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City of Dallas

CITY SECRETARY
DALLAS, TEXAS

1500 Marilla Street
Dallas, Texas 75201



COUNCIL AGENDA

December 12, 2018

Public Notice

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POSTED CITY SECRETARY
DALLAS, TX

(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.

If you need interpretation in Spanish language, please contact the City Secretary's Office at 214-670-3738 with a 48 hour advance notice.

Sign interpreters are available upon request with a 48-hour advance notice by calling (214) 670-3738 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.

Si necesita interpretación en idioma español, por favor comuníquese con la oficina de la Secretaría del Ayuntamiento al 214-670-3738 con notificación de 48 horas antes.

Intérpretes para personas con impedimentos auditivos están disponibles si lo solicita con 48 horas de anticipación llamando al (214) 670-3738 (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.

Handgun Prohibition Notice for Meetings **of Governmental Entities**

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

"De acuerdo con la sección 30.06 del código penal (ingreso sin autorización de un titular de una licencia con una pistol 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, DECEMBER 12, 2018
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 - 78

ITEMS FOR INDIVIDUAL CONSIDERATION

No earlier
than 9:15 a.m.

Items 79 - 86

PUBLIC HEARINGS AND RELATED ACTIONS

1:00 p.m.

Items 87 - 107

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

Invocation and Pledge of Allegiance (Council Chambers)

Agenda Item/Open Microphone Speakers

VOTING AGENDA

1. 18-1389 Approval of Minutes of the November 28, 2018 City Council Meeting

CONSENT AGENDA

City Attorney's Office

2. 18-1296 Authorize an Interlocal Agreement between the City of Dallas and the Dallas County Public Defender's Office to provide legal representation to participants in the South Dallas Drug Court program - Not to exceed \$15,000.00 - Financing: U.S. Department of Health and Human Services Substance Abuse and Mental Health Services Administration Grant Funds
3. 18-1361 Authorize settlement of the lawsuit styled Jose Villegas v. City of Dallas, Cause No. DC-18-06763 - Not to exceed \$50,000.00 - Financing: Risk Management Funds

City Controller's Office

4. 18-1067 A resolution authorizing the preparation of plans and the payment of potential future costs and expenses for the issuance of General Obligation Refunding and Improvement Bonds, Series 2019A in an amount not to exceed \$271,020,000.00 - Financing: This action has no cost consideration to the City (see Fiscal Information for potential future cost)
5. 18-1402 A resolution authorizing the preparation of plans and the payment of potential future costs and expenses for the issuance of General Obligation Refunding Bonds, Series 2019B, in an amount not to exceed \$174,705,000.00 - Financing: This action has no cost consideration to the City (see Fiscal Information for potential future cost)

Department of Aviation

6. 18-1318 Authorize (1) an increase in the annual lease rental rates at Dallas Love Field to (a) \$0.85 square feet per year for unimproved land; (b) \$0.95 square feet per year for improved land; (c) \$4.75 square feet per year for storage hangar; (d) \$5.50 square feet per year for maintenance hangar space; (e) \$9.50 square feet per year for office space; (f) \$10,000.00 per year for fuel operations permit fees for fixed-based operators and \$5,000.00 per year for fuel operations permit fees for self-fuelers; (g) \$40.00 - \$55.00 per square foot per year for non-aeronautical commercial and retail use; (h) \$20.00 - \$25.00 per square foot per year for non-aeronautical office use; and (i) \$8.00 - \$10.00 per square foot for non-aeronautical warehouse and storage use, effective February 1, 2019; (2) an increase in the annual lease rental rates at Dallas Executive Airport to (a) \$0.45 square feet per year for unimproved land; (b) \$0.55 square feet per year for improved land; (c) \$5.50 - \$8.00 square feet per year for general aviation storage and maintenance hangars; (d) \$375.00 - \$400.00 per month for T-hangar space; (e) \$7.50 square feet per year for office space; and (f) \$10,000.00 per year for fuel operations permit fees for fixed-based operators and \$5,000.00 per year for fuel operations permit fees for self-fuelers, effective February 1, 2019; and (3) the annual lease rental rates at Dallas Vertiport of (a) \$200.00 - \$500.00 landing fee; (b) \$150.00 - \$300.00 parking fee; (c) \$200.00 - \$400.00 overnight fee; (d) \$300.00 per day and \$750.00 per week for office space; and (e) \$400.00 per day and \$1,000.00 per week for lobby space, effective February 1, 2019 - Financing: This action has no cost consideration to the City (see Fiscal Information for future revenue impact)
7. 18-1336 Authorize the Eleventh Amendment to the Maintenance Base Lease with Southwest Airlines Co. to add 34,702 square feet (0.797 acres) of land to the leased premises at Dallas Love Field - Financing: No cost consideration to the City

Department of Communication and Information Services

8. 18-1354 Authorize a thirty-month service contract for the continued use of cloud services and support for the budget preparation and management system with Oracle America, Inc., through the Department of Information Resources, State of Texas Cooperative - Not to exceed \$375,075.00 - Financing: Data Services Fund (subject to annual appropriations)

Department of Convention and Event Services

9. 18-1387 Authorize appropriations in an amount not to exceed \$10,882,465.00 in the Convention Center Hotel Tax Rebate Fund for FY 2018-2019 in order to satisfy the terms of the 2009 Economic Development Agreement with the Dallas Convention Center Hotel Development Corporation - Not to exceed \$10,882,465.00 - Financing: Convention Center Hotel Tax Rebate Fund

Department of Human Resources

10. 18-1238 Authorize Supplemental Agreement No. 2 to exercise the second of two, one-year renewal options to the consultant contract with Holmes Murphy & Associates, to provide benefits consulting services and auditing services of medical and pharmacy benefit plans, extending the term from November 1, 2018 through October 31, 2019 - Not to exceed \$225,000.00, from \$900,000.00 to \$1,125,000.00 - Financing: Employee Benefits Fund (subject to annual appropriations)

Department of Public Works

11. 18-1144 Authorize a service agreement with Union Pacific Railroad Company to review and approve the engineer design plan for three proposed grade-separated crossings under the railroad track of Union Pacific Railroad for Herbert, Bataan, and Amonette Streets in the area between Singleton Boulevard and Commerce Street from Sylvan Avenue to Beckley Avenue - Not to exceed \$600,000.00 - Financing: Streets and Transportation Improvements Fund (2012 Bond Funds)
12. 18-1334 Authorize a professional services contract with PGAL, Inc. for architectural, engineering design, and construction administration services for the 6th Floor Renovation and Major Maintenance at the J. Erik Jonsson Central Library located at 1515 Young Street - Not to exceed \$505,500.00 - Financing: Library Facilities Fund (2006 Bond Funds) (\$406,510.40) and Library (E) Fund (2017 Bond Funds) (\$98,989.60)
13. 18-1195 Authorize a professional services contract with Pacheco Koch Consulting Engineers, Inc. for the engineering design for the street reconstruction project on Bradford Drive from Maple Springs Boulevard to Hedgerow Drive - Not to exceed \$203,037.15 - Financing: Street and Transportation (A) Fund (2017 Bond Funds) (\$171,990.45) and Water Capital Improvement Fund (\$31,046.70)
14. 18-1224 Authorize a professional services contract with Kimley-Horn and Associates, Inc. for the engineering design for Complete Street improvements, including bike lanes, on Abrams Road from Gaston Avenue to South Beacon Street - Not to exceed \$294,574.00 - Financing: Street and Transportation (A) Fund (2017 Bond Funds)

15. 18-1225 Authorize a professional services contract with Huitt-Zollars, Inc. for the engineering design for Complete Street improvements, including bike lanes on Columbia Avenue/Main Street from South Beacon Street to Deep Ellum - Not to exceed \$369,805.90 - Financing: Street and Transportation (A) Fund (2017 Bond Funds)
16. 18-1226 Authorize a professional services contract with VRX, Inc. for the engineering design of the bridge reconstruction project for the West Red Bird Lane Bridge over Woody Branch Creek Project - Not to exceed \$256,636.68 - Financing: Street and Transportation (A) Fund (2017 Bond Funds)
17. 18-1243 Authorize a professional services contract with IEA, Inc. for the engineering design of the Jefferson/Twelfth Connector Lane Diet/Removal Project - Not to exceed \$226,278.00 - Financing: Street and Transportation (A) Fund (2017 Bond Funds) (\$204,278.00) and Water Utilities Capital Construction Funds (\$22,000.00)
18. 18-1228 Authorize a professional services contract with Huitt-Zollars, Inc. for the engineering design of Streetscape/Urban Design and Sidewalk Improvements for Project Group 17-1011 (list attached to the Agenda Information Sheet) - Not to exceed \$146,575.85 - Financing: Street and Transportation (A) Fund (2017 Bond Funds)
19. 18-1061 Authorize a professional services contract with Freese & Nichols, Inc. for the engineering design of Street Reconstruction Group 17-1020 (list attached to the Agenda Information Sheet) - Not to exceed \$382,301.23 - Financing: Street and Transportation (A) Fund (2017 Bond Funds) (\$339,984.23) and Water Utilities Capital Construction Funds (\$42,317.00)
20. 18-1229 Authorize a professional services contract with Henry Nguyen Consulting, LLC, for the engineering design of Alley Reconstruction Group 17-1202 (list attached to the Agenda Information Sheet) - Not to exceed \$189,166.31 - Financing: Street and Transportation (A) Fund (2017 Bond Funds)
21. 18-1298 Authorize a professional services contract with Lim & Associates, Inc. for the engineering design of Alley Reconstruction Group 17-4001 (list attached to the Agenda Information Sheet) - Not to exceed \$232,852.00 - Financing: Street and Transportation (A) Fund (2017 Bond Funds) (\$211,900.00) and Water Utilities Capital Construction Funds (\$20,952.00)
22. 18-1092 Authorize a professional services contract with Walter P. Moore and Associates, Inc. for the engineering design of Target Neighborhood Group 17-5001 (list attached to the Agenda Information Sheet) - Not to exceed \$639,023.53 - Financing: Street and Transportation (A) Fund (2017 Bond Funds) (\$565,613.10) and Water Utilities Capital Improvement Funds (\$73,410.43)

23. 18-1223 Authorize a professional services contract with WSP USA, Inc. for the engineering design of Street Reconstruction Group 17-8005 (list attached to the Agenda Information Sheet) - Not to exceed \$181,176.00 - Financing: Street and Transportation (A) Fund (2017 Bond Funds) (\$142,301.00) and Water Utilities Capital Construction Funds (\$38,875.00)
24. 18-1214 Authorize a professional services contract with Lina T. Ramey and Associates for engineering design of Street Reconstruction Group 17-10005 (list attached to the Agenda Information Sheet) - Not to exceed \$228,317.80 - Financing: Street and Transportation (A) Fund (2017 Bond Funds) (\$165,617.80) and Water Utilities Capital Improvement Funds (\$62,700.00)

Department of Sustainable Development and Construction

25. 18-1297 Authorize the (1) deposit of the amount awarded by the Special Commissioners' in the condemnation proceedings styled City of Dallas v. Holcomb Properties, et al., Cause No. 99109-CC, pending in Kaufman County Court at Law, to acquire approximately 142,093 square feet of land for right-of-way located in Kaufman County for the Lake Tawakoni 144-inch Pipeline Project; and (2) settlement of the condemnation proceeding for an amount award - Not to exceed \$182,874.00, increased from \$68,240.00 (\$65,240.00, plus closing costs and title expenses not to exceed \$3,000.00) to \$182,874.00 (\$179,874.00 being the award, plus closing costs and title expenses not to exceed \$3,000.00) - Financing: Water Utilities Capital Construction Funds
26. 18-638 Authorize acquisition from The Burlington Northern and Santa Fe Railway Company, of approximately 35 acres of inactive railway corridor and vacant land between Cockrell Hill and Westmoreland Roads for the Chalk Hill Trail Project - Not to exceed \$965,000.00 (\$950,000.00, plus closing costs and title expenses not to exceed \$15,000.00) - Financing: Park and Recreation Facilities (2006 Bond Funds)
27. 18-811 A resolution authorizing the conveyance of a tract of land and Drainage Easement for a total of approximately 268 square feet of unimproved City-owned land to the State of Texas located near the intersection of Woodmeadow Parkway and La Prada Drive - Revenue: \$4,000.00
28. 18-635 An ordinance granting renewal of a revocable license to 7-Eleven, Inc., for the use of approximately 11 square feet of aerial space to maintain and utilize an existing blade sign over a portion of Akard Street right-of-way near its intersection with Patterson Street - Revenue: \$1,000.00 annually, plus the \$20.00 ordinance publication fee

29. 18-634 An ordinance granting renewal of a revocable license to 7-Eleven, Inc., for the use of approximately 36 square feet of aerial space to maintain and utilize an existing blade sign over a portion of Commerce Street near its intersection with Harwood Street - Revenue: \$1,000.00 annually, plus the \$20.00 ordinance publication fee
30. 18-626 An ordinance abandoning portions of Matilda Street to Lincoln LAG Ltd., the abutting owner, containing a total of approximately 17,212 square feet of land located near the intersection of Matilda Street and Lovers Lane; and authorizing the quitclaim; and providing for the dedication of approximately 8,702 square feet of land needed for a water easement - Revenue: \$5,400.00, plus the \$20.00 ordinance publication fee
31. 18-1219 An ordinance abandoning a portion of a utility easement to Michelle N. Thomas and Stewart H. Thomas, the abutting owners, containing approximately 750 square feet of land, located near the intersection of Horseshoe Trail and Lilac Lane - Revenue: \$5,400.00, plus the \$20.00 ordinance publication fee
32. 18-764 Authorize an amendment to an existing lease agreement with KAZ MEYERS PROPERTIES, LLC, d/b/a North Creek Kaz Meyers, LLC, MHNC MEYERS, LLC, SMHNC MEYERS, LLC, YKHKNC MEYERS, LLC, and YTNC MEYERS, LLC to extend the lease agreement for an additional one year for approximately 1,800 square feet of office space located at 9451 Lyndon B. Johnson Freeway, Suite 125 to be used as the Northeast Community Court for the period January 1, 2019 through December 31, 2019 - Not to exceed \$23,760.00 - Financing: General Fund
33. 18-597 Authorize an amendment to an existing lease agreement with Texas Solutions Group LLC to extend the lease agreement for an additional twenty-eight months for approximately 192 square feet of office space located at 1303 San Antonio Street, Suite 720, Austin, Texas to be used as the City Attorney's Legislative Office for the period October 1, 2018 through January 31, 2021 - Not to exceed \$42,570.08 - Financing: General Fund (subject to annual appropriations)
34. 18-1383 Authorize an addition to Kaufman County Municipal Utility District No. 3 within the City of Dallas' extraterritorial jurisdiction that would include approximately 337 acres on property located in Kaufman County northwest of FM 548 Road - Financing: No cost consideration to the City

Department of Transportation

35. 18-1193 Authorize an eighteen-month agreement, with two one-year renewal options, for traffic signal construction - Durable Specialties, Inc., lowest responsible bidder of three - Not to exceed \$5,230,000.00 - Financing: Street and Transportation (A) Fund (2017 Bond Funds)

Office of Community Care

36. 18-1325 Authorize the (1) acceptance of a donation in the amount of \$50,000.00 from TXU Energy to provide temporary financial assistance through the West Dallas Multipurpose Center to individuals and families who are experiencing a temporary financial crisis; (2) receipt and deposit of funds in an amount not to exceed \$50,000.00 in the WDMPC Energy Emergency Assistance Fund; and (3) establishment of appropriations in an amount not to exceed \$50,000.00 in the WDMPC Energy Emergency Assistance Fund - Not to exceed \$50,000.00 - Financing: WDMPC Energy Emergency Assistance Fund

Office of Economic Development

37. 18-1338 Authorize (1) the receipt and deposit of a loan repayment from DCAR Properties, Ltd. in an amount not to exceed \$6,700,000.00; (2) the release of the associated lien on 1407 Main Street; (3) an increase in appropriations of \$6,700,000.00 in the Public/Private Partnership Fund; (4) the transfer of an amount not to exceed \$4,575,000.00 from the Public/Private Partnership Fund to the Dallas Housing Trust Fund; (5) an increase in appropriations of \$4,575,000.00 in the Dallas Housing Trust Fund; (6) the receipt and deposit of funds transferred to the Dallas Housing Trust Fund; (7) the disbursement of funds from the Dallas Housing Trust Fund; and (8) the disbursement to Dallas County in an amount not to exceed \$2,125,000.00 - Not to exceed \$6,700,000.00 - Financing: Public/Private Partnership Fund

Note: Agenda Item Nos. 38 and 39 must be considered collectively.

38. 18-1340 Authorize an ordinance amending Tax Increment Financing Reinvestment Zone Number Five (City Center TIF District) Project and Reinvestment Zone Financing Plan to: (1) allow an estimated amount of \$424,528.00 of the Affordable Housing Set-Aside Funds to be used outside of the boundaries of the Zone and the greater downtown area; and (2) make corresponding modifications to the City Center TIF District Project and Reinvestment Zone Financing Plan - Financing: No cost consideration to the City

39. 18-1339 Authorize (1) an increase in appropriations in an estimated amount of \$424,528.00 in the City Center Tax Increment Financing (TIF) District Fund (Reinvestment Zone Number Five); (2) the transfer of City Center TIF District Funds to the Dallas Housing Trust Fund in an estimated amount of \$424,528.00; (3) an increase in appropriations in an estimated amount of \$424,528.00 in the Dallas Housing Trust Fund; and (4) the disbursement of funds from the Dallas Housing Trust Fund in an estimated amount of \$424,528.00 - Estimated amount of \$424,528.00 - Financing: City Center TIF District Funds
40. 18-1341 Authorize (1) an increase in appropriations in an estimated amount of \$2,540,080.00 in the Cityplace Area Tax Increment Financing (TIF) District Fund (Reinvestment Zone Number Two); (2) consolidation of all Cityplace Area TIF District related Funds cash balances in an estimated amount of \$1,955,253.47; (3) the transfer of Cityplace Area TIF District Funds to the Dallas Housing Trust Fund in an estimated amount of \$828,129.00; (4) an increase in appropriations in an estimated amount of \$828,129.00 in the Dallas Housing Trust Fund; (5) disbursement to other participating taxing jurisdictions in an estimated amount of \$1,106,293.00; (6) the disbursement of funds from the Dallas Housing Trust Fund in an estimated amount of \$828,129.00; and (7) the closing of the Cityplace Area TIF District Funds (Reinvestment Zone Number Two) after all city transactions and TIF obligations have been processed - Total estimated amount of \$1,934,422.00 - Financing: Cityplace Area TIF District Funds
41. 18-1342 Authorize (1) an increase in appropriations in an estimated amount of \$1,003,651.00 in the State-Thomas Tax Increment Financing (TIF) District Fund (Reinvestment Zone Number One); (2) the transfer of State-Thomas Tax Increment District Funds to the Dallas Housing Trust Fund in an estimated amount of \$523,246.00; (3) an increase in appropriations in an estimated amount of \$523,246.00 in the Dallas Housing Trust Fund; (4) disbursement of funds from the Dallas Housing Trust Fund in an estimated amount of \$523,246.00; (5) disbursement to other participating taxing jurisdictions in an estimated amount of \$1,585,436.00; and (6) the closing of the State-Thomas TIF District Fund (Reinvestment Zone Number One) after all city transactions and TIF obligations have been processed - Total estimated amount of \$2,108,682.00 - Financing: State-Thomas TIF District Funds

Note: Agenda Item Nos. 42 and 43 must be considered collectively.

