs previously established by the City to support expanded economic development opportunities for low-income communities within the City and to low-income persons residing within those communities; and

WHEREAS, under the NMTC program, tax credits are competitively awarded annually by the Treasury Department through its Community Development Financial Institutions (CDFI) Fund to qualified Community Development Entities (CDEs) after review and evaluation of applications submitted by CDEs, which are then made available to investors; and

WHEREAS, the City of Dallas created the Dallas Development Fund (DDF) as a non-profit Texas corporation in order to apply for an award under the NMTC program; and

WHEREAS, the DDF was awarded a \$55 million NMTC allocation under the 2009 NMTC program; and

WHEREAS, the DDF was awarded a \$30 million NMTC allocation under the 2012 NMTC program; and

WHEREAS, the DDF was awarded a \$45 million NMTC allocation under the 2014 NMTC program; and

WHEREAS, the DDF board has approved awarding of up to \$6.5 million in NMTC allocation to Resource Center for the construction and renovation of facilities to provide health, education, social, and advocacy services for the lesbian, gay bisexual, and transgender (LGBT) community in Dallas.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

February 24, 2016

Section 1. That the City Council hereby authorizes a New Markets Tax Credit (NMTC) transaction between the Dallas Development Fund (DDF) and its subsidiaries, an affiliate of an NMTC Investor (the “Bank”), and Resource Center (TFP), and its affiliates (Developer) for the construction of improvements related to the Resource Center project as further described in **Attachment A**.

Section 2. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

DATE: January 2016

SUBJECT: Resource Center

FROM: City of Dallas Office of Economic Development

Project Description

Applicant

Founded in 1985, Resource Center is a leader in HIV prevention and treatment as well as health, education, social, and advocacy services for the lesbian, gay bisexual, and transgender (LGBT) community in Dallas. In FY 2015, Resource Center's programs and services served more than 60,000 unique individuals, including 27,158 through STD and HIV Prevention, 25,413 through information requests and referrals, 630 in GEAR (for transgender persons), 435 in its Youth First program (for 14 to 19 year olds), 220 in JEWEL (for women), and 160 in Gray Pride (for seniors). Resource Center has a staff of 53 and over 1,100 volunteers support Resource Center annually.

The services offered by Resource Center are crucial for public health in Dallas. Dallas County has the highest rate of HIV infections per capita in Texas, which disproportionately affects the City's low-income and minority populations. Responding to these needs, each year, Resource Center provides HIV services to 2600+ very low-income HIV clients (30% of whom are homeless). In FY 2015, 73% of its HIV clients (1,939 individuals) were from the City of Dallas, of whom nearly half (905 individuals) were residents of Southern Dallas. These HIV services include case management, medical case management, dental, nutrition, and insurance assistance. According to federal projections, a 38% increase in capacity of these services will be needed to meet the growing needs of HIV infections in Dallas.

In addition to treatment services, much of Resource Center's outreach and prevention is targeted to low-income and minority populations residing in Southern Dallas. For example, Resource Center's United Black Ellument's program (UBE) has a permanent location in Deep Ellum focused on young, Black men living in Southern and West Dallas; in FY15, UBE had 4,839 participants. Similarly, Resource Center's Valor Latino program focuses on outreach and education for Latino men, many of whom are from Southern Dallas; in FY15, Valor Latino had 4,540 participants. These Resource Center services are further enhanced through partnerships with organizations located in Southern Dallas, including Abounding Prosperity, AIDS Services of Dallas, and Legacy Founders Cottage.

Project Description

NMTC financing will support the construction of a new 20,000 SF community center at Inwood and Cedar Springs Roads and renovation of Resource Center's existing 12,000 SF Reagan and Brown building. Resource Center's decision to renovate the existing Reagan and Brown building and develop a new facility at Cedar Springs and Inwood Roads was driven by a strategic desire to be located near its client base and remain transit accessible by bus and light rail. The new community center will include flexible

community space for Resource Center and external programs, 7 therapy rooms for Resource Center's expanded mental health services, dedicated space for youth programs, and offices for Resource Center staff. The renovated Reagan and Brown building will consolidate Resource Center's HIV services and food pantry into one location.

Both projects are located in highly-distressed, NMTC-qualified Census Tracts. The Reagan and Brown facility, located at 2701 Reagan Street, qualifies as highly-distressed based on 32.7% Poverty and a median income equal to 34.3% of the Dallas Regional Median. The new center, located at 5750 Cedar Springs Road, qualifies as highly-distressed based on 34.2% Poverty and a median income equal to 54.7% of the Dallas Regional Median.

Related/Sponsoring Entities

The NMTC borrower is anticipated to be Resource Center Dallas Foundation, Inc. or a newly formed special purpose entity designated to own and develop the Project and lease it back to Resource Center. The Leverage Lender and tenant is anticipated to be Resource Center of Dallas, Inc.

Financing Terms

NMTC Allocation Proposed

Up to \$6.5 Million

NMTC Investor

To be determined, but expected to be a large bank with extensive NMTC experience.

Anticipated Closing Costs and Fees

Dallas Development Fund will charge upfront fees totaling 4% of the QEI (estimated at \$260,000). In addition, DDF will charge an annual Asset Management Fee of \$22,750 per year.

DDF will separately secure reimbursement for costs associated with closing this transaction, as well as audit and tax return preparation costs associated with maintaining the financing structure during the 7-year NMTC compliance period.

Financing Structure

The NMTC Equity investor is anticipated to provide an estimated \$2.129 million in NMTC Equity (\$0.84 pricing—equity amount subject to final terms from investor). Resource Center will provide \$4.5 million funding as "Leverage Loan" for the transaction, including recognition/recapitalization of recent expenditures made by Resource Center in developing the Project and/or capital campaign proceeds. The NMTC Equity Investor will form a special purpose investment fund entity. The NMTC Equity and Leverage Loan will be combined to capitalize the investment fund, which in turn will make a Qualified Equity Investment (QEI) of up to \$6.5 million into a subsidiary of Dallas Development Fund ("Sub-CDE") and pay a 2% CDE Fee to DDF.

Dallas Development Fund (DDF), through the aforementioned Sub-CDE, will in turn make one or more

Qualified Low-Income Community Investment (QLICI) loans. Pursuant to DDF's Allocation Agreement, CDF will take a fee of 2% of the QEI in order to finance its activities. The total QLICI loan(s) to the QALICB will be up to approximately \$6.37 million. The balance of the \$2.583 million to fund the Project will come from Resource Center's capital campaign proceeds.

The financing sources for this project are summarized in the table below.

Closing Timeline

This Project financing is expected to close in Q2 2016.

Table 1: Preliminary Project Sources and Uses

Sources	Total
Net NMTC Equity (Net of all up-front + reserved NMTC costs/fees)	\$ 1,264,150
Capital Campaign Cash (including recent expenditures)	\$ 7,094,091
Total Base Project Sources	\$ 8,348,241
Uses	Total
Land (New Building)	\$ 2,010,281
Hard Costs - General Contractor (New Building)	\$ 3,264,881
Hard Costs - Owner (New Building)	\$ 215,000
Soft Costs (New Building)	\$ 1,807,422
Reagan Center Remodel	\$ 600,000
Construction Loan Interest	\$ 450,657
Total Uses (non NMTC costs)	\$ 8,348,241

Community Benefits and Need for Assistance

Community Benefits

With the renovation of the Reagan and Brown building and the development of the new community center, Resource Center will enhance and grow its current services, develop new services and programs, and increase the number of individuals served beyond the 60,000 currently served each year. Highlights include:

- HIV treatment services. Through the renovation of the Reagan and Brown building, Resource Center will expand the capacity to provide HIV services. In FY 2015, Resource Center served 2,659 low-income HIV clients with case management, medical case management, nutrition, insurance assistance, and dental health. According to a federal study, Dallas County will need to increase its HIV services by 38% in the coming years to support the increasing number of low-income residents with HIV. The renovated Reagan and Brown building will be an integral component of meeting the increasing needs.

In addition to increasing the capacity, the renovated facility will offer Resource Center's entire continuum of HIV services in one building. Currently, Resource Center operates a food pantry for 2,000 unique individuals annually at a leased space 1.7 miles away from the main facility. While the pantry is a key component of Resource Center's nutrition program, the pantry is disconnected from the other HIV services, including the kitchen serving 17,000+ hot meals annually. With the renovation, the food pantry will be relocated to Reagan and Brown building, integrating it with the other HIV services to further enhance the well-being of its clients.

- Outreach and prevention services. Through the HIV Prevention department, Resource Center will increase its outreach and prevention, especially to Southern Dallas communities where gay and bisexual men are disproportionately affected by HIV. Resource Center currently operates United Black Ellument and Valor Latino outreach and testing programs that annually serve over 9,000 individuals, most of whom reside in Southern Dallas. These services will be further enhanced in the coming years with strengthened partnerships with smaller organizations based in Southern Dallas, including Abounding Prosperity, AIDS Services of Dallas, and Legacy Founders College.
- Health, wellness, and advocacy services. The creation of the new 20,000 SF community center will increase Resource Center's much-needed services to the broader LGBT community of Dallas. For example, the new facility will include seven dedicated counseling rooms as Resource Center doubles its mental health services to clients. This dedicated mental health space is particularly important for LGBT persons, who are 2-3 times more likely than the general population to experience mental health disorder. There is also tremendous need for new mental health services in Texas, which ranks 49th in the nation for mental health spending. Similarly, the center will have a dedicated youth center that will provide a safe space, services, and programming geared to LGBT a youth, a particularly vulnerable population.

In addition to increasing and enhancing services, the Project will retain 48 full-time and 5 part-time jobs (51.75 FTEs), including 20 FTEs at the Reagan and Brown building, and create 2 FTEs. The 51.75 FTEs pay on average \$40,057 per year with all full-time positions receiving benefits. The average length of employment is 4.5 years with existing staff receiving 12 hours of training per year.

Need For NMTC Assistance

Without NMTC financing, Resource Center might need to delay or reduce the scope of the renovation of the Reagan and Brown building or might lack adequate working capital to launch its full desired scope of increased programming in the newly expanded facilities. Resource Center has embarked on an \$8.7 million capital campaign to fund the new building (\$7.3MM), renovation (\$500,000), and five years of operating costs associated with expansion (\$1.2MM). To date, Resource Center has raised \$7.1 million in cash and has \$500,000 in pledges. As is typical for nonprofit capital campaigns, Resource Center has found that raising funds for expansion of its operations has been more challenging.

NMTC financing from DDF would solve multiple challenges facing Resource Center:

- 1) NMTC financing will help ensure that Resource Center raises adequate funds not just to complete the full scope of construction and renovation, but also to fully launch its program

expansions in the new space. Without NMTC financing, these would risk being further delayed or scaled back.

- 2) NMTC financing would serve as bridge for pledges on the capital campaign. Without NMTC financing, Resource Center would have to draw funds from its existing construction loan, incurring additional interest costs during the waiting period while pledges are received. This additional interest would strain the organization's operating budget and divert precious capital campaign dollars away from their intended purpose.
- 3) Funds from DDF would allow Resource Center to fully retire the \$1.9 million of outstanding construction loan principal. Without NMTC financing, Resource Center would have to refinance this outstanding principal as a permanent loan with ongoing debt service requirements that would be paid from operating funds.

Exhibit 1: Resource Center Renderings



KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Economic Development

CMO: Ryan S. Evans, 671-9837

MAPSCO: 54 H

SUBJECT

Authorize Supplemental Agreement No. 2 to the contract with Southern Dallas Development Corporation to: **(1)** extend the term of the fourth and final renewal option from March 30, 2016 through September 30, 2016; and **(2)** continue administration and loan servicing of the Community Development Block Grant funded Business Revolving Loan Program - Financing: No cost consideration to the City

BACKGROUND

In 1989, the City of Dallas contracted with Southern Dallas Development Corporation (SDDC) to use Community Development Block Grant (CDBG) dollars to administer and implement a business loan program designed to help revitalize and enhance community and economic development in the City of Dallas. SDDC is currently in the twenty-seventh year of contracting with the City of Dallas to provide these loan services.

SDDC administers the Business Revolving Loan Program which makes loans to for-profit businesses on behalf of the City. The program provides funding and access to capital for entrepreneurs, and creates and/or retains jobs to foster community and economic development and revitalization within the eligible U.S. Department of Housing and Urban Development (HUD) census tracts in Dallas.

From inception to date, SDDC has approved 198 loans through the Business Revolving Loan Program. SDDC has a proven track record in administering loan programs and other services. The CDBG Business Revolving Loan Program has provided approximately \$19,973,065 in loans to foster economic development; leveraged an estimated \$41,918,502 in private investment; and created/retained 1,993 jobs.

The CDBG Business Revolving Loan Program provides loans of up to \$300,000 in financing for eligible businesses in low to moderate income areas of the City of Dallas and requires that 1 new job be created per \$35,000 loaned.

BACKGROUND (Continued)

Funds for loans, and administrative costs for operation of the program are limited to funds received from the collection of monthly accounts receivable (Program Income) and cash on hand from prior years, currently \$194,000. Program Income was estimated to be \$600,000 in FY 2014-15 in the HUD Consolidated Plan Budget approved by City Council. However, actual collections of Program Income in FY 2014-15 were \$376,249.

The program has not received entitlement since 2005 and has been limited to making new loans from collection of accounts receivable. As new loans have declined and booked loans have matured, collections have continued to decrease and currently will only cover program operations. The number of loans and loan amounts have been significantly reduced.

Loan production for the past 3 years have been:

FY 2012-13	4/\$245,000
FY 2013-14	4/\$155,000
FY 2014-15	3/\$243,000

FY 2015-16 program income is now projected to be \$275,000 with expenses of approximately \$269,000. The program will only be able to make loans from cash reserves.

On September 22, 2015, City Council authorized to extend the term of the fourth and final renewal option between the City of Dallas and the Southern Dallas Development Corporation to administer and provide loan servicing of the Business Revolving Loan Program through March 30, 2016.

Council will be asked to approve a second six month extension requested to keep the Business Revolving Loan Program in operation until the Scope of Work can be developed, new terms can be negotiated and a contractor selected through the Request for Competitive Sealed Proposal (RFCSP) process.

The Board of Directors has three (3) Council appointed positions. Two are currently filled.

Other SDDC Responsibilities and Activities:

- Manage loan portfolio, collections, delinquencies and legal issues
- Business Development support to assist small businesses to access capital
- Fund development to increase operating revenue
- Conduct site visits to CDBG loan recipients and prospects
- Submit monthly reports to the City of Dallas
- Participate in community development workshops and meetings to market SDDC and spur economic development

BACKGROUND (Continued)

- Monitor clients, address and resolve compliance issues as required
- Leverage other loan funds under management to maximize CDBG dollars available for loans
- Provide technical assistance to loan applicants

With continued support SDDC serves as a catalyst for small business growth, development and promotion of investment through:

- Leveraging private debt and equity
- Promoting access to capital
- Facilitating economic development: job creation, business development and growth

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On December 8, 2010, City Council authorized the execution of: (1) a one-year term contract, with four one-year renewal options, with Southern Dallas Development Corporation (SDDC), to administer the CDBG Business Revolving Loan Program, for the purpose of servicing and making loans to for-profit businesses to create and/or retain jobs for low-to-moderate income persons, in accordance with Department of Housing and Urban Development (HUD) regulations; and (2) any unexpended balances of program income and allocations from prior contract years be rolled over to continue the Business Revolving Loan Program, by Resolution No. 10-3056.

On August 24, 2011, City Council authorized the first one-year renewal option with SDDC, by Resolution No. 11-2233.

On August 22, 2012, City Council authorized the second one-year renewal option with SDDC, by Resolution No. 12-2085.

On August 14, 2013, City Council authorized the third one-year renewal option with SDDC, by Resolution No. 13-1289.

On September 10, 2014 City Council authorized the fourth and final one-year renewal option to the contract with SDDC, by Resolution No. 14-1455.

On June 10, 2015, the City Council authorized the adoption of the FY 2015-16 Consolidated Plan Budget, which included program income estimated at \$600,000 to be retained by SDDC and any unexpended balances from prior years to continue the management and operations of the Business Revolving Loan Program, by Resolution No. 15-1055.

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

On September 22, 2015, the City Council authorized to extend the term of the fourth and final twelve-month renewal option with SDDC through March 30, 2016, by Resolution No. 15-1749.

Information about this item will be provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

No cost consideration to the City

OWNER

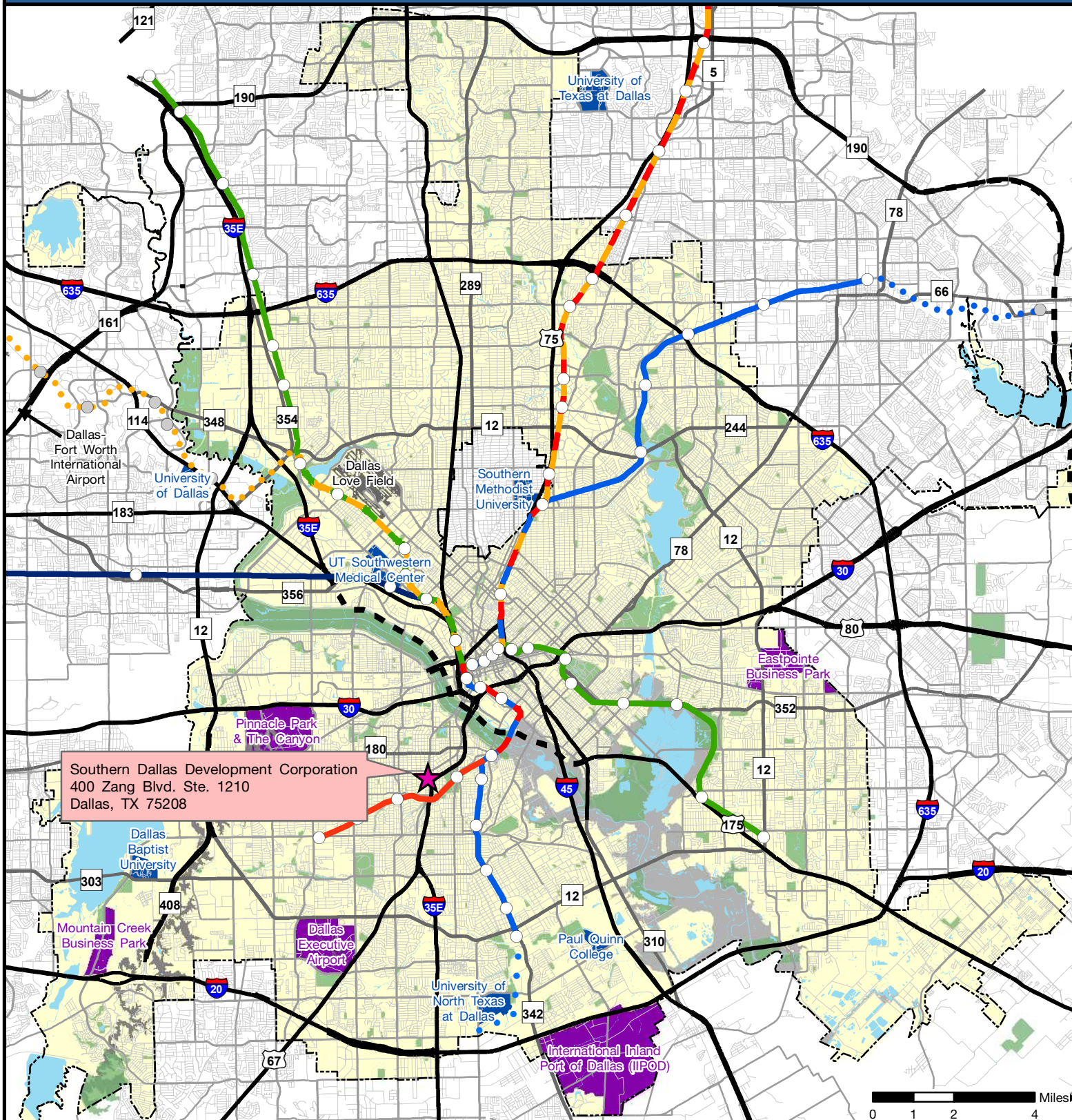
Southern Dallas Development Corporation

Terrance Henderson, Board Chair

MAP

Attached.

City of Dallas



DALLAS ECONOMIC DEVELOPMENT

Research & Information Division
214.670.1685
dallas-ecodev.org

Created 11.13.2009, Last Updated 2.28.2011 - COD_new.TCG

Legend

- | | | |
|-------------------------|---|-------------------------|
| City of Dallas | DART Blue Line to Rowlett (2011) | Colleges & Universities |
| Rail Station | DART Orange Line to DFW Airport (2012-14) | Lakes & Rivers |
| Future Station | DART Blue Line to UNT-Dallas (2019) | Parks |
| DART Red Line | Freeway or Tollway | Escarpment |
| DART Blue Line | Highway | Flood Plain |
| DART Green Line | Arterial | Airport |
| DART Orange Line | Local Road | Business Parks |
| Trinity Railway Express | Proposed Freeway or Tollway | |

Source: Airports & Proposed Roadways - NCTCOG, 2009; All Other Data - City of Dallas, 2010

February 24, 2016

WHEREAS, on December 8, 2010, City Council authorized the execution of a one-year contract, with four renewal options, with Southern Dallas Development Corporation (SDDC), to administer the Community Development Block Grant (CDBG) Business Revolving Loan Program by Resolution No. 10-3056; and

WHEREAS, on August 24, 2011, City Council authorized the execution of the first of four twelve-month renewal options to the contract with SDDC to administer the CDBG Business Revolving Loan Program by Resolution No. 11-2233; and

WHEREAS, on August 22, 2012, City Council authorized the execution of the second of four twelve-month renewal options to the contract with SDDC to administer the CDBG Business Revolving Loan Program by Resolution No. 12-2085; and

WHEREAS, on August 14, 2013, City Council authorized the execution of the third of four twelve-month renewal options to the contract with SDDC to administer the CDBG Business Revolving Loan Program by Resolution No. 13-1289; and

WHEREAS, on Sept 10, 2014, City Council authorized the execution of the fourth and final twelve month renewal options to the contract with SDDC to administer the CDBG Business Revolving Loan Program by Resolution No. 14-1455; and

WHEREAS, on June 10, 2015, the City Council authorized the adoption of the FY 2015-16 Consolidated Plan Budget, which included program income estimated at \$600,000 to be retained by SDDC and any unexpended balances from prior years, to continue to provide loans and manage and operate the CDBG Business Revolving Loan Program by Resolution No. 15-1055; and

WHEREAS, on September 22, 2015, City Council authorized Supplemental Agreement No. 1 to the contract dated December 8, 2010 with SDDC to extend the term of the fourth and final renewal option from October 1, 2015 through March 30, 2016; and continue administration and loan servicing of the CDBG Business Revolving Loan Program under the terms and conditions therein by Resolution No. 15-1749.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager, upon approval as to form by the City Attorney, is hereby authorized to amend the contract dated December 8, 2010 with Southern Dallas Development Corporation to: (1) extend the term of the fourth and final renewal option from March 30, 2016 through September 30, 2016; and (2) continue administration and loan servicing of the Community Development Block Grant funded Business Revolving Loan Program under the terms and conditions therein.

February 24, 2016

Section 2. That SDDC will continue to administer and service loans within the City of Dallas to provide financing for for-profit businesses and to create/retain jobs for Low to Moderate Income (LMI) persons.

Section 3. That any unexpended balances and program income from prior approved contract years be retained and rolled over to continue the program.

Section 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 2, 6, 14

DEPARTMENT: Office of Economic Development

CMO: Ryan S. Evans, 671-9837

MAPSCO: 45 E

SUBJECT

Sports Arena TIF District – Victory Sub-District

- * Authorize an amendment of the terms of the grant agreement with Victory Park UST Joint Venture I, L.P. for the Victory Placemaking Project, previously authorized by Resolution No. 15-0688 on April 8, 2015, to limit the consideration for the approved TIF Subsidy in the amount of \$5,974,804 to the design and modification of existing public infrastructure and streetscape improvements within the district, including the purchase of streetscape amenities (planters, benches, kiosks and directories, district markers and other fixtures, furnishings and equipment) for the project since such improvements benefit the entire district and were not necessitated by any one particular private investment project – Financing: No cost consideration to the City
- * Authorize an amendment to the terms of the grant agreement with Victory Park UST Joint Venture I, LP, (UST) for the Victory South Parking Garage to **(1)** replace the requirement to increase the property value of Blocks D, G, K and M by \$50M with the requirement to invest a minimum of \$100M in the development of Block M only; and **(2)** require investment in Block K for construction of a parking facility providing district parking as consideration for such amendment - Financing: No cost consideration to the City

BACKGROUND

Victory Placemaking Project

The Placemaking Project was approved by the Sports Arena TIF Board on February 19, 2015, and City Council on April 8, 2015. The Placemaking Project addresses recommendations made by the District-wide Technical Studies for the area by: (1) constructing vertical improvements to complete redesigned streets within the sub-district (Victory Park Lane, Houston Street, Victory Avenue and Olive Street); (2) replacing existing directories along Victory Park Lane with directories that can display up-to-date commercial tenant listings and locations as well as seasonal or promotional messages; (3) installing adaptable seating along sidewalks and pedestrian nodes activating the public realm; and (4) installing district markers and banners that uniquely identify Victory Park. The project will be completed in two phases.

The original terms for \$5.9M in TIF reimbursement of project costs included a requirement that the developer invest a minimum of \$18 million in improvements to property in the district. Such investment may have included, among other things, investments in tenant spaces directly or through tenant allowances, improvements to the Block D garage including but not limited to adding external skin, adding vertical transportation, and installing retail spaces on the east ground floor, adding a parking facility on Block K, and investment in an entertainment anchor and associated retail spaces.

Since the original terms' approval, it has been determined that no private investment on any blocks should have been committed in support of the Placemaking Project. The project's improvements benefit the entire district and were not necessitated by any one particular private investment project. As such, the Placemaking project is solely a public infrastructure project and private investment commitments are not necessary. As a result of this determination, Staff is requesting an amendment of the terms of the TIF funding for the project to remove the private investment commitment of \$18M. The only consideration for the project will be the construction and operation and maintenance requirement of all public infrastructure improvements described above.

Victory South Parking Garage

On February 13, 2013, City Council approved Resolution No. 13-0324, as amended, authorizing a grant agreement with Victory Park UST Joint Venture I, LP, ("UST") to provide American Airlines Center ("AAC") event parking and public transient parking within UST's 629-space garage (the "South Parking Garage") located in Block D at the northwest corner of Victory Park Lane and Museum Way in the Sports Arena TIF District. The grant was to be made in installments of \$855,000 annually, for a total incentive not to exceed \$12,825,000.

BACKGROUND (Continued)

The purpose of the grant was to incentivize UST to encumber its South Parking Garage for both AAC event and public transient parking so that certain surface parking lots required to provide AAC event parking spaces could be released for vertical development. To ensure vertical development on the surface lots released from the Parking Rights Agreement, the grant agreement further required UST to guarantee an increase of a minimum of \$100M in DCAD appraised value between the 2012 and 2020 tax year on undeveloped tracts owned by UST within the Sports Arena TIF District -- Blocks D, G, K, M and N.

On September 10, 2014, the grant agreement was amended to reflect a reduction in the number of reserved AAC event parking spaces available in the garage from 425 to 359 to account for existing office and valet leases. As additional consideration for the \$12,825,000 grant award, the agreement was further amended to encumber 66 spaces on the South Parking Garage's adjoining surface parking lot for AAC event parking. City Council also approved a reduction in the guaranteed minimum increase in DCAD-appraised value from \$100M to \$50M and limited the undeveloped parcels that could be used to meet the requirement to Blocks D, K and M, because development was completed on Block N and Block G being under contract between 2012 and 2014.

Subsequent to the 2014 amendment, the City Attorney's Office determined that there is an inherent consideration problem with the commitment of appreciation originally sited as consideration for the grant. Specifically, since the city contractually secured a commitment from UST to increase appraised values by a minimum of \$50M on Blocks D, G, K and M, rather than a specific minimum investment requirement, it could be interpreted that all development on these tracts, i.e. all increased appraised value on these parcels, was secured as consideration under the Victory South Parking Garage agreement. Without clarification and a council amendment, additional investment on Blocks D, G, K cannot be separately cited as new consideration supporting additional TIF subsidies.