42. 18-1344 Authorize an ordinance amending Tax Increment Financing Reinvestment Zone Number Nine (Vickery Meadow TIF District) Project and Reinvestment Zone Financing Plan to: (1) allow an estimated amount of \$649,097.00 from the Vickery Meadow TIF District Fund to be used outside of the boundaries of the Zone for affordable housing; and (2) make corresponding modifications to the Vickery Meadow TIF District Project and Reinvestment Zone Financing Plan - Financing: No cost consideration to the City
43. 18-1343 Authorize (1) an increase in appropriations in an estimated amount of \$649,097.00 in the Vickery Meadow Tax Increment Financing (TIF) District Fund (Reinvestment Zone Number Nine); (2) the transfer of Vickery Meadow TIF District Funds to the Dallas Housing Trust Fund in an estimated amount of \$649,097.00; (3) an increase in appropriations in an estimated amount of \$649,097.00 in the Dallas Housing Trust Fund; and (4) the disbursement of funds in an estimated amount of \$649,097.00 from the Dallas Housing Trust Fund - Estimated amount of \$649,097.00 - Financing: Vickery Meadow TIF District Funds

Office of Emergency Management

44. 18-1203 Authorize the (1) acceptance of a grant from the U.S. Department of Homeland Security (DHS), Federal Emergency Management Agency passed through the Texas Department of Public Safety, Texas Division of Emergency Management has made funding available to the City of Dallas under the FY 2018 Emergency Management Performance Grant Program (Federal/State Award ID No. EMT-2018-EP-00008, Grant No. 18TX-EMPG-0008/CFDA No. 97.042) to fund emergency preparedness operations and planning in an amount not to exceed \$148,559.50 for the period October 1, 2017 through March 31, 2019; (2) establishment of appropriations in an amount not to exceed \$148,559.50 in the DHS-FY 2018 Emergency Management Performance Grant 17-19 Fund; (3) receipt and deposit of grant funds in an amount not to exceed \$148,559.50 in the DHS-FY 2018 Emergency Management Performance Grant 17-19 Fund; and (4) execution of the grant agreement and all documents required by the grant agreement - Not to exceed \$148,559.50 - Financing: U.S. Department of Homeland Security Grant Funds

45. 18-1232 Authorize the (1) acceptance of a grant from the U.S. Department of Homeland Security (DHS), Federal Emergency Management Agency passed through the Texas Office of the Governor-Homeland Security Grants Division for the FY 2018 Homeland Security Grant Program, which includes the Urban Area Security Initiative and the State Homeland Security Grant Program (Federal/State Award ID No. EMW-2018-SS-00022-S01/ Grant Nos. 2980304, 2980704, 3176403, 3321902, 3418202, 3698801/CFDA No. 97.067) to provide funding for activities related to enhancing preparedness and building capacity to prepare for, prevent and respond to complex coordinated terrorist attacks in an amount not to exceed \$5,693,850.00 for the period September 1, 2018 through August 31, 2020; (2) establishment of appropriations in an amount not to exceed \$5,693,850.00 in the DHS-FY18 Homeland Security Grant 18-20 Fund and the DHS-2018 State Homeland Security Grant 18-19 Fund; (3) receipt and deposit of grant funds in an amount not to exceed \$5,693,850.00 in the DHS-FY18 Homeland Security Grant 18-20 Fund and the DHS-2018 State Homeland Security Grant 18-19 Fund; and (4) execution of the grant agreement and all documents required by the grant agreement - Not to exceed \$5,693,850.00 - Financing: U.S. Department of Homeland Security Grant Funds

Office of Procurement Services

46. 18-1349 Authorize a two-year service contract for licenses, maintenance, and support for the McAfee VirusScan ® Threat Management Portfolio software - Kudelski Security, Inc., most advantageous proposer of three - Not to exceed \$514,138.88 - Financing: Data Services Fund
47. 18-1350 Authorize a three-year service price agreement for citywide overhead door repair, maintenance, parts, and labor - Miner Ltd. dba Overhead Door Co. of Dallas, lowest responsible bidder of two - Not to exceed \$4,573,891.92 - Financing: General Fund (\$3,796,454.95), Convention and Event Services Fund (\$423,086.80), Dallas Water Utilities Fund (\$315,072.43), Communication Services Fund (\$19,918.90), Aviation Fund (\$10,826.84), and Stormwater Drainage Management Fund (\$8,532.00)
48. 18-990 Authorize a three-year service price agreement for fire extinguisher and sprinkler system maintenance and repairs - American Fire Protection Group, Inc. in the amount of \$5,051,309.56 and Safety Control LLC in the amount of \$1,826,503.41, lowest responsible bidders of seven - Total not to exceed \$6,877,812.97 - Financing: General Fund (\$3,370,512.10), Convention and Event Services Fund (\$3,084,187.70), Sanitation Services Fund (\$222,302.77), Dallas Water Utilities Fund (\$134,042.50), Aviation Fund (\$45,643.00), and Communication Service Fund (\$21,124.90)

49. 18-1323 Authorize a three-year service price agreement, with one two-year renewal option, for farrier services for the Police Department's Mounted Unit - Frank Schweighart, lowest responsible bidder of three - Not to exceed \$141,625.00 - Financing: General Fund
50. 18-1294 Authorize a three-year service contract for ongoing maintenance and support of Orion Communications software applications for the Police Department and Court and Detention Services - Orion Communications, sole source - Not to exceed \$473,021.58 - Financing: Data Services Fund (\$263,365.29) and Technology Fund (\$209,656.29) (subject to annual appropriations)
51. 18-980 Authorize a five-year service price agreement for the rental of uniforms with Cintas Corporation No. 2 through the U.S. Communities Government Purchasing Alliance cooperative agreement, lowest responsible bidder of three - Estimated amount of \$2,920,342.10 - Financing: General Fund (\$1,763,372.89), Sanitation Services Fund (\$906,675.58), and Aviation Fund (\$250,293.63)
52. 18-1281 Authorize (1) a five-year management contract for the South Dallas/Fair Park Public Improvement District Manager - South Side Quarter Development Corporation, most advantageous proposer of two - Not to exceed 10% of annual assessments, estimated to be \$99,419.00 for administrative fees over the five-year term; and (2) the establishment of appropriations in the South Dallas/Fair Park PID Fund in an estimated amount of \$111,237.00 - Financing: Cost Consideration to Others
53. 18-1292 Authorize a one-year master agreement for the purchase of ozone electrode module assemblies and parts for the Water Utilities Department - Fin-Tek Corporation in the estimated amount of \$127,950.00 and Xylem Water Solutions USA, Inc. in the estimated amount of \$72,900.00, lowest responsible bidders of two - Total estimated amount of \$200,850.00 - Financing: Dallas Water Utilities Fund
54. 18-1291 Authorize a one-year master agreement for large cast iron fittings for the Water Utilities Department - Fortiline, Inc., lowest responsible bidder of three - Estimated amount of \$235,000.00 - Financing: Dallas Water Utilities Fund

55. 18-1337 Authorize (1) a one-year master agreement for the purchase of (a) 109 pieces of fleet vehicles and equipment with Chastang Ford in the amount of \$6,349,447.00, Holt Texas, Ltd. in the amount of \$3,630,411.00, Austin Truck and Equipment, Ltd. dba Freightliner of Austin in the amount of \$1,602,825.00, Sam Pack's Five Star Ford in the amount of \$1,288,680.76, Southwest International Trucks, Inc. in the amount of \$1,169,307.00, Kirby-Smith Machinery in the amount of \$548,135.00, Kinloch Equipment & Supply, Inc. in the amount of \$264,106.00, Freedom Chevrolet in the amount of \$243,646.50, Rush Truck Centers Of Texas, LP in the amount of \$230,142.68, Grande Truck Center in the amount of \$144,073.00, BTE Body Co., Inc. in the amount of \$117,676.00, and Magnum Trailers dba Magnum Custom Trailer Mfg. Co., Inc. in the amount of \$17,608.50 through the Texas Association of School Boards cooperative agreement; (b) 73 pieces of fleet vehicles with Sam Pack's Five Star Ford in the amount of \$2,866,548.43 through the Texas Smart Buy cooperative agreement; (c) 4 pieces of fleet equipment with Dickson Equipment Co., Inc. in the amount of \$469,462.71 and Holt Texas, Ltd. in the amount of \$85,169.00 through the Sourcewell cooperative agreement; and (d) 9 pieces of fleet vehicles with Longhorn Harley-Davidson in the amount of \$263,078.46 through the Dallas-Fort Worth Airport Interlocal agreement; (2) the establishment of appropriations in an amount not to exceed \$2,224,092.00 in the Fleet Capital Purchase Fund; (3) the establishment of appropriations in an amount not to exceed \$8,000,000.00 in the Sanitation Master Lease-Equipment Fund; and (4) an increase in appropriations in an amount not to exceed \$602,684.00 in the ISTEVA Vehicle Conversion Fund - Total not to exceed \$19,290,317.04 - Financing: Sanitation Master Lease-Equipment Fund (\$7,990,451.43), Master Lease-Equipment Fund (\$4,849,600.31), Sanitation Waste Cell Sinking Fund (\$4,553,720.93), Water & Sewer Revenue Fund (\$1,264,443.96), Fleet Capital Purchase Fund (\$575,455.41), and Airport Revenue Fund (\$56,645.00)
56. 18-1290 Authorize a three-year master agreement for the purchase of clamps, couplings, sleeves, and adapters for the Water Utilities Department - Fortiline, Inc. in the estimated amount of \$693,015.12, Core & Main, LP in the estimated amount of \$199,421.30, and Powerseal Pipeline Products Corp. in the estimated amount of \$103,510.76, lowest responsible bidders of four - Total estimated amount of \$995,947.18 - Financing: Dallas Water Utilities Fund
57. 18-1246 Authorize a three-year master agreement for the purchase of deicing chemicals for the Department of Aviation - Nachurs Alpine Solutions, LLC in the estimated amount of \$793,800.00, Cryotech Deicing Technology in the estimated amount of \$379,620.00, The Bargain Source in the estimated amount of \$365,909.40, and Berven Industries, LLC dba New Deal Deicing in the estimated amount of \$357,840.00, lowest responsible bidders of four - Total estimated amount of \$1,897,169.40 - Financing: Aviation Fund

58. 18-1101 Authorize a three-year master agreement for the purchase of electrical supplies - Crawford Electric Supply Co. in the estimated amount of \$6,874,091.00, Elliott Electric Supply, Inc. in the estimated amount of \$1,448,206.00, Graybar Electric Company, Inc. in the estimated amount of \$907,268.00; and Dealers Electrical Supply in the estimated amount of \$54,000.00, lowest responsible bidders of eight - Total estimated amount of \$9,283,565.00 - Financing: General Fund (\$4,178,950.00), Dallas Water Utilities Fund (\$4,283,415.00), Aviation Fund (\$388,000.00), Stormwater Drainage Management Fund (\$313,200.00), and Convention and Event Services Fund (\$120,000.00)
59. 18-1293 Authorize a three-year master agreement for oil, grease, and lubricants for citywide use - Western Marketing, Inc. in the amount of \$2,106,742.04, NCH Corporation dba Certified Laboratories in the amount of \$365,625.85, and Schaeffer Manufacturing Company in the amount of \$198,735.77, lowest responsible bidders of three - Total not to exceed \$2,671,103.66 - Financing: General Fund (\$991,881.97), Dallas Water Utilities Fund (\$925,255.61), Equipment and Fleet Management (\$432,330.13), Sanitation Services Fund (\$161,806.80), Stormwater Drainage Management Fund (\$100,169.42), Convention and Event Services Fund (\$38,059.19), and Aviation Fund (\$21,600.54)

Office of Strategic Partnerships & Government Affairs

Note: Agenda Item Nos. 60 and 61 must be considered collectively.

60. 18-1401 Authorize a personal services contract with Hector Alcalde for federal legislative services regarding water resources, flood control and transportation for the period November 1, 2018 through October 31, 2019 - Not to exceed \$53,400.00 - Financing: General Fund
61. 18-1405 Authorize a personal services contract with Paul Schlesinger for federal legislative services regarding water resources, flood control and transportation for the period November 1, 2018 through October 31, 2019 - Not to exceed \$31,600.00 - Financing: General Fund
62. 18-1398 Authorize a personal services contract with Kwame Walker for state legislative services for the period November 1, 2018 through October 31, 2019 - Not to exceed \$70,000.00 - Financing: General Fund
63. 18-1400 Authorize a personal services contract with Lorena Campos for state legislative services for the period November 1, 2018 through October 31, 2019 - Not to exceed \$64,000.00 - Financing: General Fund
64. 18-1399 Authorize a personal services contract with Randy C. Cain for state legislative services for the period November 1, 2018 through October 31, 2019 - Not to exceed \$71,000.00 - Financing: General Fund

65. 18-1396 Authorize a professional services contract with CapitalEdge Strategies, LLC to provide federal legislative services to the City for the period November 1, 2018 through October 31, 2019 - Not to exceed \$160,000.00 - Financing: General Fund
66. 18-1426 A resolution authorizing approval of the Verizon Place as an Authorized Public Facility Improvement Corporation Project at Dallas/Fort Worth International Airport - Financing: No cost consideration to the City

Park & Recreation Department

67. 18-1218 Authorize a professional services contract with Dunaway Associates, L.P. for schematic design, design development, construction documents, procurement and construction observation phases for the Flag Pole Hill - Phase 1 Master Plan Implementation Project located at 8015 Doran Circle - Not to exceed \$168,050.00 - Financing: Park and Recreation Facilities (B) Fund (2017 Bond Funds)
68. 18-1255 Authorize a professional services contract with Urban Engineers Group, Inc. for schematic design, design development, construction documents, procurement and construction observation phases for Elmwood Trail Phase Three located north of the existing Elmwood Parkway Trail Phase One - Not to exceed \$238,815.00 - Financing: Park and Recreation Facilities (B) (2017 Bond Funds)
69. 18-1264 Authorize a twelve-month funding agreement with the Dallas Arboretum and Botanical Society, Inc. to provide services and programs within the city of Dallas for the period October 1, 2018 through September 30, 2019 - Not to exceed \$394,098.00 - Financing: General Fund
70. 18-1269 Authorize a twelve-month funding agreement with Dallas County Audubon Society, Inc. dba Audubon Dallas for the Cedar Ridge Preserve to provide services and programs within the city of Dallas for the period January 1, 2019 through December 31, 2019 - Not to exceed \$58,949.00 - Financing: General Fund
71. 18-1258 Authorize a twelve-month funding agreement with Texas Discovery Gardens to provide services and programs within the city of Dallas for the period October 1, 2018 through September 30, 2019 - Not to exceed \$145,862.00 - Financing: General Fund
72. 18-1221 Authorize an increase in the construction services contract with A S Con, Inc. to provide additional erosion control on the dam, landscape and lighting modifications at Kidd Springs Park located at 700 West Canty Street - Not to exceed \$78,579.48, from \$726,578.00 to \$805,157.48 - Financing: Park and Recreation Facilities Fund (2006 Bond Funds)

73. 18-1284 Authorize a five-year maintenance agreement, with an automatic one-year extension with Parks for Downtown Dallas for the operation and maintenance of Belo Garden Park located at 1014 Main Street - Financing: This action has no cost consideration to the City (see Fiscal Information)
74. 18-1270 Authorize the sixty-month extension option to the concession contract with IAMJ Enterprises, Inc. for the operation of the banquet facility at Cedar Crest Golf Course - Estimated Annual Revenue: \$4,000.00
75. 18-1321 Authorize the sixty-month extension option to five concession contracts for Golf Pro Shop Managers with Bob Smith at Tenison Park Golf Courses in the amount of \$1,558,384.00, Mickey Ray Piersall at Luna Vista Golf Course in the amount of \$847,876.00, IAMJ Enterprises, Inc. at Cedar Crest Golf Course in the amount of \$526,848.00, James R. Henderson at Stevens Park Golf Course in the amount of \$1,158,353.00, and Tony Martinez at Grover C. Keeton Park Golf Course in the amount of \$469,830.00 - Estimated Annual Revenue: \$4,561,291.00

Water Utilities Department

76. 18-1112 Authorize a professional services contract with Gresham Smith to provide engineering services for the evaluation, design, construction administration and start-up of stormwater facilities improvements at the Southside Wastewater Treatment Plant - Not to exceed \$1,700,000.00 - Financing: Water Utilities Capital Construction Funds
77. 18-1074 Authorize (1) a construction contract for the Trinity Skyline Trail from Sylvan Avenue to the City of Irving's Campion Trail - Texas Standard Construction, Ltd. in an amount not to exceed \$5,878,100.25, lowest responsible bidder of ten; and (2) payment to the Texas Department of Transportation in an amount not to exceed \$180,000.00 - Total not to exceed \$6,058,100.25 - Financing: TxDOT Advance Management System Fund - Trinity Skyline Trail (\$2,649,163.95), Stormwater Drainage Management Capital Construction Fund (\$2,329,439.54), and Street and Transportation Improvements Fund (2012 Bond Funds) (\$1,079,496.76)
78. 18-1249 Authorize an increase in the construction services contract with BAR Constructors, Inc. for additional work associated with the construction of the Levee Drainage System - Sump A Improvements, also referred to as the Able No. 3 Pump Station - Not to exceed \$255,190.16, from \$69,250,327.90 to \$69,505,518.06 - Financing: Flood Protection and Storm Drainage Facilities Fund (2012 Bond Funds)

ITEMS FOR INDIVIDUAL CONSIDERATION**City Secretary's Office**

79. 18-1390 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)
80. 18-1360 Consideration of appointments to the Dallas/Fort Worth International Airport Board of Directors for Positions 01, 05 and 11 (Closed Session, if necessary, Personnel, Sec. 551.074, T.O.M.A.). (List of nominees in the City Secretary's Office)

City Manager's Office

81. 18-1394 Ratify the Amended Meet and Confer Agreement between the City of Dallas and the Meet and Confer Team, made up of the Dallas Black Fire Fighters Association, Black Police Association of Greater Dallas, National Latino Law Enforcement Organization, Dallas Police Association, Dallas Hispanic Fire Fighters Association, and the Dallas Fire Fighter Association; and authorize the City Manager to enter into said Amended Meet and Confer Agreement, to be effective January 9, 2019 through September 30, 2019 - Financing: This action has no cost consideration to the City (see Fiscal Information)

Department of Human Resources

82. 18-1430 Authorize (1) approval of revised salary schedules for Police and Fire uniform executive staff, for a 3% adjustment; and (2) implementing pay increases for Police and Fire uniform executive staff, effective January 9, 2019 - Financing: This action has no cost consideration to the City

Housing & Neighborhood Revitalization

83. 18-1391 An ordinance amending Chapter 20A, "Fair Housing" of the Dallas City Code by (1) adding Sections 20A-22 through 20A-33; (2) providing a purpose statement; (3) providing the definition of terms; (4) providing for a market value analysis category and dwelling unit verification as a precondition of eligibility for the mixed income housing program; (5) providing the terms of the mixed income restrictive covenant; (6) providing for the administration of the mixed income housing program including requirements related to eligibility verifications, income bands, and affordable rents; (7) providing policies for tenant selection and other written policies; (8) providing the responsibilities of applicants and eligible households; (9) providing that an owner shall not discriminate against holders of housing vouchers, (10) providing for compliance and recordkeeping for the mixed income housing program including requirements related to quarterly status reports, affirmative fair housing marketing plans, and audits and inspections; (11) providing standard procedures for notifying owners of non-compliance and correcting non-compliance; (12) providing a penalty not to exceed \$500; (13) providing a saving clause; (14) providing a severability clause; and (15) providing an effective date - Financing: No cost consideration to the City

ITEMS FOR FURTHER CONSIDERATION**Department of Sustainable Development and Construction**