Given this finding, Staff requests a second amendment of the grant agreement to replace the current minimum appreciation requirement of \$50M for developable blocks within the district with a minimum investment requirement of \$100M for Block M only. Block M has been sold to a private developer who could start construction of a 466,000 square foot office building as soon as 1st quarter 2016. The estimated private investment for the office project is in excess of \$100M.

The proposed minimum investment commitment is much clearer and eliminates ambiguities with respect to which developable block is secured by this grant. Additionally, any future private investment in district wide retail projects on Blocks throughout the district, including Blocks D and G, may be cited as consideration for future TIF Subsidy requests.

ESTIMATED PROJECT SCHEDULE – Victory Placemaking Project

Start Date October 2015
Completion Date December 2016

GRANT TERM - Victory South Parking Garage

Began Grant Payment	2014
End Grant Payment	2028 or expiration of the 1999 Center Operating Company Lease Agreement for the American Airlines Center with any exercised renewal options, whichever termination occurs first

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 23, 2012, City Council conducted a public hearing and received comments on amendments to the Sports Arena TIF District Project and Reinvestment Zone Financing Plans and authorized an ordinance amending Ordinance No. 23688, previously approved on October 28, 1998, and Ordinance No. 24002, previously approved on August 25, 1999, to (1) add two new sub-districts within the Sports Arena TIF District: (a) Riverfront Gateway Sub-district and (b) West Dallas Sub-district; (2) increase the geographical area of the Sports Arena TIF District to add approximately: (a) 4.5 acres to the Victory Sub-district (generally the original Sports Arena TIF District boundary); (b) 33 acres in the Riverfront Gateway Sub-district; and (c) 89.2 acres in the West Dallas Sub-district; (3) extend the termination date of the Sports Arena TIF District for a 10 year period from the City Council established termination date of December 31, 2018, to December 31, 2028, for the Victory Sub-district and establish a termination date for the Riverfront Gateway and West Dallas Sub-districts of December 31, 2042; (4) decrease the percentage of tax increment contributed by the City of Dallas during the extended term of the TIF District and establish other taxing jurisdictions participation percentages; (5) increase the Sports Arena TIF District budget from \$25,498,568 NPV (approximately \$46,961,785 total dollars) to \$94,409,005 NPV (approximately \$273,599,175 total dollars), an increase of \$68,910,437 NPV (approximately \$226,637,390 total dollars); (6) create an Economic Development TIF Grant Program within the District and adopt program guidelines; (7) make corresponding modifications to the Sports Arena TIF District map, budget and Project and Reinvestment Zone Financing Plans by Ordinance No. 28672.

On December 19, 2012, the Sports Arena TIF District board of directors reviewed and recommended approval of a grant agreement with Victory Park UST Joint Venture I, LP, pursuant to the Sports Arena TIF District Grant program, to provide public parking in a private garage located at the northwest corner of Victory Park Lane and Museum Way in an amount not to exceed \$12,825,000.

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

On February 13, 2013, City Council authorized a grant agreement with Victory Park UST Joint Venture I, LP, pursuant to the Sports Arena TIF District Grant program, to provide public parking in a private garage located at the northwest corner of Victory Park Lane and Museum Way in the Victory Sub-district of Tax Increment Financing Reinvestment Zone Seven (Sports Arena TIF District) in a total amount not to exceed \$12,825,000 from future Victory Sub-district Sports Arena TIF District revenues, in the form of an annual Economic Development TIF Grant not to exceed \$855,000 by Resolution Nos. 13-0324 and 13-0325.

On September 10, 2014, City Council authorized various amendments to the terms of a \$12,825,000 grant agreement with Victory Park UST Joint Venture I, LP, (UST) to: (1) reduce the parking commitments in the South Parking Garage from 425 parking spaces to 359 reserved parking spaces for American Airlines Center events to accommodate current contract parkers; (2) reduce UST's commitment to increase DCAD appraised values on its undeveloped/underdeveloped lots from \$100M to \$50M and reduce the number of developable tracts to only Blocks D, K and M for this commitment; (3) Add a contractual commitment to comply with the Sports Arena TIF District's Mixed Income Housing requirements for any residential development on Blocks D, K and M, if the block's increased value is counted towards UST's development commitment; and (4) Add a City design review requirement for any improvements to Blocks D, G, K and M, Resolution No. 14-1456.

On February 19, 2015, the Sports Arena TIF District board of directors reviewed and recommended approval of a development agreement with Victory Park UST Joint Venture I, LP, and dedicated TIF funding for the Placemaking Project in an amount not to exceed \$5,974,804.

On April 8, 2015, City Council authorized a development agreement with Victory Park UST Joint Venture I, LP, to reimburse project costs of the Placemaking Project which includes public improvements such as landscaping, streetscape and wayfinding signs in the Victory Sub-district in an amount not to exceed \$5,974,804 from revenues accruing to Tax Increment Financing Reinvestment Zone Seven (Sports Arena TIF District) by Resolution No. 15-0688.

On January 14, 2016, the Sports Arena TIF District Board of Directors reviewed and recommended approval of the proposed second amendment to the Victory South Parking Garage grant agreement with Victory Park UST Joint Venture I, LP.

On January 14, 2016, the Sports Arena TIF District board of directors reviewed and recommended approval of the proposed amendments to the Victory South Park Garage grant agreement and the terms of the Placemaking Project.

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

Information about amendments to the Victory South Park Garage grant agreement and the terms of the Victory Placemaking Project item will be provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

No cost consideration to the City

PROJECT COUNCIL DISTRICT

2

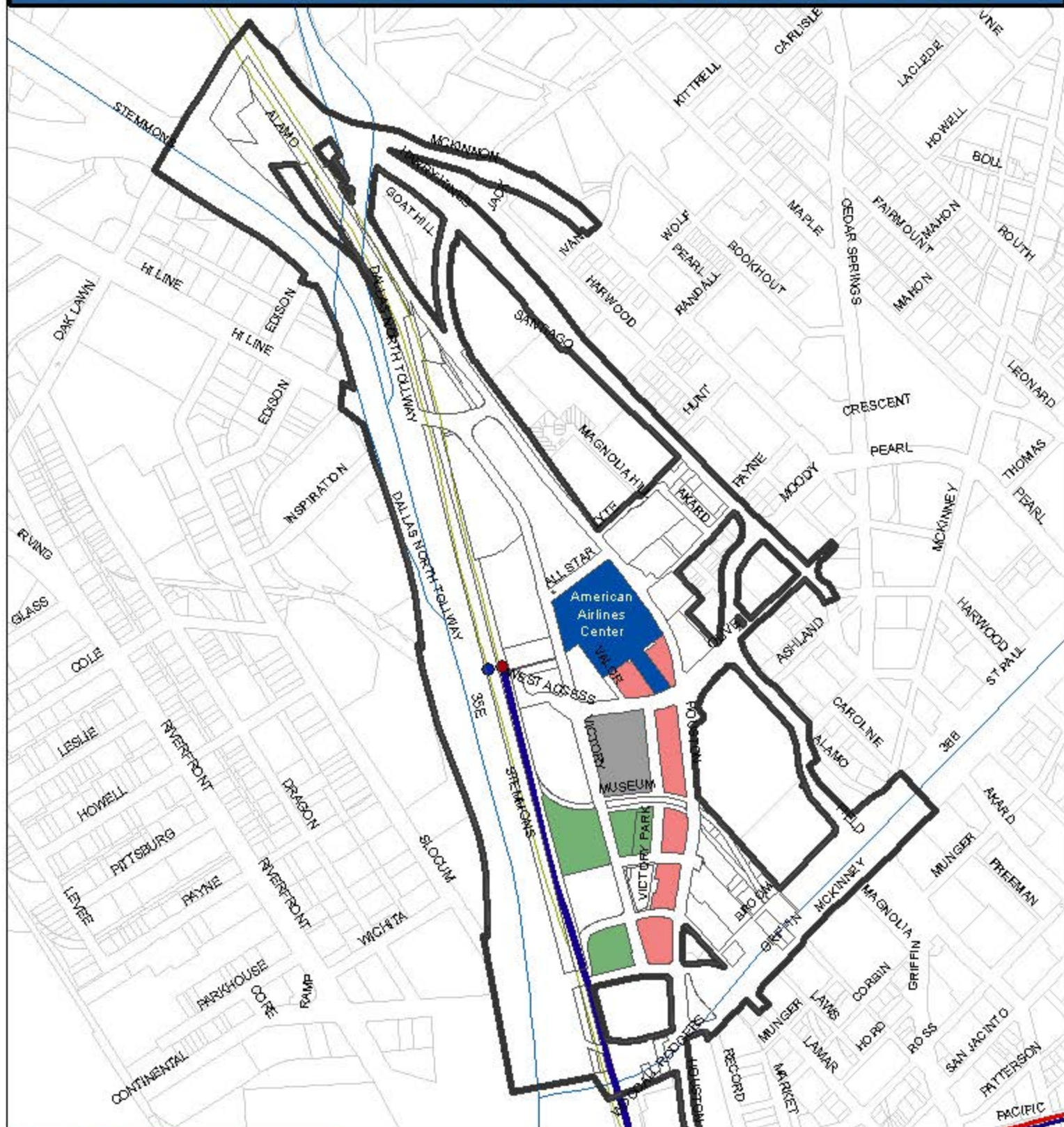
DEVELOPER/OWNER

Victory Park UST Joint Venture I, LP
Lance Fair, Vice President
3090 Olive Street, Ste. 210
Dallas, TX 75219

MAP

Attached.

Victory South Parking Garage Sports Arena TIF District - Victory Sub-district



City of Dallas
Office of Economic Development



Area Redevelopment Division
<http://www.Dallas-EcoDev.org>

Created 12/2012

Legend

- Victory Sub-district
- Lots Released from Parking Requirement
- Victory South Parking Garage
- Existing Retail & Restaurant Space

February 24, 2016

WHEREAS, the City recognizes the importance of its role in local economic development; and

WHEREAS, on October 28, 1998, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Seven, City of Dallas, Texas ("Sports Arena TIF District") in accordance with the Tax Increment Financing Act, as amended, Chapter 311 of the Texas Tax Code, Vernon's Texas Codes Annotated (the "Act") to promote development and redevelopment through the use of tax increment financing by Ordinance No. 23688; as amended; and

WHEREAS, on August 25, 1999, City Council authorized the Sports Arena Tax Increment Financing District Project Plan and Reinvestment Zone Financing Plan by Ordinance No. 24002; as amended; and

WHEREAS, on May 23, 2012, City Council conducted a public hearing and received comments on amendments to the Sports Arena TIF District Project and Reinvestment Zone Financing Plans and authorized an ordinance amending Ordinance No. 23688, previously approved on October 28, 1998, and Ordinance No. 24002, previously approved on August 25, 1999, to (1) add two new sub-districts within the Sports Arena TIF District: (a) Riverfront Gateway Sub-district and (b) West Dallas Sub-district; (2) increase the geographical area of the Sports Arena TIF District to add approximately: (a) 4.5 acres to the Victory Sub-district (generally the original Sports Arena TIF District boundary); (b) 33 acres in the Riverfront Gateway Sub-district; and (c) 89.2 acres in the West Dallas Sub-district; (3) extend the termination date of the Sports Arena TIF District for a 10 year period from the City Council established termination date of December 31, 2018, to December 31, 2028, for the Victory Sub-district and establish a termination date for the Riverfront Gateway and West Dallas Sub-districts of December 31, 2042; (4) decrease the percentage of tax increment contributed by the City of Dallas during the extended term of the TIF District and establish other taxing jurisdictions participation percentages; (5) increase the Sports Arena TIF District budget from \$25,498,568 NPV (approximately \$46,961,785 total dollars) to \$94,409,005 NPV (approximately \$273,599,175 total dollars), an increase of \$68,910,437 NPV (approximately \$226,637,390 total dollars); (6) create an Economic Development TIF Grant Program within the District and adopt program guidelines; (7) make corresponding modifications to the Sports Arena TIF District map, budget and Project and Reinvestment Zone Financing Plans by Ordinance No. 28672; and

WHEREAS, April 8, 2015, City Council authorized a development agreement with Victory Park UST Joint Venture I, LP, to reimburse project costs of the Placemaking Project which includes public improvements such as landscaping, streetscape and wayfinding signs in the Victory Sub-district in an amount not to exceed \$5,974,804 from revenues accruing to Tax Increment Financing Reinvestment Zone Seven (Sports Arena TIF District) by Resolution No. 15-0688; and

February 24, 2016

WHEREAS, January 14, 2016, the Sports Arena TIF District board of directors reviewed and recommended approval of the proposed amendment of the terms of the Placemaking Project.; and

WHEREAS, on February 16, 2016, information about this item will be provided to the Economic Development Committee; and

WHEREAS, in furtherance of the Sports Arena TIF District Project Plan and Reinvestment Zone Financing Plan, as amended, and to promote within the Sports Arena TIF District: (1) development and diversification of the economy, (2) elimination of unemployment and underemployment, and (3) development and expansion of commerce, the City desires to provide economic incentives to Victory Park UST Joint Venture I, LP, for the Victory South Parking Garage in the Victory Sub-district of the Sports Arena TIF District; and

WHEREAS, the expenditure of TIF funds supporting this agreement is consistent with promoting development and redevelopment of the Sports Arena TIF District in accordance with the purposes for its creation, the City's revised Public/Private Partnership Guidelines and Criteria, the ordinance adopted by the City Council approving the Project and Financing Plan, as amended, and is for the purpose of making public improvements consistent with and described in the Project and Financing Plan, as amended, for the Sports Arena TIF District.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager, upon approval as to form by the City Attorney is hereby authorized to delete in its entirety from Section 5 the following items:

Section 5.

Placemaking Project Phase I

- J. ~~Investment by Developer or affiliates of Developer of a minimum of \$14 million in improvements to property located within the Sports Arena TIF District. Such investment may include, among other things, investments in tenant spaces directly or through tenant allowances, improvements to the Block D garage including but not limited to adding external skin, adding vertical transportation, and installing retail spaces on the east ground floor, adding a parking facility on Block K, and investment in an entertainment anchor and associated retail spaces; and~~

February 24, 2016

Section 1. (Continued)

Placemaking Project Phase II

- K. ~~Investment by Developer or affiliates of Developer of a minimum of \$4 million in improvements to property located within the Sports Arena TIF District. Such investment may include, among other things, investments in tenant spaces directly or through tenant allowances, improvements to the Block D garage including but not limited to adding external skin, adding vertical transportation, and installing retail spaces on the east ground floor, adding a parking facility on Block K, and investment in an entertainment anchor and associated retail spaces;~~

Section 2. That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

Section 3. That all other terms and conditions as set forth in Resolution No. 15-0688, shall remain in full force and effect, except as specifically outlined in Section 1 above.

Section 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

February 24, 2016

WHEREAS, the City recognizes the importance of its role in local economic development; and

WHEREAS, on October 28, 1998, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Seven, City of Dallas, Texas ("Sports Arena TIF District") in accordance with the Tax Increment Financing Act, as amended, Chapter 311 of the Texas Tax Code, Vernon's Texas Codes Annotated (the "Act") to promote development and redevelopment through the use of tax increment financing by Ordinance No. 23688; as amended; and

WHEREAS, on August 25, 1999, City Council authorized the Sports Arena Tax Increment Financing District Project Plan and Reinvestment Zone Financing Plan by Ordinance No. 24002; as amended; and

WHEREAS, on May 23, 2012, City Council conducted a public hearing and received comments on amendments to the Sports Arena TIF District Project and Reinvestment Zone Financing Plans and authorized an ordinance amending Ordinance No. 23688, previously approved on October 28, 1998, and Ordinance No. 24002, previously approved on August 25, 1999, to (1) add two new sub-districts within the Sports Arena TIF District: (a) Riverfront Gateway Sub-district and (b) West Dallas Sub-district; (2) increase the geographical area of the Sports Arena TIF District to add approximately: (a) 4.5 acres to the Victory Sub-district (generally the original Sports Arena TIF District boundary); (b) 33 acres in the Riverfront Gateway Sub-district; and (c) 89.2 acres in the West Dallas Sub-district; (3) extend the termination date of the Sports Arena TIF District for a 10 year period from the City Council established termination date of December 31, 2018, to December 31, 2028, for the Victory Sub-district and establish a termination date for the Riverfront Gateway and West Dallas Sub-districts of December 31, 2042; (4) decrease the percentage of tax increment contributed by the City of Dallas during the extended term of the TIF District and establish other taxing jurisdictions participation percentages; (5) increase the Sports Arena TIF District budget from \$25,498,568 NPV (approximately \$46,961,785 total dollars) to \$94,409,005 NPV (approximately \$273,599,175 total dollars), an increase of \$68,910,437 NPV (approximately \$226,637,390 total dollars); (6) create an Economic Development TIF Grant Program within the District and adopt program guidelines; (7) make corresponding modifications to the Sports Arena TIF District map, budget and Project and Reinvestment Zone Financing Plans by Ordinance No. 28672; and

WHEREAS, on December 19, 2012, the Sports Arena TIF District board of directors reviewed and recommended approval of a grant agreement with Victory Park UST Joint Venture I, LP, pursuant to the Sports Arena TIF District Grant program, to provide public parking in a private garage located at the northwest corner of Victory Park Lane and Museum Way in an amount not to exceed \$12,825,000; and

February 24, 2016

WHEREAS, on February 13, 2013, City Council authorized a grant agreement with Victory Park UST Joint Venture I, LP, pursuant to the Sports Arena TIF District Grant program, to provide arena and public parking in a private garage located at the northwest corner of Victory Park Lane and Museum Way in the Victory Sub-district of Tax Increment Financing Reinvestment Zone Seven (Sports Arena TIF District) in a total amount not to exceed \$12,825,000 from future Victory Sub-district Sports Arena TIF District revenues, in the form of an annual Economic Development TIF Grant not to exceed \$855,000 by Resolution Nos. 13-0324 and 13-0325; and

WHEREAS, on June 26, 2014, the Sports Arena TIF District Board of Directors reviewed and recommended various amendments to Resolution No. 13-0324 authorizing a grant agreement with Victory Park UST Joint Venture I, LP; and

WHEREAS, on September 10, 2014, City Council authorized various amendments to the terms of a \$12,825,000 grant agreement with Victory Park UST Joint Venture I, LP, (UST) to: (1) reduce the parking commitments in the South Parking Garage from 425 parking spaces to 359 reserved parking spaces for American Airlines Center events to accommodate current contract parkers; (2) reduce UST's commitment to increase DCAD appraised values on its undeveloped/underdeveloped lots from \$100M to \$50M and reduce the number of developable tracts to only Blocks D, K and M for this commitment; (3) add a contractual commitment to comply with the Sports Arena TIF District's Mixed Income Housing requirements for any residential development on Blocks D, K and M, if the block's increased value is counted towards UST's development commitment; and (4) add a City design review requirement for any improvements to Blocks D, G, K and M, by Resolution No. 14-1456; and

WHEREAS, on January 14, 2016, the Sports Arena TIF District Board of Directors reviewed and recommended approval of a second amendment to the South Parking Garage grant agreement with Victory Park UST to: a) replace the requirement to increase the property value of Blocks D, G, K and M by \$50M with a requirement to invest a minimum of \$100M in the development of Block M only; and b) require investment in Block K for construction of a parking facility providing district parking as consideration for such amendment; and

WHEREAS, on February 16, 2016, information about this item will be provided to the Economic Development Committee.

WHEREAS, in furtherance of the Sports Arena TIF District Project Plan and Reinvestment Zone Financing Plan, as amended and to promote within the Sports Arena TIF District: (1) development and diversification of the economy, (2) elimination of unemployment and underemployment, and (3) development and expansion of commerce, the City desires to provide economic incentives to Victory Park UST Joint Venture I, LP, for the Victory South Parking Garage in the Victory Sub-district of the Sports Arena TIF District; and

February 24, 2016

WHEREAS, the expenditure of TIF funds supporting this agreement is consistent with promoting development and redevelopment of the Sports Arena TIF District in accordance with the purposes for its creation, the City's revised Public/Private Partnership Guidelines and Criteria, the ordinance adopted by the City Council approving the Project and Financing Plan, as amended, and is for the purpose of making public improvements consistent with and described in the Project and Financing Plan, as amended, for the Sports Arena TIF District.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager, upon approval as to form by the City Attorney is hereby authorized to execute an amendment to the terms of the \$12,825,000 Victory South Parking Garage grant agreement with Victory Park UST Joint Venture I, LP, (UST) to: (1) replace the requirement to increase the property value of Blocks D, G, K and M by \$50M with a requirement to invest a minimum of \$100M in the development of Block M only; and (2) require investment in Block K for construction of a parking facility providing district parking as consideration for such amendment.

Section 2. That the City Council finds that there is adequate consideration supporting additional TIF subsidies for Blocks D, and G as a result of the restructuring of consideration among UST's development commitments as proposed herein.

Section 3. That with the exception of the amendments described above, all other requirements of the Grant Agreement with UST for parking commitments in the South Parking Garage, effective as of February 13, 2013, by Resolution No. 13-0324, as previously amended on September 10, 2014, by Resolution No. 14-1456 will remain in full force and effect.

Section 4. That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

Section 5. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 14

DEPARTMENT: Sustainable Development and Construction

CMO: Ryan S. Evans, 671-9837

MAPSCO: 45 P

SUBJECT

Authorize an historic preservation tax exemption for the Adolphus Hotel located at 1315 Commerce Street and 1321 Commerce Street for a ten-year period on 100% of the land and structure value - Revenue Foregone: First year tax revenue foregone estimated at \$213,217 (Estimated revenue foregone over ten years is \$2,132,166)

BACKGROUND

Article XI of the Dallas Development Code establishes the Historic Preservation Tax Incentive Program, which allows property owners to receive tax exemptions for restorations of historic properties. The Historic Tax Incentive Program was reviewed and approved by the Dallas City Council on November 26, 2007. Revisions to the Historic Preservation Tax Incentive Program were approved by City Council on December 9, 2015, by Ordinance No. 29953. Dallas Development Code Section 11.201(e) requires City Council to review any exemption over \$50,000. The City Council may approve or deny any portion of the exemption over \$50,000.

An application has been submitted by the current owner, RBP Adolphus LLC. The "Urban Historic District" exemption allows for up to a 100% exemption of the city portion of the property taxes for up to a ten year period. To qualify for this exemption, the cost of rehabilitation must exceed 75 percent of the pre-rehabilitation value of the structure. The Adolphus Hotel, built in 1912, is a landmark hotel in downtown Dallas.

The abatement applies to two Dallas Central Appraisal District (DCAD) account numbers for the site, one for 1315 Commerce Street and one for 1321 Commerce Street. The 1315 Commerce Street account (000070000A01A0400) includes the two basements and retail space. The 1321 Commerce Street account (000070000A01A9900) includes the historic 1912 tower and 1925 addition. The 2014 Dallas Central Appraisal District appraised value for the 1315 Commerce Street account is \$4,913,400, with an improvement value of \$2,650,230 and land value of \$2,263,170.

BACKGROUND (Continued)

The 2014 Dallas Central Appraisal District appraised value for the 1321 Commerce Street account is \$21,839,000, with an improvement value of \$21,839,000 and land value of \$0. The applicant has to invest approximately \$18,366,923 into the property to qualify for the exemption. Currently, the building is a hotel and the applicant has proposed to renovate the historic building for continued use as a hotel. Prior to the initiation of the tax exemption, verification of expenditures is required.

With the two accounts taken together, the new value after completion is estimated to be \$45,119,323, with an estimated annual tax revenue at \$359,601. Estimated years for the City to recoup the estimated revenue forgone over ten years is six years.

The revenue forgone is calculated based on the DCAD value as of the date of Landmark Commission (in this case 2014). The assumption is that without the tax exemption, nothing would happen on this building and the value would not change. Therefore, revenue forgone for 10 years on a 100% abatement is the current (or in this case 2014) city taxes times 10 years.

The new value of the project after rehabilitation is calculated based on the current (as of Landmark Commission) DCAD value plus the amount the applicant is proposing to spend on the project.

The estimated years to recoup is the total revenue foregone divided by the new estimated taxes after completion, without adjustment for inflation.

PRIOR ACTION/ REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On November 2, 2015 and February 1, 2016, the Landmark Commission approved the certificates of eligibility.

Information about this item will be provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

Revenue Foregone: First year tax revenue foregone estimated at \$213,217 (Estimated revenue foregone over ten years is \$2,132,166)

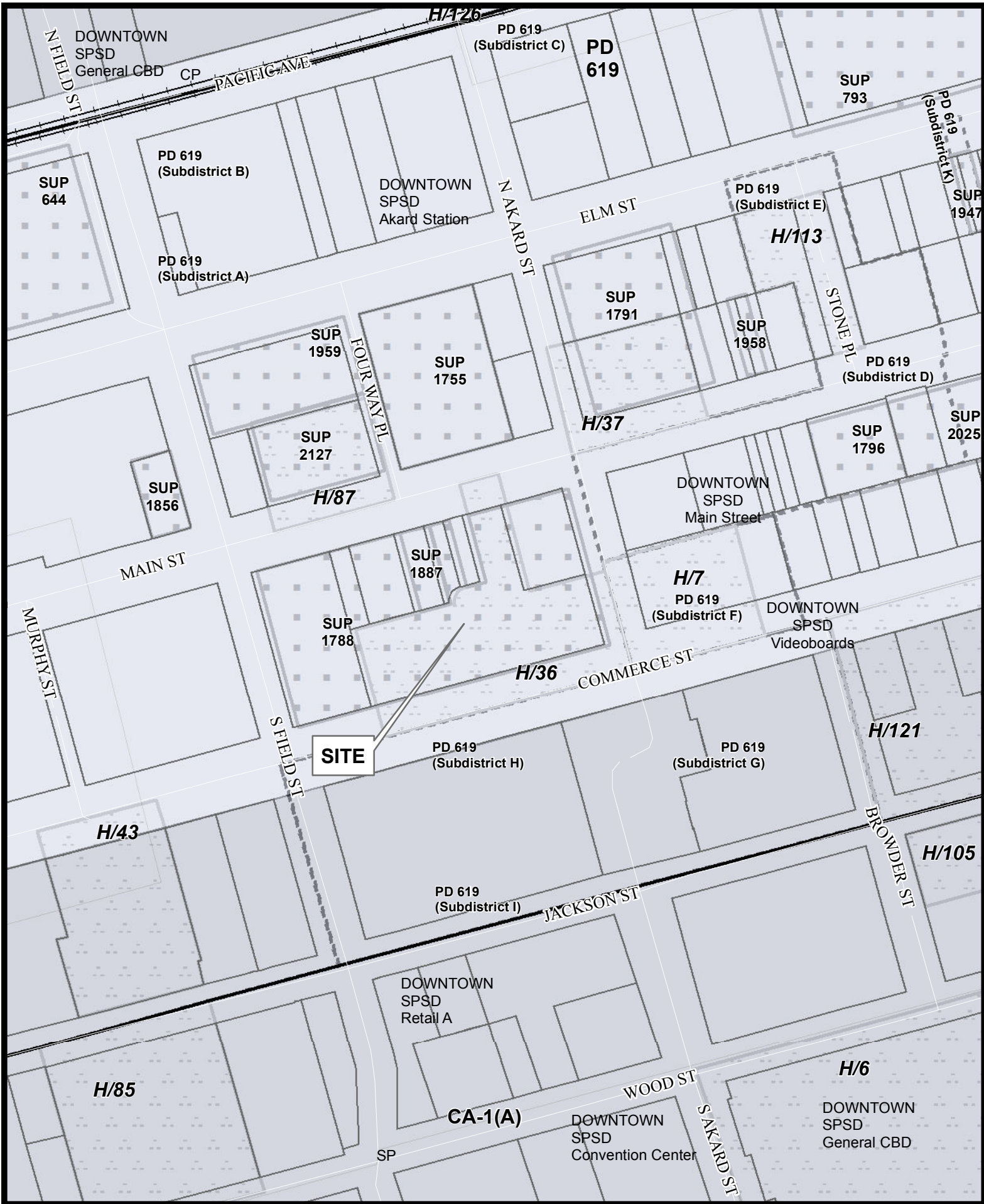
OWNER

RBP Adolphus LLC

James T. Merkel, President

MAP

Attached



1:1,800

Case ID:

Printed: 11/9/2015

February 24, 2016

WHEREAS, Article XI of the Dallas Development Code establishes historic preservation tax exemptions and economic development incentives for historic properties to encourage the revitalization and restoration of the city's historic structures; and

WHEREAS, Dallas Development Code Section 51A-11.201(e) requires that the City Council review and approve by resolution any portion of the application for a historic preservation tax exemption over \$50,000; and

WHEREAS, the properties located at 1315 Commerce Street, account # 000070000A01A0400 and 1321 Commerce Street, account # 000070000A01A9900, are contributing structures that retain their essential architectural integrity of design and whose architectural style is typical of or integral to the Adolphus Hotel; and

WHEREAS, the properties are eligible for a city tax exemption based upon rehabilitation of an endangered historic property for a ten-year period on 100 percent of the structure and land value, which will total an estimated \$45,119,323.00; and

WHEREAS, the Landmark Commission determined that the properties were eligible for a city tax exemption on November 2, 2015 and February 1, 2016; and

WHEREAS, the rehabilitation project must be completed within three years after the Landmark Commission made its determination of eligibility; and

WHEREAS, the property owner has complied with all of the requirements for the city tax exemption, including submitting proof that property taxes and any city fees, fines, or penalties are not delinquent on the properties; and

WHEREAS, the City Council finds that it is in the public interest to preserve this historic building;

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the application for a historic preservation tax exemption over \$50,000 is approved on 100 percent of the structure and land value of the historic properties for a ten-year period for the city portion of the taxes.