84. 18-1431 An ordinance abandoning a portion of an alley (also known as Howland Street) to OR Asset Holdings, L.P., the abutting owner, containing approximately 3,588 square feet of land, located near the intersection of Howland and Routh Streets; and authorizing the quitclaim; and providing for the dedication of approximately 3,651 square feet of land needed for a wastewater easement - Revenue: \$640,458.00, plus the \$20.00 ordinance publication fee (This item was deferred on November 28, 2018)

Office of Economic Development

85. 18-1209 Authorize a business personal property tax abatement agreement with Velocity, A Viracon Company or an affiliate ("Velocity") for a period of five-years in an amount equal to the City's ad valorem taxes assessed on 50 percent of the increased taxable value of Velocity's business personal property associated with the establishment of a new manufacturing operation to be located on approximately 8.427 acres at the southeast corner of Clover Haven Street and Cargo Road in Dallas, Texas in accordance with the City's Public/Private Partnership Program - Estimated Revenue Foregone: \$308,103.00 over a five-year period (This item was deferred on September 26, 2018 and October 24, 2018)

Park & Recreation Department

86. 18-1440 Authorize (1) a development and maintenance agreement with Lincoln LAG LTD. and HEB Grocery Company, LP for the purpose of constructing the Matilda Trail, an enhanced sidewalk, hike and bike trail, and appurtenances located at East Lovers Lane and Matilda Street; (2) the establishment of appropriations in an amount not to exceed \$30,000.00 in the Mowmentum Park Improvement Fund; (3) the receipt and deposit of endowment funds in an amount not to exceed \$30,000.00 in the Mowmentum Park Improvement Fund; and (4) execution of the development and maintenance agreement - Financing: Revenue: \$30,000.00 (This item was deferred on November 28, 2018)

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

87. 18-1362 A public hearing to receive comments regarding an application for and an ordinance granting an MF-2(A) Multifamily Subdistrict on property zoned a P(A) Parking Subdistrict within Planned Development No. 595, the South Dallas/Fair Park Special Purpose District, on the southwest side of Cleveland Street, north of South Lamar Street
Recommendation of Staff and CPC: Approval
Z178-256(CY)

88. 18-1363 A public hearing to receive comments regarding an application for and an ordinance granting an amendment to Planned Development District No. 823, on the east side of South Lancaster Road, north of 52nd Street
Recommendation of Staff and CPC: Approval, subject to a revised development/landscape plan, a revised traffic management plan, and conditions
Z178-259(JM)
89. 18-1364 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 microbrewery, distillery, or winery on property zoned Subdistrict 1A within Planned Development District No. 621, the Old Trinity and Design District Special Purpose District, on the east side of Express Street, north of Levee Street
Recommendation of Staff and CPC: Approval for a three-year period with eligibility for automatic renewals for additional five-year periods, subject to a site plan and conditions
Z178-287(JM)
90. 18-1365 A public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for a tower/antenna for cellular communication on property zoned an R-7.5(A) Single Family District, on the south corner of Fordham Road and Gladewater Road
Recommendation of Staff and CPC: Approval for a ten-year period with eligibility for automatic renewals for additional ten-year periods, subject to a site plan and conditions
Z178-310(SM)
91. 18-1366 A public hearing to receive comments regarding an application for and an ordinance granting an amendment to Planned Development District No. 467, on the north side of Church Road, east of White Rock Trail
Recommendation of Staff and CPC: Approval, subject to a revised development plan, a revised landscape plan, a traffic management plan, and conditions
Z178-317(JM)
92. 18-1367 A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 2011 for an alcoholic beverage establishment limited to a microbrewery, microdistillery, or winery on property zoned Conservation District No. 7, the Bishop/Eighth Street Conservation District, on the northwest corner of North Bishop Avenue and West 7th Street
Recommendation of Staff and CPC: Approval for a three-year period with eligibility for automatic renewals for additional five-year periods, subject to a revised site plan and conditions
Z178-328(CY)

93. 18-1368 A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 2157 for vehicle display, sales, and service use on property zoned Planned Development District No. 629, on the northeast corner of North Central Expressway and Bonner Drive
Recommendation of Staff and CPC: Approval for a five-year period, subject to conditions
Z178-342(CT)
94. 18-1369 A public hearing to receive comments regarding an application for and an ordinance granting a CR Community Retail District and a resolution accepting deed restrictions volunteered by the applicant on property zoned an LO-1-D Limited Office District with a D Liquor Control Overlay, on the southwest corner of East Mockingbird Lane and Norris Street
Recommendation of Staff and CPC: Approval, subject to deed restrictions volunteered by the applicant
Z178-344(AM)
95. 18-1370 A public hearing to receive comments regarding an application for and an ordinance granting an amendment to Tract 1G within Planned Development District No. 751 with existing deed restrictions [Z834-368], on the northeast corner of the westbound service road of Lyndon B. Johnson Freeway (IH-20) and Bainbridge Drive
Recommendation of Staff and CPC: Approval, subject to a revised development/conceptual plan and a revised landscape plan
Z178-346(PD)
96. 18-1371 A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 2189 for a recycling buy-back center for the collection of household metals and industrial metals on property zoned an IM Industrial Manufacturing District, on the northeast line of South Barry Avenue, north of South Haskell Avenue
Recommendation of Staff and CPC: Approval for a two-year period, subject to conditions
Z178-356(JM)
97. 18-1372 A public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for utility or government installation other than listed on property zoned Planned Development District No. 137, on the southwest corner of Interstate Highway 635 (Lyndon B. Johnson Freeway) and Hillcrest Road
Recommendation of Staff and CPC: Approval for a permanent period, subject to site plan and conditions
Z178-362(CY)

98. 18-1373 A public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for utility or government installation other than listed and for a microwave tower on property zoned Tract 3 within Planned Development District No. 598, on the west side of South Polk Street, between West Wheatland Road and Interstate Highway 20 (Lyndon B. Johnson Freeway)
Recommendation of Staff and CPC: Approval for a permanent period, subject to site plan and conditions
Z178-363(CY)

ZONING CASES - INDIVIDUAL

99. 18-1374 A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 2160 for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less, on property zoned Subarea 7 within Planned Development District No. 366-D-1, the Buckner Boulevard Special Purpose District with a D-1 Liquor Control Overlay, on the northwest corner of South Buckner Boulevard and Scyene Road
Recommendation of Staff: Approval for a three-year period, subject to staff's recommended conditions
Recommendation of CPC: Approval for a two-year period, subject to conditions
Z156-305(SM)
100. 18-1375 A public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for a tower/antenna for cellular communication on property zoned an R-7.5(A) Single Family District and an MF-2(A) Multifamily District, on the south side of West Wheatland Road, east of South Polk Street
Recommendation of Staff: Denial
Recommendation of CPC: Approval for a ten-year period with eligibility for automatic renewals for additional ten-year periods, subject to a site/elevation plan and conditions
Z178-140(JM)

101. 18-1376 A public hearing to receive comments regarding an application for and an ordinance granting a Planned Development Subdistrict for GR General Retail Subdistrict uses on property zoned an MF-2 Multiple Family Subdistrict and an LC Light Commercial Subdistrict within Planned Development District No. 193, the Oak Lawn Special Purpose District, on the north corner of Amelia Street and Maple Avenue
Recommendation of Staff: Approval, subject to a development plan and staff's recommended conditions
Recommendation of CPC: Approval, subject to a development plan and conditions
Z178-282(SM)
102. 18-1377 A public hearing to receive comments regarding an application for and an ordinance granting a D-1 Liquor Control Overlay and an ordinance granting a Specific Use Permit for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less, on property zoned Subdistrict 2 within Planned Development District No. 366, the Buckner Boulevard Special Purpose District with a D Liquor Control Overlay, on the southwest corner of Bruton Road and South Buckner Boulevard
Recommendation of Staff: Approval of a D-1 Liquor Control Overlay; and approval of a Specific Use Permit for a two-year period with eligibility for automatic renewals for additional five-year periods, subject to a site plan and staff's recommended conditions
Recommendation of CPC: Approval of a D-1 Liquor Control Overlay; and approval of a Specific Use Permit for a three-year period, subject to a site plan and conditions
Z178-318(JM)
103. 18-1378 A public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for a tower/antenna for cellular communication on property zoned a CS Commercial Service District, on the northwest corner of Fletcher Street and South Peak Street
Recommendation of Staff: Approval for a ten-year period with eligibility for automatic renewals for additional ten-year periods, subject to a site plan and staff's recommended conditions
Recommendation of CPC: Approval for a ten-year period, subject to a site plan and conditions
Z178-331(SM)

ZONING CASES - UNDER ADVISEMENT - INDIVIDUAL

104. 18-1437 A public hearing to receive comments regarding an application for (1) an ordinance granting a Planned Development District for R-7.5(A) Single Family District uses on property zoned an NO(A) Neighborhood Office District, a CS Commercial Service District, and an R-7.5(A) Single Family District with Specific Use Permit No. 1781 for a transit passenger station or transfer center on a portion; and (2) a resolution terminating the existing deed restrictions, on the south line of Walnut Hill Lane and the west line of White Rock Trail

Recommendation of Staff and CPC: Approval, subject to a conceptual plan, conceptual fence elevation plan, and conditions; and approval of the termination of existing deed restrictions

Z178-238(SM)

Note: This item was considered by the City Council at a public hearing on November 28, 2018, and was held under advisement until December 12, 2018, with the public hearing open

SPECIAL PURPOSE SIGN DISTRICT

105. 18-1379 A public hearing to receive comments regarding an application for and an ordinance granting the creation of a new subdistrict within the Arts District Special Provision Sign District on property zoned Planned Development District No. 145, the Arts District Special Purpose District, in an area generally bounded by Flora Street, Olive Street, Ross Avenue, and North Harwood Street

Recommendation of Staff: Denial

Recommendation of CPC: Approval

SPSD178-003

DEVELOPMENT CODE AMENDMENTS – INDIVIDUAL

106. 18-1380 A public hearing to receive comments regarding consideration of amendments to Chapter 51 and Chapter 51A of the Dallas Development Code to create regulations for mixed income housing development bonuses and an ordinance granting the amendments

Recommendation of Staff: Approval of Economic Development and Housing Committee recommendations

Recommendation of CPC: Approval

DCA 156-008

FLOODPLAIN APPLICATIONS

Water Utilities Department

107. 18-1078 A public hearing to receive comments regarding the application for and approval of the fill permit and removal of the floodplain (FP) prefix from approximately 0.1 acres of the current 0.80 acres of land located at 9400 Lyndon B. Johnson Freeway, within the floodplain of Jackson Branch, Fill Permit 17-09 - Financing: No cost consideration to the City

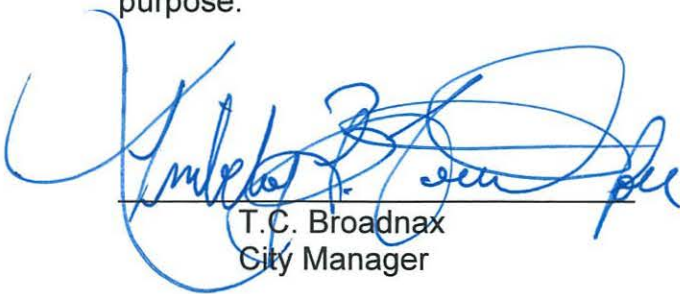
EXECUTIVE SESSION NOTICE

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

1. seeking the advice of its attorney about pending or contemplated litigation, settlement offers, or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act. [Tex. Govt. Code §551.071]
2. deliberating the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.072]
3. deliberating a negotiated contract for a prospective gift or donation to the city if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.073]
4. deliberating the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing. [Tex. Govt. Code §551.074]
5. deliberating the deployment, or specific occasions for implementation, of security personnel or devices. [Tex. Govt. Code §551.076]
6. discussing or deliberating commercial or financial information that the city has received from a business prospect that the city seeks to have locate, stay or expand in or near the city and with which the city is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect. [Tex Govt. Code §551.087]
7. deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementations of security personnel, critical infrastructure, or security devices. [Tex Govt. Code §551.089]

**DECEMBER 12, 2018 CITY COUNCIL ADDENDUM
CERTIFICATION**

This certification is given pursuant to Chapter XI, Section 9 of the City Charter for the City Council Addendum dated December 12, 2018. 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.



T.C. Broadnax
City Manager

12/07/18

Date



Elizabeth Reich
Chief Financial Officer

12-7-18

Date

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CITY SECRETARY
DALLAS, TEXAS

**ADDENDUM
CITY COUNCIL MEETING
WEDNESDAY, DECEMBER 12, 2018
CITY OF DALLAS
1500 MARILLA STREET
COUNCIL CHAMBERS, CITY HALL
DALLAS, TX 75201
9:00 A.M.**

REVISED 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

CLOSED SESSION

MINUTES

Item 1

CONSENT AGENDA

Items 2 - 78

CONSENT ADDENDUM Addendum Item 1

ITEMS FOR INDIVIDUAL CONSIDERATION

No earlier
than 9:15 a.m.

Items 79 - 86
Addendum Items 2 - 4

PUBLIC HEARINGS AND RELATED ACTIONS

1:00 p.m.

Items 87 - 107

Handgun Prohibition Notice for Meetings of Governmental Entities

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

"De acuerdo con la sección 30.06 del código penal (ingreso sin autorización de un titular de una licencia con una pistol 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."

ADDITIONS:CONSENT ADDENDUM**Office of Economic Development**

1. 18-1351 Authorize the adoption of Public/Private Partnership Program Guidelines and Criteria for the period January 1, 2019 through June 30, 2019 - Financing: No cost consideration to the City

ITEMS FOR INDIVIDUAL CONSIDERATION**Office of Economic Development**

2. 18-1433 Authorize **(1)** a business property tax abatement agreement with HD Supply Facilities Maintenance, Ltd. or an affiliate thereof ("HD Supply") for a period of five-years in an amount equal to the City's ad valorem taxes assessed on 50 percent of the increased taxable value of HD Supply's business personal property in conjunction with the proposed build-to-suit facility within a Texas Enterprise Zone situated on approximately 82 acres of property located south of Interstate Highway 20, north of Camp Wisdom Road, and east of Mountain Creek Parkway in Dallas, Texas; and **(2)** a real property tax abatement agreement with First Industrial, L.P. or an affiliate thereof ("First Industrial") for a period of ten-years in an amount equal to the City's ad valorem taxes assessed on 50 percent for years one through seven; 38 percent for year eight; 25 percent for year nine; and 12 percent for year ten on the increased taxable value of First Industrial's real property in conjunction with the proposed build-to-suit facility within a Texas Enterprise Zone situated on approximately 82 acres of property located south of Interstate Highway 20, north of Camp Wisdom Road, and east of Mountain Creek Parkway in Dallas, Texas, in accordance with the City's Public/Private Partnership Program - Estimated Revenue Foregone: \$1,018,569.00 over a ten-year period

3. 18-1432 Authorize **(1)** designation of approximately 315 total acres of property located at 9314 West Jefferson Boulevard in Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 8 ("City of Dallas NEZ No. 8"), pursuant to Chapter 378 of the Texas Local Government Code to promote an increase in economic development in the zone, establish the boundaries of the zone and provide for an effective date; **(2)** a business personal property tax abatement agreement with Home Depot U.S.A., Inc. or an affiliate thereof ("Home Depot") for the purpose of granting a five-year abatement of 50 percent of the taxes on the added value to the business personal property for the proposed development of a new build-to-suit development office and distribution facility situated on approximately 152 acres of property located at 9314 West Jefferson Boulevard in Dallas, Texas; and **(3)** a real property tax abatement agreement with DGIC Project 1, LLC or an affiliate thereof ("DGIC, LLC") for the purpose of granting a ten-year abatement of 90 percent of the taxes on added value to the real property for the proposed development of a new build-to-suit development office and distribution facility situated on approximately 152 acres of property located at 9314 West Jefferson Boulevard in Dallas, Texas, in accordance with the City's Public/Private Partnership Program - Estimated Revenue Foregone: \$5,261,366.00 over a ten-year period

Park & Recreation Department

4. 18-1447 Authorize a fifth amendment to the Fair Park Contract dated May 21, 2003, as previously amended (the "Agreement") to: **(1)** extend the initial term of the agreement for a period of 10 years (the term shall expire on December 31, 2038); **(2)** establish annual rental fees for 2028 thru 2038; **(3)** incorporate financial processes and procedures for the allocation of funds; **(4)** require the State Fair of Texas to pay its full-time and part-time employees at least \$11.15 per hour or the federal minimum wage, whichever is higher; **(5)** incorporate a security plan process between the Dallas Police Department and the State Fair of Texas; and **(6)** incorporate miscellaneous provisions as required by state law - Revenue: \$39,750,000.00 (see Fiscal Information)

CORRECTIONS:**Department of Aviation**

6. 18-1318 Authorize **(1)** an increase in the annual lease rental rates at Dallas Love Field to **(a)** \$0.85 square feet per year for unimproved land; **(b)** \$0.95 square feet per year for improved land; **(c)** \$4.75 square feet per year for storage hangar; **(d)** \$5.50 square feet per year for maintenance hangar space; **(e)** \$9.50 square feet per year for office space; ~~**(f)** \$10,000.00 per year for fuel operations permit fees for fixed based operators and \$5,000.00 per year for fuel operations permit fees for self fuelers;~~ **(gf)** \$40.00 - \$55.00 per square foot per year for non-aeronautical commercial and retail use; **(hg)** \$20.00 - \$25.00 per square foot per year for non-aeronautical office use; and **(ih)** \$8.00 - \$10.00 per square foot for non-aeronautical warehouse and storage use, effective February 1, 2019; **(2)** an increase in the annual lease rental rates at Dallas Executive Airport to **(a)** \$0.45 square feet per year for unimproved land; **(b)** \$0.55 square feet per year for improved land; **(c)** \$5.50 - \$8.00 square feet per year for general aviation storage and maintenance hangars; **(d)** \$375.00 - \$400.00 per month for T-hangar space; and **(e)** \$7.50 square feet per year for office space; ~~and **(f)** \$10,000.00 per year for fuel operations permit fees for fixed based operators and \$5,000.00 per year for fuel operations permit fees for self fuelers, effective February 1, 2019;~~ and **(3)** the annual lease rental rates at Dallas Vertiport of **(a)** \$200.00 - \$500.00 landing fee; **(b)** \$150.00 - \$300.00 parking fee; **(c)** \$200.00 - \$400.00 overnight fee; **(d)** \$300.00 per day and \$750.00 per week for office space; and **(e)** \$400.00 per day and \$1,000.00 per week for lobby space, effective February 1, 2019 - Financing: This action has no cost consideration to the City (see Fiscal Information for future revenue impact)

Office of Community Care

36. 18-1325 Authorize ~~the (1)~~ to rescind Resolution No. 18-1368, previously approved on September 26, 2018, for the acceptance of a donation in the amount of \$75,000.00 from TXU Energy to provide temporary financial assistance through the Martin Luther King, Jr. Community Center to individuals and families who are experiencing a temporary financial crisis; ~~(42) the~~ acceptance of donations in an amount not to exceed ~~\$50,000.00~~ \$125,000.00 in the ~~WDMPC Energy Emergency Assistance Fund~~ from TXU Energy to provide temporary financial assistance through the West Dallas Multipurpose Center and the Martin Luther King, Jr. Community Center to individuals and families who are experiencing a temporary financial crisis; ~~(23) the~~ receipt and deposit of funds in an amount not to exceed ~~\$50,000.00~~ \$125,000.00 in the ~~WDMPC~~ OCC Energy Emergency Assistance Fund; and ~~(34) the~~ establishment of appropriations in an amount not to exceed ~~\$50,000.00~~ \$125,000.00 in the ~~WDMPC~~ OCC Energy Emergency Assistance Fund - Not to exceed ~~\$50,000.00~~ \$125,000.00 - Financing: ~~WDMPC-OCC~~ Energy Emergency Assistance Fund

DELETIONS:**City Attorney's Office**

2. 18-1296 Authorize an Interlocal Agreement between the City of Dallas and the Dallas County Public Defender's Office to provide legal representation to participants in the South Dallas Drug Court program - Not to exceed \$15,000.00 - Financing: U.S. Department of Health and Human Services Substance Abuse and Mental Health Services Administration Grant Funds

Office of Economic Development

85. 18-1209 Authorize a business personal property tax abatement agreement with Velocity, A Viracon Company or an affiliate ("Velocity") for a period of five-years in an amount equal to the City's ad valorem taxes assessed on 50 percent of the increased taxable value of Velocity's business personal property associated with the establishment of a new manufacturing operation to be located on approximately 8.427 acres at the southeast corner of Clover Haven Street and Cargo Road in Dallas, Texas in accordance with the City's Public/Private Partnership Program - Estimated Revenue Foregone: \$308,103.00 over a five-year period (This item was deferred on September 26, 2018 and October 24, 2018)

EXECUTIVE SESSION NOTICE

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

1. seeking the advice of its attorney about pending or contemplated litigation, settlement offers, or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act. [Tex. Govt. Code §551.071]
2. deliberating the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.072]
3. deliberating a negotiated contract for a prospective gift or donation to the city if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.073]
4. deliberating the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing. [Tex. Govt. Code §551.074]
5. deliberating the deployment, or specific occasions for implementation, of security personnel or devices. [Tex. Govt. Code §551.076]
6. discussing or deliberating commercial or financial information that the city has received from a business prospect that the city seeks to have locate, stay or expand in or near the city and with which the city is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect. [Tex Govt. Code §551.087]
7. deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementations of security personnel, critical infrastructure, or security devices. [Tex Govt. Code §551.089]

Addendum Date: December 12, 2018

ITEM #	DISTRICT	TYPE	DEPT	DOLLARS	DESCRIPTION
1.	All	C	ECO	NC	Authorize the adoption of Public/Private Partnership Program Guidelines and Criteria for the period January 1, 2019 through June 30, 2019 - Financing: No cost consideration to the City
2.	3	I	ECO	REV- \$1,018,569.00	Authorize (1) a business property tax abatement agreement with HD Supply Facilities Maintenance, Ltd. or an affiliate thereof ("HD Supply") for a period of five-years in an amount equal to the City's ad valorem taxes assessed on 50 percent of the increased taxable value of HD Supply's business personal property in conjunction with the proposed build-to-suit facility within a Texas Enterprise Zone situated on approximately 82 acres of property located south of Interstate Highway 20, north of Camp Wisdom Road, and east of Mountain Creek Parkway in Dallas, Texas; and (2) a real property tax abatement agreement with First Industrial, L.P. or an affiliate thereof ("First Industrial") for a period of ten-years in an amount equal to the City's ad valorem taxes assessed on 50 percent for years one through seven; 38 percent for year eight; 25 percent for year nine; and 12 percent for year ten on the increased taxable value of First Industrial's real property in conjunction with the proposed build-to-suit facility within a Texas Enterprise Zone situated on approximately 82 acres of property located south of Interstate Highway 20, north of Camp Wisdom Road, and east of Mountain Creek Parkway in Dallas, Texas, in accordance with the City's Public/Private Partnership Program - Estimated Revenue Foregone: \$1,018,569.00 over a ten-year period
3.	3	I	ECO	REV- \$5,261,366.00	Authorize (1) designation of approximately 315 total acres of property located at 9314 West Jefferson Boulevard in Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 8 ("City of Dallas NEZ No. 8"), pursuant to Chapter 378 of the Texas Local Government Code to promote an increase in economic development in the zone, establish the boundaries of the zone and provide for an effective date; (2) a business personal property tax abatement agreement with Home Depot U.S.A., Inc. or an affiliate thereof ("Home Depot") for the purpose of granting a five-year abatement of 50 percent of the taxes on the added value to the business personal property for the proposed development of a new build-to-suit development office and distribution facility situated on approximately 152 acres of property located at 9314 West Jefferson Boulevard in Dallas, Texas; and (3) a real property tax abatement agreement with DGIC Project 1, LLC or an affiliate thereof ("DGIC, LLC") for the purpose of granting a ten-year abatement of 90 percent

ITEM #	DISTRICT	TYPE	DEPT	DOLLARS	DESCRIPTION
					of the taxes on added value to the real property for the proposed development of a new build-to-suit development office and distribution facility situated on approximately 152 acres of property located at 9314 West Jefferson Boulevard in Dallas, Texas, in accordance with the City's Public/Private Partnership Program - Estimated Revenue Foregone: \$5,261,366.00 over a ten-year period
4.	7	I	PKR	REV \$39,750,000.00	Authorize a fifth amendment to the Fair Park Contract dated May 21, 2003, as previously amended (the "Agreement") to: (1) extend the initial term of the agreement for a period of 10 years (the term shall expire on December 31, 2038); (2) establish annual rental fees for 2028 thru 2038; (3) incorporate financial processes and procedures for the allocation of funds; (4) require the State Fair of Texas to pay its full-time and part-time employees at least \$11.15 per hour or the federal minimum wage, whichever is higher; (5) incorporate a security plan process between the Dallas Police Department and the State Fair of Texas; and (6) incorporate miscellaneous provisions as required by state law - Revenue: \$39,750,000.00 (see Fiscal Information)

TOTAL \$ 0.00



Agenda Information Sheet

File #: 18-1351

Item #: 1.

STRATEGIC PRIORITY: Economic and Neighborhood Vitality

AGENDA DATE: December 12, 2018

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Economic Development

EXECUTIVE: T.C. Broadnax

SUBJECT

Authorize the adoption of Public/Private Partnership Program Guidelines and Criteria for the period January 1, 2019 through June 30, 2019 - Financing: No cost consideration to the City

BACKGROUND

This item is being placed on the addendum per the City Manager's Office.

The Property Redevelopment and Tax Abatement Act (Texas Tax Code, Chapter 312) requires that any city desiring to enter into tax abatement agreements as an incentive to foster private investment must first establish guidelines and criteria governing tax abatement agreements and must pass a resolution stating that it elects to be eligible to participate in tax abatement agreements and other economic development incentives. The Dallas City Council approved the current Guidelines on December 14, 2016, pursuant to Resolution No. 16-1984. The current Guidelines are effective through December 31, 2018. The Dallas City Council has subsequently adopted or re-adopted Guidelines every two years as required by State law.

The Office of Economic Development is developing a new strategic plan, which will inform the development of new policies to amend or replace the Guidelines. The strategic plan is estimated to be complete in the first quarter of 2019 and revised or replacement policies will follow soon thereafter. While that process is ongoing, staff recommends extending the current policies for a period beginning on January 1, 2019 and ending on June 30, 2019 to allow sufficient time for completion of the strategic plan and drafting, review, and approval of new policies.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On December 14, 2016, City Council authorized the adoption of the existing Guidelines & Criteria for the Public/Private Partnership Program governing the provision of tax abatement and other economic incentives by Resolution No. 16-1984.

Information about this item was provided to the Economic Development and Housing Committee on December 3, 2018.

FISCAL INFORMATION

No cost consideration to the City.

December 12, 2018

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

WHEREAS, the Property Redevelopment and Tax Abatement Act, as amended (Texas Tax Code, Chapter 312), requires any taxing jurisdiction wishing to enter into tax abatement agreements to establish guidelines and criteria governing tax abatement agreements; and

WHEREAS, Chapter 380 of the Local Government Code provides that the governing body of a municipality may create programs for loans and grants to promote state or local economic development and to stimulate business and commercial activity in the municipality; and

WHEREAS, on December 14, 2016, pursuant to Resolution No. 16-1984, City Council authorized the re-adoption of the City of Dallas' Public/Private Partnership Program Guidelines & Criteria through December 31, 2018; and

WHEREAS, it is in the best interest of the City of Dallas to adopt Guidelines & Criteria for the Public/Private Partnership Program in order to make use of available economic development incentives for the promotion of new businesses, the retention and expansion of existing businesses, enhancement of the tax base, and the creation and retention of job opportunities for Dallas citizens; and

WHEREAS, the City of Dallas' Public/Private Partnership Program Guidelines & Criteria shall not be construed as implying or suggesting that the City of Dallas is under obligation to provide tax abatement or other incentive to any applicant, and all applicants shall be considered on a case-by-case basis; and

WHEREAS, the City's Public/Private Partnership Program Guidelines & Criteria established by Resolution No. 16-1984 expires on December 31, 2018.

Now, Therefore,

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

SECTION 1. That the City of Dallas does hereby elect to continue its participation in tax abatement as authorized by the Property Redevelopment and Tax Abatement Act, as amended (Texas Tax Code, Chapter 312).

December 12, 2018

SECTION 2. That the documents attached hereto and made a part of this Resolution entitled "Public/Private Partnership Program Guidelines and Criteria", **Exhibit A**, are hereby adopted as Guidelines and Criteria for governing abatement agreements, as specified in the Property Redevelopment and Tax Abatement Act, as well as for other City of Dallas economic development programs for a period beginning on January 1, 2019 and ending on June 30, 2019.

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.

City of Dallas Public/Private Partnership Programs

It is the purpose of the following programs to provide assistance only for projects where such assistance is necessary to stimulate private investment and job creation. Accordingly, these programs are available when agreements between the City and private parties that are not tax-exempt are approved by City Council prior to private investment occurring. Projects seeking economic incentives must provide written assurance that 'but for' the incentives sought, the proposed project will not occur, or would otherwise be substantially altered so that the economic returns or other associated public purpose secured by the City's incentives would be reduced. Projects occurring in Target Areas are provided special consideration.

The information contained herein shall not be construed as implying or suggesting that the City of Dallas is offering or is under any obligation to provide tax abatement or other incentives to any applicant, and all applicants shall be considered on a case-by-case basis. The source of City funding for a particular incentive may require or impose certain limitations on the types of projects for which those funds may be used, which are not described herein. Pawnshops, sexually oriented businesses, bars, truck stops, and truck dealerships are excluded from consideration for incentives provided under this program.

Eligibility Requirements

The City has established targeted project areas which set minimum project requirements in order to be considered for incentives:

- **Target Areas:** Projects must create/retain 25 jobs or provide \$1 million of investment;
- **Non-target Areas:** Projects must create/retain 100 jobs or provide \$5 million of investment; and
- **Non-Conforming Projects:** Projects not meeting these requirements that nevertheless significantly advance the public purpose of economic development will be considered on a case-by-case basis.

Tax Abatement

Temporary abatement of either real estate or personal property taxes. Recipient firms must meet primary considerations of capital improvements and job creation/retention. City staff may consider secondary considerations such as Dallas resident employment, efforts to exceed minimum environmental regulations, wage rates, community activities, target industry projects, and M/WBE participation when negotiating this incentive. A firm's tax abatement percentage will be reduced by 25 percent for any single year of the tax abatement term in which secondary considerations included in the agreement are not met unless an alternative method is prescribed by City Council in a project specific resolution. Real property tax abatement is not available in TIF Districts. In limited cases, projects may be considered for a combination of both real and personal property tax abatement when the combined amount does not exceed 90 percent of the City taxes on total new improvement value. All tax abatements must begin by January 1 of the second calendar year following City Council authorization unless otherwise specified.

Abatement Benefits:

- **Target Areas:** Real property tax abatement up to 90 percent for 10 years and/or a business personal property tax abatement of up to 50 percent for five years;
- **Non-Target Areas:** Real property tax abatement up to 50 percent for 10 years and/or a business personal property tax abatement of up to 50 percent for five years;

- **Non-Conforming Projects:** Projects not meeting these requirements that nevertheless significantly advance the public purpose of economic development will be considered on a case-by-case basis.

Economic Development Chapter 380 Grant Program

Companies considering a relocation/expansion or new commercial development may be eligible for an economic development grant. Grants will be considered on a case-by-case basis based on specifics such as project type, location, design, and fiscal impact to the City. Companies will be required to meet eligibility requirements of the Public/Private Partnership Program. Pursuant to this program the City may administer and accept resources from other political subdivision of the state to support this program, and may administer and accept resources from the Federal government to support developments. Bond funding utilized through the program may be subject to certain limitations in use.

Economic Development GO Bond Program for Southern Dallas

General Obligation Bond funding may be used as described in this paragraph for private commercial, industrial, retail, residential, and mixed-use development in the Southern area of the city that promotes economic development. Funding may be provided as a catalyst to promote private economic development and may be used for planning, designing, extending, constructing and acquiring land for public streets, utilities and other related infrastructure facilities or uses consistent with this purpose and the bond proposition approved by the voters.

Private developments may be eligible for economic development grants and loans pursuant to Chapter 380 of the Texas Local Government Code. Grants and loans will be considered for infrastructure improvements and/or land acquisition consistent with the scope of funding and other uses described above. Grants or loans will be considered on a case-by-case basis subject to funding limitations and development agreements approved by City Council, which agreements will contain appropriate conditions, safeguards and benchmarks to ensure that the public purpose of economic development will be carried out.

Funding in support of mixed-use or residential development, including the acquisition of improved and unimproved properties and for the cost of demolition of existing structures for such projects are also subject to the City of Dallas Housing Policy, which requires a portion of residential units to be affordable.

Target Industry Projects

Target Industry projects are provided special consideration for economic incentives and are generally defined as follows: Brownfields or recycling, information technology, building materials and furnishings, company headquarters, logistics, telecommunications, transportation manufacturing and assembly, film/television/media, advanced instruments and food processing/distribution. The City is also targeting high quality grocery store projects in underserved areas of the City. Due to the temporary nature of film/television production, projects in this industry are not required to meet minimum job or investment eligibility established for the Public/Private Partnership Program. Rather, these projects are considered on a case-by-case basis with consideration given to the positive economic returns projects bring to the City. Target Industry projects must be confirmed in advance by the City in order to receive consideration under this designation.

Non-Conforming Projects

Non-Conforming projects are considered on a case-by-case basis for high impact projects, unique developments, and competitive situations where projects may receive competing offers of incentives. These projects require a simple majority vote of City Council in Target Areas and a 3/4 vote of City Council in Non-Target Areas. High Impact Project - Projects creating/retaining a minimum of 500 jobs with substantial capital investment. In addition, this status may be granted to major projects by Fortune 500, Manufacturers 400, or Global 500 listed firms. A mixed-use or residential development considered for support as a non-conforming project requires special circumstances and must ensure that a minimum of 20% of the residential units in the development meet affordable housing or mixed-income housing requirements for the location. Commercial aspects of predominately residential mixed-use projects providing affordable housing in "areas of opportunity" in collaboration with the Housing Department will be considered.

Competitive and Retention Projects

In special cases, companies receiving competing offers of incentives or those currently located in the city of Dallas considering a relocation/expansion are eligible to apply for financial incentives with negotiable terms. Existing firms must expand job base by 25 percent to be eligible for consideration. Incentives may be offered in specific cases to 'match other offers.' Companies may be required to demonstrate competing cities, offers, land/lease costs, taxes at current rates, utility rates, relocation costs, other significant costs and 'gap' to be filled, etc.

Other Sources of Financial Assistance

Public/Private Partnership Program grants and abatements may be used in combination with other sources of federal, state, or City funds where necessary to achieve the public purpose advanced by a project. The City is willing to partner with special entities, such as Local Government Corporations, and special districts to provide an advantageous structure for projects that advance economic development. Such entities and districts may issue revenue bonds as allowed by state law to finance projects.

Tax Increment Finance Districts

Special districts funding public improvements (not services) with increased tax revenues resulting from new private development. Tax rates are the same as elsewhere in the City and no added cost to private parties is incurred.

Public Improvement Districts

Special districts created by petition to privately fund public improvements or special supplemental services over and above those provided by City, when such services are supportive of related City investments in capital improvements.

Neighborhood Commercial/Retail Redevelopment Grant Program

This Program is intended to provide financial assistance to existing retail shopping centers and other retail/commercial facilities within Target Areas that are at least 15 years old for improvements and/or redevelopment which will positively impact surrounding neighborhoods and residents. Contemplated improvements must improve the aesthetics, design, or architectural appeal of the property and may include enhanced landscaping, lighting, pedestrian and/or parking improvements, new signage and facades, and major renovations to the facility among other items. Each project is considered on a case by case basis. City

financial participation is on a matching and reimbursement basis. Phasing is permitted. Minimum total project investment is \$250,000 and potential grants are subject to funding availability. An agreement must be in place with the City prior to work commencing.

Small Business & Adaptive Reuse Incentives

The City of Dallas is committed to supporting growth of small businesses and fostering adaptive reuse of commercial buildings. Additional programs can be flexibly developed and linked to this policy as approved by the City Council.

City of Dallas Regional Center - EB 5

The City of Dallas Regional Center (CDRC) is dedicated to assisting individuals and their families through the EB-5 immigration process via investment into businesses and development projects located within the Dallas city limits. The CDRC offers a variety of investments to foreign investors that meet or exceed requirements and offer investors features unique to the EB-5 community. Minimum foreign investment is \$500,000 in Targeted Employment Areas or \$1M in other areas. All opportunities supported by the CDRC must provide 10 full-time jobs (directly or indirectly) per investor.

New Market Tax Credits

The City of Dallas participates in the New Market Tax Credit Program (NMTC), a federal program operated by the Department of Treasury, that provides opportunities for new development in traditionally underserved areas. The program provides NMTC investors with a 39% federal tax credit payable over seven years. These investments are partnered with additional funds for businesses and real estate development in Low Income Neighborhoods.

Foreign Trade Zone

Allows duty-free importing of foreign-made components into the Zone, where they may be assembled, manufactured, processed or packaged. Duties are charged only when products are subsequently distributed into the U.S. market - if they are shipped to international markets, no duty is levied.