SECTION 2. That the rehabilitation project must be completed by November 2, 2018 for 1315 Commerce Street and by February 1, 2019 for 1321 Commerce Street.

February 24, 2016

SECTION 3. That to receive the tax exemption, the owner must submit a final application to the Director of the Department of Sustainable Development and Construction that complies with Dallas Development Code Section 51A-11.201 proving that the rehabilitation requirements have been met and must thereafter make annual application to the appraisal district for the duration of the tax exemption.

SECTION 4. That if any portion of the historic structure is totally or partially demolished or significantly altered by the willful act or negligence of the owner or his representative in violation of the historic district preservation criteria, this tax exemption will terminate and the owner shall immediately repay to the City of Dallas all city property taxes foregone.

SECTION 5. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED AS TO FORM:

WARREN M.S. ERNST, City Attorney

By _____
Assistant City Attorney

AGENDA ITEM # 51

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 1

DEPARTMENT: Sustainable Development and Construction

CMO: Ryan S. Evans, 671-9837

MAPSCO: 54 B

SUBJECT

Authorize an historic preservation tax exemption for 1314 West Davis Street for a ten-year period on 100% of the land and structure value - Revenue Foregone: First year tax revenue foregone estimated at \$8,289 (Estimated revenue foregone over ten years is \$82,888)

BACKGROUND

Article XI of the Dallas Development Code establishes the Historic Preservation Tax Incentive Program, which allows property owners to receive tax exemptions for restorations of historic properties. The Historic Tax Incentive Program was reviewed and approved by the Dallas City Council on November 26, 2007. Revisions to the Historic Preservation Tax Incentive Program were approved by City Council on December 9, 2015, by Ordinance No. 29953. Dallas Development Code Section 11.201(e) requires City Council to review any exemption over \$50,000. The City Council may approve or deny any portion of the exemption over \$50,000.

An application has been submitted by the current owner, 1314 Davis, LLC. The "Revitalizing Historic District" exemption allows for up to a 100% exemption of the city portion of the property taxes for up to a ten year period. To qualify for this exemption, the cost of rehabilitation must exceed 25 percent of the pre-rehabilitation value of the structure.

The 2014 Dallas Central Appraisal District (DCAD) appraised value of 1314 West Davis Street is \$1,040,000, with an improvement value of \$946,250 and land value of \$93,750. The applicant is planning on investing approximately \$690,000 into the property. Currently, the building is a commercial use and the applicant has proposed to renovate the historic building for continued use for retail and housing uses. Prior to the initiation of the tax exemption, verification of expenditures is required.

BACKGROUND (Continued)

New value after completion is estimated to be \$1,730,000 with an estimated annual tax revenue at \$13,788. Estimated years for the City to recoup the estimated revenue forgone over ten years is six years.

The revenue forgone is calculated based on the DCAD value as of the date of Landmark Commission (in this case 2014). The assumption is that without the tax exemption, nothing would happen on this building and the value would not change. Therefore, revenue forgone for 10 years on a 100% abatement is the current (or in this case 2014) city taxes times 10 years.

The new value of the project after rehabilitation is calculated based on the current (as of Landmark Commission) DCAD value plus the amount the applicant is proposing to spend on the project.

The estimated years to recoup is the total revenue foregone divided by the new estimated taxes after completion, without adjustment for inflation.

PRIOR ACTION/ REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On November 2, 2015 the Landmark Commission approved the certificate of eligibility.

Information about this item will be provided to the Economic Development Committee on February 16, 2016.

FISCAL INFORMATION

Revenue Foregone: First year tax revenue foregone estimated at \$8,288.80 (Estimated revenue foregone over ten years is \$82,888)

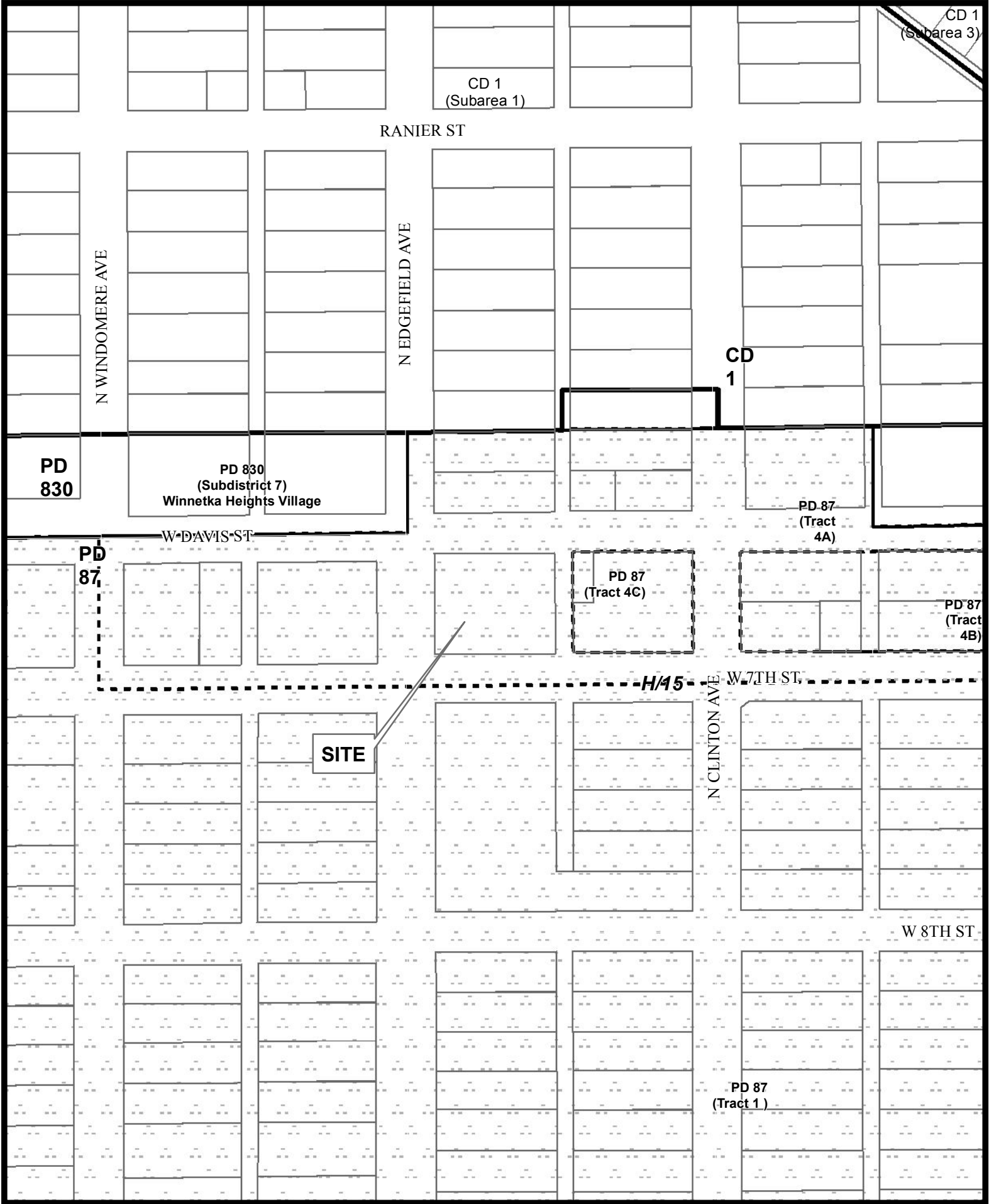
OWNER

1314 Davis, LLC

Kacy Jones, President

MAP

Attached



1:1,800

Case ID:

Printed: 11/9/2015

February 24, 2016

WHEREAS, Article XI of the Dallas Development Code establishes historic preservation tax exemptions and economic development incentives for historic properties to encourage the revitalization and restoration of the city's historic structures; and

WHEREAS, Dallas Development Code Section 51A-11.201(e) requires that the City Council review and approve by resolution any portion of the application for a historic preservation tax exemption over \$50,000; and

WHEREAS, the property located at 1314 West Davis Street, account number 00000259933000000, is a contributing structure that retains its essential architectural integrity of design and whose architectural style is typical of or integral to the Winnetka Heights Historic District; and

WHEREAS, the property is eligible for a city tax exemption based upon rehabilitation of an endangered historic property for a ten-year period on 100 percent of the structure and land value, which will total an estimated \$82,888.00; and

WHEREAS, the Landmark Commission determined that the property was eligible for a city tax exemption on November 2, 2015; and

WHEREAS, the rehabilitation project must be completed within three years after the Landmark Commission made its determination of eligibility; and

WHEREAS, the property owner has complied all the requirements for the city tax exemption, including submitting proof that property taxes and any city fees, fines, or penalties are not delinquent on the property; and

WHEREAS, the City Council finds that it is in the public interest to preserve this historic building;

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the application for a historic preservation tax exemption over \$50,000 is approved on 100 percent of the structure and land value of the historic property for a ten-year period for the city portion of the taxes.

SECTION 2. That the rehabilitation project must be completed by November 2, 2018.

February 24, 2016

SECTION 3. That to receive the tax exemption, the owner must submit a final application to the Director of the Department of Sustainable Development and Construction that complies with Dallas Development Code Section 51A-11.201 proving that the rehabilitation requirements have been met and must thereafter make annual application to the appraisal district for the duration of the tax exemption.

SECTION 4. That if any portion of the historic structure is totally or partially demolished or significantly altered by the willful act or negligence of the owner or his representative in violation of the historic district preservation criteria, this tax exemption will terminate and the owner shall immediately repay to the City of Dallas all city property taxes foregone.

SECTION 5. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED AS TO FORM:

WARREN M.S. ERNST, City Attorney

By _____
Assistant City Attorney

AGENDA ITEM # 52

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 6

DEPARTMENT: Sustainable Development and Construction

CMO: Ryan S. Evans, 671-9837

MAPSCO: 43 L

SUBJECT

A public hearing to receive comments regarding an application for and an ordinance granting an amendment to a development plan for Tract 12 of Planned Development District No. 508 on the northeast corner of Singleton Boulevard and North Westmoreland Road

Recommendation of Staff and CPC: Approval
Z156-117(DL)

HONORABLE MAYOR & CITY COUNCIL

WEDNESDAY, FEBRUARY 24, 2016

ACM: Ryan S. Evans

FILE NUMBER: Z156-117(DL)

DATE FILED: October 28, 2015

LOCATION: Northeast corner of Singleton Boulevard and North Westmoreland Road

COUNCIL DISTRICT: 6

MAPSCO: 43L

SIZE OF REQUEST: ±46.01 acres

CENSUS TRACT: 205.00

APPLICANT: CST Stations Texas, LLC

REPRESENTATIVE: Nick Degan, CEI Engineering Assoc., Inc.

OWNER: Goodwill Industries of Dallas, Inc.

REQUEST: An application for the amendment to a development plan for Tract 12 of Planned Development District No. 508.

SUMMARY: The applicant proposes to replace the portion of the currently approved development plan labeled "Existing Boys and Girls Club" with the proposed development plan that provides for a general merchandise or food store greater than 3,500 square feet and a motor vehicle fueling station.

The zoning was granted as a Planned Development District with a conceptual plan and requires City Plan Commission approval of a development plan for each phase of development prior to the issuance of a building permit for each phase. The application does not qualify for a minor amendment because the use is changing from what was previously approved.

CPC RECOMMENDATION: Approval

STAFF RECOMMENDATION: Approval

BACKGROUND INFORMATION:

- On June 10, 1998, the City Council passed Ordinance No. 23536, which established PDD No. 508, a district that provided for certain commercial and business service uses, CH Clustered Housing District uses, MF-2(A) Multifamily District uses, LO-1 Limited Office District uses, and MU-1 Mixed Use District uses. Tracts 2, 12, and 12A are considered Mixed Use (MU-1) tracts. The zoning was granted as a PDD with a conceptual plan and requires that the City Plan Commission approve a development plan for each phase of development before the issuance of a building permit for each phase.
- On October 27, 1999, the City Council passed Ordinance No. 24076, which amended the conditions of Ordinance No. 23536 to allow “warehouse” by right and amend the surface parking screening requirements for Tract 12 of PDD No. 508.
- On May 18, 2000, the City Plan Commission approved a development plan for the following uses: warehouse, office, light industrial, and retail. The development plan also notes the location of an “Existing Boys and Girls Club.”
- The applicant proposes to amend the portion of the existing development plan labeled, “Existing Boys and Girls Club,” to allow for a general merchandise or food store greater than 3,500 square feet and a motor vehicle fueling station.

Zoning History: There have not been any recent zoning changes requested in the area within the last five years.

Thoroughfares/Streets:

Thoroughfare/Street	Type	Existing ROW
Singleton Boulevard	Major Arterial	100 feet
North Westmoreland Road	Major Arterial	100 feet

Traffic: The Engineering Section of the Department of Sustainable Development and Construction has reviewed the requested amendment and determined that it will not significantly impact the surrounding roadway system.

STAFF ANALYSIS:**Comprehensive Plan:**

The comprehensive plan does not make a specific land use recommendation related to the request, however the ***forwardDallas! Vision Illustration***, adopted June 2006, is comprised of a series of Building Blocks that depicts general land use patterns. Building Blocks are generalized patterns without well-defined boundaries that indicate where certain types and densities of development might logically occur.

The request site is located in an area considered an Urban Neighborhood in *forwardDallas!* Urban Neighborhoods, including Oak Lawn, the Grand Avenue area in South Dallas, the area near Jefferson Boulevard and the Vickery Meadow area, are predominately residential but are distinguished from other neighborhoods by the wide variety of housing options they provide and easy access to public transit. Housing choices should include single-family detached dwellings, townhomes and low- to midrise condominiums or apartments. These neighborhoods will have concentrations of shops and offices along key corridors or at key intersections, providing important services and job opportunities within walking distance of residences. These areas may have mixed-use buildings with ground floor shops. Areas currently developed with single-family or duplex uses should generally be maintained unless redevelopment is addressed through an Area Planning process. Urban Neighborhood streets will be very pedestrian friendly, providing excellent connectivity to shopping, schools and other community services. Emphasis should be placed on slowing traffic through use of on-street parking and other similar traffic calming measures. Public investments in these areas will focus on parks, pathways, transit stops, pedestrian-oriented landscaping and road improvements.

Land Use:

	Zoning	Land Use
Site	PDD 508, Tract 12, and SUP 248	Office Showroom/Warehouse
North	PDD 508, SUP 1407, SUP 1422, and SUP 1627	Undeveloped Land, Multifamily Residential, Retirement Housing, and Single Family Residential
East	PDD 508 and SUP 1636	Undeveloped Land
South	IR	Undeveloped Land

West	CR, R-5(A), and SUP 375	Single Family Residential, Retail/Personal Service Uses, Office, Automotive, and Masonic Lodge
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Land Use Compatibility: The existing development plan allows for warehouse, office, light industrial, and retail uses. Currently, the site is developed with an office showroom/warehouse [Goodwill Industries]. At this time, the applicant proposes amending only the portion of the approved development plan labeled, “Existing Boys and Girls Club.”

Since a majority of the adjacent and surrounding area to the north and east is zoned Tract 12 of PDD No. 508, specific use permits are required for residential uses. To the north, there is undeveloped land and specific use permits for a multifamily residential use, retirement housing, and a single family residential use. To the south lies undeveloped land. To the east, there is undeveloped land. However, an SUP allows for a multifamily residential use. To the west lies single family residential housing, retail/personal service uses, offices, automotive uses, and an SUP for a masonic lodge.

The proposed amendment will provide for a general merchandise or food store greater than 3,500 square feet, as well as a motor vehicle fueling station, at a key intersection of the city.

Parking: Current Chapter 51A parking standards for both uses (general merchandise and food store greater than 3,500 square feet and motor vehicle fueling station) regulate the site. This proposed development requires thirty-four (34) parking spaces: thirty-two (32) for the general merchandise and food store greater than 3,500 square feet and two (2) for the motor vehicle fueling station. The proposed development plan complies with thirty-five (35) parking spaces.

Landscaping: According to the ordinance governing the PDD, all development on the property will require landscaping per Article X of the Dallas Development Code. Because there is no infrastructure on site, new construction will increase the floor area, thereby triggering the Article X division of the Code. No landscape plan is required to be approved by City Plan Commission.

Z156-117(DL)

CPC Action – January 7, 2016

Z156-117(DL)

Note: This item was reconsidered later in the meeting.

Motion: It was moved to recommend **approval** of an amendment to a development plan for Tract 12 of Planned Development District No. 508 on the northeast corner of Singleton Boulevard and North Westmoreland Road.

Maker: Anantasomboon
Second: Davis
Result: Carried: 13 to 0

For: 13 - Anglin, Emmons*, Houston, Davis, Shidid,
Anantasomboon, Abtahi, Haney, Jung, Schultz,
Peadon, Murphy, Ridley

Against: 0
Absent: 2 - Housewright, Tarpley
Vacancy: 0

*out of the room, shown voting in favor

Notices: Area: 500 Mailed: 131
Replies: For: 1 Against: 0

Speakers: For: None
Against (Did not speak): Ronnie Mestas, 3215 Rutz St., Dallas, TX, 75212

Consent Agenda Reconsideration

Motion: It was moved to **reconsider** the Consent agenda.

Maker: Anantasomboon
Second: Peadon
Result: Carried: 11 to 0

For: 11 - Anglin, Houston, Davis, Shidid,
Anantasomboon, Abtahi, Haney, Jung, Schultz,
Peadon, Ridley

Against: 0
Absent: 4 - Emmons, Housewright, Murphy, Tarpley
Vacancy: 0

Z156-117(DL)

Motion: In reconsidering the Consent agenda items it was moved to recommend to follow staff's recommendations for approval of items Z156-122(AF), Z156-125(OTH), and Z156-132(OTH); and to hold item Z156-117(DL) until January 21, 2016, hold item Z156-123-(AF) until February 4, 2016, and hold item Z156-128(OTH) until January 21, 2016.

Maker: Anantasomboon

Second: Schultz

Result: Carried: 11 to 0

For: 11 - Anglin, Houston, Davis, Shidid,
Anantasomboon, Abtahi, Haney, Jung, Schultz,
Peadon, Ridley

Against: 0

Absent: 4 - Emmons, Housewright, Murphy, Tarpley

Vacancy: 0

CPC Action – January 21, 2016

Z156-117(DL)

Motion: It was moved to recommend **approval** of an amendment to a development plan for Tract 12 of Planned Development District No. 508 on the northeast corner of Singleton Boulevard and North Westmoreland Road.

Maker: Anantasomboon

Second: Davis

Result: Carried: 15 to 0

For: 15 - Anglin, Emmons, Houston, Davis, Shidid,
Anantasomboon, Abtahi, Haney, Jung,
Housewright, Schultz, Peadon, Murphy, Ridley,
Tarpley

Against: 0

Absent: 0

Vacancy: 0

Notices: Area: 500

Mailed: 131

Replies: For: 4

Against: 0

Speakers: For: Jared Westmoreland, 800 W. Airport Fwy., Irving, TX, 75062
Against: None