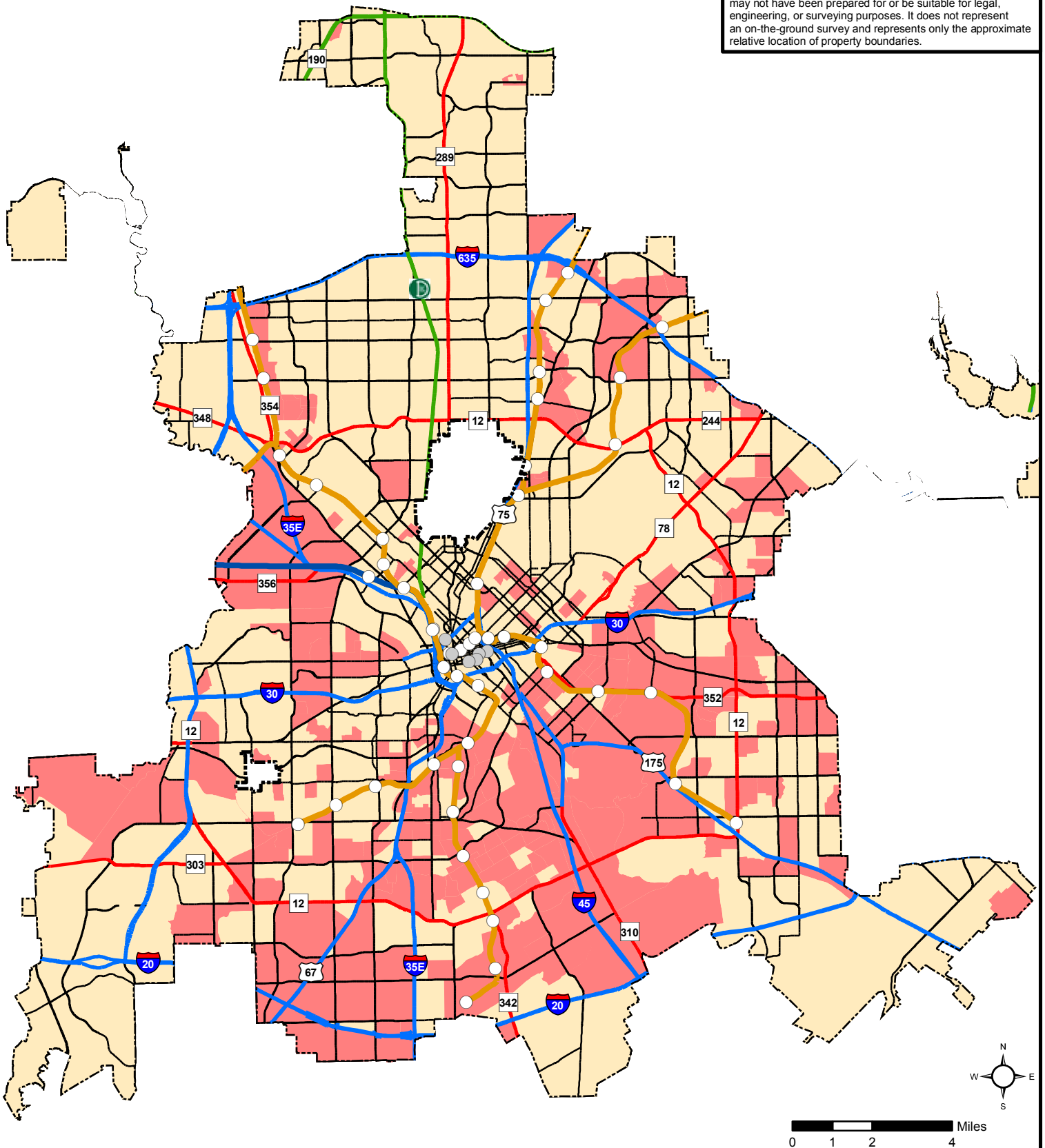
State Incentives

The City of Dallas will facilitate applications for assistance from State programs including Enterprise Zone Projects, Texas Enterprise Fund, and the Texas Emerging Technology Fund.

To obtain more detail on these programs, or to inquire regarding other assistance, contact: Office of Economic Development, Dallas City Hall, Room 5CS, Dallas, Texas 75201, Phone: (214) 670-1685, Fax: (214) 670-0158.

City of Dallas Public/Private Partnership Program: Area Map

Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.



DALLAS
ECONOMIC
DEVELOPMENT

Research & Information Division
214.670.1685
dallas-ecodev.org

Created 12.2.2016 - PPP_Target_12_2_16.TCG

Legend

- | | | | |
|-----------------|-----------------|------------------------|-------------|
| Non-Target Area | Rail Station | Future DART Light Rail | Arterial |
| Target Area | Future Station | Freeway | Escarpment |
| City of Dallas | DART Light Rail | Tollway | Flood Plain |
| | Commuter Rail | Highway | Lake |

Source: Poverty Data - US Census Bureau American Community Survey, 2010-14 Five Year Estimates; All Other Data - City of Dallas, 2016



Agenda Information Sheet

File #: 18-1433

Item #: 2.

STRATEGIC PRIORITY: Economic and Neighborhood Vitality

AGENDA DATE: December 12, 2018

COUNCIL DISTRICT(S): 3

DEPARTMENT: Office of Economic Development

EXECUTIVE: T.C. Broadnax

SUBJECT

Authorize **(1)** a business property tax abatement agreement with HD Supply Facilities Maintenance, Ltd. or an affiliate thereof ("HD Supply") for a period of five-years in an amount equal to the City's ad valorem taxes assessed on 50 percent of the increased taxable value of HD Supply's business personal property in conjunction with the proposed build-to-suit facility within a Texas Enterprise Zone situated on approximately 82 acres of property located south of Interstate Highway 20, north of Camp Wisdom Road, and east of Mountain Creek Parkway in Dallas, Texas; and **(2)** a real property tax abatement agreement with First Industrial, L.P. or an affiliate thereof ("First Industrial") for a period of ten-years in an amount equal to the City's ad valorem taxes assessed on 50 percent for years one through seven; 38 percent for year eight; 25 percent for year nine; and 12 percent for year ten on the increased taxable value of First Industrial's real property in conjunction with the proposed build-to-suit facility within a Texas Enterprise Zone situated on approximately 82 acres of property located south of Interstate Highway 20, north of Camp Wisdom Road, and east of Mountain Creek Parkway in Dallas, Texas, in accordance with the City's Public/Private Partnership Program - Estimated Revenue Foregone: \$1,018,569.00 over a ten-year period

BACKGROUND

This item is being placed on the addendum per the City Manager's Office.

City staff has been in discussions with HD Supply Facilities Maintenance, Ltd. (HD Supply) regarding the potential relocation and expansion of its regional distribution facility currently located in Farmers Branch. HD Supply is seeking to expand its distribution capabilities and presence within the DFW region through the development of a custom facility to meet its growing business needs. One site under consideration for the custom facility is 82 acres of property south of Interstate Highway 20, north of Camp Wisdom Road, and east of Mountain Creek Parkway in Dallas, Texas (Council District 3). Additional locations under consideration for the facility include Lancaster, Wilmer, and Lewisville, Texas.

Company

Founded in 1974, HD Supply is a supplier of maintenance, repair, and operations products. Customers include multifamily, hospitality, commercial, healthcare, and government properties. HD Supply is headquartered in Atlanta, Georgia, and has 275 branches and 44 distribution centers in the United States and Canada.

Proposed Project

The proposed single-tenant build-to-suit facility will be developed and owned by First Industrial, L.P. or an affiliate thereof (First Industrial) and leased to HD Supply. The project will involve the new construction of approximately 850,000 square feet of warehouse and office space.

The project will have an estimated total capital investment of approximately \$50,000,000 (including approximately \$32,000,000.00 in site improvements, building construction and tenant improvements, and approximately \$18,000,000.00 in furniture, fixtures and equipment).

HD Supply plans to relocate and/or hire between 200 and 230 full time equivalent (FTE) jobs as part of the project. HD Supply estimates an average annual wage of \$35,800.00 or an average hourly wage of \$16.50 (including benefits). Approximately 95% of HD Supply's FTE will be hourly-based, with approximately 5% of FTE's earning an average annual salary of \$75,000.00. Starting minimum wage for employees is \$13.25 per hour and all FTE's receive health care, 401k, as well as paid vacation and sick days after a 90 day probationary period.

Incentive

Staff is recommending City Council approval of the following; (1) a business personal property tax abatement agreement with HD Supply for a period of five years in an amount equal to the City's ad valorem taxes assessed on 50 percent of the increased taxable value of HD Supply's business personal property associated with the establishment of a new warehouse and office operation to be located on approximately 82 acres located south of Interstate Highway 20, north of Camp Wisdom Road, and east of Mountain Creek Parkway in Dallas, Texas, and (2) a real personal property tax abatement agreement with First Industrial based upon the following yearly schedule: 50 percent for years one through seven, 38 percent for year eight, 25 percent for year nine, and 12 percent for year ten of the increased taxable value of the development's real property improvements. The proposed incentives will help secure new investment and job opportunities at this southwest Dallas location.

The tax abatement agreements shall include, among other provisions, the following conditions:

- (a) HD Supply shall execute a minimum ten year lease with First Industrial no later than December 31, 2019 for a build-to-suit facility of at least 825,000 square feet to be completed by First Industrial no later than March 30, 2020. HD Supply must occupy the facility no later than December 31, 2020 and continually occupy the entire facility during the terms of both abatements.
- (b) First Industrial shall invest a minimum of \$28,000,000 in real property improvements by December 31, 2020. This amount does not include land costs, attorney's fees, or any party's fees or profit.

- (c) HD Supply shall invest a minimum of \$14,000,000 in business personal property (machinery, equipment, furniture and fixtures) by December 31, 2021.
- (d) On or before March 30, 2020, HD Supply shall relocate and/or create a minimum permanent 200 FTEs at the facility. An FTE job will be defined as an employee working a minimum of 40 hours per week.
- (e) Of the 200 total FTEs, HD Supply shall hire a minimum of 50 new permanent FTEs at a minimum hourly wage of \$13.00 per hour on or before January 1, 2023. The minimum 50 new permanent FTE will be inclusive of replacement employees hired on or before December 31, 2021. The hiring will be done by HD Supply under the following schedule:
 - a. 20 new permanent FTE employees shall be hired at a minimum hourly wage of \$13.00 per hour on or before December 31, 2020. Replacement FTE employees can be included during this timeframe.
 - b. 20 additional new permanent FTE employees will be hired at a minimum hourly wage of \$13.00 per hour on or before December 31, 2021 (for a total of 40 new permanent FTE employees). Replacement FTE employees can be included during this timeframe.
 - c. 10 additional new permanent FTE employees will be hired at a minimum hourly wage of \$13.00 per hour on or before December 31, 2022 (for a total of 50 new permanent FTE employees).
- (f) Of the 50 minimum new permanent FTEs, a minimum of 40 of the 50 will be residents of the City of Dallas. The hiring will be done by the Company under the following schedule:
 - a. 15 new locally-hired permanent FTE employees will be hired at a minimum hourly wage of \$13.00 per hour on or before December 31, 2020.
 - b. 15 additional new locally-hired permanent FTE employees will be hired at a minimum hourly wage of \$13.00 per hour on or before December 31, 2021 (for a total of 30 new locally-hired permanent FTE employees).
 - c. 10 new locally-hired permanent FTE employees will be hired at a minimum hourly wage of \$13.00 per hour on or before December 31, 2022 (for a total of 40 new locally-hired permanent FTE employees).
- (g) HD Supply will provide and maintain an average annual FTE salary equal to or greater than \$35,000 (wages only, excluding benefits) over the term of both abatements.
- (h) HD Supply will provide and maintain a starting minimum FTE hourly wage of \$13.00 per hour (excluding benefits) over the term of both abatements.
- (i) HD Supply shall coordinate with the Office of Economic Development to organize one (1) job recruitment fair/event within the City of Dallas.
- (j) HD Supply shall undertake a good-faith/best effort to execute a participation agreement with the Dallas Independent School District (DISD) by end of 2020 to participate as an Industry Partner in the Pathway to Technology Early College High School ("P-TECH") program.

- (k) HD Supply and First Industrial shall undertake a good faith/best effort to comply with the City's Business Inclusion and Development ("BID") goal of 25% participation by Minority/Women-owned Business Enterprises (M/WBE) for construction and construction-related expenditures associated with the project. Documentation/reporting of a good faith/best effort will be provided to the Office of Economic Development by the substantial completion date.

The real property tax abatement has a ten-year value of \$813,886.00. The business personal property abatement has a five-year value of \$204,683.00. Based on an analysis of the project's fiscal impact to the City over a ten-year period, the total present value of net revenues to the City is an estimated \$7,704,319.00.

Pursuant to the City's Public/Private Partnership Program (P/PPP) Guidelines and Criteria (effective for the period January 1, 2017 through December 31, 2018), the proposed development is located in a Non-Target Area. With private investment exceeding \$5 million and job creation/retention of over 100 FTE's, the proposed development meets minimum eligibility criteria requirements of the P/PPP Guidelines and Criteria within a Non-Target Area. Also, pursuant to the P/PPP Guidelines and Criteria, the proposed real property tax abatement of up to 50 percent for ten years and business personal property tax abatement of up to 50 percent for five years meets the standard Non-Target Area guideline criteria for abatement incentives.

In the context of the City's Market Value Analysis (MVA), the proposed project is located in a non-residential tract with adjacent residential market types E and F, which reflect middle range residential real estate markets in Dallas. The proposed project will provide additional local employment opportunities to these surrounding residential areas.

The proposed project is located in a Texas Enterprise Zone. Pursuant to Section 312.2011 of the Texas Tax Code, designation of an area as a Texas Enterprise Zone constitutes designation of an area as a reinvestment zone without further hearing or other procedural requirements.

ESTIMATED SCHEDULE OF PROJECT

Begin Construction	February 2019
Complete Construction	March 2020

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Economic Development and Housing Committee was briefed in Executive Session on December 3, 2018 to discuss the offer of a financial incentive under Section 551.087 of the Texas Government Code.

FISCAL INFORMATION

Estimated Revenue Foregone: \$1,018,569.00 over a ten-year period

COMPANY REPRESENTATIVE

First Industrial, L.P.

Robert Allen, Senior Marketing Leasing Director

HD Supply Facilities Maintenance, Ltd.

Jeffrey Monday, Vice President of Tax

MAP

Attached

MAP



December 12, 2018

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

WHEREAS, pursuant to Resolution No. 16-1984, approved by the City Council on December 14, 2016, the City: (1) elected to continue its participation in economic development incentives and re-adopted its Public/Private Partnership Program - Guidelines and Criteria, which established certain guidelines and criteria for the use of City incentive programs for private development projects, (2) established programs for making loans and grants of public money to promote local economic development and to stimulate business and commercial activity in the City pursuant to the Economic Development Programs provisions under Chapter 380 of the Texas Local Government Code ("Economic Development Act"), and (3) established appropriate guidelines and criteria governing tax abatement agreements to be entered into by City as required by the Property Redevelopment and Tax Abatement Act, as amended, (Texas Tax Code, Chapter 312) ("Tax Abatement Act"); and

WHEREAS, the proposed development complies with the City's Public/Private Partnership Program – Guidelines and Criteria; and

WHEREAS, the proposed development site is located in an existing Texas Enterprise Zone; and

WHEREAS, pursuant to Section 312.2011 of the Texas Tax Code, the Property Redevelopment and Tax Abatement Act provides that the designation of an area as an enterprise zone under the Texas Enterprise Zone Act constitutes designation of an area as a reinvestment zone without further hearing or other procedural requirements; and

WHEREAS, consistent with the authority granted under the Tax Abatement Act and the City's Public/Private Partnership Program - Guidelines and Criteria, staff recommends that the City to enter into a real property and business personal property tax abatement agreement and provide this incentive as a part of the City's ongoing program to promote local economic development and to stimulate business and commercial activity in the city; and

WHEREAS, the City desires to enter into a business personal property tax abatement agreement with HD Supply Facilities Maintenance, Ltd. or an affiliate thereof ("HD Supply") for added value to business personal property located on approximately 82 acres of property south of Interstate Highway 20, north of Camp Wisdom Road, and east of Mountain Creek Parkway in Dallas, Texas as further described by the map attached as **Exhibit A (Map)** and by the metes and bounds legal description attached as **Exhibit B (Metes and Bounds - Legal Description)**; and

December 12, 2018

WHEREAS, the City desires to enter into a real property tax abatement agreement with First Industrial, L.P. or an affiliate thereof ("First Industrial") for added value to real property located on approximately 82 acres of property south of Interstate Highway 20, north of Camp Wisdom Road, and east of Mountain Creek Parkway in Dallas, Texas as further described by the map attached as **Exhibit A (Map)** and by the metes and bounds legal description attached as **Exhibit B (Metes and Bounds - Legal Description)**.

Now, Therefore,

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

SECTION 1. The facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

SECTION 2. That the City Manager is hereby authorized to execute the following: **(1)** a business personal property tax abatement agreement with HD Supply for a period of five years in an amount equal to the City's ad valorem taxes assessed on 50 percent of the increased taxable value of HD Supply's business personal property improvements associated with the establishment of a new warehouse and office operation to be located on approximately 82 acres located south of Interstate Highway 20, north of Camp Wisdom Road, and east of Mountain Creek Parkway in Dallas, Texas; and **(2)** a real personal property tax abatement agreement with First Industrial based upon the following yearly schedule; 50 percent for years one through seven, 38 percent for year eight, 25 percent for year nine and 12 percent for year ten of the increased taxable value of the development's real property improvements associated with the establishment of a new warehouse and office operation to be located on approximately 82 acres located south of Interstate Highway 20, north of Camp Wisdom Road, and east of Mountain Creek Parkway in Dallas, Texas, in accordance with the Property Redevelopment and Tax Abatement Act and the City's Public/Private Partnership Program - Guidelines and Criteria, approved as to form by the City Attorney.

SECTION 3. That at least seven days prior to the execution of the tax abatement agreement, notice of the City's intention to enter into the tax abatement agreement shall be delivered to the governing bodies of each other taxing unit that includes in its boundaries the real property that is the subject of this agreement.

SECTION 4. That the approval and execution of the real property tax abatement agreement by the City is not conditional upon approval and execution of any other tax abatement agreement by any other taxing entity.

December 12, 2018

SECTION 5. That the approval and execution of the business personal property tax abatement agreement by the City is not conditional upon approval and execution of any other tax abatement agreement by any other taxing entity.

SECTION 6. That the real personal property and business personal property subject to the proposed tax abatement agreements is depicted on the attached site map **Exhibit A (Map)** and is more particularly described by **Exhibit B (Metes and Bounds Legal Description)**.

SECTION 7. That the tax abatement agreement shall provide, among other provisions, the following:

- (a) The property subject to tax abatement shall be located entirely within the City of Dallas, Texas.
- (b) None of the property subject to tax abatement is owned or leased by a member of the City Council of the City of Dallas or by a member of the City Plan Commission.
- (c) The real property tax abatement will only be applicable to the real property owned by First Industrial on approximately 82 acres located south of Interstate Highway 20, north of Camp Wisdom Road, and east of Mountain Creek Parkway in Dallas, Texas as depicted on the attached site map **Exhibit A (Map)** and is more particularly described by **Exhibit B (Metes and Bounds Legal Description)**.
- (d) The business personal property tax abatement will only be applicable to the business personal property owned by HD Supply on approximately 82 acres located south of Interstate Highway 20, north of Camp Wisdom Road, and east of Mountain Creek Parkway in Dallas, Texas as depicted on the attached site map **Exhibit A (Map)** and is more particularly described by **Exhibit B (Metes and Bounds Legal Description)**.
- (e) Development of the property shall conform to all requirements of the City's zoning ordinance and that the use of the Property is consistent with the general purpose of encouraging development or redevelopment in the Enterprise Zone during the period the tax abatement is in effect.
- (f) HD Supply shall execute a lease with a minimum ten-year term for a build to suit facility of at least 825,000 square feet to be completed by First Industrial no later than March 30, 2020. HD Supply must occupy the facility no later than December 31, 2020 and continually occupy the entire facility during the term of the abatements.

SECTION 7. (continued)

- (g) First Industrial shall invest a minimum of \$28,000,000.00 in real property improvements by December 31, 2020. This amount does not include land costs, attorney's fees, or any party's fees or profit.
- (h) HD Supply shall invest a minimum of \$14,000,000.00 in business personal property (Machinery, Equipment, Furniture and Fixtures) by December 31, 2021.
- (i) On or before March 30, 2020, HD Supply shall relocate and/or create a minimum permanent 200 FTE's at the Facility ("Minimum Employment Requirement"). An FTE job will be defined as an employee working a minimum of 40 hours per week.
- (j) HD Supply shall hire a minimum of 50 new permanent FTE at a minimum hourly wage of \$13.00 per hour on or before January 1, 2023 ("New Hiring Requirement") as part of the Minimum Employment Requirement. The minimum 50 new permanent FTE will be inclusive of replacement employees ("Replacement FTE Employees") hired on or before December 31, 2021. The hiring will be done by HD Supply under the following schedule:
 - a. 20 new permanent FTE employees shall be hired at a minimum hourly wage of \$13.00 per hour on or before December 31, 2020. Replacement FTE employees can be included during this timeframe.
 - b. 20 additional new permanent FTE employees will be hired at a minimum hourly wage of \$13.00 per hour on or before December 31, 2021 (for a total of 40 new permanent FTE employees). Replacement FTE employees can be included during this timeframe.
 - c. 10 additional new permanent FTE employees will be hired at a minimum hourly wage of \$13.00 per hour on or before December 31, 2022 (for a total of 50 new permanent FTE employees).
- (k) 40 of the 50 new permanent HD Supply FTE employees within the New Hiring Requirement will be residents of the City of Dallas ("Local Hire Requirement"). The hiring will be done by the Company under the following schedule:
 - a. 15 new locally-hired permanent FTE employees will be hired at a minimum hourly wage of \$13.00 per hour on or before December 31, 2020.
 - b. 15 additional new locally-hired permanent FTE employees will be hired at a minimum hourly wage of \$13.00 per hour on or before December 31, 2021 (for a total of 30 new locally-hired permanent FTE employees).

SECTION 7. (continued)

- c. 10 new locally-hired permanent FTE employees will be hired at a minimum hourly wage of \$13.00 per hour on or before December 31, 2022 (for a total of 40 new locally-hired permanent FTE employees).
- (l) HD Supply will provide and maintain an average annual FTE salary equal to or greater than \$35,000.00 (wages only, excluding benefits) over the term of the abatement.
- (m) HD Supply will provide and maintain a starting minimum FTE hourly wage of \$13.00 per hour (excluding benefits) over the term of the abatement.
- (n) HD Supply shall coordinate with the City of Dallas Workforce Development staff to organize one (1) job recruitment fair/event.
- (o) HD Supply shall undertake a good-faith/best effort to execute a participation agreement with the Dallas Independent School District (DISD) by end of 2020 to participate as an Industry Partner in the Pathway to Technology Early College High School ("P-TECH") Program.
- (p) HD Supply and First Industrial shall undertake a good faith/best effort to comply with the City's Business Inclusion and Development ("BID") goal of 25 percent participation by Minority/Women-owned Business Enterprises (M/WBE) for construction and construction-related expenditures associated with the project. Documentation/reporting of a good faith/best effort will be provided to the Office of Economic Development by the Substantial Completion Date.
- (q) If the required space is not occupied by HD Supply during a given year within the ten-year tax abatement period, the abatement shall be lost for that year. Furthermore, if the abatement is lost for two years in a row, then the real property tax abatement agreement shall be terminated.
- (r) A description of the kind, number, location, and costs of all proposed improvements to the Property shall be provided to the Office of Economic Development by HD Supply and First Industrial.
- (s) Access to the Property shall be provided to allow for inspection by City inspectors and officials to ensure that the improvements are made, and occupancy is achieved according to the specification and terms of the tax abatement agreement.
- (t) The owner of the property shall certify annually to the City that the owner is compliant with each applicable term of the tax abatement agreement.

SECTION 7. (continued)

- (u) The Dallas City Council may terminate or modify the real property and/or business personal property tax abatement agreement(s) if the property owner fails to comply with the tax abatement agreements.
- (v) Real Property Tax Abatement: A proportionate percentage of the real property tax revenue foregone by the City as a result of the tax abatement agreement shall be recaptured by the City if improvements to real property are not made and maintained as provided by the tax abatement agreement.
- (w) Business Personal Property Tax Abatement: A proportionate percentage of the business personal property tax revenue foregone by the City as a result of the tax abatement agreement shall be recaptured by the City if improvements to business personal property are not made and maintained as provided by the tax abatement agreement.
- (x) The Director of the Office of Economic Development may, at his or her sole discretion, extend any material date in the real property and/or business personal property tax abatement agreement(s) for a period up to six months for just cause.
- (y) The real property and business personal property tax abatement agreements shall be executed no later than December 31, 2019.
- (z) If either HD Supply or First Industrial fails to perform any condition listed above and/or otherwise breaches the real property or business personal property tax abatement agreements with the City and fails to cure such breach during any year of the term of such agreement, both abatements will be forfeited for that year. If any condition is not performed, either party breaches the real property or business personal property tax abatement agreements, and/or any existing breach remains uncured in the subsequent year, each party shall again forfeit the tax abatement agreements for the subsequent year and the agreement shall terminate.

SECTION 8. That the business personal property tax abatement agreement is identified by the City as Contract No. ECO-2019-00008680.

SECTION 9. That the real property tax abatement agreement is identified by the City as Contract No. ECO-2019-00008679.

SECTION 10. 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
MAP

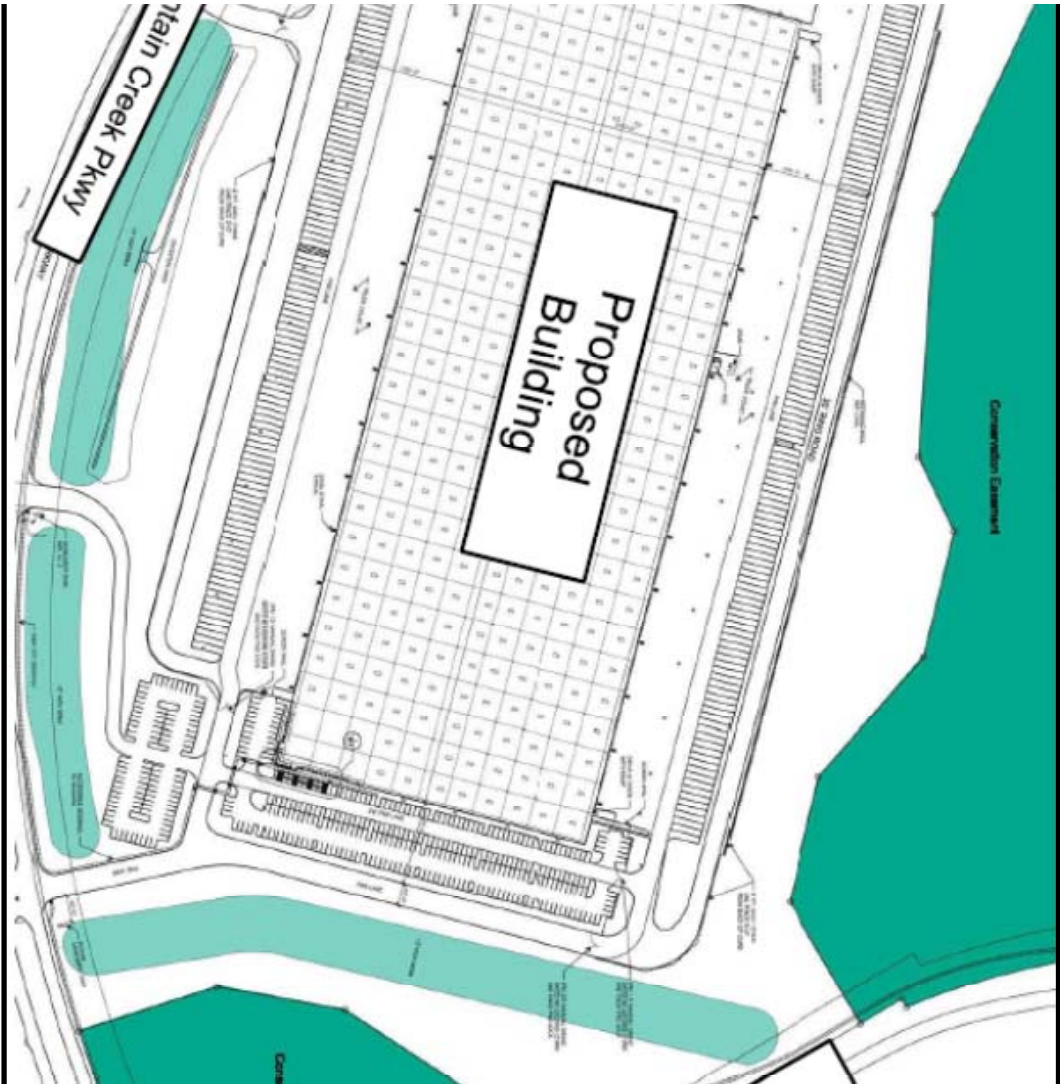


Exhibit B: Legal Description

DESCRIPTION, of an 82.695 acre tract of land situated in the J.A. Huiser Survey, Abstract No. 642, the John J. Blair Survey, Abstract No. 211 and the E.H. Paxton Survey, Abstract No. 1125, Dallas County, Texas and in Blocks 8722, 8723 and 8683, Official Block Numbers of the City of Dallas, Texas; said tract being part of those certain tracts of land described as Tract 1 and Tract 2 in Special Warranty Deed to FIRST INDUSTRIAL, L.P. recorded in Instrument No. 201500210514 of the Official Public Records of Dallas County, Texas; said 82.695 acre tract being more particularly described as follows:

COMMENCING, at a 5/8-inch iron rod with "PACHECO KOCH" cap set at the north end of a circular right-of-way corner clip at the intersection of the east right-of-way line of Mountain Creek Parkway (a 100-foot wide right-of-way) and northwest right-of-way line of Camp Wisdom Road (a variable width right-of-way); said point being the northernmost southwest corner of said Tract 2;

THENCE, along the said east line of Mountain Creek Parkway, the following four (4) calls:

North 30 degrees, 46 minutes, 51 seconds West, along the west line of said Tract 2, a distance of 135.22 feet to a 1/2-inch iron rod found at the beginning of a tangent curve to the right;

In a northerly direction, continuing along the said west line of Tract 2 and along said curve to the right, having a central angle of 12 degrees, 37 minutes, 09 seconds, a radius of 2,260.76 feet, a chord bearing and distance of North 24 degrees, 28 minutes, 17 seconds West, 496.91 feet, an arc distance of 497.92 feet to a 3.25-inch aluminum disk stamped "PKCE - FIA" set for corner at the POINT OF BEGINNING;

Continuing along the said west line of Tract 2, in a northerly direction, and along said curve to the right, having a central angle of 46 degrees, 32 minutes, 33 seconds, a radius of 2,260.76 feet, a chord bearing and distance of North 05 degrees, 06 minutes, 34 seconds East, 1,786.39 feet, at an arc distance of 974.84 feet passing the northwest corner of said Tract 2 and the southwest corner of said Tract 1, then continuing along the west and northwest lines of said Tract 1, in all a total arc distance of 1,836.46 feet to a 3.25-inch aluminum disk stamped "PKCE - FIA" set for corner at the end of said curve;

North 28 degrees, 22 minutes, 51 seconds East, continuing along the said northwest line of Tract 1, a distance of 778.32 feet to a 3.25-inch aluminum disk stamped "PKCE - FIA" set for corner; said point being the northwest corner of said Tract 1 and the southwest corner of that certain tract of land described in Warranty Deed to Dallas Power & Light Company recorded in Volume 81192, Page 1461 of the Deed Records of Dallas County, Texas;

THENCE, North 89 degrees, 07 minutes, 40 seconds East, along the north line of said Tract 1 and the south line of the said Dallas Power & Light Company tract, a distance of 106.22 feet to a 3.25-inch aluminum disk stamped "PKCE - FIA" set for corner;

THENCE, departing the said north line of Tract 1 and the said south line of the Dallas Power & Light Company tract and over and across said Tract 1 and Tract 2, the following eleven (11) calls:

South 45 degrees, 52 minutes, 20 seconds East, a distance of 42.43 feet to a 3.25-inch aluminum disk stamped "PKCE - FIA" set for corner;

North 89 degrees, 07 minutes, 40 seconds East, a distance of 277.66 feet to a 3.25-inch aluminum disk stamped "PKCE - FIA" set for corner;

Exhibit B: Legal Description

South 79 degrees, 08 minutes, 50 seconds East, a distance of 801.26 feet to a 3.25-inch aluminum disk stamped "PKCE - FIA" set for corner;

South 00 degrees, 16 minutes, 38 seconds East, a distance of 368.13 feet to a 3.25-inch aluminum disk stamped "PKCE - FIA" set for corner;

South 25 degrees, 14 minutes, 37 seconds West, a distance of 509.86 feet to a 3.25-inch aluminum disk stamped "PKCE - FIA" set for corner;

South 03 degrees, 30 minutes, 01 seconds West, a distance of 433.30 feet to a 3.25-inch aluminum disk stamped "PKCE - FIA" set for corner;

South 26 degrees, 06 minutes, 47 seconds East, a distance of 145.67 feet to a 3.25-inch aluminum disk stamped "PKCE - FIA" set for corner;

South 13 degrees, 22 minutes, 40 seconds West, a distance of 231.83 feet to a 3.25-inch aluminum disk stamped "PKCE - FIA" set for corner;

South 41 degrees, 19 minutes, 26 seconds West, a distance of 281.79 feet to a 3.25-inch aluminum disk stamped "PKCE - FIA" set for corner;

South 13 degrees, 25 minutes, 16 seconds West, a distance of 228.85 feet to a 3.25-inch aluminum disk stamped "PKCE - FIA" set for corner;

South 30 degrees, 48 minutes, 59 seconds East, a distance of 253.24 feet to a 3.25-inch aluminum disk stamped "PKCE - FIA" set for corner in the said northwest line of Camp Wisdom Road and the southeast line of said Tract 2;

THENCE, South 59 degrees, 11 minutes, 01 seconds West, along the said northwest line of Camp Wisdom Road and the said southeast line of Tract 2, a distance of 402.83 feet to a 3.25-inch aluminum disk stamped "PKCE - FIA" set for corner;

THENCE, departing the said northwest line of Camp Wisdom Road and the said southeast line of Tract 2, and into and across said Tract 2, the following four (4) calls:

North 77 degrees, 44 minutes, 47 seconds West, a distance of 341.00 feet to a 3.25-inch aluminum disk stamped "PKCE - FIA" set for corner;

North 57 degrees, 17 minutes, 11 seconds West, a distance of 285.27 feet to a 3.25-inch aluminum disk stamped "PKCE - FIA" set for corner;

North 79 degrees, 57 minutes, 37 seconds West, a distance of 229.87 feet to a 3.25-inch aluminum disk stamped "PKCE - FIA" set for corner;

South 71 degrees, 50 minutes, 18 seconds West, a distance of 256.40 feet to the POINT OF BEGINNING;

CONTAINING, 3,602,197 square feet or 82.695 acres of land, more or less.



Agenda Information Sheet

File #: 18-1432

Item #: 3.

STRATEGIC PRIORITY: Economic and Neighborhood Vitality

AGENDA DATE: December 12, 2018

COUNCIL DISTRICT(S): 3

DEPARTMENT: Office of Economic Development

EXECUTIVE: T.C. Broadnax

SUBJECT

Authorize **(1)** designation of approximately 315 total acres of property located at 9314 West Jefferson Boulevard in Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 8 ("City of Dallas NEZ No. 8"), pursuant to Chapter 378 of the Texas Local Government Code to promote an increase in economic development in the zone, establish the boundaries of the zone and provide for an effective date; **(2)** a business personal property tax abatement agreement with Home Depot U.S.A., Inc. or an affiliate thereof ("Home Depot") for the purpose of granting a five-year abatement of 50 percent of the taxes on the added value to the business personal property for the proposed development of a new build-to-suit development office and distribution facility situated on approximately 152 acres of property located at 9314 West Jefferson Boulevard in Dallas, Texas; and **(3)** a real property tax abatement agreement with DGIC Project 1, LLC or an affiliate thereof ("DGIC, LLC") for the purpose of granting a ten-year abatement of 90 percent of the taxes on added value to the real property for the proposed development of a new build-to-suit development office and distribution facility situated on approximately 152 acres of property located at 9314 West Jefferson Boulevard in Dallas, Texas, in accordance with the City's Public/Private Partnership Program - Estimated Revenue Foregone: \$5,261,366.00 over a ten-year period

BACKGROUND

This item is being placed on the addendum per the City Manager's Office.

NorthPoint Development, LLC ("NorthPoint") is redeveloping the Dallas Global Industrial Center ("Dallas Global"), an approximately 315 acres industrial complex located at 9314 West Jefferson Boulevard in far western Dallas (Council District 3). Formerly the Naval Weapons Industrial Reserve Plant, Dallas Global manufactured aircraft and munitions until operations ceased in 2014. NorthPoint envisions redevelopment of the Dallas Global industrial complex through the demolition of the site's outdated structures, addressing environmental remediation, and updating on-site infrastructure to accommodate new clients with modern industrial and logistical-oriented facilities.

In May 2018, Home Depot contacted NorthPoint and City staff regarding potential expansion of its distribution capabilities and presence within the Dallas-Fort Worth region with a multi-million square

foot Class A in industrial warehouse facility. In Dallas, Home Depot has identified Dallas Global as a location for the proposed facility. Specifically, under consideration is the construction of two new Class A build-to-suit warehouse distribution buildings totaling approximately 2,300,000 square feet situated on approximately 152 acres of property within the industrial complex. Additional locations under consideration for the facility include Lancaster and Fort Worth, Texas.

Company

Established in 1978, Home Depot is the largest home improvement retailer in the United States, selling tools, construction products and services. Headquartered in Atlanta, Georgia, Home Depot is the sixth-largest private employer in the United States with over 400,000 employees.

Proposed Project

The proposed single-tenant build-to-suit project will be developed and owned by DGIC, LLC and leased to Home Depot. The project will involve the construction of two new buildings totaling approximately 2,300,000 square feet of warehouse, distribution, and office space.

Building A will be approximately 1,500,000 square feet and Building B will be approximately 790,000 square feet. In total, the project will have an estimated capital investment of approximately \$136,000,000.00 (including approximately \$100,000,000.00 in site improvements, building construction and tenant improvements, and approximately \$36,000,000.00 in business personal property). DGIC, LLC will lease the two buildings to Home Depot for at least ten years, with consideration of up to a twenty-year lease.

Home Depot plans to relocate 25 full time equivalent ("FTE") jobs and anticipates creating 505 new hourly and salaried FTE jobs between December 2019 and December 2021 at the facility. By December 2021, total hourly FTE jobs is anticipated to be 449 and total salary FTE jobs is anticipated to be 81. For hourly FTE's, the minimum wage will be \$13.00/hour and the average wage will be \$15/hour. For salaried FTE's, the average annual wage will be \$65,000.00. Wages noted do not include the value of health insurance, retirement and vacation/sick leave benefits.

Incentive

Staff is recommending City Council approval of the following: (1) creation of City of Dallas Neighborhood Empowerment Zone No. 8 ("City of Dallas NEZ No. 8") on property located at 9314 West Jefferson Boulevard in Dallas, Texas pursuant to Chapter 378 of the Texas Local Government Code; (2) a business personal property tax abatement agreement with Home Depot for a period of five years in an amount equal to the City's ad valorem taxes assessed on 50% of the increased taxable value of Home Depot's business personal property associated with the establishment of a new warehouse distribution and office complex on approximately 152 acres of property located at 9314 West Jefferson Boulevard in Dallas, Texas; and (3) a real personal property tax abatement agreement with DGIC, LLC for a period of ten years in an amount equal to the City's ad valorem taxes assessed on 90% of the increased real property taxable value associated with the establishment of a new warehouse distribution and office complex on approximately 152 acres of property located at 9314 West Jefferson Boulevard in Dallas, Texas. The proposed incentives will help secure new investment and job opportunities at this western Dallas location.