List of Partners and Officers

Goodwill Industries of Dallas, Inc

President

Rodney K. Ginther

Chief Operating Officer

Steve Toledo

Chief Financial Officer

Mark V. Welch

Vice President, Donated Goods

Rosita Acosta

Vice President, Industrial Services

Max Stewart

Vice President, Workforce Development

Kamala Kannan

Vice President, Human Resources

Maiti Ayyr

Vice President, Development

Ashleigh Seidler Hughes

CST Stations Texas, LLC

Chief Executive Officer and President

Kimberly S. Lubel

Executive Vice President and Chief Financial Officer

Clayton E. Killinger

Senior Vice President and Chief Operating Officer

Anthony P. Bartys

Senior Vice President

Paul C. Clark

Senior Vice President, Secretary and General Counsel

Gerard J. Sonnier

Vice President and Treasurer

Evan Smith

Vice President—Tax

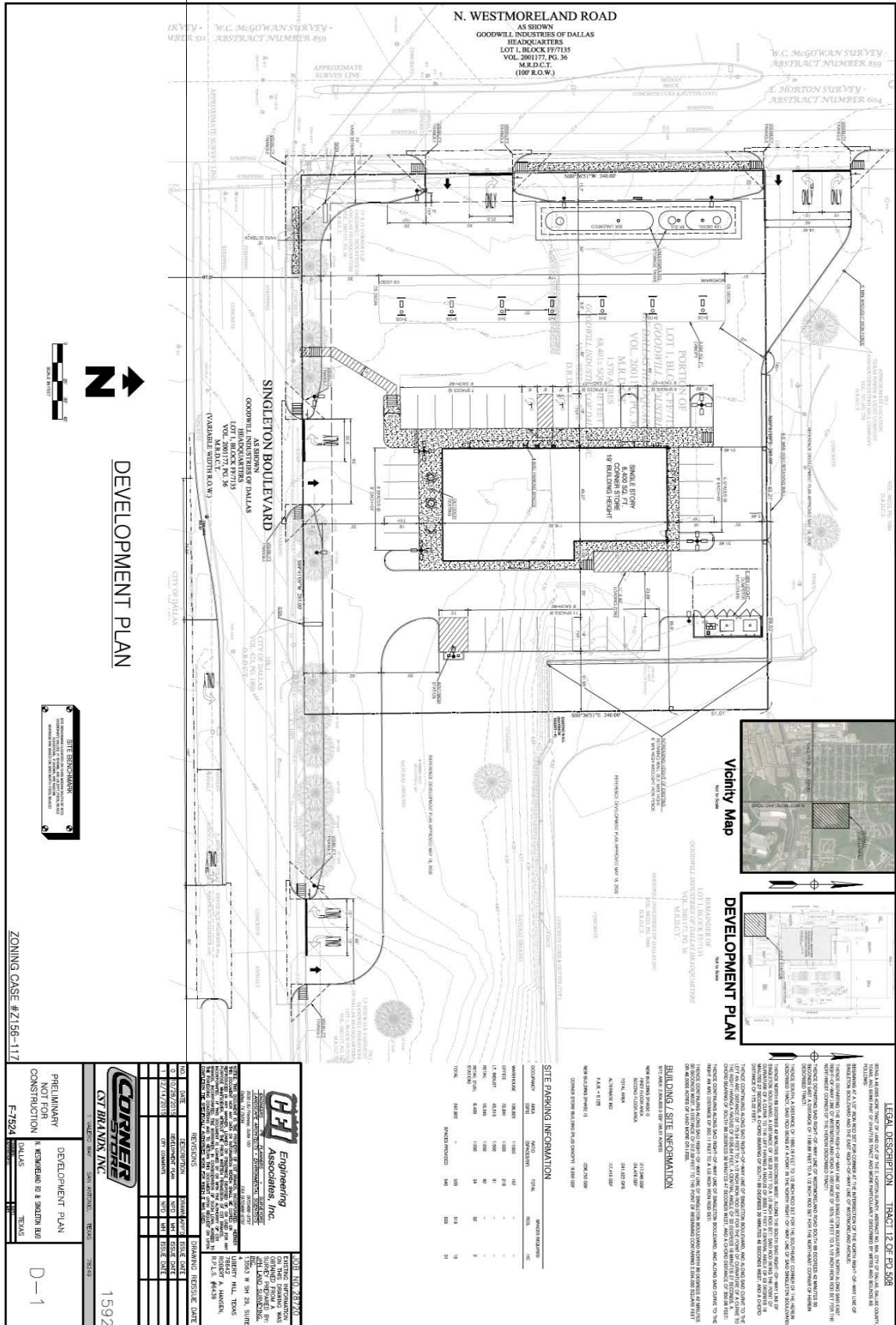
Maria (Lulu) Schroeder

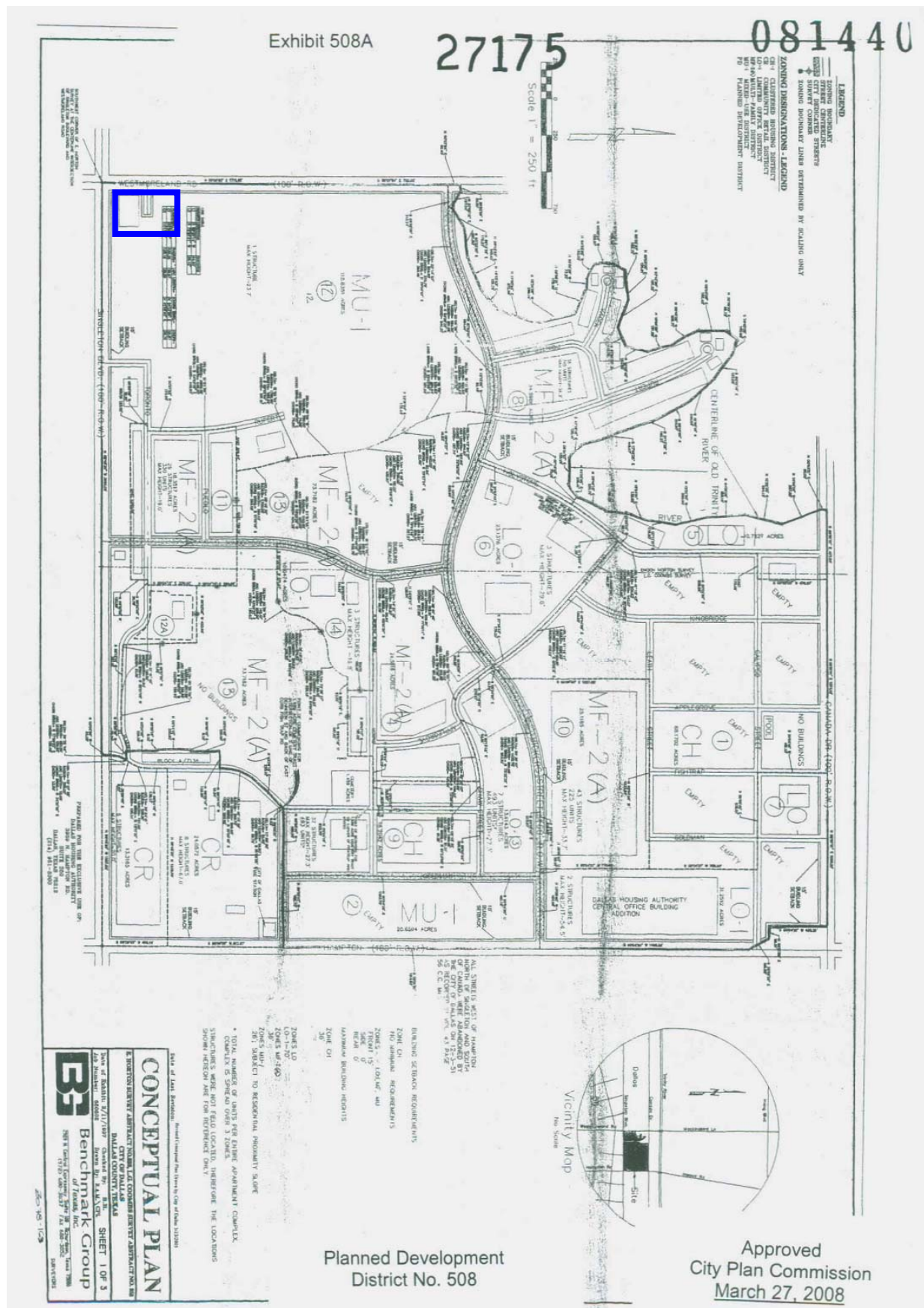
Vice President and Controller

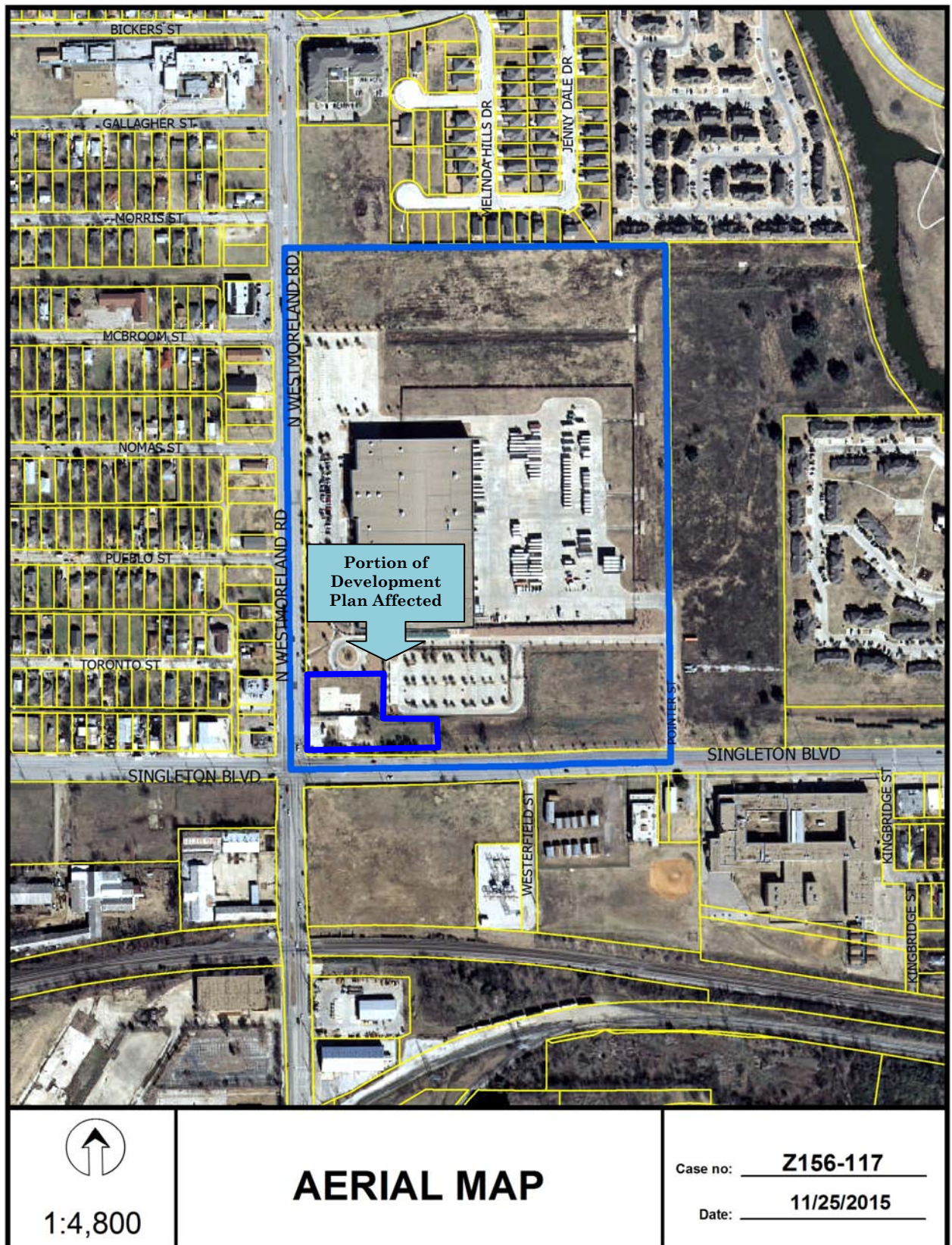
Tammy V. Floyd

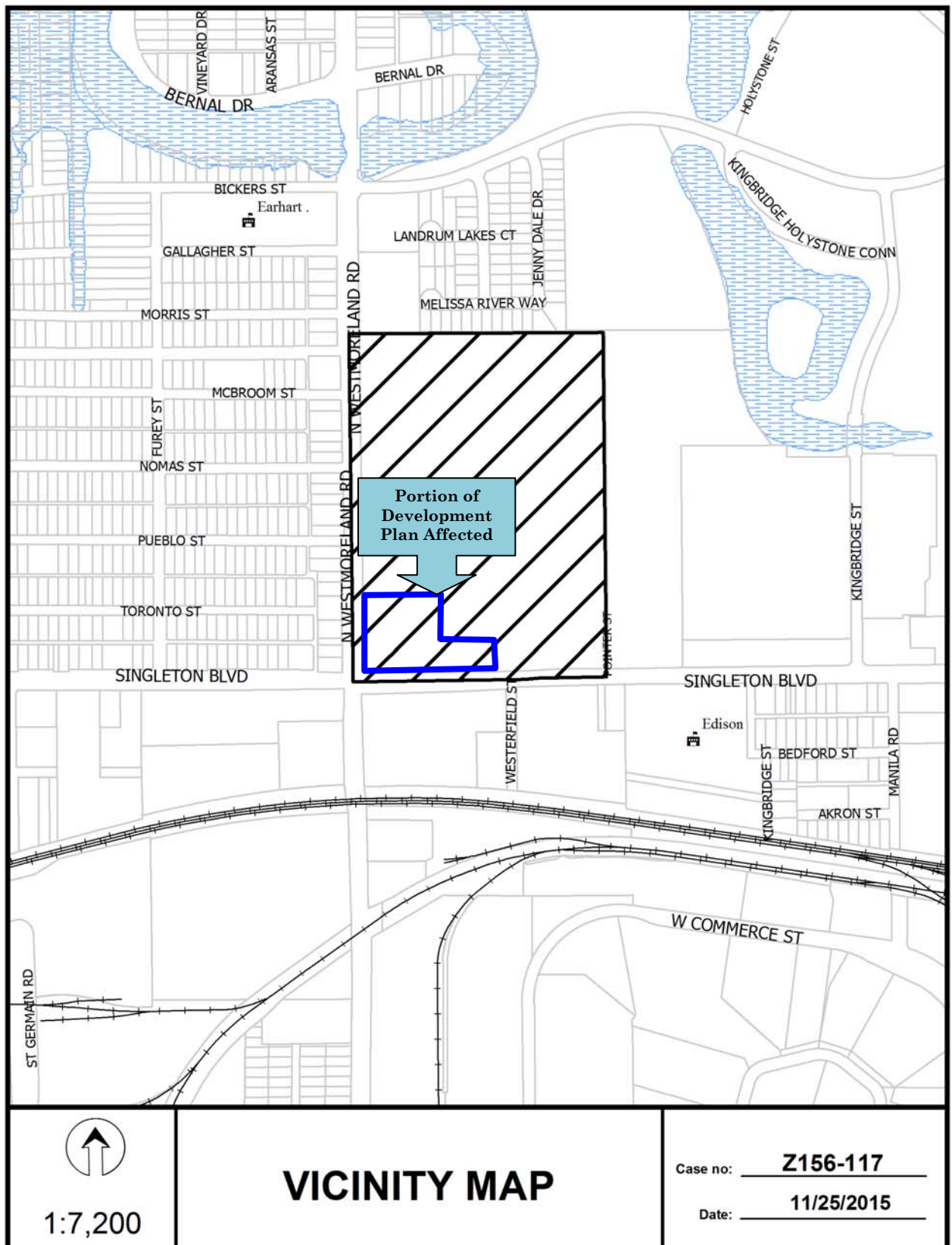
Vice President

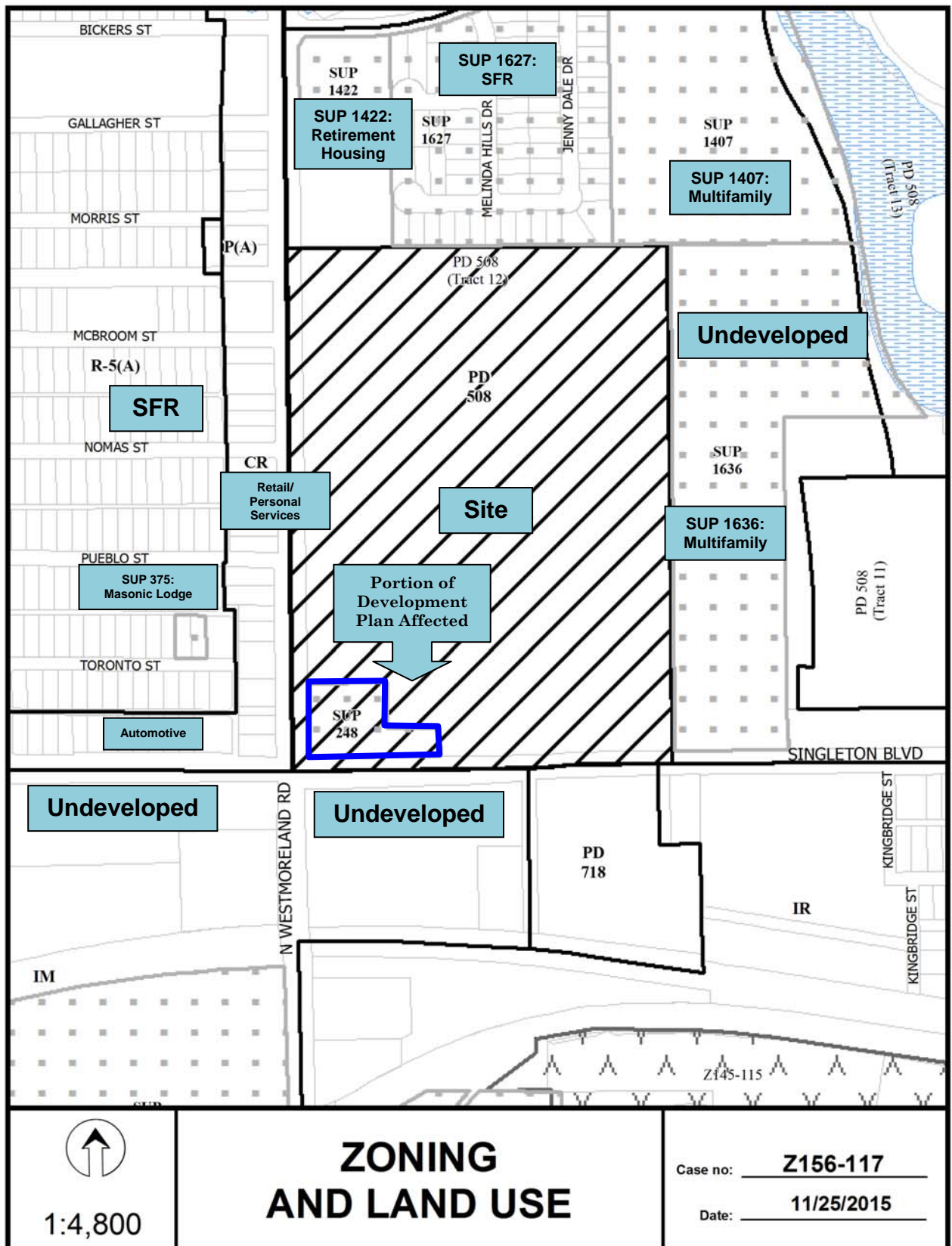
John Reinhart



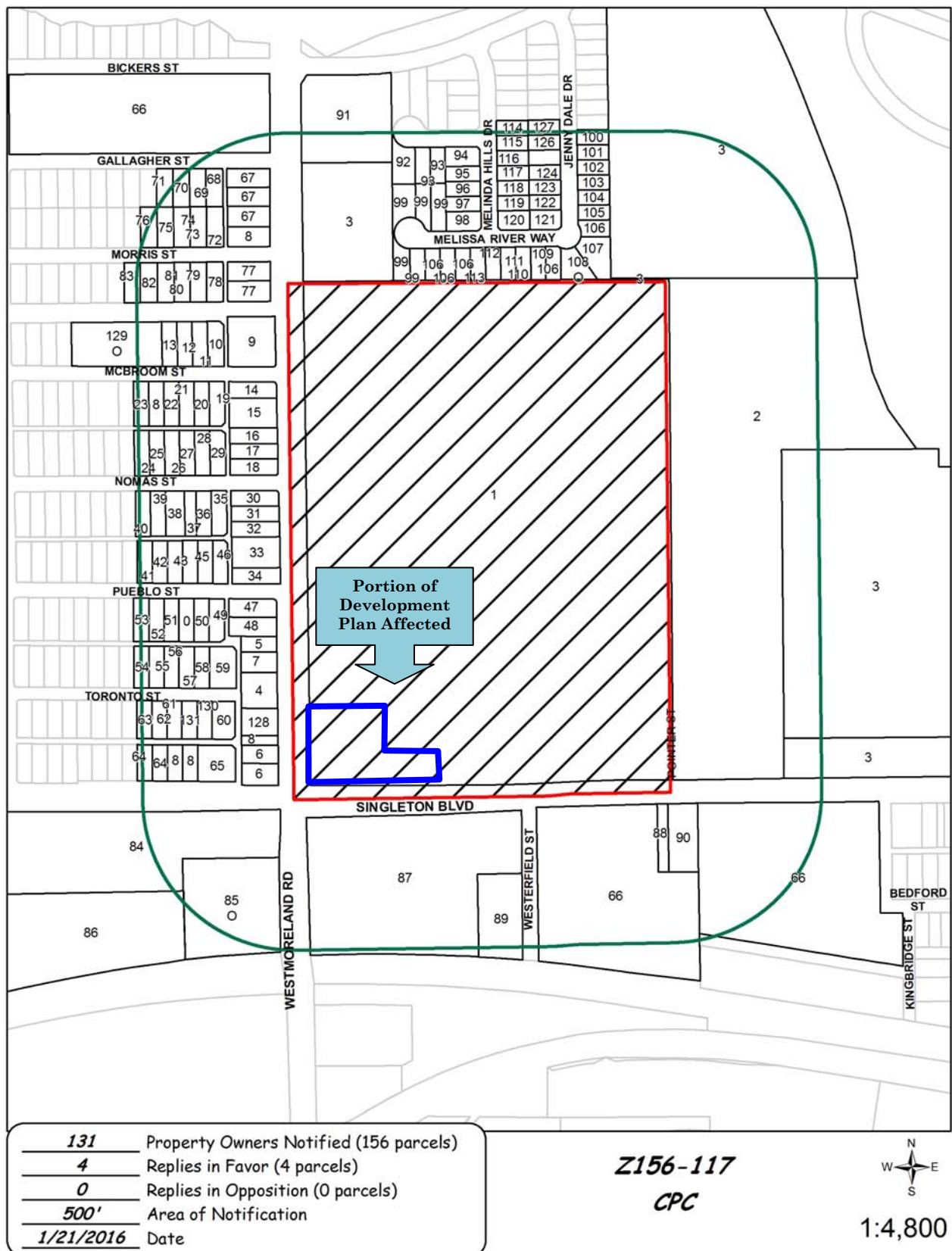








CPC Responses



01/20/2016

Reply List of Property Owners***Z156-117******131 Property Owners Notified******4 Property Owners in Favor******0 Property Owners Opposed***

<i>Reply</i>	<i>Label #</i>	<i>Address</i>	<i>Owner</i>
1	3020	N WESTMORELAND RD	GOODWILL INDUSTRIES OF
2	3020	BICKERS ST	GREENLEAF VENTURES LLC
3	3020	BICKERS ST	DALLAS HOUSING AUTHORITY
4	3103	N WESTMORELAND RD	ALEXANDER LOY CARNED EST OF
5	3111	N WESTMORELAND RD	SAMPSON CHARLIE GEORGE
6	3301	SINGLETON BLVD	RODRIGUEZ DANIEL & SANDRA
7	3107	N WESTMORELAND RD	SAMPSON & SONS INC
8	3011	N WESTMORELAND RD	HMK LTD
9	3407	N WESTMORELAND RD	VICTORY CATHEDRAL COGIC
10	3317	MCBROOM ST	PEREZ MAURILIO & JUANA
11	3321	MCBROOM ST	IBARRAPERIZ ROBERTO & NOHEMI ZAMORAVALDEZ &
12	3325	MCBROOM ST	WOODKINS DEBRA
13	3329	MCBROOM ST	GULLEY MOZELL EST OF & ET AL
14	3325	N WESTMORELAND RD	ISRAEL BAPTIST CHURCH
15	3315	N WESTMORELAND RD	POLK MARVIA SPEARS
16	3311	N WESTMORELAND RD	NICHOLAS AMILCAR
17	3305	N WESTMORELAND RD	DEMINGS HOLLAND
18	3303	N WESTMORELAND RD	FLOREY W W
19	3316	MCBROOM ST	JONES RUBY M &
20	3320	MCBROOM ST	DANIELS CARL DOUGLAS
21	3324	MCBROOM ST	THOMAS SUSAN A
22	3328	MCBROOM ST	LAZO REYES &
23	3402	MCBROOM ST	MOODY GERTRUDE
24	3403	NOMAS ST	SAUCEDO MARIO &
25	3333	NOMAS ST	BUFFINGTON ERMA ET AL
26	3329	NOMAS ST	MENDOZA GONZALEZ ARTURO

01/20/2016

<i>Reply</i>	<i>Label #</i>	<i>Address</i>	<i>Owner</i>
	27	3325 NOMAS ST	TURNER BARBARA ANN
	28	3321 NOMAS ST	HOUSTON GEORGE H
	29	3317 NOMAS ST	WILLIAMSON JESSIE MS
	30	3223 N WESTMORELAND RD	ATTAHRAWI MAJED M
	31	3221 N WESTMORELAND RD	CAPUCHIN FATHERS OF
	32	3215 N WESTMORELAND RD	ORNELAS JOSE LUIS JR
	33	3205 N WESTMORELAND RD	ORNELAS JOSE LUIS JR
	34	3203 N WESTMORELAND RD	PUNGLIA DARASHANA RAANI
	35	3316 NOMAS ST	JONES JEWELL
	36	3320 NOMAS ST	HARRIS JAMES D
	37	3324 NOMAS ST	EDMOND MILDRED
	38	3326 NOMAS ST	CARCAMO JUAN
	39	3334 NOMAS ST	DIAZ JOSE RAUL
	40	3402 NOMAS ST	JACKSON EMMA
	41	3403 PUEBLO ST	SERRANO ROBERT & ODON
	42	3333 PUEBLO ST	NAVARRO MARIA
	43	3329 PUEBLO ST	HARDEN EPHESIAN
	44	3325 PUEBLO ST	NAVARRETE ROSA C
	45	3321 PUEBLO ST	LOWE GREGORY L
	46	3317 PUEBLO ST	HERNANDEZ CIRILO S
	47	3125 N WESTMORELAND RD	WELLS SHELLY
	48	3119 N WESTMORELAND RD	WELLS ELLA MAE
	49	3318 PUEBLO ST	VELAZQUEZ JUAHN &
	50	3314 PUEBLO ST	HENDERSON EZEKIEL
	51	3328 PUEBLO ST	GALACIA ANASTACIO &
	52	3332 PUEBLO ST	ABRA JOHN T
	53	3402 PUEBLO ST	MARTINEZ PEDRO X & ANA V
	54	3403 TORONTO ST	LEE PURNELL C
	55	3333 TORONTO ST	CARDENAS MARIA DE LA LUZ
	56	3329 TORONTO ST	HIGH JOYCE
	57	3325 TORONTO ST	JOHNSON JOHNNY F &

01/20/2016

<i>Reply</i>	<i>Label #</i>	<i>Address</i>	<i>Owner</i>
	58	3321 TORONTO ST	JOHNSON JOHNNY F &
	59	3317 TORONTO ST	TRUE CHURCH OF GOD IN
	60	3314 TORONTO ST	WEEKS BILLIE JO
	61	3328 TORONTO ST	AGULAR MAURILIO &
	62	3332 TORONTO ST	SMITH FANNIE MAE EST
	63	3402 TORONTO ST	DALLAS HOUSING ACQUISTION & DEV CORP
	64	3405 SINGLETON BLVD	URENA CENOBIO
	65	3321 SINGLETON BLVD	LOPEZ MIGUEL ANGEL
	66	3531 N WESTMORELAND RD	Dallas ISD
	67	3517 N WESTMORELAND RD	VESTAL FREDDY TRUSTEE
	68	3316 GALLAGHER ST	NEW MOUNT CALVARY BAPTIST CH
	69	3320 GALLAGHER ST	SALGADO JOSE &
	70	3324 GALLAGHER ST	BENJAMIN THOMAS JR ETAL
	71	3330 GALLAGHER ST	EUSEBIO CARLOS
	72	3317 MORRIS ST	NEW MT CALVARY BAPTIST CHURCH
	73	3321 MORRIS ST	SMITH JOHN B EST OF
	74	3327 MORRIS ST	HAYDEN I V
	75	3331 MORRIS ST	HAYDEN LONDELL &
	76	3335 MORRIS ST	PACHECO MIGUEL CHAN
	77	3425 N WESTMORELAND RD	NEW MOUNT CALVARY
	78	3318 MORRIS ST	NEW MOUNT CAVALRY BAPTIST
	79	3320 MORRIS ST	MORALES GRACIELA &
	80	3326 MORRIS ST	MENDOZA VERONICA &
	81	3330 MORRIS ST	HAYDEN NATALIE
	82	3336 MORRIS ST	BUSSEY M C
	83	3400 MORRIS ST	MITCHELL MERLERICK H
	84	3320 SINGLETON BLVD	QUEMETCO METALS LTD INC
O	85	2815 N WESTMORELAND RD	AMERICA GOODSTEWARD INTERNATIONAL LLC
	86	3420 SINGLETON BLVD	KING NATHANAEL MICHAEL
	87	2826 N WESTMORELAND RD	EZS TRUCKING INC
	88	2950 SINGLETON BLVD	REDEEMER BAPTIST CHURCH

01/20/2016

<i>Reply</i>	<i>Label #</i>	<i>Address</i>	<i>Owner</i>
	89	2805 WESTERFIELD ST	TEXAS UTILITIES ELEC CO
	90	2948 SINGLETON BLVD	REDEEMER BAPTIST CHURCH
	91	3260 BICKERS ST	HAMPTON SUPPORTIVE
	92	3110 LANDRUM LAKES CT	DELLINGER LYNNELLE
	93	3106 LANDRUM LAKES CT	KENTEX GLOBAL HOLDINGS INC
	94	3519 MELINDA HILLS DR	LANTAJO ROMMEL V
	95	3515 MELINDA HILLS DR	BETTS ROSHANDA
	96	3511 MELINDA HILLS DR	FLORES TAMIKO & VICTOR
	97	3507 MELINDA HILLS DR	NGUYEN LUAN &
	98	3503 MELINDA HILLS DR	TAYLOR MARGARET & LESLEY
	99	3141 MELISSA RIVER WAY	DFW LEGACY HOMES
	100	3528 JENNY DALE DR	GARCIACORDOVA CHRISTOPHER
	101	3524 JENNY DALE DR	LAWAL OLABISI O
	102	3520 JENNY DALE DR	ODA HAREGEWOIN
	103	3516 JENNY DALE DR	HARRINGTON DONNA
	104	3512 JENNY DALE DR	FELEKE DANIEL & W KIRKOS RAHEL
	105	3508 JENNY DALE DR	FEYE TESFAYE & EMEBET GEBRETSADIK
	106	3504 JENNY DALE DR	DALLAS AREA HABITAT FOR HUMANITY INC
	107	3502 JENNY DALE DR	ESTALA BRYAN
O	108	3106 MELISSA RIVER WAY	ASHRAF MUHAMMAD
	109	3114 MELISSA RIVER WAY	ANDERSON TRIONA A
	110	3118 MELISSA RIVER WAY	VARGAS JOSEFINA
	111	3122 MELISSA RIVER WAY	ESHETU TIGIST
	112	3126 MELISSA RIVER WAY	BLACKMAN TAMMY
	113	3130 MELISSA RIVER WAY	LOVELACE TERRI
	114	3526 MELINDA HILLS DR	GONZALES JIMMY G & CHRISTINA G
	115	3522 MELINDA HILLS DR	FRANKLIN EDWARD & MICHELE
	116	3518 MELINDA HILLS DR	VAUGHT PHILLIP & GLORIA
	117	3514 MELINDA HILLS DR	TRAN CHANH & KHOA THI NGUYEN
	118	3510 MELINDA HILLS DR	ENTELE MOGES & BIZUNESH KORICHO

01/20/2016

<i>Reply</i>	<i>Label #</i>	<i>Address</i>	<i>Owner</i>
	119	3506 MELINDA HILLS DR	ALARCON BALTAZAR & MARIA
	120	3502 MELINDA HILLS DR	FRAZIER STEVEN
	121	3507 JENNY DALE DR	FERNANDEZ ADELAIDE &
	122	3511 JENNY DALE DR	ESTIFANOS SEMERT
	123	3515 JENNY DALE DR	METAFERIA FIKRU &
	124	3519 JENNY DALE DR	RAMOS SUSANA
O	125	3523 JENNY DALE DR	MONTES SAMUEL
	126	3527 JENNY DALE DR	MIKEL AMANDA N
	127	3531 JENNY DALE DR	BURKS TYRUS &
	128	3017 N WESTMORELAND RD	MILAN INVESTMENTS, INC
O	129	3419 MCBROOM ST	TABERNACLE BAPTIST CHURCH
	130	3316 TORONTO ST	CHAVEZ VILMA
	131	3316 TORONTO ST	VEGA MAXIMINO

AGENDA ITEM # 53

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 2

DEPARTMENT: Sustainable Development and Construction

CMO: Ryan S. Evans, 671-9837

MAPSCO: 45 M

SUBJECT

A public hearing to receive comments regarding an application for and an ordinance granting the repeal of Specific Use Permit No. 2158 for a tattoo studio on property zoned Tract A in Planned Development District No. 269, the Deep Ellum/Near East Side District on the south line of Elm Street, east of North Good Latimer Expressway
Recommendation of Staff and CPC: Approval
Z156-133(OTH)

FILE NUMBER: Z156-133(OTH)**DATE FILED:** November 16, 2015**LOCATION:** South line of Elm Street, east of North Good Latimer Expressway**COUNCIL DISTRICT:** 2**MAPSCO:** 45M**SIZE OF REQUEST:** \pm 0.11 acres**CENSUS TRACT:** 204.00**APPLICANT:** Shawn Hodges**REPRESENTATIVE:** Audra Buckley, Permitted Development**OWNER:** 42 Deep Ellum LP

REQUEST: An application to repeal Specific Use Permit No. 2158 for a tattoo studio on property zoned Tract A in Planned Development District No. 269, the Deep Ellum/Near East Side District.

SUMMARY: Specific Use Permit No. 2158 for a tattoo studio was approved by City Council on September 22, 2015 for a three year period. Subsequent to the approval, the applicant realized that he submitted the request for the wrong suite (#130). This suite encompassing the subject site adjoins the desired suite (#120). The applicant owns the property containing both suites. On November 5, 2015, the City Plan Commission approved a waiver to allow the applicant to submit a zoning application to terminate this specific use permit. An accompanying application (Z156-134) has been submitted for the desired suite. A minimum 300-foot distance is required between tattoo studios in this Planned Development District. Therefore, Specific Use Permit No. 2158 has to be repealed before another application for a tattoo studio within 300 feet can be considered.

CPC RECOMMENDATION: Approval**STAFF RECOMMENDATION:** Approval

Zoning History:

There have been three recent zoning changes in the area:

1. Z123-267(CG) On May 28, 2014, the City Council approved amendments to certain use regulations and development standards within PDD No. 269, the Deep Ellum/East Side District.
2. Z123-255(RB) On August 14, 2013, the City Council approved the renewal of Specific Use Permit No. 1913 for a bar, lounge or tavern.
3. Z145-207(CG) On June 10, 2015, the City Council approved Specific Use Permit No. 2150 for an alcoholic beverage establishment limited to a bar, lounge, or tavern.