The tax abatement agreements shall include, among other provisions, the following conditions:

- (a) Home Depot shall execute a minimum ten-year lease with DGIC, LLC on or before December 31, 2019 on the approximately 152 acres project site (as proposed) at 9314 West Jefferson Boulevard.
- (b) DGIC, LLC and/or Home Depot shall invest a minimum \$80,000,000.00 in real property improvements on or before December 31, 2021. This amount does not include land costs, attorney's fees, or any party's fees or profit.
- (c) DGIC, LLC and/or Home Depot shall invest a minimum \$30,000,000.00 in business personal property on or before December 31, 2021. This amount does not include land costs, attorney's fees, or any party's fees or profit.
- (d) Any expenditures incurred or expended by DGIC, LLC and/or Home Depot before City Council approval will not count toward the minimum capital investment.
- (e) Occupancy Requirement:
 - a. Real Property Tax Abatement: Home Depot must occupy the two completed buildings (Building's A and B) of approximately 2,300,000 square feet before the proposed real property ("RP") tax abatement begins.
 - b. Business Personal Property Tax Abatement: Home Depot must occupy 51% of Building A (765,000 square feet) and 51% of Building B (406,980 square feet) before the proposed business personal property ("BPP") tax abatement begins.
 - c. If Home Depot terminates the lease agreement with DGIC, LLC, closes its operations at either Buildings A or B, or fails to occupy Buildings A or B at any time during the applicable term of either tax abatement, both the RP and BPP tax abatements will be terminated.
- (f) Employment Requirement:
 - a. Local Hiring Requirement: A minimum 25% of the new FTE's hired by Home Depot shall be residents of the City of Dallas ("Local Hire Requirement"). Home Depot will have until December 31, 2022 to meet the minimum 25% Local Hire Requirement.
 - b. The Local Hire Requirement must be maintained over the term of both the RP and BPP abatements.
 - c. By December 31, 2021, Home Depot will hire and maintain a minimum of 300 new FTE jobs.
 - d. By December 31, 2022, Home Depot will hire and maintain over the term of both the RP and BPP abatements a minimum total of 500 new FTE jobs and fulfill its Local Hire Requirement.
- (g) Over the term of both the RP and BPP abatements, Home Depot will provide and maintain an average salary for hourly FTE workers equal to or greater than \$15.00/hour, and an annual salary for salaried FTE workers of \$65,000.00. Average salaries noted do not include overtime, bonuses or benefits.

- (h) Home Depot will provide and maintain a starting minimum FTE hourly wage of \$13.00 per hour (excluding benefits) over the term of both abatements.
- (i) Home Depot shall use best efforts to execute a formal participation agreement with the Dallas Independent School District (DISD) by the end of 2020 to participate as an Industry Partner in the Pathway to Technology Early College High School ("P-Tech") Program.
- (j) DGIC, LLC and Home Depot shall use best efforts to comply with the City's Business Inclusion and Development ("BID") goal of 25% participation by Minority/Women-owned Business Enterprises (M/WBE) for construction and construction-related expenditures.

The business personal property abatement has a five-year value of \$438,059.00. The real property tax abatement has a ten-year value of \$4,823,307.00. Based on an analysis of the project's fiscal impact to the City over a ten-year period, the total present value of net revenues to the City is an estimated \$18,168,705.00.

Pursuant to the City's Public/Private Partnership Program (P/PPP) Guidelines and Criteria (effective for the period January 1, 2017 through December 31, 2018), the proposed development is located in a Target Area. With private investment exceeding \$1 million and job creation of over 25 FTE's, the proposed development meets minimum eligibility criteria requirements of the P/PPP Guidelines and Criteria within a Target Area.

In the context of the City's Market Value Analysis (MVA), the proposed project is located in a non-residential tract with adjacent residential market type E, which reflects a middle range residential real estate market area within Dallas. The proposed project will provide additional local employment opportunities to this area of far western Dallas.

ESTIMATED SCHEDULE OF PROJECT

Begin Construction	January 2019
Complete Construction	May 2020

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Economic Development and Housing Committee was briefed in Executive Session to discuss the offer of a financial incentive under Section 551.087 of the Texas Government Code on December 3, 2018.

FISCAL INFORMATION

Estimated Revenue Foregone: \$5,261,366.00 over a ten-year period

COMPANY REPRESENTATIVES

DGIC Project 1, LLC

Nathaniel Hagedorn, Manager

Home Depot U.S.A., Inc.

Karen Dewalt, Vice President Corporate Controller and Tax

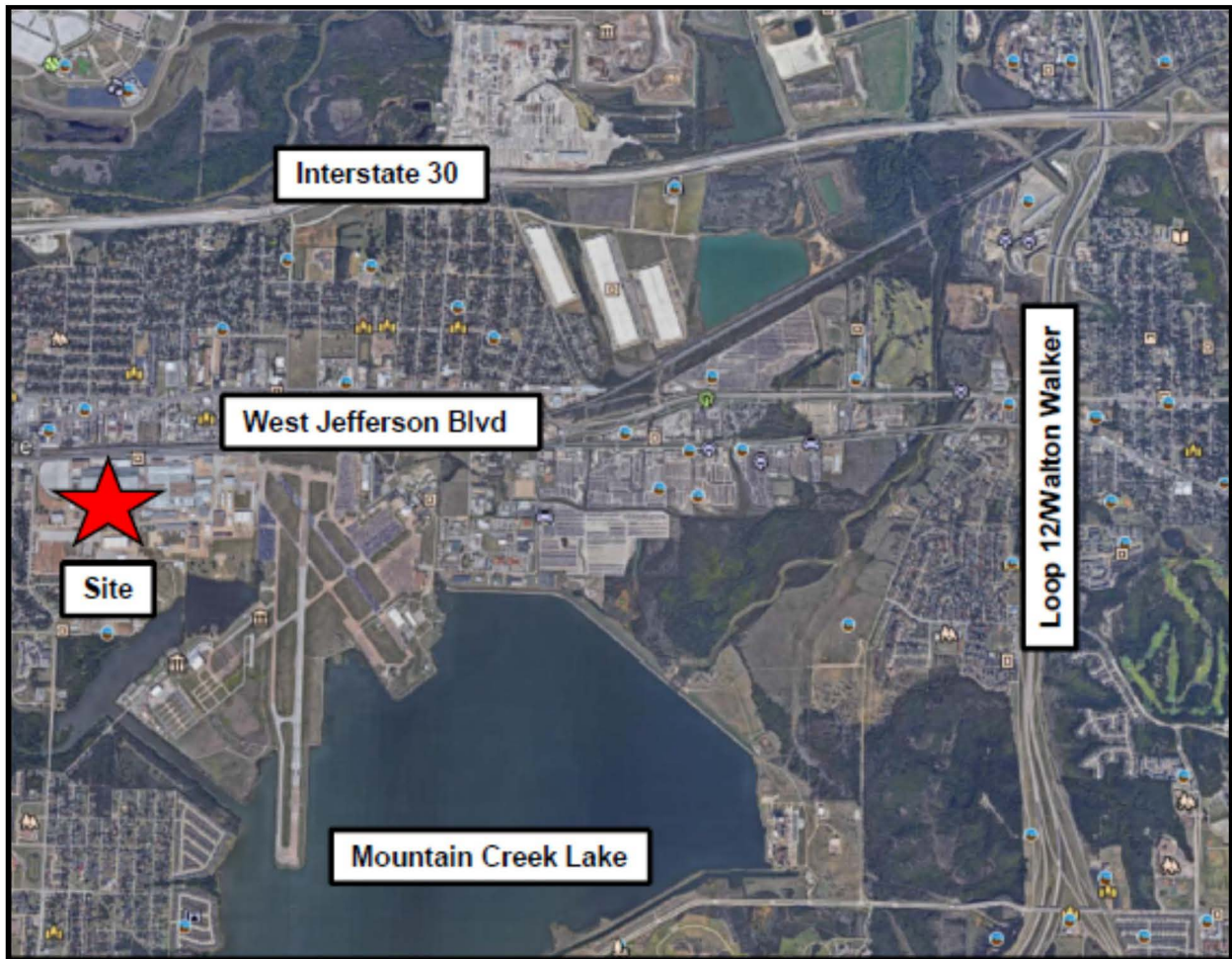
MAPS

Attached

MAP
City of Dallas Neighborhood Empowerment Zone No. 8



MAP
DGIC Project 1, LLC



December 12, 2018

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

WHEREAS, it is in the interest of the City of Dallas to support and secure the expansions and relocations of business operations within the city of Dallas and the economic vitality and employment opportunities that these business operations bring for Dallas residents; and

WHEREAS, pursuant to Resolution No. 16-1984, authorized by the City Council on December 14, 2016, the City: (1) elected to continue its participation in economic development incentives and re-adopted its Public/Private Partnership Program - Guidelines and Criteria, which established certain guidelines and criteria for the use of City incentive programs for private development projects, (2) established programs for making loans and grants of public money to promote local economic development and to stimulate business and commercial activity in the City pursuant to the Economic Development Programs provisions under Chapter 380 of the Texas Local Government Code; and (3) established appropriate guidelines and criteria governing tax abatement agreements to be entered into by City as required by the Property Redevelopment and Tax Abatement Act, as amended, (Texas Tax Code, Chapter 312); and

WHEREAS, the City desires to support DGIC Project 1, LLC or an affiliate thereof ("DGIC") with development of a new distribution warehouse facility for Home Depot U.S.A., Inc. or an affiliate thereof ("Home Depot") which will be comprised of two buildings located at 9314 West Jefferson Boulevard in accordance with the City's Public/Private Partnership Program; and

WHEREAS, Texas Local Government Code, Chapter 378, requires that City of Dallas Neighborhood Empowerment Zone No. 8 ("City of Dallas NEZ No. 8") promote: (1) the creation or rehabilitation of affordable housing in the zone, or (2) an increase in economic development in the zone, or (3) an increase in the quality of social services, education, or public safety provided to the residents of the zone; and

WHEREAS, the City finds that the creation of City of Dallas NEZ No. 8 will promote an increase in economic development in the zone by promoting job creation and additional business activity on approximately 315 acres of property located at 9314 West Jefferson Boulevard in Dallas, Texas as further described by the map attached as **Exhibit A (Map)** and the metes and bounds legal description attached as **Exhibit B (Metes and Bounds - Legal Description)**; and

WHEREAS, the City Council finds that the creation of the City of Dallas NEZ No. 8 benefits the public and is for the public purpose of increasing the public health, safety, and welfare of the persons in the municipality; and

December 12, 2018

WHEREAS, Texas Local Government Code, Chapter 378, empowers municipalities to enter into agreements abating municipal property taxes on property in the zone subject to the duration limits of Section 312.2004, Texas Tax Code; and

WHEREAS, the City desires to enter into a business personal property tax abatement agreement with Home Depot for added value to business personal property located within an approximately 152 acres area within City of Dallas NEZ No. 8 as further described by the map attached as **Exhibit C (Map)** and by the metes and bounds legal description attached as **Exhibit D (Metes and Bounds - Legal Description)**; and

WHEREAS, the City desires to enter into a real property tax abatement agreement with DGIC for added value to real property located within an approximately 152 acres area within the proposed City of Dallas NEZ No. 8 as further described by the map attached as **Exhibit C (Map)** and by the metes and bounds legal description attached as **Exhibit D (Metes and Bounds - Legal Description)**.

Now, Therefore,

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

SECTION 1. That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

SECTION 2. That the City Manager is hereby authorized to execute the following: **(1)** a business personal property tax abatement agreement with Home Depot U.S.A., Inc. or an affiliate thereof ("Home Depot") for the purpose of granting a five-year abatement of 50 percent of the taxes on the added value to the business personal property for the proposed development of a new build-to-suit development office and distribution facility situated on approximately 152 acres of property located at 9314 West Jefferson Boulevard in Dallas, Texas; and **(2)** a real personal property tax abatement agreement with DGIC Project 1, LLC or an affiliate thereof ("DGIC, LLC") for the purpose of granting a ten-year abatement of 90 percent of the taxes on added value to the real property for the proposed development of with a new build-to-suit development office and distribution facility situated on approximately 152 acres of property located at 9314 West Jefferson Boulevard in Dallas, Texas, approved as to form by the City Attorney, in accordance with the Property Redevelopment and Tax Abatement Act and the City's Public/Private Partnership Program Guidelines and Criteria.

December 12, 2018

SECTION 3. That the City designates the approximately 315 total acres of property located at 9314 West Jefferson Boulevard in Dallas, Texas described in the legal description and map attached herein as **Exhibit A (Map)** and **Exhibit B (Metes and Bounds - Legal Description)** as a neighborhood empowerment zone pursuant to Chapter 378 of the Local Government Code to be known as City of Dallas Neighborhood Empowerment Zone No. 8 ("City of Dallas NEZ No. 8") to promote an increase in economic development in the zone.

SECTION 4. That the approval and execution of the real property and business personal property tax abatement agreements by the City are not conditional upon approval and execution of any other tax abatement agreement by any other taxing entity.

SECTION 5. That the real personal property and business personal property subject to the proposed tax abatement agreements shall be located entirely within City of Dallas NEZ No. 8 as depicted on the attached site map **Exhibit C (Map)** and as legally described in **Exhibit D (Metes and Bounds - Legal Description)**.

SECTION 6. That the tax abatement agreements shall include the following terms:

- (a) None of the property subject to either the real property agreement or business personal property tax abatement is owned or leased by a member of the City Council of the City of Dallas or by a member of the City Plan Commission.
- (b) The real property tax abatement will only be applicable to the real property owned by DGIC located entirely within City of Dallas NEZ No. 8.
- (c) The business personal property tax abatement will only be applicable to the business personal property owned by Home Depot located entirely within City of Dallas NEZ No. 8.
- (d) Development of the property shall conform to all requirements of the City's zoning ordinance and that the use of the property is consistent with the general purpose of encouraging development or redevelopment in the City of Dallas NEZ No. 8 during the period when the real property tax abatement and/or the business personal property tax abatement are in effect.
- (e) Home Depot shall execute a minimum ten-year lease with DGIC on or before December 31, 2019 on the approximately 152 acres project site at 9314 West Jefferson Boulevard.
- (f) DGIC and/or Home Depot shall invest a minimum \$80,000,000.00 in real property improvements on or before December 31, 2021. This amount does not include land costs, attorney's fees, or any party's fees or profit.

SECTION 6. (continued)

- (g) DGIC and/or Home Depot shall invest a minimum \$30,000,000.00 in business personal property on or before December 31, 2021. This amount does not include land costs, attorney's fees, or any party's fees or profit.
- (h) Any expenditures incurred or expended by DGIC and/or Home Depot before City Council approval will not count toward the minimum capital investment.
- (i) Occupancy Requirement:
 - a. Real Property Tax Abatement: Home Depot must occupy the two completed buildings of approximately 2,300,000 square feet before the proposed real property tax abatement begins.
 - b. Business Personal Property Tax Abatement: Home Depot must occupy 51% of Building A (765,000 square feet) and 51% of Building B (406,980 square feet) before the proposed business personal property tax abatement begins.
 - c. If Home Depot terminates the lease agreement with DGIC, closes its operations at either Buildings A or B, or fails to occupy Buildings A or B at any time during the applicable term of either tax abatement, both the real property and business personal property tax abatements will be terminated.
- (j) Employment Requirement:
 - a. By December 31, 2021, Home Depot will hire and maintain a minimum of 300 new full-time equivalent (FTE) jobs.
 - b. By December 31, 2022, Home Depot will hire and maintain over the term of both the real property and business personal property abatements a minimum total of 500 new FTE jobs.
 - c. Local Hiring Requirement: A minimum 25% of the new FTE's hired by Home Depot shall be residents of the City of Dallas ("Local Hire Requirement"). Home Depot will have until December 31, 2022 to meet the minimum 25% Local Hire Requirement.
 - d. The Local Hire Requirement must be maintained over the term of both the real property and business personal property abatements.
- (k) Over the term of both the real property and business personal property abatements, Home Depot will provide and maintain an average salary for hourly FTE workers equal to or greater than \$15.00/hour, and an annual salary for salaried FTE workers of \$65,000.00. Average salaries noted do not include overtime, bonuses, or benefits.

SECTION 6. (continued)

- (l) Home Depot will provide and maintain a starting minimum FTE hourly wage of \$13.00 per hour (excluding benefits) over the term of both the real property and business personal property abatements.
- (m) Home Depot shall use best efforts to execute a formal participation agreement with the Dallas Independent School District (DISD) by the end of 2020 to participate as an Industry Partner in the Pathway to Technology Early College High School ("P-Tech") Program.
- (n) DGIC and Home Depot shall use best efforts to comply with the City's Business Inclusion and Development ("BID") goal of 25% participation by Minority/Women-owned Business Enterprises (M/WBE) for construction and construction-related expenditures.
- (o) A description of the kind, number, location, and costs of all proposed improvements to the Property shall be provided to the Office of Economic Development by Home Depot and DGIC and shall be attached as exhibits to the tax abatement agreements.
- (p) Access to the Property shall be provided to allow for inspection by City inspectors and officials to ensure that the improvements are made and occupancy is achieved according to the specification and terms of the tax abatement agreements.
- (q) DGIC and Home Depot shall certify annually to the City that each is compliant with each applicable term of the real property and business personal property tax abatement agreements.
- (r) The Dallas City Council may terminate or modify either or both tax abatement agreement(s) if DGIC and/or Home Depot fails to comply with the terms therein.
- (s) A proportionate percentage of the real property tax revenue foregone by the City as a result of the tax abatement agreement shall be recaptured by the City if improvements to real property are not made and maintained as provided by the real property tax abatement agreement.
- (t) A proportionate percentage of the business personal property tax revenue foregone by the City as a result of the tax abatement agreement shall be recaptured by the City if improvements to or investments in business personal property are not made and maintained as provided by the business personal property tax abatement agreement.

SECTION 6. (continued)

- (u) The Director of the Office of Economic Development may, at his or her sole discretion, extend any material date in the real property and/or business personal property tax abatement agreement(s) for a period up to six months for just cause.
- (v) The real property and business personal property tax abatement agreements shall be executed no later than December 31, 2019.
- (w) If Home Depot or DGIC fails to perform any condition listed above and/or otherwise breaches the real property or business personal property tax abatement agreements and fails to cure such breach during any year of the term of the agreement, both abatements will be forfeited for that year. If any condition is not performed, either party breaches the real property or business personal property tax abatement agreements, and/or any existing breach remains uncured in the subsequent year, each party shall again forfeit the tax abatement agreements for the subsequent year and the agreements shall terminate.

SECTION 7. That the business personal property tax abatement agreement is identified by the City as Contract No. ECO-2019-00008755.

SECTION 8. That the real property tax abatement agreement is identified by the City as Contract No. ECO-2019-00008757.