Thoroughfares/Streets:

Thoroughfares/Street	Type	Existing ROW
Elm Street	Collector	60 feet
North Good Latimer Expressway	Principal Arterial	Variable ROW

Traffic:

The repeal of this Specific Use Permit will have no impact upon the surrounding street system.

STAFF ANALYSIS:

COMPREHENSIVE PLAN:

The *fowardDallas! Comprehensive Plan* was adopted by the City Council in June 2006. The plan outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request, and it identifies the request site as being in an Urban Neighborhood Building Block.

Urban Neighborhoods, including Oak Lawn, the Grand Avenue area in South Dallas, the area near Jefferson Boulevard and the Vickery Meadow area, are predominately residential but are distinguished from other neighborhoods by the wide variety of housing options they provide and easy access to public transit. Housing choices should include single-family detached dwellings, townhomes and low- to midrise condominiums or apartments. These neighborhoods will have concentrations of shops and offices

along key corridors or at key intersections, providing important services and job opportunities within walking distance of residences. These areas may have mixed-use buildings with ground floor shops. Areas currently developed with single-family or duplex uses should generally be maintained unless redevelopment is addressed through an Area Planning process. Urban Neighborhood streets will be very pedestrian friendly, providing excellent connectivity to shopping, schools and other community services. Emphasis should be placed on slowing traffic through use of on-street parking and other similar traffic calming measures. Public investments in these areas will focus on parks, pathways, transit stops, pedestrian-oriented landscaping and road improvements.

Surrounding Land Uses:

	Zoning	Land Use
Site	PDD No. 269	Vacant structure
North	PDD No. 269	Commercial amusement inside, restaurant, vacant, parking lot
South	PDD No. 269	Retail, restaurant
East	PDD No. 269	Vacant, retail, parking lot
West	PDD No. 269	Retail, restaurant, vacant

Land Use Compatibility:

On May 28, 2014, the City Council approved an amendment to PDD No. 269 which requires a SUP for the requested use as well as prohibiting other tattoo studios within 300 feet. The surrounding land uses include commercial amusement inside, restaurant, vacant and parking lot to the north; retail, parking lot and vacant structures to the east; retail and restaurant uses to the south; and retail, restaurant and vacant to the west.

Pursuant to Plan Development District No. 269, tattoo studio means an establishment in which tattooing is performed. Tattooing means the practice of producing and indelible mark or figure on the human body by scarring or inserting a pigment under the skin using needles, scalpels, or other related equipment.

Z156-133(OTH)

CPC ACTION – January 21, 2016

Z156-133(OTH)

Motion: It was moved to recommend **approval** of repealing Specific Use Permit No. 2158 for a tattoo studio on property zoned Tract A in Planned Development District No. 269, the Deep Ellum/Near East Side District on the south line of Elm Street, east of North Good Latimer Expressway.

Maker: Anantasomboon
Second: Schultz
Result: Carried: 15 to 0

For: 15 - Anglin, Emmons, Houston, Davis, Shidid,
Anantasomboon, Abtahi, Haney, Jung,
Housewright, Schultz, Peadon, Murphy, Ridley,
Tarpley

Against: 0
Absent: 0
Vacancy: 0

Notices:	Area: 200	Mailed: 16
Replies:	For: 0	Against: 7

Speakers: None

List of Partners/Principals/Officers

42 Deep Ellum, LP, a Texas Limited Partnership

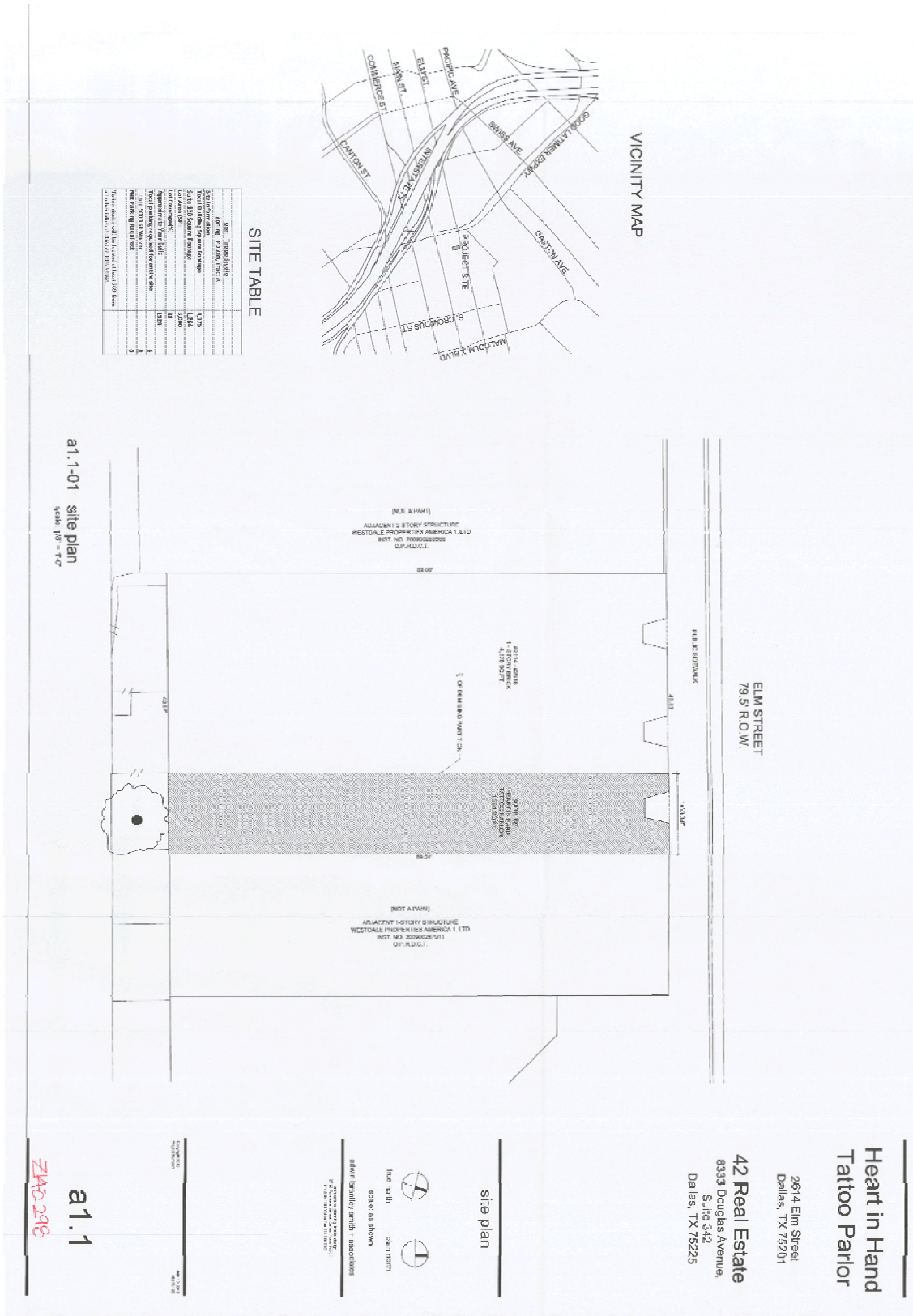
General Partner: 42 GP Ellum, LLC, a Texas Limited Liability Corporation

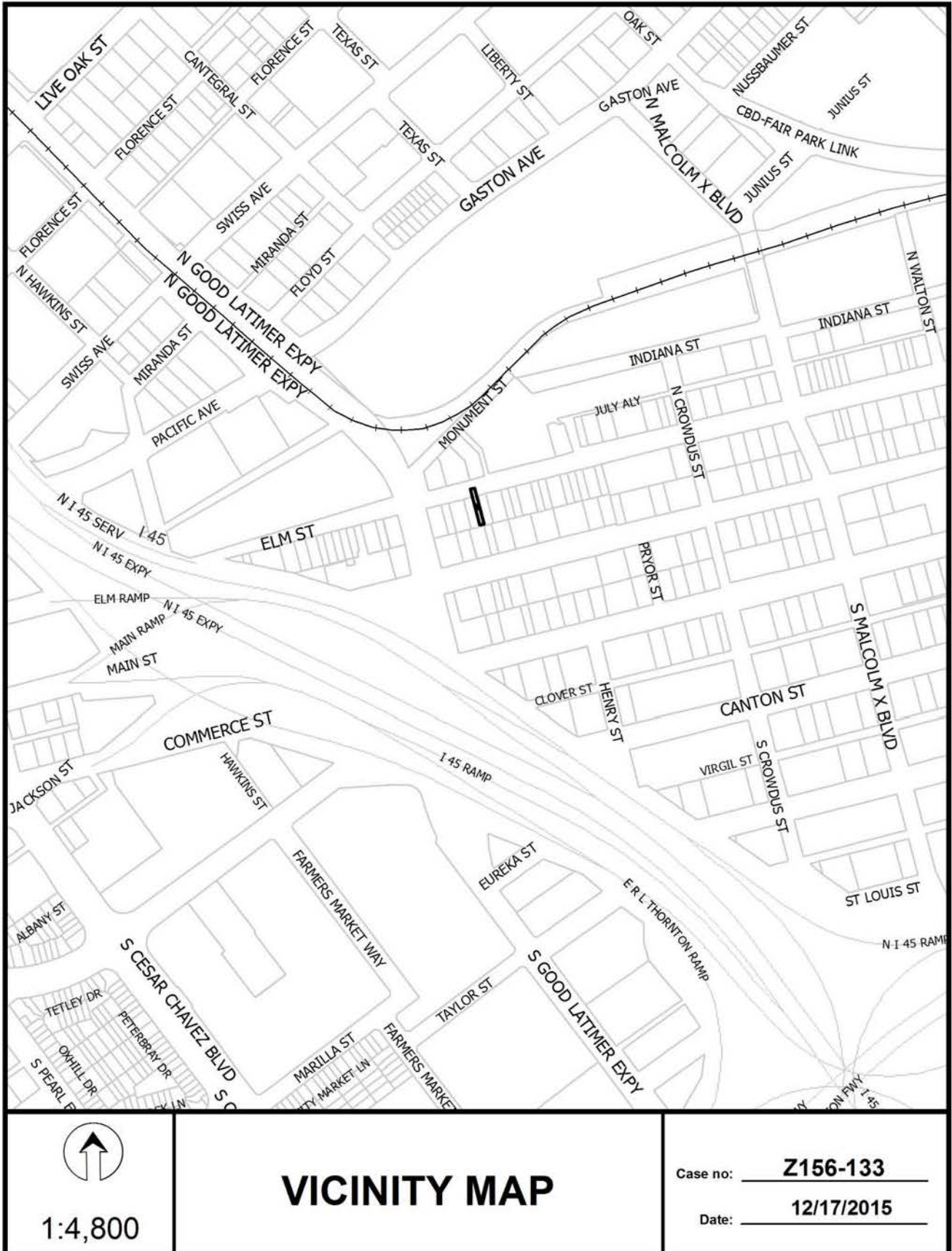
Managing member: Scott Rohrman

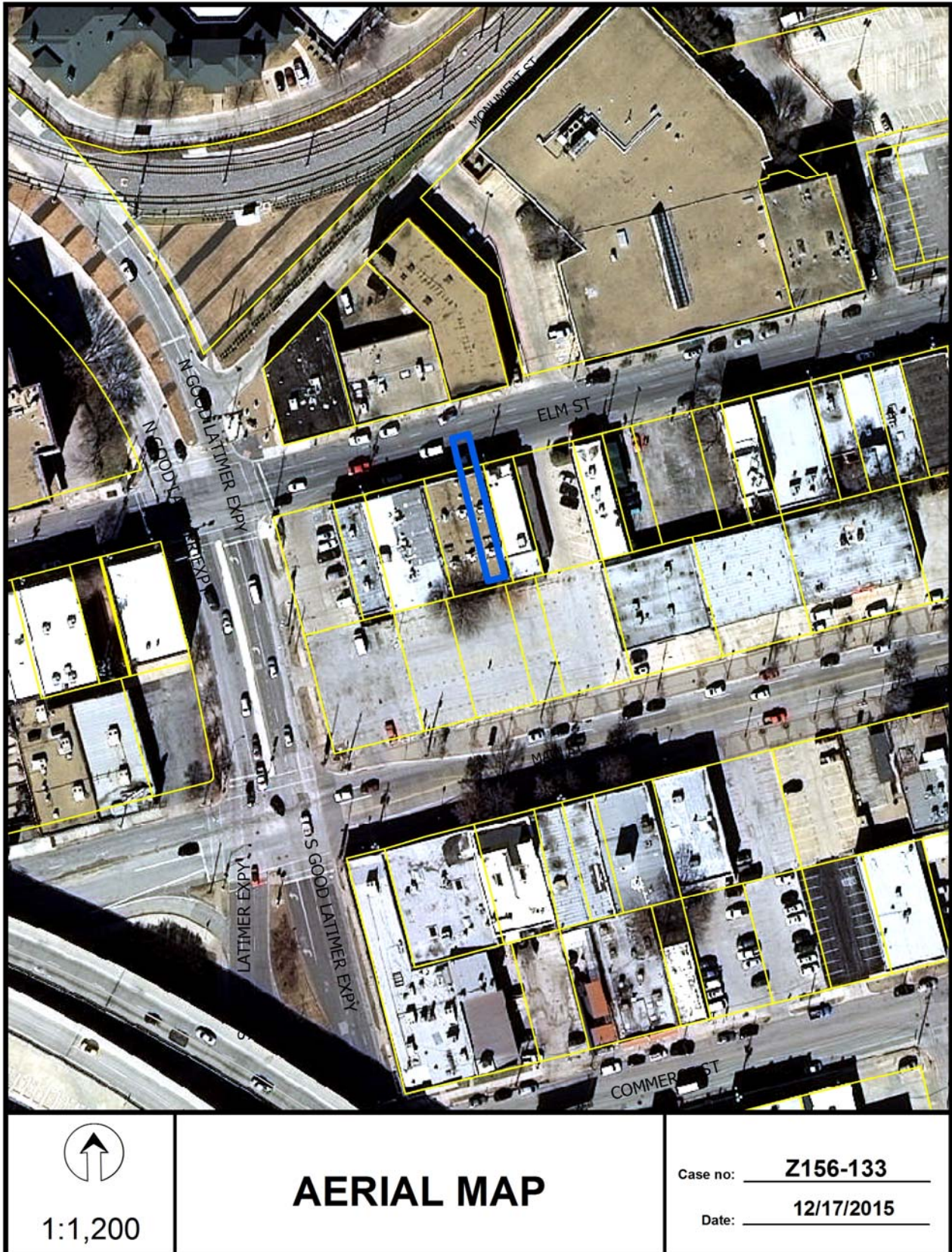
SUP No. 2158 Existing Conditions

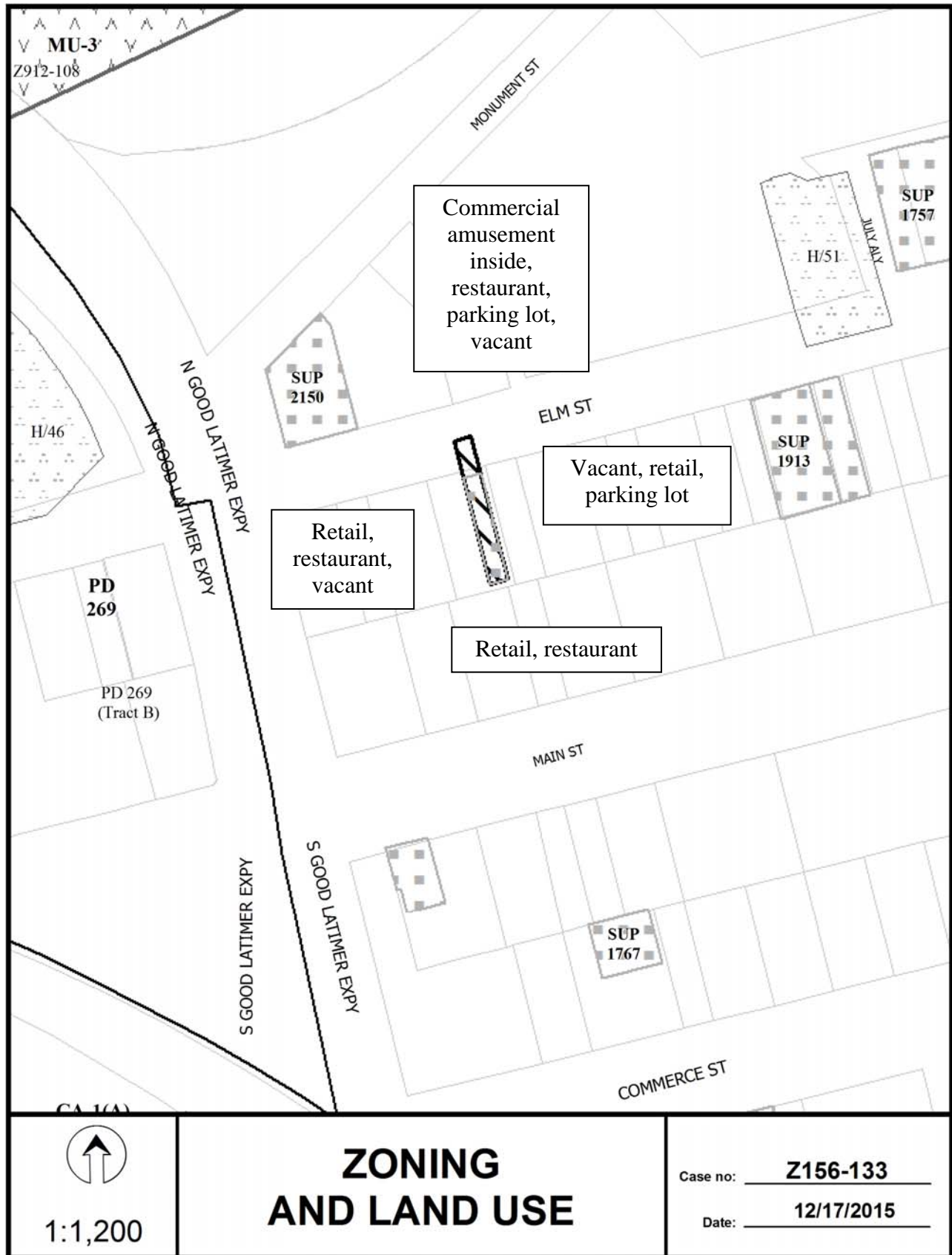
1. USE: The only uses authorized by this SUP are a tattoo studio.
2. SITE PLAN: Use and development of the Property must comply with the attached site plan.
3. TIME LIMIT: This specific use permit expires on (three years) from the date the SUP is granted.
4. FLOOR AREA: The maximum floor area is 1,264 square feet in the location shown on the attached site plan.
5. PARKING: Parking must be provided in accordance with the requirements of Planned Development District No. 269, the Deep Ellum/Near East Side District.
6. MAINTENANCE: The Property must be properly maintained in a state of good repair and neat appearance.
7. GENERAL REQUIREMENTS: Use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the City of Dallas.

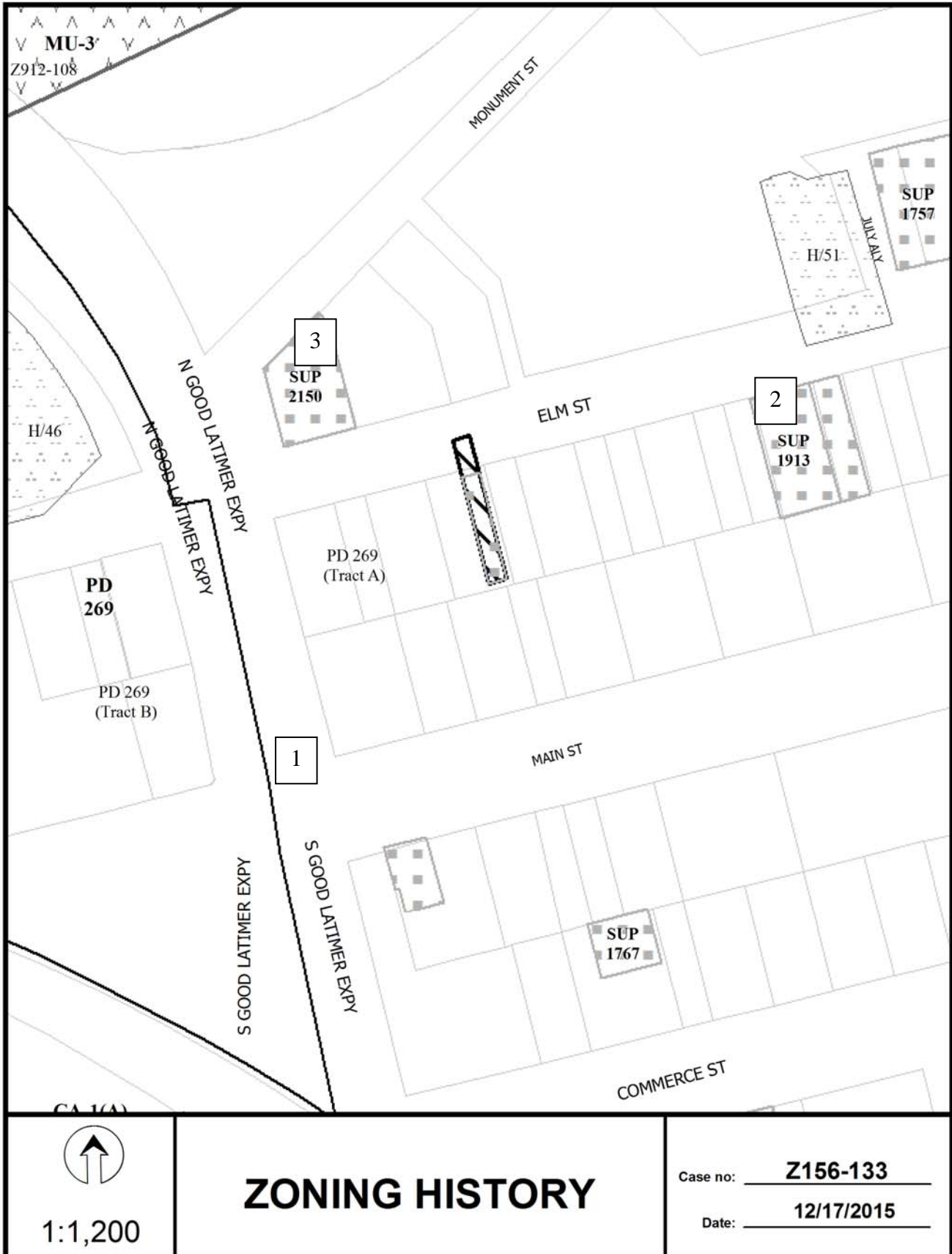
SUP No. 2158 EXISTING SITE PLAN











CPC RESPONSES



<u>16</u>	Property Owners Notified (27 parcels)
<u>0</u>	Replies in Favor (0 parcels)
<u>7</u>	Replies in Opposition (10 parcels)
<u>200'</u>	Area of Notification
<u>1/21/2016</u>	Date

Z156-133
CPC



1:1,200

01/20/2016

Reply List of Property Owners***Z156-133******16 Property Owners Notified******0 Property Owners in Favor******7 Property Owners Opposed***

<i>Reply</i>	<i>Label #</i>	<i>Address</i>	<i>Owner</i>
	1	2635 MAIN ST	42 DEEP ELLUM LP
X	2	2626 ELM ST	ELM STREET LOFTS LTD
	3	2625 MAIN ST	42 DEEP ELLUM LP
X	4	2634 ELM ST	ROSE BARSHOP RESIDUARY TR
X	5	2628 ELM ST	ROSE BARSHOP RESIDUARY TR
	6	2604 ELM ST	SEJ ASSET MGMT & INVESTMENT CO
X	7	2610 ELM ST	WESTDALE PROPERTIES AMERICA I LTD
X	8	2603 MAIN ST	PARKIN ART JOINT VENTURE
	9	2616 MAIN ST	42 DEEP ELLUM LP
	10	2612 MAIN ST	KRISITIAN KEVIN 2612 LLC
	11	2604 MAIN ST	42 DEEP ELLUM LP
	12	2620 MAIN ST	BLANTON JEANNE
X	13	2605 ELM ST	WESTDALE PROPERTIES AMERICA I LTD
	14	2625 ELM ST	UPLIFT EDUCATION
X	15	2615 ELM ST	WESTDALE PPTIES AMERICA I LTD
	16	2600 MONUMENT ST	DALLAS AREA RAPID TRANSIT

AGENDA ITEM # 54

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 2

DEPARTMENT: Sustainable Development and Construction

CMO: Ryan S. Evans, 671-9837

MAPSCO: 45 M

SUBJECT

A public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for a tattoo studio on property zoned Tract A in Planned Development District No. 269, the Deep Ellum/Near East Side District on the south line of Elm Street, east of North Good Latimer Expressway

Recommendation of Staff and CPC: Approval for a three-year period, subject to a site plan and conditions

Z156-134(OTH)

FILE NUMBER: Z156-134(OTH)

DATE FILED: November 16, 2015

LOCATION: South line of Elm Street, east of North Good Latimer Expressway

COUNCIL DISTRICT: 2

MAPSCO: 45M

SIZE OF REQUEST: \pm 0.11 acres

CENSUS TRACT: 204.00

APPLICANT: Shawn Hodges

REPRESENTATIVE: Audra Buckley, Permitted Development

OWNER: 42 Deep Ellum LP

REQUEST: An application for a Specific Use Permit for a tattoo studio on property zoned Tract A in Planned Development District No. 269, the Deep Ellum/Near East Side District.

SUMMARY: The request is to operate a 1,264-square-foot tattoo studio within Suite #120 encompassing the subject site. This application is being processed simultaneously with application Z156-133, which repeals Specific Use Permit No. 2158 for a tattoo studio in the adjoining suite (#130). With the repeal of Specific Use Permit No. 2158, the proposed tattoo studio will meet the 300-foot distance requirement for tattoo studio in this Planned Development District.

CPC RECOMMENDATION: **Approval** for a three-year period, subject to a site plan and conditions.

STAFF RECOMMENDATION: **Approval** for a three-year period, subject to a site plan and conditions.

GUIDING CRITERIA FOR RECOMMENDATION:

The following factors are listed in Chapter 51A of the Dallas Development Code to guide the determination as to whether or not an SUP shall be granted. Staff has listed its findings based upon each component below:

1. *Compatibility with surrounding uses and community facilities* – The primary uses in PDD No. 269 consist of restaurants, commercial, retail and personal service, bars, lounge and taverns with and without dance halls or music venues, and office uses. The proposed use should not adversely impact the surrounding uses.
2. *Contribution to, enhancement, or promoting the welfare of the area of request and adjacent properties* – The proposed use will contribute to the area.
3. *Not a detriment to the public health, safety, or general welfare* – It is not foreseen that the proposed use would be a detriment to the public health, safety or general welfare of the community.
4. *Conforms in all other respects to all applicable zoning regulations and standards* – The request will comply with all zoning regulations and standards.

Zoning History:

There have been three recent zoning changes in the area:

1. Z123-267(CG) On May 28, 2014, the City Council approved amendments to certain use regulations and development standards within PDD No. 269, the Deep Ellum/East Side District.
2. Z123-255(RB) On August 14, 2013, the City Council approved the renewal of Specific Use Permit No. 1913 for a bar, lounge or tavern.
3. Z145-207(CG) On June 10, 2015, the City Council approved a Specific Use Permit No. 2150 for an alcoholic beverage establishment limited to a bar, lounge, or tavern.

Thoroughfares/Streets:

Thoroughfares/Street	Type	Existing ROW
Elm Street	Collector	60 feet
North Good Latimer Expressway	Principal Arterial	Variable ROW

Traffic:

The Engineering Section of the Department of Sustainable Development and Construction has reviewed the request and determined the surrounding street system can accommodate the anticipated number of trips.

COMPREHENSIVE PLAN:

The *fowardDallas! Comprehensive Plan* was adopted by the City Council in June 2006. The plan outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request, and it identifies the request site as being in an Urban Neighborhood Building Block.

Urban Neighborhoods, including Oak Lawn, the Grand Avenue area in South Dallas, the area near Jefferson Boulevard and the Vickery Meadow area, are predominately residential but are distinguished from other neighborhoods by the wide variety of housing options they provide and easy access to public transit. Housing choices should include single-family detached dwellings, townhomes and low- to midrise condominiums or apartments. These neighborhoods will have concentrations of shops and offices along key corridors or at key intersections, providing important services and job opportunities within walking distance of residences. These areas may have mixed-use buildings with ground floor shops. Areas currently developed with single-family or duplex uses should generally be maintained unless redevelopment is addressed through an Area Planning process. Urban Neighborhood streets will be very pedestrian friendly, providing excellent connectivity to shopping, schools and other community services. Emphasis should be placed on slowing traffic through use of on-street parking and other similar traffic calming measures. Public investments in these areas will focus on parks, pathways, transit stops, pedestrian-oriented landscaping and road improvements.

In general, the applicant's proposal is consistent with the goals and policies of the Comprehensive Plan.

Surrounding Land Uses:

	Zoning	Land Use
Site	PDD No. 269	Vacant structure
North	PDD No. 269	Commercial amusement inside, restaurant, vacant, parking lot
South	PDD No. 269	Retail, restaurant
East	PDD No. 269	Vacant, retail, parking lot
West	PDD No. 269	Retail, restaurant, vacant

STAFF ANALYSIS:

Land Use Compatibility:

On May 28, 2014, the City Council approved an amendment to PDD No. 269 which requires an SUP for the requested use as well as prohibiting other tattoo studios within 300 feet. The proposed tattoo studio meets the distance requirement. With the repeal of Specific Use Permit No. 2158 on the adjoining property, there are no other tattoo studios within 300 feet of the subject site. The surrounding land uses include commercial amusement inside, restaurant, vacant and parking lot to the north; retail, parking lot and vacant structures to the east; retail and restaurant uses to the south; and retail, restaurant and vacant to the west.

Pursuant to Planned Development District No. 269, tattoo studio means an establishment in which tattooing is performed. Tattooing means the practice of producing and indelible mark or figure on the human body by scarring or inserting a pigment under the skin using needles, scalpels, or other related equipment.

The general provisions for a Specific Use Permit in Section 51A-4.219 of the Dallas Development Code specifically state: (1) The SUP provides a means for developing certain uses in a manner in which the specific use will be consistent with the character of the neighborhood; (2) Each SUP application must be evaluated as to its probable effect on the adjacent property and the community welfare and may be approved or denied as the findings indicate appropriate; (3) The city council shall not grant an SUP for a use except upon a finding that the use will: (A) complement or be compatible with the surrounding uses and community facilities; (B) contribute to, enhance, or promote the welfare of the area of request and adjacent properties; (C) not be detrimental to the public health, safety, or general welfare; and (D) conform in all other respects to all applicable zoning regulations and standards. The regulations in this chapter have been established in accordance with a comprehensive plan for the purpose of promoting the health, safety, morals, and general welfare of the city.

Parking:

PDD No. 269 establishes that no off-street parking spaces are required for the first 5,000 square feet of floor area in a retail-related use or professional, personal service, and custom crafts use that has a separate certificate of occupancy if the use is located in an original building. PD No. 269 defines original building as a building constructed on or before June 27, 1984, the floor area of which has not since June 27, 1984, been increased by more than:

- A. 150 percent if the increase is 5,000 square feet or less; or
- B. 100 percent if the increase is more than 5,000 square feet.

The structure on the subject site meets the criteria for an original building. The entire structure is 5,000 square feet, which includes the 1,264 square foot tattoo studio.

Z156-134(OTH)

Landscaping:

The proposed use will not trigger any Article X requirements as no new construction is proposed.

CPC ACTION – January 21, 2016

Z156-134(OTH)

Motion: It was moved to recommend **approval** of a Specific Use Permit for a tattoo studio for a three-year period, subject to a site plan and conditions on property zoned Tract A in Planned Development District No. 269, the Deep Ellum/Near East Side District on the south line of Elm Street, east of North Good Latimer Expressway.

Maker: Anantasomboon
Second: Schultz
Result: Carried: 15 to 0

For: 15 - Anglin, Emmons, Houston, Davis, Shidid,
Anantasomboon, Abtahi, Haney, Jung,
Housewright, Schultz, Peadon, Murphy, Ridley,
Tarpley

Against: 0
Absent: 0
Vacancy: 0

Notices: Area: 200 Mailed: 16
Replies: For: 0 Against: 6

Speakers: For: None
Against: Bill Betzen, 6717 Cliffwood Dr., Dallas, TX, 75237

List of Partners/Principals/Officers

42 Deep Ellum, LP, a Texas Limited Partnership

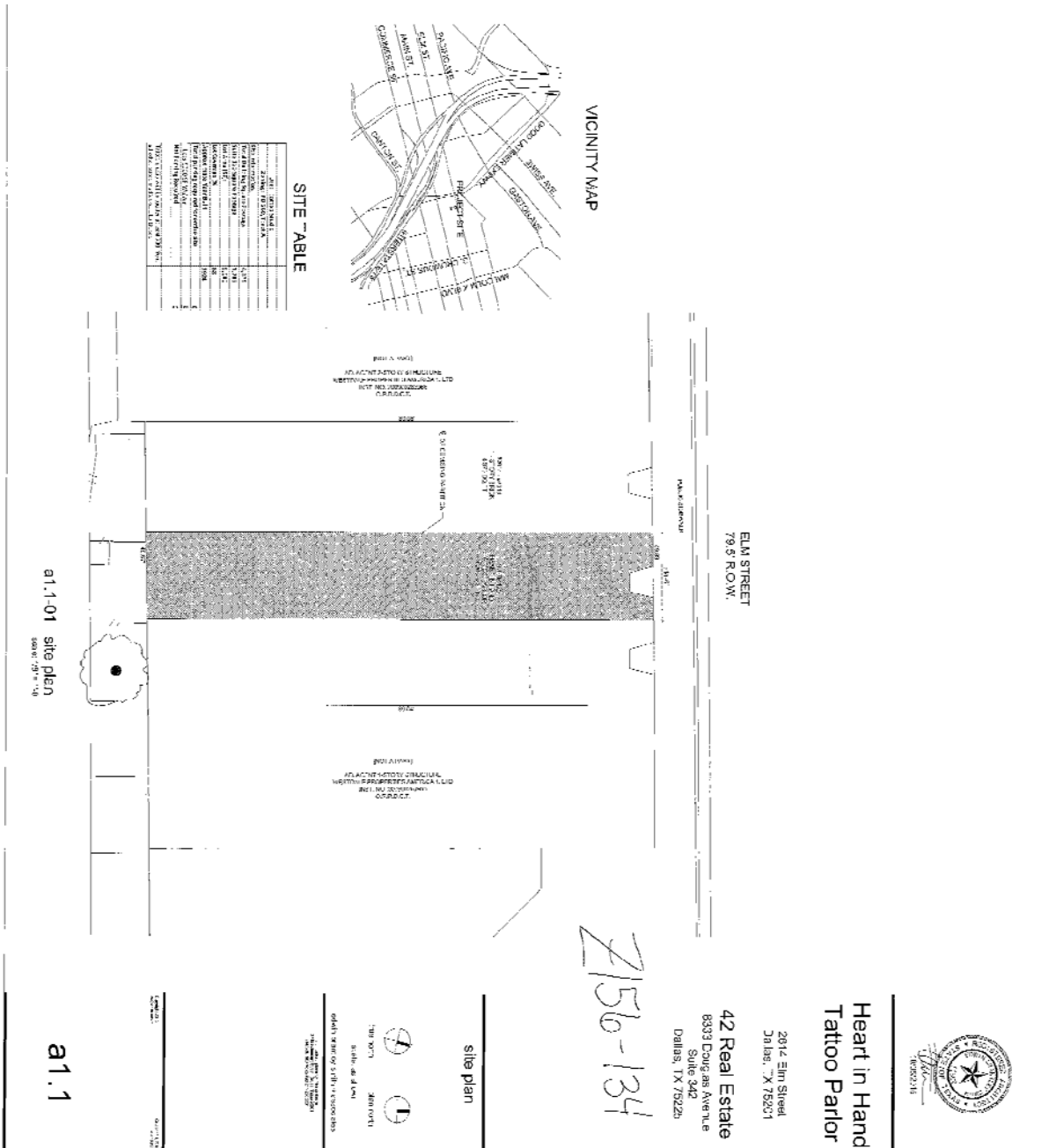
General Partner: 42 GP Ellum, LLC, a Texas Limited Liability Corporation

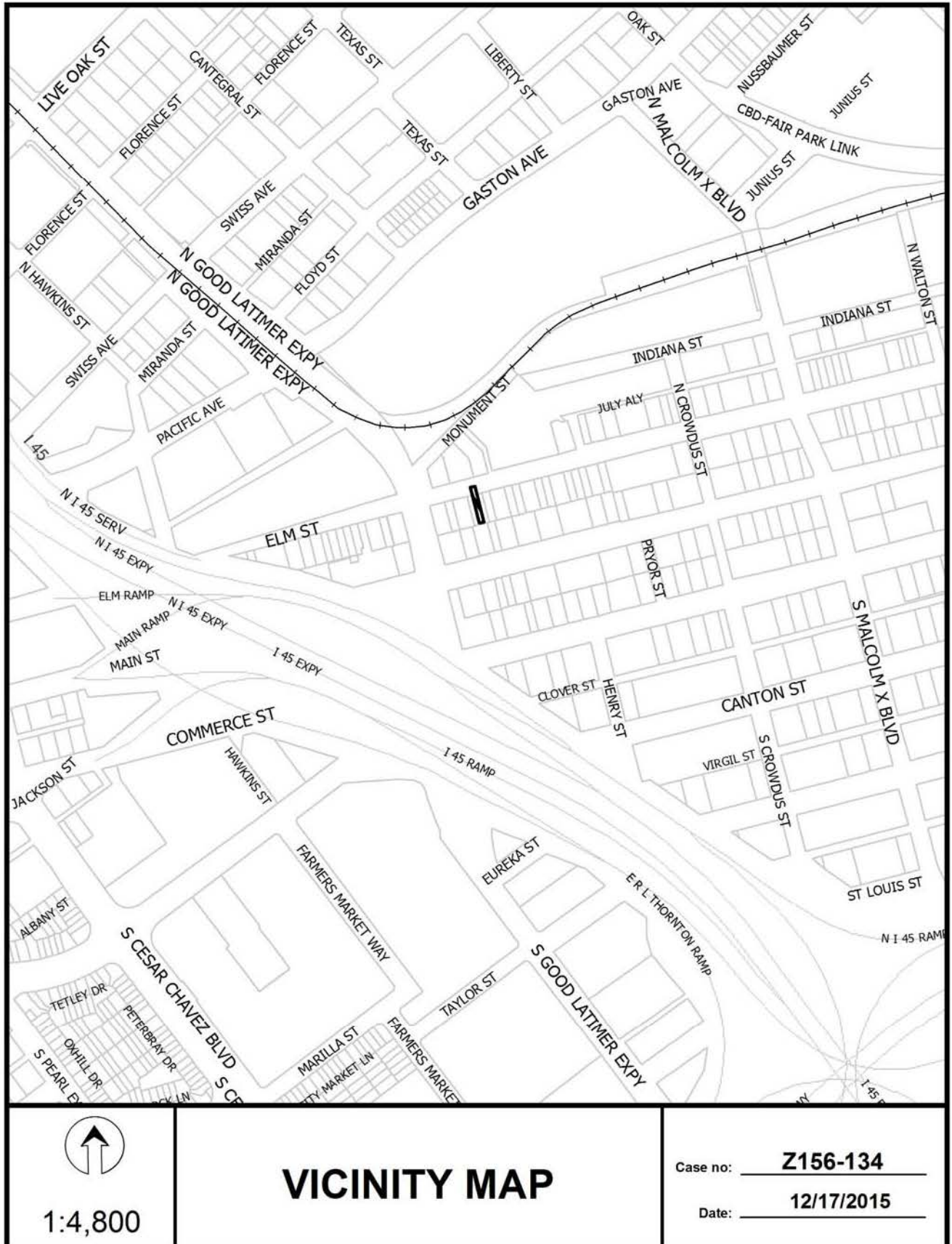
Managing member: Scott Rohrman

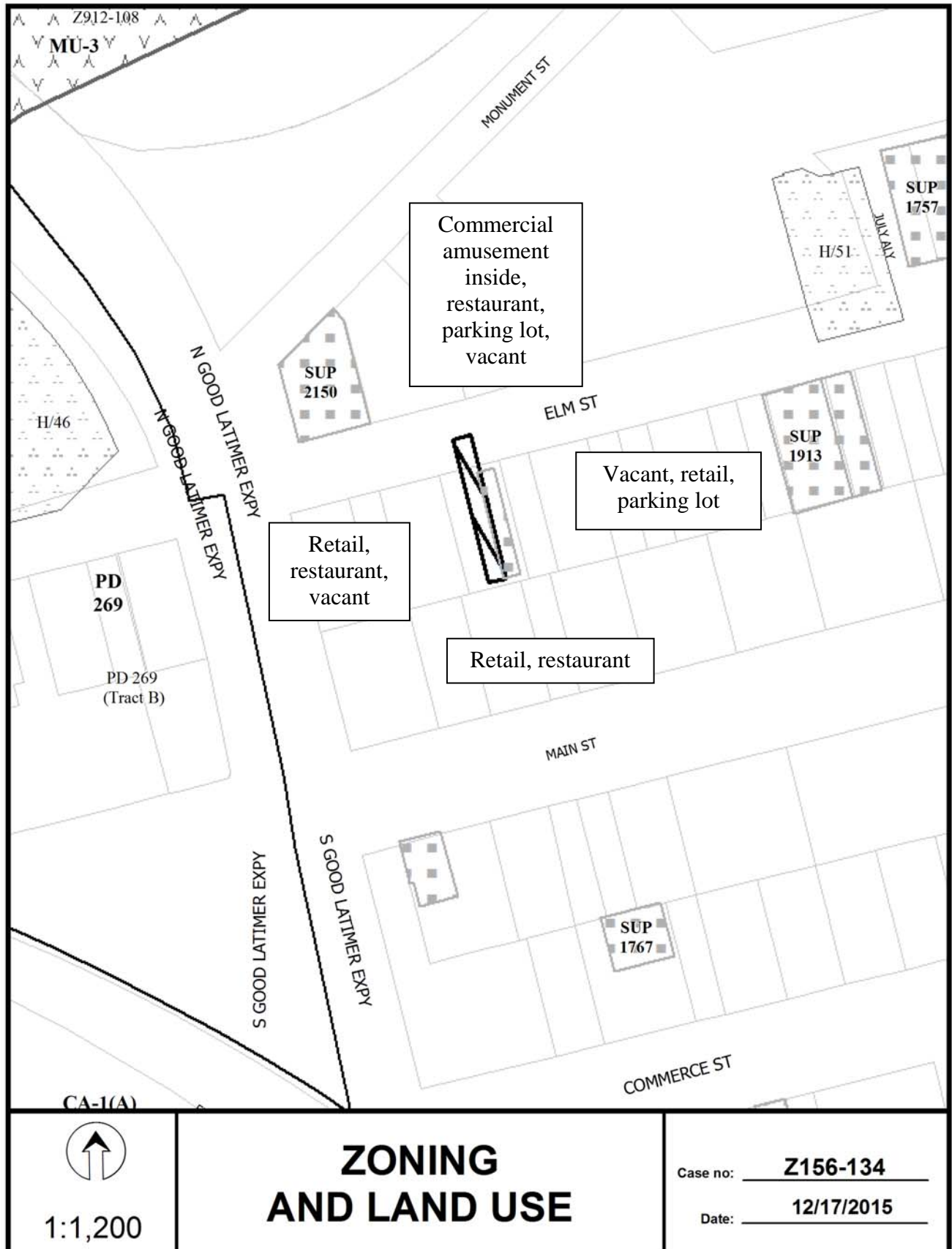
Proposed SUP Conditions

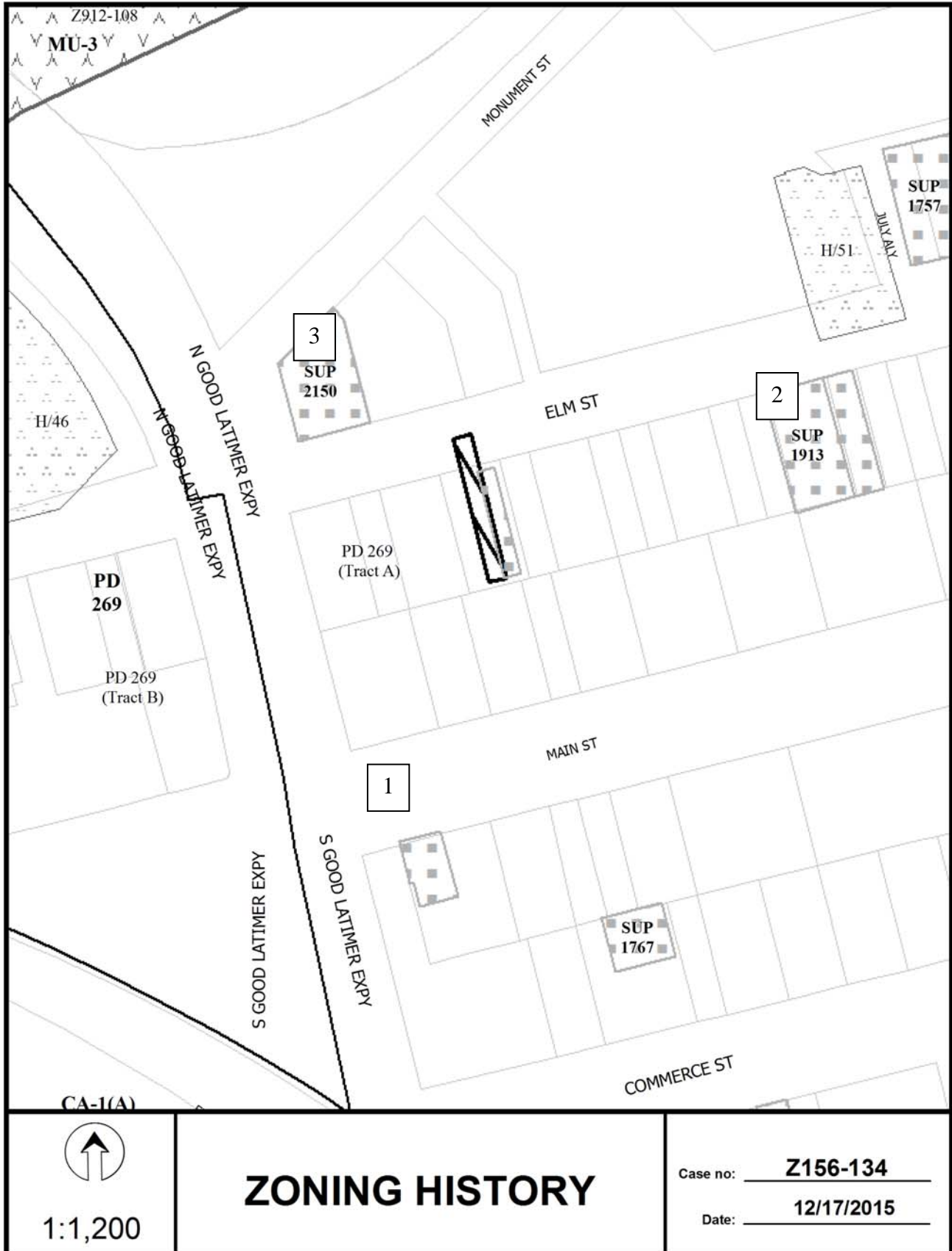
1. USE: The only uses authorized by this SUP are a tattoo studio.
2. SITE PLAN: Use and development of the Property must comply with the attached site plan.
3. TIME LIMIT: This specific use permit expires on_____ (three years).
4. FLOOR AREA: The maximum floor area is 1,264 square feet in the location shown on the attached site plan.
5. PARKING: Parking must be provided in accordance with the requirements of Planned Development District No. 269, the Deep Ellum/Near East Side District.
6. MAINTENANCE: The Property must be properly maintained in a state of good repair and neat appearance.
7. GENERAL REQUIREMENTS: Use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the City of Dallas.

PROPOSED SITE PLAN









CPC RESPONSES



<u>16</u>	Property Owners Notified (27 parcels)
<u>0</u>	Replies in Favor (0 parcels)
<u>6</u>	Replies in Opposition (9 parcels)
<u>200'</u>	Area of Notification
<u>1/21/2016</u>	Date

Z156-134
CPC



1:1,200

01/20/2016

Reply List of Property Owners
Z156-134

16 Property Owners Notified***0 Property Owners in Favor******6 Property Owners Opposed***

<i>Reply</i>	<i>Label #</i>	<i>Address</i>	<i>Owner</i>
	1	2635 MAIN ST	42 DEEP ELLUM LP
X	2	2626 ELM ST	ELM STREET LOFTS LTD
	3	2625 MAIN ST	42 DEEP ELLUM LP
X	4	2634 ELM ST	ROSE BARSHOP RESIDUARY TR
X	5	2628 ELM ST	ROSE BARSHOP RESIDUARY TR
	6	2604 ELM ST	SEJ ASSET MGMT & INVESTMENT CO
X	7	2610 ELM ST	WESTDALE PROPERTIES AMERICA I LTD
X	8	2603 MAIN ST	PARKIN ART JOINT VENTURE
	9	2616 MAIN ST	42 DEEP ELLUM LP
	10	2612 MAIN ST	KRISITIAN KEVIN 2612 LLC
	11	2604 MAIN ST	42 DEEP ELLUM LP
	12	2620 MAIN ST	BLANTON JEANNE
	13	2605 ELM ST	WESTDALE PROPERTIES AMERICA I LTD
	14	2625 ELM ST	UPLIFT EDUCATION
X	15	2615 ELM ST	WESTDALE PPTIES AMERICA I LTD
	16	2600 MONUMENT ST	DALLAS AREA RAPID TRANSIT

AGENDA ITEM # 55

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 6

DEPARTMENT: Sustainable Development and Construction

CMO: Ryan S. Evans, 671-9837

MAPSCO: 11A P

SUBJECT

A public hearing to receive comments regarding an application for and an ordinance granting an amendment to the development and landscape plans on property zoned Subarea A-2 of Planned Development District No. 741 at the west corner of Saintsbury Street and Cypress Waters Boulevard
Recommendation of Staff and CPC: Approval
Z156-144(LE)

HONORABLE MAYOR & CITY COUNCIL

WEDNESDAY, FEBRUARY 24, 2016

ACM: Ryan S. Evans

FILE NUMBER: Z156-144(LE)

DATE FILED: November 30, 2015

LOCATION: West corner of Saintsbury Street and Cypress Waters Boulevard

COUNCIL DISTRICT: 6

MAPSCO: 11A-P

SIZE OF REQUEST: ±8.134 acres

CENSUS TRACT: 141.27

APPLICANT/OWNER: Trammel Crow Co. #43 LTD

REPRESENTATIVE: Rob Baldwin, Baldwin Associates

REQUEST: An application for the amendment to the development and landscape plans on property zoned Subarea A-2 of Planned Development District No. 741.

SUMMARY: The applicant proposes to replace a portion of the currently approved development plan that includes surface parking facilities for an office with the proposed development plan that provides for a 3-story parking structure. The development plan has to be considered by the City Plan Commission and City Council due to the increase in floor area.

CPC RECOMMENDATION: Approval

STAFF RECOMMENDATION: Approval

BACKGROUND INFORMATION:

- On January 25, 2006, the City Council passed Ordinance No. 26233 which established Planned Development District No. 741. The request site is located in Subarea A-2.
- On October 8, 2014, City Council approved an amendment to incorporate Subareas F and G into Subarea A-2 (along with an expansion onto tracts zoned Agricultural).
- On November 6, 2014, the City Plan Commission approved a development plan for the development of a four-story office building approximately 215,000 square feet with accessory surface parking.

Thoroughfares/Streets:

Thoroughfare/Street	Type	Existing ROW
Cypress Waters Boulevard	Local	94 feet
Saintsbury Street	Local	30 feet

Land Use:

	Zoning	Land Use
Site	PDD 741, Subdistrict A-2	Undeveloped Land (Proposed Office)
North	PDD 741, Subdistrict A-2	Undeveloped Land
East	PDD 741, Subdistrict A-2	Office Uses
South	PDD 741, Subdistrict A-2	Office Uses
West	PDD 741, Subdistrict A-2	Undeveloped Land

STAFF ANALYSIS:

Comprehensive Plan:

The *forwardDallas!* Plan designates this area in a transitional area of the Business Center or Corridor Building Block and Urban Neighborhood.

The Business Centers or Corridors Building Block represents major employment or shopping destinations outside of Downtown. Business Centers are usually at major intersections or along highways or major arterials and rely heavily on car access. These areas typically include high-rise office towers and low- to mid-rise residential buildings for condos or apartments and may include multifamily housing. Business Centers and Corridors provide important concentrations of employment within Dallas that compete with suburban areas.

The Urban Neighborhood Building Block consists of neighborhoods that are predominantly residential but are distinguished from other neighborhoods by the wide variety of housing options they provide and easy access to public transit. Housing choices include single-family detached dwellings, townhomes and low- to mid-rise condominiums and apartments.

Land Use Compatibility: The existing development plan allows for a 4-story office with accessory surface parking facility. The proposed amendment will provide a 3-story parking structure for the adjacent office. Currently, the site is undeveloped.

The adjacent and surrounding areas to the site are zoned Subdistrict A-2 of PDD No. 741. To the north and west lies undeveloped land. To the south and east are office uses.

Traffic: The Engineering Section of the Department of Sustainable Development and Construction has reviewed the requested amendment and determined that it will not significantly impact the surrounding roadway system.

Parking: Current Chapter 51A parking standards for office uses regulate the site. This proposed development requires a parking ratio of one space per 333 square feet of office use. The total square footage of the proposed office is 215,119, which translates to 646 parking spaces. The proposed development plan complies with 1,152 parking spaces.

Landscaping: The ordinance has specific landscaping requirements for this PDD. The proposed landscape plan meets those requirements.

Z156-144(LE)

CPC Action – January 21, 2016

Z156-144(LE)

Motion: It was moved to recommend **approval** of amendments to the development and landscape plans on property zoned Subarea A-2 of Planned Development District No. 741, at the west corner of Saintsbury Street and Cypress Waters Boulevard.

Maker: Anantasomboon
Second: Schultz
Result: Carried: 15 to 0

For: 15 - Anglin, Emmons, Houston, Davis, Shidid,
Anantasomboon, Abtahi, Haney, Jung,
Housewright, Schultz, Peadon, Murphy, Ridley,
Tarpley

Against: 0
Absent: 0
Vacancy: 0

Notices: Area: 500 Mailed: 5
Replies: For: 3 Against: 0

Speakers: None

Partners and Officers

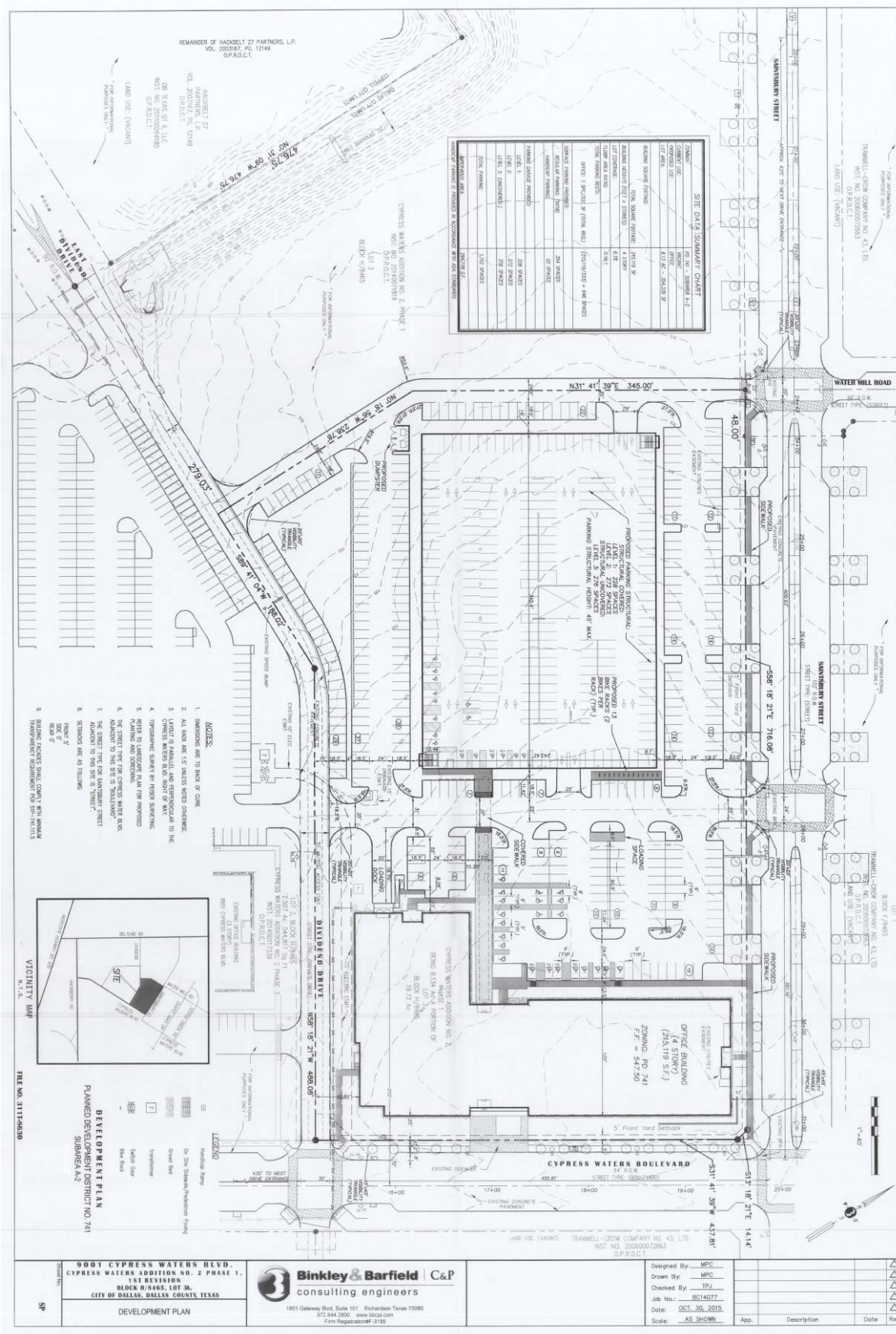
Trammell Crow Company no. 43, Ltd.

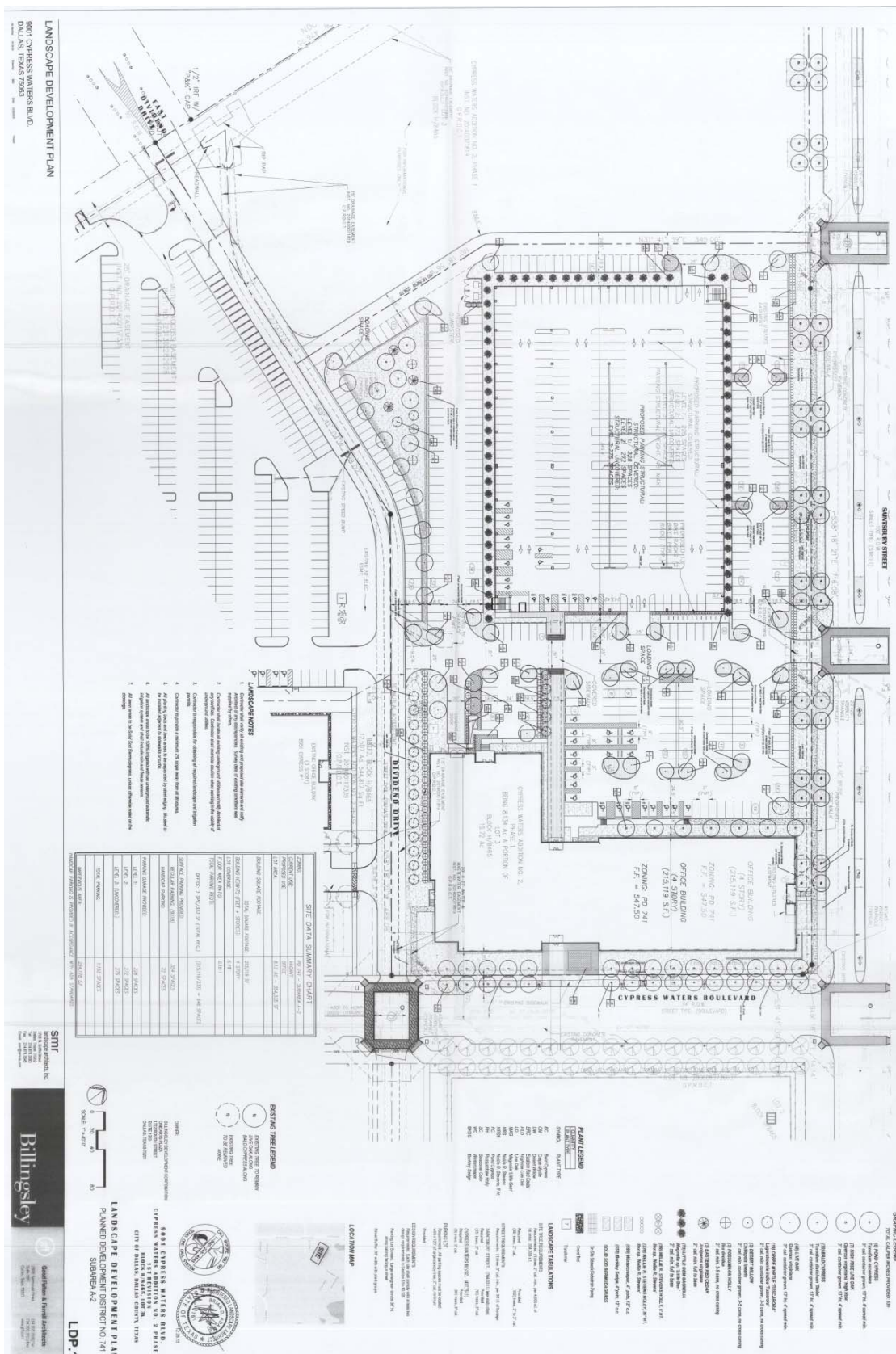
Henry GP, LLC (General Partner)

Henry Billingsley (Member/Manager)

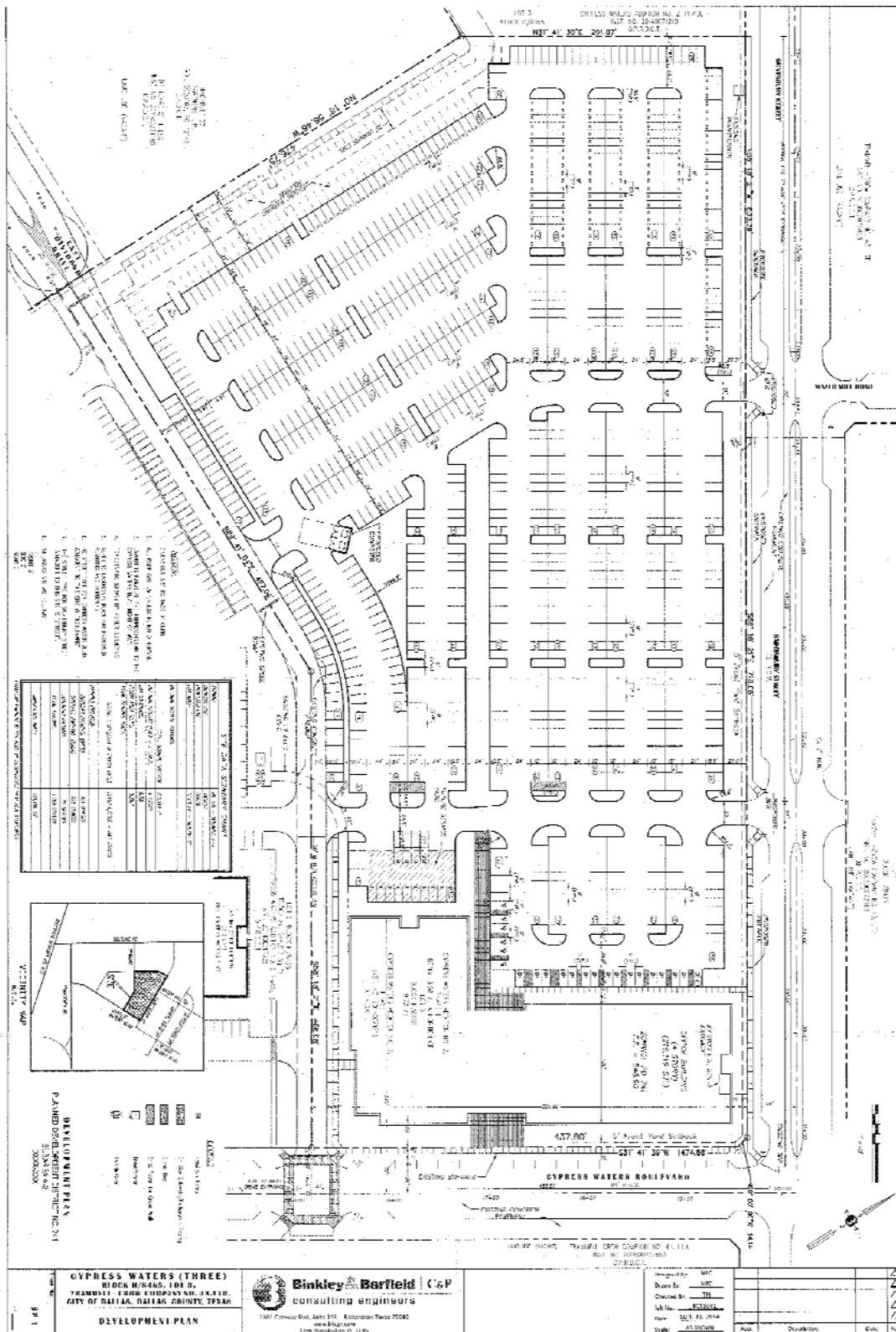
Kenneth Mabry (Manager)

Kimberly Meyer (Manager)

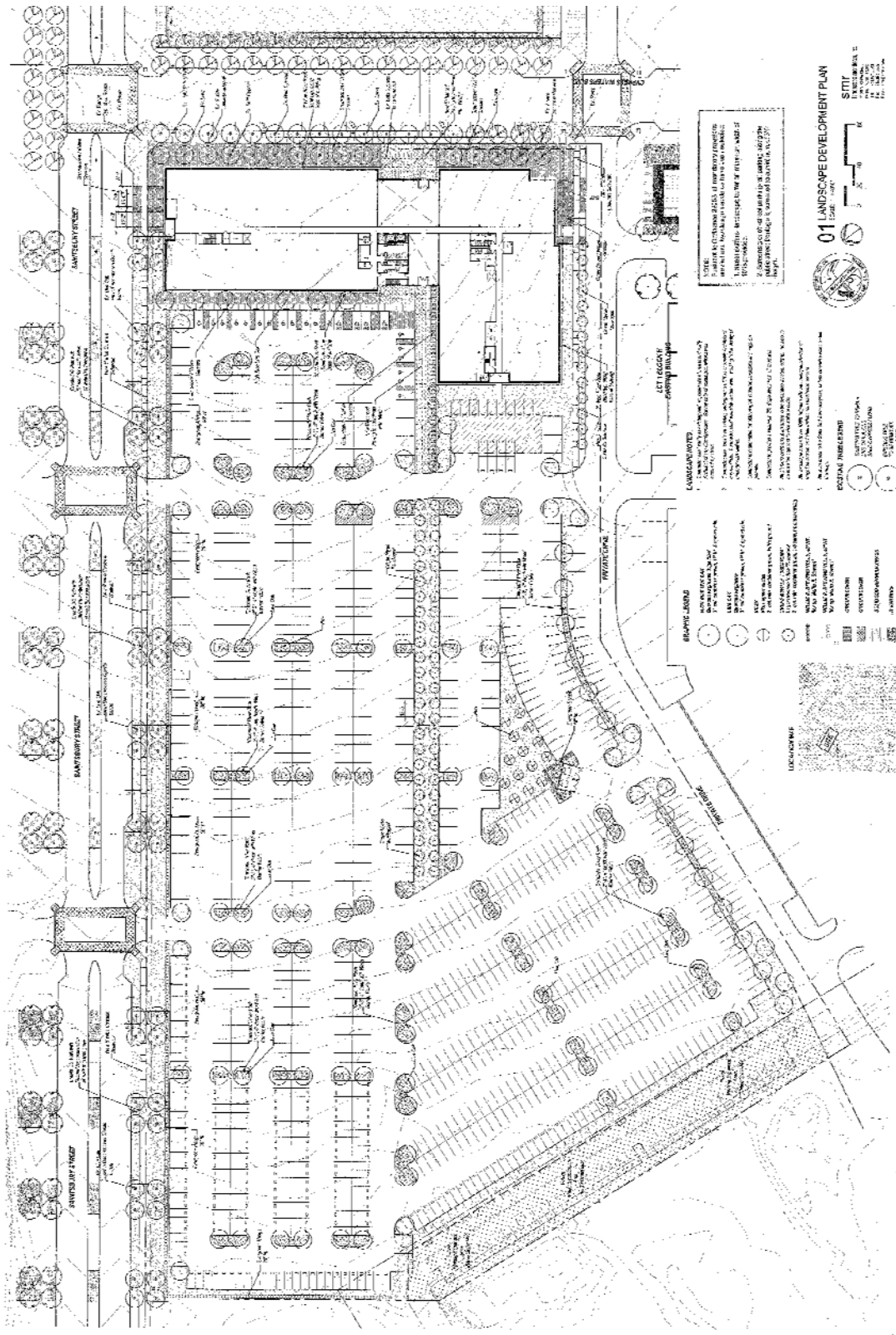




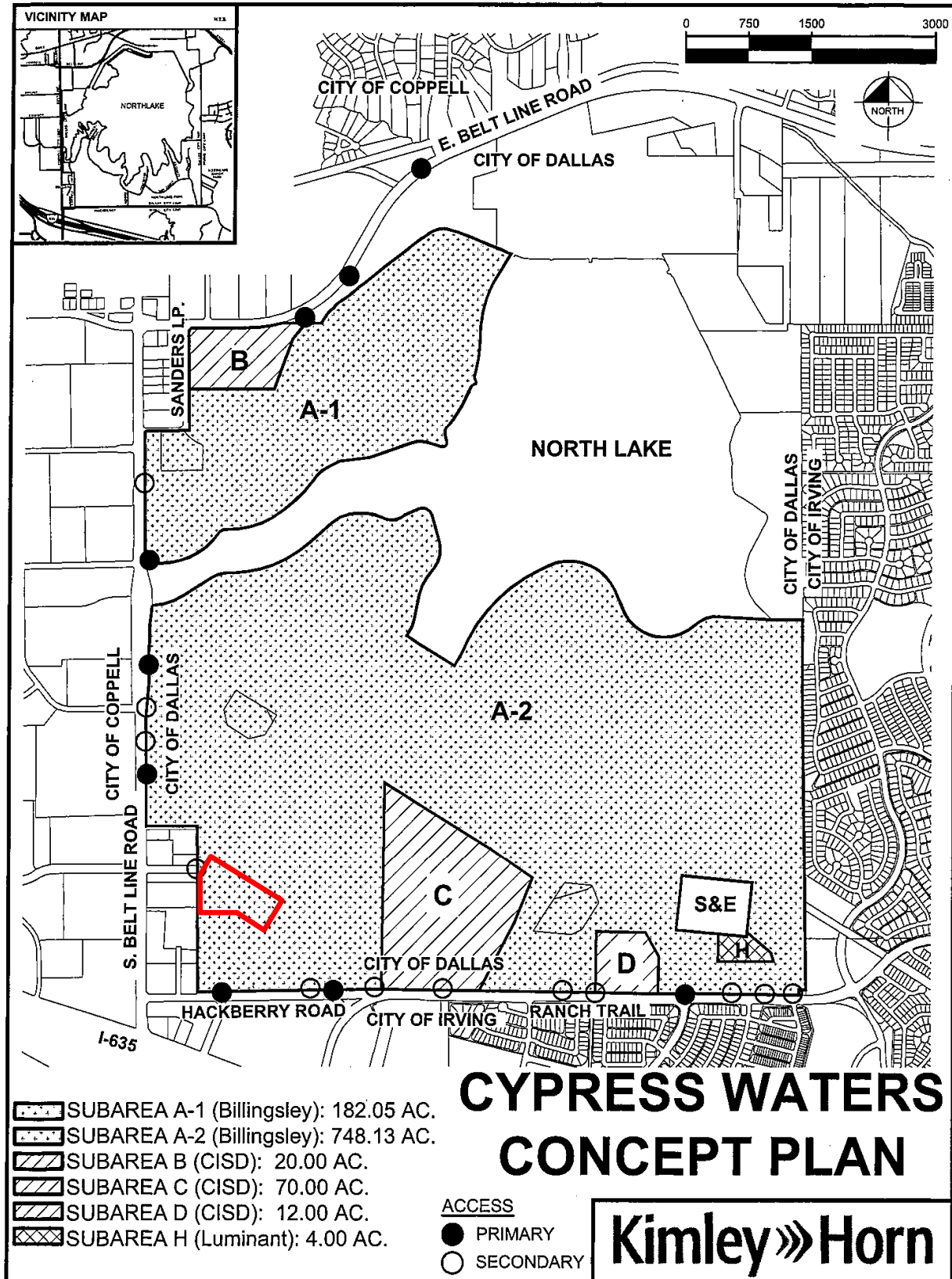
Proposed Landscape Plan

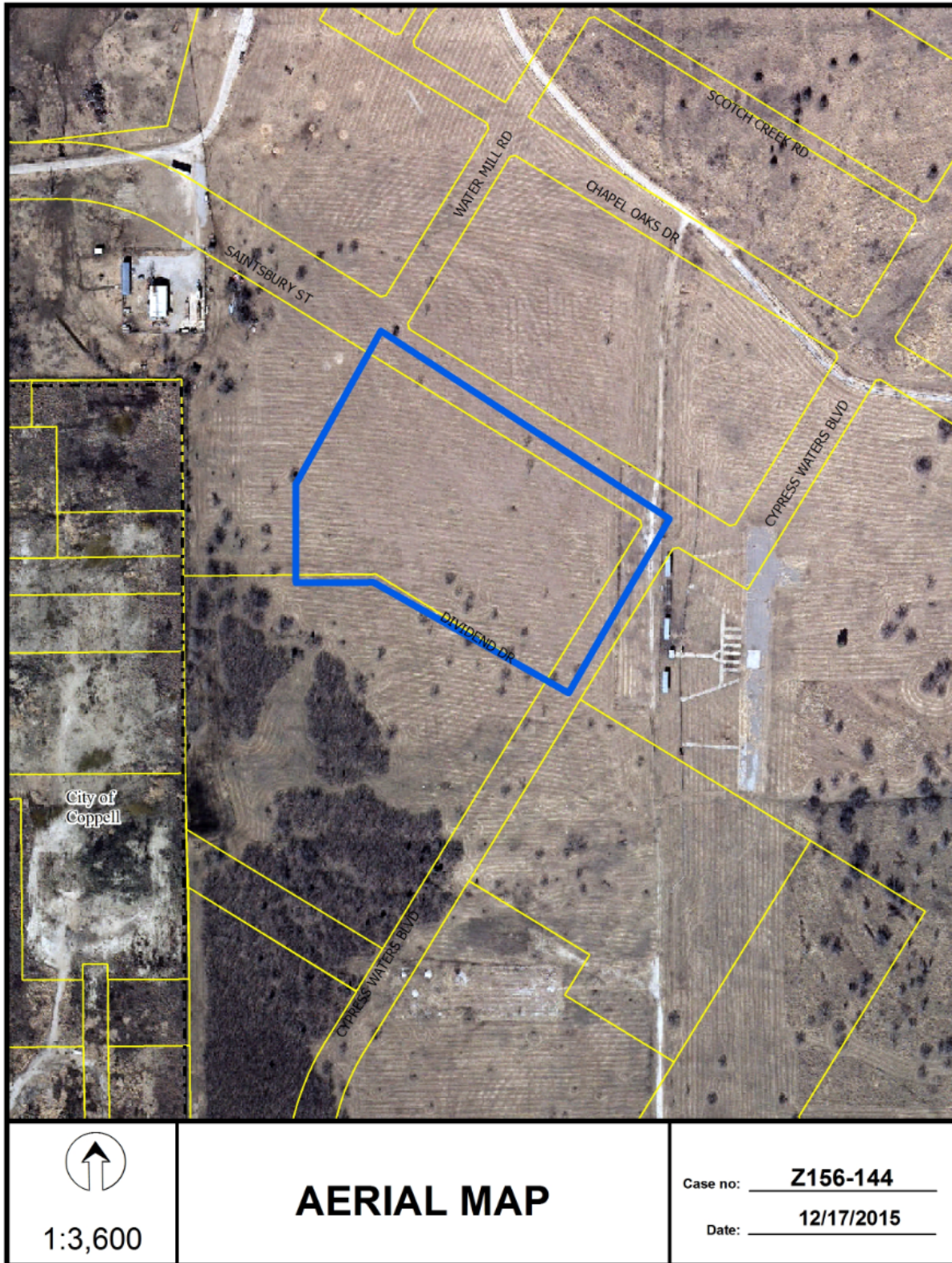


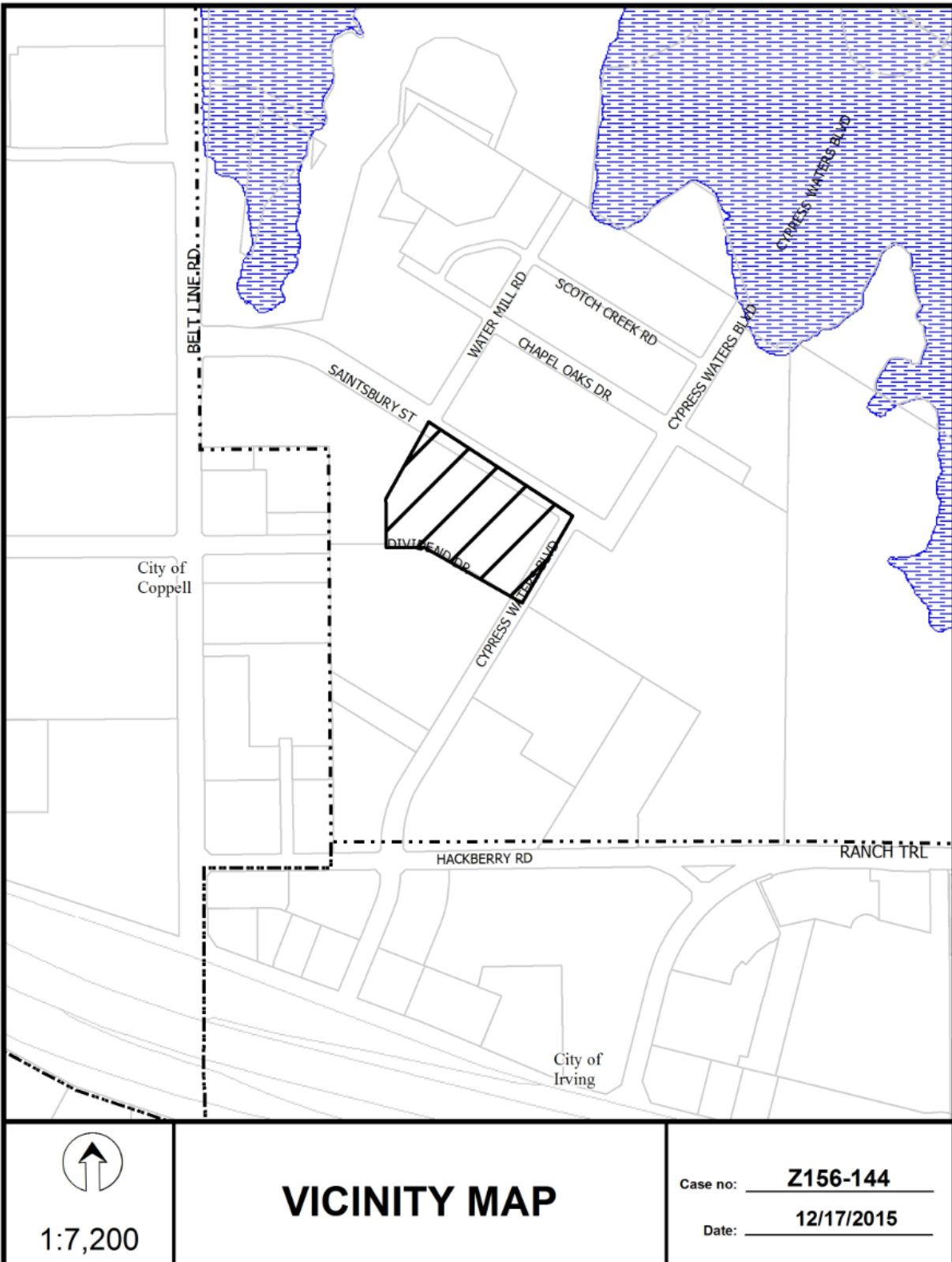
Existing Development Plan

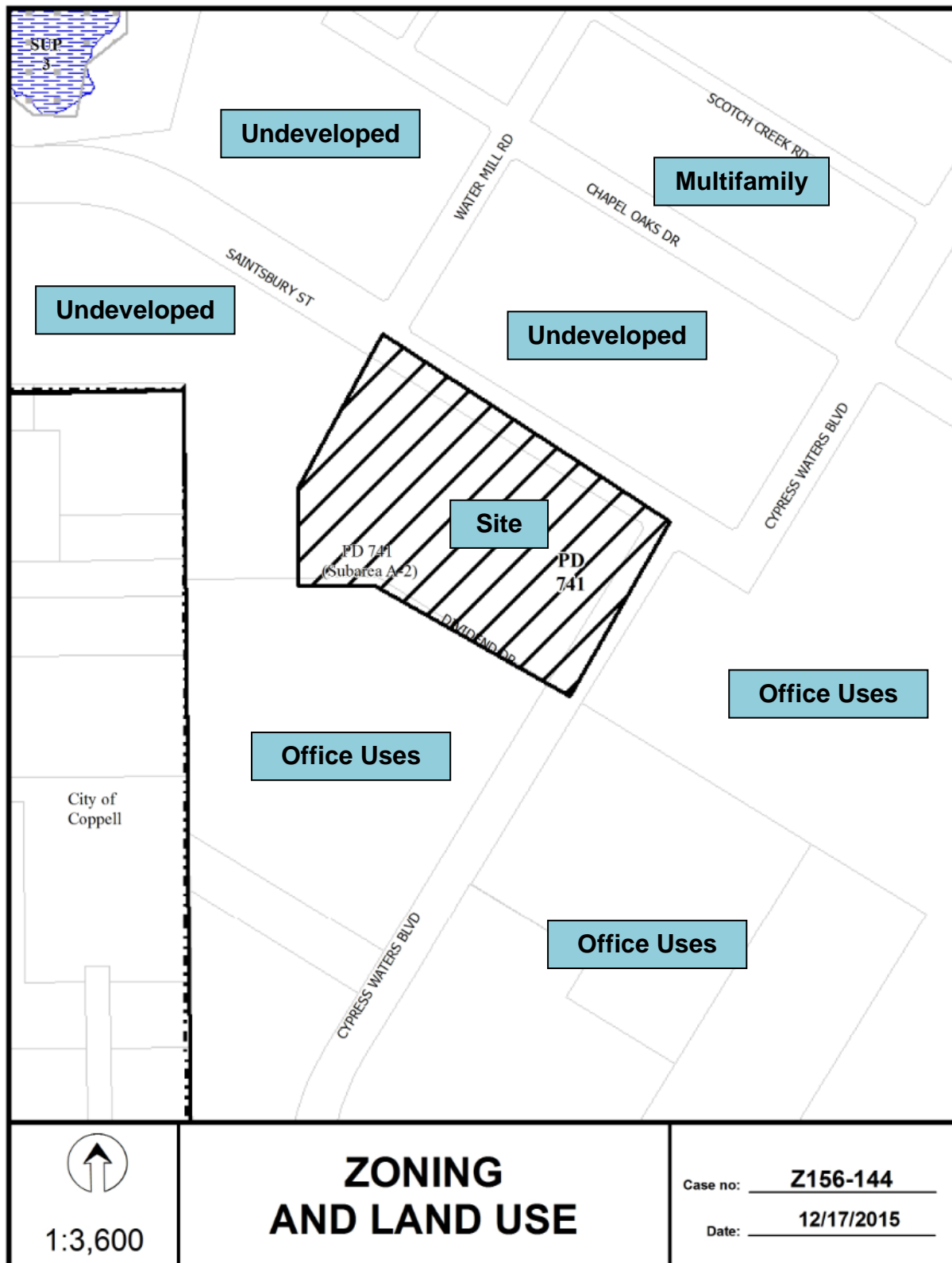


Existing Landscape Plan









CPC RESPONSES



Z156-144(LE)

01/20/2016

Reply List of Property Owners

Z156-144

5 Property Owners Notified

3 Property Owners in Favor

0 Property Owners Opposed

<i>Reply</i>	<i>Label #</i>	<i>Address</i>	<i>Owner</i>
O	1	2701 RANCH TRAIL	TRAMMELL CROW CO #43 LTD
	2	11111 CYPRESS WATERS BLVD	CYPRESS WATERS - DALLAS TIF ZONE 991
O	3	1111111 SAINTSBURY ST	CW MFI LAND LTD
O	4	8950 CYPRESS WATERS BLVD	CWNS LAND LTD
	5	1800 S BELTLINE RD	HACKBELT 27 PARTNERS LP

AGENDA ITEM # 56

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 24, 2016

COUNCIL DISTRICT(S): 6

DEPARTMENT: Sustainable Development and Construction

CMO: Ryan S. Evans, 671-9837

MAPSCO: 44 S

SUBJECT

A public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for a mini-warehouse use on property zoned Subdistrict 2B in Planned Development District No. 714, the West Commerce Street/Fort Worth Avenue Special Purpose District on the south side of Fort Worth Avenue, east of North Montclair Avenue

Recommendation of Staff: Approval for a ten-year period, subject to a site plan and conditions

Recommendation of CPC: Approval for a five-year period with eligibility for an automatic renewal for one additional five-year period, subject to a revised site plan and conditions

Z156-143(WE)

HONORABLE MAYOR & CITY COUNCIL **WEDNESDAY, FEBRUARY 24, 2016**
ACM: Ryan S. Evans

FILE NUMBER: Z156-143(WE) **DATE FILED:** November 30, 2015

LOCATION: South side of Fort Worth Avenue, east of North Montclair Avenue

COUNCIL DISTRICT: 6 **MAPSCO:** 44-S

SIZE OF REQUEST: Approx. 1.8 acres **CENSUS TRACT:** 43.00

APPLICANT/OWNER: Self-Storage Solution, a partnership

REPRESENTATIVE: Joshua B. Parrott

REQUEST: An application for a Specific Use Permit for a mini-warehouse use on property zoned Subdistrict 2B in Planned Development District No. 714, the West Commerce Street/Fort Worth Avenue Special Purpose District.

SUMMARY: The purpose of this request is to allow the construction of a 3-story, 99,669-square-foot mini-warehouse facility. The mini-warehouse facility will also have a several office spaces on the ground floor. The maximum floor area of the office spaces is approximately 2,100 square feet. Due to the site's topography, the structure height of the proposed mini-warehouse use will increase towards the southern portion of the property (Fort Worth Turnpike/Interstate 30). The proposed mini-warehouse will setback from Fort Worth Avenue a minimum of 50 feet with an initial structure height of 30 feet, and will increase in height not to exceed 42 feet. The maximum structure height that is permitted in Subdistrict B is 80 feet. The elementary school on the site will be demolished.

CPC RECOMMENDATION: **Approval** for a five-year period with eligibility for an automatic renewal for one additional five-year period, subject to a revised site plan and conditions

STAFF RECOMMENDATION: **Approval** for a ten-year period, subject to a site plan and conditions

GUIDING CRITERIA FOR STAFF RECOMMENDATION:

The following factors are listed in Chapter 51A of the Dallas Development Code to guide the determination as to whether or not an SUP shall be granted. Staff has listed its findings based upon each component below:

1. *Compatibility with surrounding uses and community facilities* – The proposed mini-warehouse use is currently compatible with the surrounding uses which consist of lodging, motel, and retail and auto salvage uses. There is no residential adjacency.
2. *Contribution to, enhancement, or promoting the welfare of the area of request and adjacent properties* – The proposed use will not contribute, not be a detriment to adjacent properties.
3. *Not a detriment to the public health, safety, or general welfare* – This use will not be a detriment to the public health, safety or general welfare of the community.
4. *Conforms in all other respects to all applicable zoning regulations and standards* – The request will comply with all zoning regulations and standards. No variances or special exceptions are requested.

Zoning History: There have not been any zoning cases in the area over the past five years.

Land Use:

	Zoning within PDD No. 714	Land Use
Site	Subdistrict B	Elementary School
North	Subdistrict A	Auto salvage
South	MF-2	Dallas Ft. Worth Turnpike (I-30)
East	Subdistrict B	Motel
West	Subdistrict B	Retail

COMPREHENSIVE PLAN: The forwardDallas! Comprehensive Plan was adopted by the City Council in June 2006. The forwardDallas! Comprehensive Plan outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request. The Plan identifies the request site being in an Urban Neighborhood Building Block. The proposed development is not in compliance with the forwardDallas! Comprehensive Plan.

Urban Neighborhood

Urban Neighborhoods, including Oak Lawn, the Grand Avenue area in South Dallas, the area near Jefferson Boulevard and the Vickery Meadow area, are predominately residential but are distinguished from other neighborhoods by the wide variety of housing options they provide and easy access to public transit. Housing choices should include single-family detached dwellings, townhomes and low- to midrise condominiums or apartments. These neighborhoods will have concentrations of shops and offices along key corridors or at key intersections, providing important services and job opportunities within walking distance of residences. These areas may have mixed-use buildings with ground floor shops. Areas currently developed with single-family or duplex uses should generally be maintained unless redevelopment is addressed through an Area Planning process. Urban Neighborhood streets will be very pedestrian friendly, providing excellent connectivity to shopping, schools and other community services. Emphasis should be placed on slowing traffic through use of on-street parking and other similar traffic calming measures. Public investments in these areas will focus on parks, pathways, transit stops, pedestrian-oriented landscaping and road improvements.

Due to the Comprehensive Plan designation and the potential for redevelopment in this area, automatic renewals are not recommended at this time.

Land Use Compatibility: The request site is developed with an elementary school and is adjacent to a motel to the east, restaurant to the west and Interstate I-30 to the south. Properties to the north and northwest of the site, across Ft. Worth Avenue, consist of an auto salvage and a custom business use that has an SUP for open storage (SUP No. 661). The Planned Development District specifies that multifamily uses are permitted as a component of a mixed use project and as for single family uses, a minimum of 8-single family structures must be attached together with a minimum of 15 feet between each group of eight single family structures. There is no single family or multifamily uses that are adjacent to the proposed development.

In order to mitigate potential concerns regarding compatibility with surrounding uses, the Specific Use Permit conditions require the exterior facades to be constructed with a minimum of 80 percent brick, or split faced concrete masonry unit, or steel deco panels and wood cladding, excluding fenestration. The facility will operate between 9:00 a.m. and 6:00 p.m., Monday through Sunday.

The general provisions for a Specific Use Permit in Section 51A-4.219 of the Dallas Development Code specifically state: (1) The SUP provides a means for developing certain uses in a manner in which the specific use will be consistent with the character of the neighborhood; (2) Each SUP application must be evaluated as to its probable effect on the adjacent property and the community welfare and may be approved or denied as the findings indicate appropriate; (3) The city council shall not grant an SUP for a use except upon a finding that the use will: (A) complement or be compatible with the surrounding uses and community facilities; (B) contribute to, enhance, or promote the welfare of the area of request and adjacent properties; (C) not be detrimental to the public health, safety, or general welfare; and (D) conform in all other respects to all

applicable zoning regulations and standards. The regulations in this chapter have been established in accordance with a comprehensive plan for the purpose of promoting the health, safety, morals, and general welfare of the city.

Development Standards:

<u>DISTRICT</u>	SETBACKS		Density	Height	Lot Coverage	Special Standards	PRIMARY Uses
	Front	Side/Rear					
PDD No. 714 - existing Subdistrict B	15' min. 60 ft. max.	0/0' 20' adjacent to res.		80 ft.	80%	Proximity Slope	Mixed use developments, Child-care facility, Office, Restaurant without drive through service, mini- warehouse
PDD No. 714 - Proposed Subdistrict B	50' min. 59 ft. max.	35'/70'.		42 ft.	80%	Proximity Slope	Mini-warehouse

Landscaping: Landscaping of any development will be in accordance with the landscaping requirements in PDD No. 714.

Thoroughfares/Streets:

Thoroughfare/Street	Type	Existing ROW	Proposed ROW
Ft. Worth Avenue	Principal Arterial	100 ft.	100 ft.

Traffic: The Engineering Section of the Department of Sustainable Development and Construction has reviewed the request and determined that it will not have a detrimental impact on the surrounding street system.

Parking: The off-street parking requirement for a mini-warehouse use is a minimum of six spaces. Spaces may not be used for outside storage, vehicle storage, or parking for vehicles for rent.

Z156-143(WE)

CPC Action (January 21, 2015)

Z156-143(WE)

Motion: It was moved to recommend **approval** of a Specific Use Permit for a mini-warehouse use for a five-year period with eligibility for an automatic renewal for one additional five-year period, subject to a revised site plan and conditions with a provision to allow facility open 7 days a week on property zoned Subdistrict 2B in Planned Development District No. 714, the West Commerce Street/Fort Worth Avenue Special Purpose District on the south side of Fort Worth Avenue, east of North Montclair Avenue.

Maker: Anantasomboon
Second: Davis
Result: Carried: 14 to 1

For: 14 - Anglin, Emmons, Houston, Davis, Shidid,
Anantasomboon, Abtahi, Haney, Jung,
Housewright, Peadon, Murphy, Ridley, Tarpley

Against: 1 - Schultz
Absent: 0
Vacancy: 0

Notices: Area: 300 Mailed: 107
Replies: For: 81 Against: 0

Speakers: For: Karl Sanford, 124 N. Clinton Ave., Dallas, TX, 75208
Against: None

LIST OF OFFICERS

- Joshua B. Parrott Partner
- Bramwell C. Parrott Partner

**CPC PROPOSED SUP
CONDITIONS**

1. USE: The only use authorized by this specific use permit is a mini-warehouse.
2. SITE PLAN: Use and development of the Property must comply with the attached site plan.

CPC Recommendation

3. TIME LIMIT: This specific use permit expires on_____, (five-year period from the passage of this ordinance), but is eligible for one automatic renewal for additional five-year period, pursuant to Section 51A-4.219 of Chapter 51A of the Dallas City Code, as amended. For automatic renewal to occur, the Property owner must file a complete application for automatic renewal with the director before the expiration of the current period. Failure to timely file a complete application will render this specific use permit ineligible for automatic renewal. (Note: The Code currently provides that applications for automatic renewal must be filed after the 180th but before the 120th day before the expiration of the current specific use permit period. The Property owner is responsible for checking the Code for possible revisions to this provision. The deadline for applications for automatic renewal is strictly enforced).

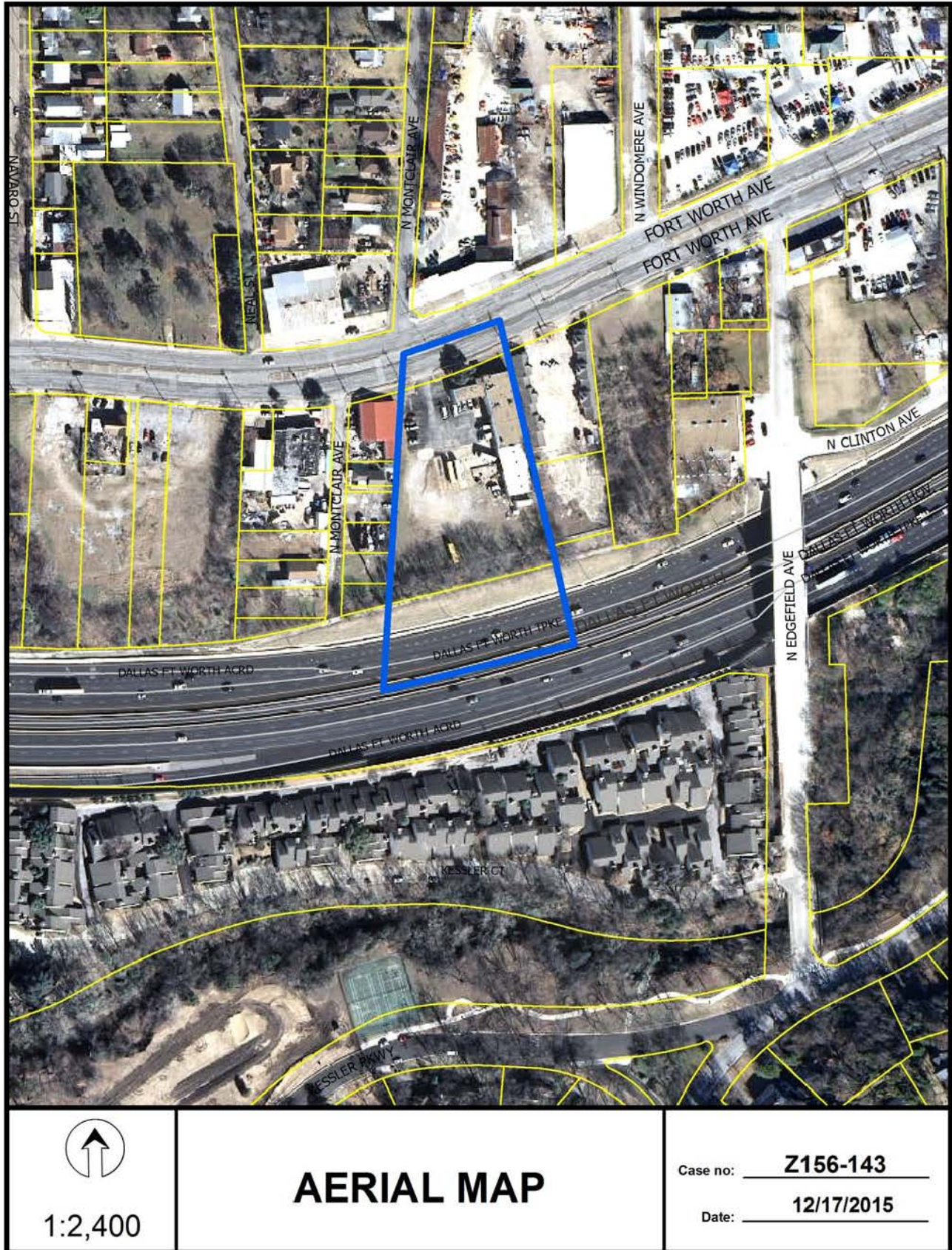
Staff's Recommendation

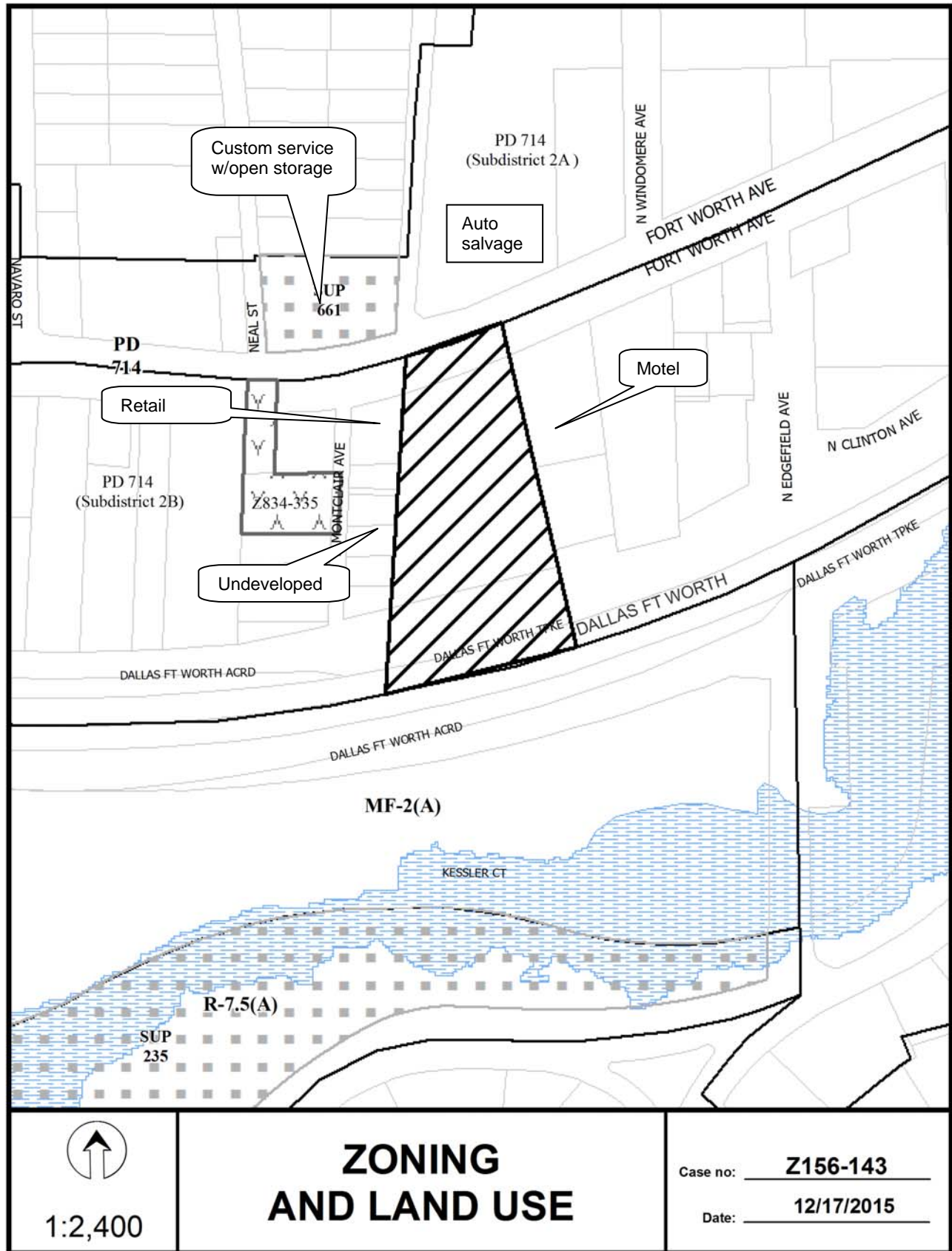
3. TIME LIMIT: This specific use permit expires on_____ (ten years).

4. FLOOR AREA:
 - a. Total maximum floor area is 99,669 square feet.
 - b. Maximum floor area for the office is 2,100 square feet in the location shown on the attached site plan.
5. HEIGHT: The maximum height is 42 feet.
6. HOURS OF OPERATION: The mini-warehouse may only operate between 9:00 a.m. and 6:00 p.m., Monday through Sunday.
7. OUTSIDE STORAGE: Outside storage of vehicles, parking for vehicles for rent, boats, and /or equipment is prohibited.
8. MATERIALS: To ensure compatibility with the surrounding neighborhood, the exterior facades must be a minimum 80 percent brick, or split faced concrete masonry unit, or steel deco panels and wood cladding, excluding fenestration.
9. MAINTENANCE: The Property must be properly maintained in a state of good repair and neat appearance.

10. GENERAL REQUIREMENTS: Use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the City of Dallas.







CPC RESPONSES



<u>107</u>	Property Owners Notified (33 parcels)
<u>81</u>	Replies in Favor (1 parcels)
<u>0</u>	Replies in Opposition (0 parcels)
<u>300'</u>	Area of Notification
<u>1/21/2016</u>	Date

Z156-143
CPC



1:2,400

Notification List of Property Owners

Z156-143

107 Property Owners Notified 81 Property Owners in Favor 0 Property Owners Opposed

<i>Reply</i>	<i>Label #</i>	<i>Address</i>	<i>Owner</i>	
	1	1526	FORT WORTH AVE	BALLAS VICTOR
	2	1618	FORT WORTH AVE	SLJ FWA LTD
	3	1612	FORT WORTH AVE	GONZALEZ L ENTERPRISE INC
	4	1523	N MONTCLAIR AVE	GONZALES L ENTERPRISES INC
	5	1519	N MONTCLAIR AVE	GONZALES LUZ
	6	1515	N MONTCLAIR AVE	TLC PROPERTIES INC
	7	1508	FORT WORTH AVE	SLJ FWA LTD
	8	1512	FORT WORTH AVE	NISHA HOSPITALITY LLC
	9	1512	FORT WORTH AVE	SLJ/FWA LTD
	10	1533	N EDGEFIELD AVE	THRAILKILL RICHARD H
	11	1535	N EDGEFIELD AVE	SEPULVEDA MERITH
	12	1514	N MONTCLAIR AVE	DAUM MANAGEMENT LTD
	13	1522	N MONTCLAIR AVE	BARRETO DAVID
	14	1528	N MONTCLAIR AVE	URBINA JUAN JOSE JR
	15	1528	N MONTCLAIR AVE	BARRETO DAVID
	16	1540	FORT WORTH AVE	L GONZALEZ ENTERPRISES INC
	17	1623	N MONTCLAIR AVE	BARAJAS NECTALI &
	18	1615	N MONTCLAIR AVE	DALLAS LITE &
	19	1614	NEAL ST	MARRUFO MARIA ELENA GUTIERREZ
	20	1620	NEAL ST	GONZALES MICHAEL
	21	1619	N MONTCLAIR AVE	PLAZA RAMIRO
	22	1607	FORT WORTH AVE	DALLAS LITE & BARRICADE
	23	1623	NEAL ST	TRINITY OAKS CH OF CHRIST
	24	1641	FORT WORTH AVE	ROLLING HILLS CHURCH OF
	25	1515	FORT WORTH AVE	DALLAS LITE &
	26	1511	N MONTCLAIR AVE	TEXAS TURNPIKE AUTHORITY

01/20/2016

<i>Reply</i>	<i>Label #</i>	<i>Address</i>	<i>Owner</i>	
O	27	2183	KESSLER CT	WAGENBACH OTTO G
O	28	2182	KESSLER CT	DUGGER SAMUEL O &
O	29	2181	KESSLER CT	MITZ ROBERT & SUE
O	30	2180	KESSLER CT	BROCHU MARGARET H
O	31	2178	KESSLER CT	CUDE MARTIN C JR & KAREN
O	32	2177	KESSLER CT	BURK JUDITH H
O	33	2176	KESSLER CT	OLIVA TANIA T &
O	34	2175	KESSLER CT	BRINING ANNA L
O	35	2174	KESSLER CT	SAMFORD RONALD EDWARD
O	36	2170	KESSLER CT	CLIFFORD LINDA A LIFE ESTATE
O	37	2169	KESSLER CT	LAMB JESSE L
O	38	2168	KESSLER CT	MATHIS ROBERT R & ODENE F
O	39	2167	KESSLER CT	CALDWELL CHARLES M
O	40	2166	KESSLER CT	MCCASKELL NANCY C &
O	41	2165	KESSLER CT	DOMATTI MARGUERITE A &
O	42	2164	KESSLER CT	WILLIAMS STEVE L & DOREEN T
O	43	2163	KESSLER CT	TAYLOR MARY M
O	44	2162	KESSLER CT	CROWE CAROL A
O	45	2161	KESSLER CT	MILLS D FRED
O	46	2160	KESSLER CT	HUTCHINS MARTHA LEE
O	47	2159	KESSLER CT	DESROCHERS PAUL R
O	48	2158	KESSLER CT	RIENZI CLARA HEIMBURGER
O	49	2157	KESSLER CT	TOKWE EBBAH
O	50	2156	KESSLER CT	BROWN BOBBYE N EST OF
O	51	2155	KESSLER CT	LEE A HARRISON III
O	52	2154	KESSLER CT	GORDON ROSANNE
O	53	2153	KESSLER CT	BYERLY RALPH H
O	54	2152	KESSLER CT	MEACHUM BETTIE M
O	55	2151	KESSLER CT	KENNEDY MICHAEL E &
O	56	2148	KESSLER CT	MORTON ANNNE L
O	57	2147	KESSLER CT	RYAN CAROLINE

01/20/2016

<i>Reply</i>	<i>Label #</i>	<i>Address</i>	<i>Owner</i>
O	58	2146 KESSLER CT	RIVAS DIANA L &
O	59	2145 KESSLER CT	FAY ANNE C
O	60	2144 KESSLER CT	BARNES BARBARA A
O	61	2143 KESSLER CT	HARTMAN JOY MCLESKEY
O	62	2142 KESSLER CT	GRANT BRIANNA K
O	63	2141 KESSLER CT	LEWIS WILLIE &
O	64	2140 KESSLER CT	COTY MARGARET M
O	65	2139 KESSLER CT	SCHNEIDER PETER W
O	66	2138 KESSLER CT	FRAZIER MELBA H
O	67	2137 KESSLER CT	FRANCIS FINANCIAL LLC
O	68	2136 KESSLER CT	GAINES JANE S
O	69	2135 KESSLER CT	CRENSHAW PATRICIA
O	70	2149 KESSLER CT	ROPER EVELYN KAYE
O	71	2150 KESSLER CT	MORRIS ANGELA M
O	72	2130 KESSLER CT	CURRY ALVA L & JOYCE C TR
O	73	2131 KESSLER CT	MAYNARD MARK &
O	74	2132 KESSLER CT	MCCLURE WILLIE J &
O	75	2133 KESSLER CT	HOWARD KARA L
O	76	2134 KESSLER CT	HUSKISSON CHARLINE H
O	77	2129 KESSLER CT	GOMEZ JESSE P
O	78	2128 KESSLER CT	LEMASTER CONNIE SUE
O	79	2127 KESSLER CT	PALMER CLARENCE A JR & THERESA G
O	80	2126 KESSLER CT	GOSSETT GREG
O	81	2125 KESSLER CT	HAMPTON PAULA
O	82	2124 KESSLER CT	SELWAY ALAN W &
O	83	2123 KESSLER CT	WOLK GINA L
O	84	2122 KESSLER CT	WOLK GINA L
O	85	2121 KESSLER CT	PHIPPS JOSEPH R &
O	86	2120 KESSLER CT	HUNT ANANDA MARIE
O	87	2119 KESSLER CT	LAND JAN
O	88	2118 KESSLER CT	PALMER DIANNA L

01/20/2016

<i>Reply</i>	<i>Label #</i>	<i>Address</i>	<i>Owner</i>
O	89	2117 KESSLER CT	BECKETT W TIMOTHY
O	90	2116 KESSLER CT	RICCITELLI ANTHONY J & JANICE G
O	91	2115 KESSLER CT	SPIVEY JERRY R &
O	92	2114 KESSLER CT	HALL LYNN TOMPKINS
O	93	2113 KESSLER CT	GRIFFIN MARTHA J
O	94	2112 KESSLER CT	WATSON JIMMY B
O	95	2111 KESSLER CT	HOFFMAN BRUCE &
O	96	2110 KESSLER CT	SPENCE GARY KENDALL JR & ALICIA MARIE
O	97	2109 KESSLER CT	ALBERTS DONALD &
O	98	2108 KESSLER CT	GONZALEZ ALBERT & FRANCES M
O	99	2107 KESSLER CT	TRUBEY ROBERT H &
O	100	2106 KESSLER CT	RUSSELL LESLIE E
O	101	2105 KESSLER CT	TAYLOR SHARAIN L
O	102	2104 KESSLER CT	MACHEN CYNTHIA A
O	104	2102 KESSLER CT	RIVAS DORA & FAUSTINO
O	105	2101 KESSLER CT	PERRY MAGEN A
O	106	2100 KESSLER CT	MORRISON BENNIE B &
O	107	2179 KESSLER CT	HIGHLANDS HOA
O	A1	2103 KESSLER CT	CASELLA RENEE M