SECTION 9. 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
MAP
NEIGHBORHOOD EMPOWERMENT ZONE No. 8



EXHIBIT B
METES AND BOUNDS – LEGAL DESCRIPTION
NEIGHBORHOOD EMPOWERMENT ZONE No. 8

BEING a 314.880 acre tract of land situated in the Perry Linney Survey, Abstract No. 777, the Rowland Huitt Survey, Abstract No. 616, the Elizabeth Crockett Survey, Abstract No. 222 and the John W. Kirk Survey, Abstract No. 726, the City of Dallas, Dallas County, Texas and being all of those certain tracts of land described as FIRST TRACT, THIRD TRACT, FOURTH TRACT, FIFTH TRACT, SIXTH TRACT and the remainder of called SECOND TRACT as described to the United States of America (USA) by deed recorded in Volume 2918, Page 515 of the Deed Records of Dallas County, Texas (DRDCT) and all of that called 43.94 acre tract of land described to USA by deed recorded in Volume 3879, Page 552, DRDCT, said 314.880 acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at a brass monument (controlling monument) found for the northeast corner of said FIFTH TRACT and northwest corner of the remainder of a called 75.3 acre tract of land described to the City of Dallas by deed recorded in Volume 2274, Page 632, DRDCT and also being in the southerly right-of-way line of Jefferson Avenue (a variable width right-of-way);

THENCE, South 00°26'56" East, along the easterly line of said FIFTH TRACT and the westerly line of the remainder of said 75.3 acre tract of land and along the easterly line of said 43.94 acre tract of land, the westerly line of that certain tract of land described as TRACT NO. 1 to the City of Dallas by deed recorded in Volume 2274, Page 629, DRDCT and the westerly line of a called 347 acre tract of land described to the City of Dallas by deed recorded in Volume 2691, Page 315, DRDCT, a distance of 2795.44 feet to a brass monument (controlling monument) found for the southeast corner of said 43.94 acre tract of land and a southwest corner of said 347 acre tract of land and being in the northerly line of the remainder of that certain tract of land described as FIFTH TRACT to Dallas Power and Light Company by deed recorded in Volume 1992, Page 1, DRDCT;

THENCE, along the southerly line of said 43.94 acre tract of land and the northerly line of said remainder of FIFTH TRACT, the following five courses and distances:

North 80°18'20" West, a distance of 329.36 feet to a point for corner;

South 56°20'40" West, a distance of 91.97 feet to a point for corner;

South 89°54'40" West, a distance of 308.50 feet to a point for corner;

EXHIBIT B
METES AND BOUNDS – LEGAL DESCRIPTION
NEIGHBORHOOD EMPOWERMENT ZONE No. 8

North 79°48'20" West, a distance of 359.50 feet to a point for corner;

North 71°22'10" West, a distance of 315.98 feet to a point for corner in the approximate shore line of Mountain Creek Lake;

THENCE, along the approximate shore line of Mountain Creek Lake, the following six courses and distances:

South 00°32'20" East, a distance of 519.36 feet to a point for corner;

South 83°55'36" West, a distance of 156.86 feet to a point for corner;

South 26°57'10" West, a distance of 213.22 feet to a point for corner;

South 41°04'15" West, a distance of 128.12 feet to a point for corner;

South 67°43'33" West, a distance of 205.50 feet to a point for corner;

North 81°04'56" West, a distance of 59.37 feet to the southernmost southwest corner of said FIRST TRACT and easternmost southeast corner of that certain tract of land described as TRACT III to Vought Aircraft Industries, Inc. by deed recorded in Volume 2000146, Page 3042, DRDCT;

THENCE, North 01°17'28" West, along a westerly line of said FIRST TRACT and the easterly line of said TRACT III, a distance of 266.00 feet to an interior ell corner of said FIRST TRACT and the northeast corner of said TRACT III;

THENCE, South 88°42'32" West, along a southerly line of said FIRST TRACT and the northerly line of said TRACT III, a distance of 511.20 feet to the southwest corner of said FIRST TRACT and the northwest corner of said TRACT III and being in the easterly line of said FOURTH TRACT;

THENCE, South 01°11'28" East, along the easterly line of said FOURTH TRACT and the westerly line of said TRACT III, a distance of 648.13 feet to the southeast corner of said FOURTH TRACT and being in the northerly right-of-way line of Skyline Road (a 100 foot right-of-way);

THENCE, North 89°51'01" West, along the southerly line of said FOURTH TRACT and the northerly right-of-way line of said Skyline Drive and along the southerly line of said remainder of SECOND TRACT, a distance of 1001.31 feet to the southwest corner of said remainder of SECOND TRACT and the southeast corner of a called 21.0251 acre tract of land described to the City of Grand Prairie by deed recorded in Volume 792, Page 252, DRDCT;

EXHIBIT B
METES AND BOUNDS – LEGAL DESCRIPTION
NEIGHBORHOOD EMPOWERMENT ZONE No. 8

THENCE, North 01°26'12" West, along the westerly line of said remainder of SECOND TRACT and the easterly line of said 21.0251 acre tract of land and along the easterly line of a called 9.96 acre tract of land described to Sid Sharbaf by deed recorded in Volume 2004043, Page 14865, DRDCT, a distance of 1126.25 feet to the northwest corner of said remainder of SECOND TRACT and the northeast corner of said 9.96 acre tract of land and being in the southerly line of said THIRD TRACT;

THENCE, South 89°34'27" West, along the southerly line of said THIRD TRACT and the northerly line of said 9.96 acre tract of land and along the northerly line of that certain tract of land described as 1R by final plat of LOTS 1R AND 2R, BLOCK 2, SOL SPIGEL VILLAGE, FIRST INCREMENT, an addition to the City of Grand Prairie recorded in Volume 80247, Page 770, ORDCT, a distance of 1114.57 feet to the southwest corner of said THIRD TRACT and the northwest corner of said 1R and being in the easterly right-of-way line of SE 14th Street (a variable width right-of-way);

THENCE, North 00°28'33" West, along the westerly line of said THIRD TRACT and the easterly right-of-way line of said SE 14th Street and along the westerly line of said FIRST TRACT, a distance of 2470.42 feet to the northwest corner of said FIRST TRACT and being in the southerly right-of-way line of aforementioned Jefferson Avenue;

THENCE, North 85°59'56" East, along the northerly line of said FIRST TRACT and the southerly right-of-way line of said Jefferson Avenue, a distance of 4601.18 feet to the POINT OF BEGINNING;

CONTAINING a calculated area of 13,716,154 square feet or 314.880 acres of land.

EXHIBIT C
MAP
DGIC Project 1, LLC

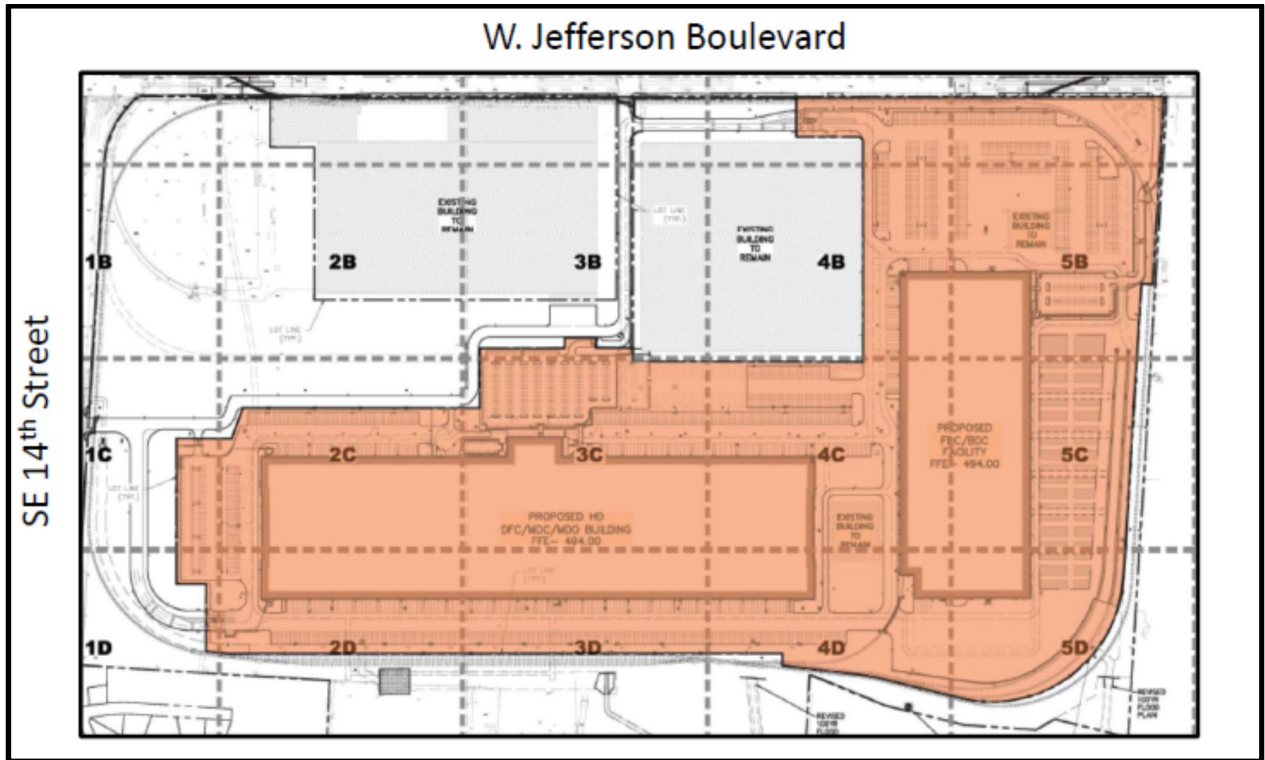


EXHIBIT D
METES AND BOUNDS – LEGAL DESCRIPTION
DGIC Project 1, LLC

DESCRIPTION of a 152.423 acre tract of land situated in the Elizabeth Crockett Survey, Abstract No. 222, the Rowland Huitt Survey, Abstract No. 616, the John W. Kirk Survey, Abstract No. 726, and the Perry Linney Survey, Abstract No. 777, Dallas County, Texas; said tract being part of that tract of land described as Tract 1 in Deed Without Warranty to American Brownfield MGIC, LLC, recorded in Instrument No. 201200297936 of the Official Public Records of Dallas County, Texas; said 152.423 acre tract being more particularly described as follows:

COMMENCING at a 2-inch brass disk in concrete found in the south right-of-way line of Jefferson Avenue (a variable width right-of-way); said point being the northeast corner of said Tract 1 and the northwest corner of the remainder of those certain tracts of land described in Warranty Deed to the City of Dallas, recorded in Volume 2274, Page 632, Volume 2274, Page 629, and Volume 2691, Page 315 all of the Deed Records of Dallas County, Texas;

THENCE South 86 degrees, 04 minutes, 05 seconds West, along the said south line of Jefferson Avenue and the north line of said Tract 1, a distance of 12.02 feet to the POINT OF BEGINNING;

THENCE departing the said south line of Jefferson Avenue and the said north line of Tract 1 and over and across said Tract 1, the following thirty (30) calls:

South 00 degrees, 26 minutes, 55 seconds East, a distance of 806.13 feet to a point for corner;

South 89 degrees, 33 minutes, 05 seconds West, a distance of 48.79 feet to a point for corner;

South 00 degrees, 26 minutes, 55 seconds East, a distance of 1,291.79 feet to a point for corner; said point being the beginning of a tangent curve to the right;

In a southwesterly direction, along said curve to the right, having a central angle of 100 degrees, 18 minutes, 28 seconds, a radius of 574.69 feet, a chord bearing and distance of South 49 degrees, 42 minutes, 19 seconds West, 882.46 feet, an arc distance of 1,006.11 feet to a point at the end of said curve;

North 80 degrees, 08 minutes, 27 seconds West, a distance of 354.42 feet to a point for corner; said point being the beginning of a tangent curve to the left

In a northwesterly direction, along said curve to the left, having a central angle of 07 degrees, 25 minutes, 53 seconds, a radius of 799.81 feet, a chord bearing and distance of North 83 degrees, 51 minutes, 24 seconds West, 103.67 feet, an arc distance of 103.74 feet to a point at the end of said curve;

North 87 degrees, 34 minutes, 20 seconds West, a distance of 331.63 feet to a point

for corner; North 03 degrees, 55 minutes, 55 seconds West, a distance of 53.42 feet

to a point for corner; South 86 degrees, 04 minutes, 05 seconds West, a distance of

2,408.23 feet to a point for corner; North 87 degrees, 34 minutes, 20 seconds West,

a distance of 94.58 feet to a point for corner; North 03 degrees, 55 minutes, 55

seconds West, a distance of 290.46 feet to a point for corner; South 86 degrees, 04

EXHIBIT D
METES AND BOUNDS – LEGAL DESCRIPTION
DGIC Project 1, LLC

minutes, 05 seconds West, a distance of 127.42 feet to a point for corner;

North 03 degrees, 55 minutes, 55 seconds West, a distance of 633.78 feet to a point for corner;

North 86 degrees, 04 minutes, 05 seconds East, a distance of 239.50 feet to a point for corner;

North 16 degrees, 03 minutes, 27 seconds East, a distance of 141.29 feet to a point for corner;

North 86 degrees, 04 minutes, 05 seconds East, a distance of 1,025.76 feet to a point for corner;

North 03 degrees, 55 minutes, 55 seconds West, a distance of 262.00 feet to a point for corner;

North 86 degrees, 04 minutes, 05 seconds East, a distance of 368.50 feet to a point for corner;

North 03 degrees, 55 minutes, 55 seconds West, a distance of 100.02 feet to a point for corner;

North 86 degrees, 04 minutes, 05 seconds East, a distance of 136.92 feet to a point for corner;

South 03 degrees, 55 minutes, 55 seconds East, a distance of 100.02 feet to a point for corner;

North 86 degrees, 04 minutes, 05 seconds East, a distance of 160.24 feet to a point for corner;

South 03 degrees, 55 minutes, 55 seconds East, a distance of 27.50 feet to a point for corner;

North 86 degrees, 04 minutes, 05 seconds East, a distance of 74.34 feet to a point for corner;

South 03 degrees, 55 minutes, 55 seconds East, a distance of 29.00 feet to a point for corner;

North 86 degrees, 04 minutes, 05 seconds East, a distance of 927.38 feet to a point for corner;

North 03 degrees, 55 minutes, 55 seconds West, a distance of 958.82 feet to a point for corner;

North 48 degrees, 55 minutes, 55 seconds West, a distance of 21.21 feet to a point for corner;

South 86 degrees, 04 minutes, 05 seconds West, a distance of 274.48 feet to a point for corner;

North 03 degrees, 55 minutes, 55 seconds West, a distance of 174.69 feet to a point in the said south line of Jefferson Avenue and the north line of said Tract 1;

THENCE North 86 degrees, 04 minutes, 05 seconds East, along the said south line of Jefferson Avenue and the said north line of Tract 1, a distance of 1,600.84 feet to the **POINT OF BEGINNING**;

CONTAINING : 6,639,526 square feet or 152.423 acres of land, more or less.



Agenda Information Sheet

File #: 18-1447

Item #: 4.

STRATEGIC PRIORITY: Quality of Life
AGENDA DATE: December 12, 2018
COUNCIL DISTRICT(S): 7
DEPARTMENT: Park & Recreation Department
EXECUTIVE: Willis C. Winters

SUBJECT

Authorize a fifth amendment to the Fair Park Contract dated May 21, 2003, as previously amended (the "Agreement") to: **(1)** extend the initial term of the agreement for a period of 10 years (the term shall expire on December 31, 2038); **(2)** establish annual rental fees for 2028 thru 2038; **(3)** incorporate financial processes and procedures for the allocation of funds; **(4)** require the State Fair of Texas to pay its full-time and part-time employees at least \$11.15 per hour or the federal minimum wage, whichever is higher; **(5)** incorporate a security plan process between the Dallas Police Department and the State Fair of Texas; and **(6)** incorporate miscellaneous provisions as required by state law - Revenue: \$39,750,000.00 (see Fiscal Information)

BACKGROUND

This item is being placed on the addendum per the City Manager's Office.

On May 21, 2003, City Council authorized a twenty-five (25) year lease agreement with two five-year contract extensions with the State Fair of Texas (SFT) to host the annual State Fair at Fair Park by Resolution No. 02-2405. The City's and State Fair's roles and responsibilities were clearly defined.

On August 9, 2006, City Council authorized a first amendment to the lease agreement with the State Fair of Texas for Phase I improvements to the Cotton Bowl by Resolution No. 06-2070. SFT agreed to provide the Phase I improvements to the Cotton Bowl Stadium totaling \$19.5 million in lieu of paying \$13.9 million to the City for rent. The rent payments to the City would be forgiven until early 2018, at which time the total amount of the scheduled rent payment would total \$13.9 million.

On October 22, 2008, City Council authorized a second amendment to the lease agreement with the State Fair of Texas to grant the State Fair of Texas the right to seek naming rights contracts for the Cotton Bowl Stadium and Summer Place Park Operation on behalf of the City by Resolution No. 08-2858.

On April 6, 2011, City Council authorized a third amendment to the Fair Park Contract with the State

Fair of Texas for marketing Fair Park by Resolution No. 11-0892. This allowed SFT a waiver of the annual \$50,000.00 marketing fee payment due to the City for four years to allow SFT to pay the Dallas Convention and Visitor Bureau \$200,000.00 up front to assist in paying Bowl game team payouts.

On February 13, 2013, City Council authorized a fourth amendment to the Fair Park Contract between the City and the State Fair of Texas to allow the State Fair of Texas to operate and maintain the Fair Park Livestock Center and seek naming rights and sponsorship opportunities for the facility and its components and allow for a 70/30 revenue split for parking revenues from the State Fair Summer Adventures' attendees by Resolution No. 13-0308.

On October 24, 2018, City Council procured, authorized, and entered into a twenty (20) year management agreement with the non-profit, Fair Park First, for the year-round private operation, maintenance, and enhancement of Fair Park by Resolution No. 18-1531.

On October 24, 2018, City Council authorized a resolution directing the City Manager to, in collaboration with Fair Park First, negotiate any necessary amendments or options to the existing Fair Park resident institutions, State Fair of Texas, and Texas Department of Transportation contracts, including extending the length of the terms to coincide with the Fair Park First contract and making any other improvements to other provisions of said contracts by Resolution No. 18-1532.

It is the mutual goal and desire of the City and SFT to cooperate with Fair Park First throughout the term of the private management agreement in order to further the enhancement, development, and improvement of Fair Park as a year-round public entertainment facility, tourist attraction, campus for cultural facilities, and public park. To facilitate that mutual goal and desire, City and SFT agree that the initial term of the Agreement should be extended to coincide with the initial term of the private management agreement with Fair Park First.

In this proposed fifth amendment, the following revisions are included:

- Extends the initial term of the agreement for a period of ten (10) years, bringing the expiration date to December 31, 2038. This extension will allow the term of the agreement to match the date of the Fair Park First contract.
- Establishes annual rental fees for 2028 to 2032 at \$1,950,000.00 per year, and for 2033 to 2038 at \$2,250,000.00.
- Amends the Agreement by incorporating financial processes and procedures for the allocation of funds.
- Requires the SFT to pay full-time and part-time employees at least \$11.15 per hour or the federal minimum wage, whichever is higher.
- Authorizes the incorporation of a security plan process between the Dallas Police Department and the SFT.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On September 6, 2018, the Park and Recreation Board authorized a twenty (20) year agreement with two five-year renewal options with Fair Park First for management of Fair Park and a resolution that

supported the extension of Fair Park tenants' contracts to coincide with the initial term of the Fair Park First contract.

On October 24, 2018, City Council authorized a resolution directing the City Manager to, in collaboration with Fair Park First, negotiate any necessary amendments or options to the existing Fair Park resident institutions, State Fair of Texas, and Texas Department of Transportation contracts, including extending the length of the terms to coincide with the Fair Park First contract and making any other improvements to other provisions of said contracts by Resolution No. 18-1532.

The Quality of Life Committee will be briefed by memorandum regarding this item on December 10, 2018.

FISCAL INFORMATION

Revenue: \$39,750,000.00

Per the initial agreement authorized in FY 2002, the State Fair shall pay the City annual rental fees for 2018 - 2027 and with the ten-year extension of the contract, annual rental fees for 2028 - 2038 as follows:

<u>Year</u>	<u>Annual Rental Fee</u>
2018	\$ 1,550,000.00
2019	\$ 1,550,000.00
2020	\$ 1,550,000.00
2021	\$ 1,550,000.00
2022	\$ 1,550,000.00
2023	\$ 1,750,000.00
2024	\$ 1,750,000.00
2025	\$ 1,750,000.00
2026	\$ 1,750,000.00
2027	\$ 1,750,000.00
2028	\$ 1,950,000.00
2029	\$ 1,950,000.00
2030	\$ 1,950,000.00
2031	\$ 1,950,000.00
2032	\$ 1,950,000.00
2033	\$ 2,250,000.00
2034	\$ 2,250,000.00
2035	\$ 2,250,000.00
2036	\$ 2,250,000.00
2037	\$ 2,250,000.00
2038	<u>\$ 2,250,000.00</u>
Total	\$39,750,000.00

All rental fees will be paid to the City pursuant to the State Fair Contract, and will promptly be remitted by the City to Manager (Fair Park First).

MAP

Attached



Fair Park 1200 Second Avenue



December 12, 2018

WHEREAS, on May 21, 2003, the City and State Fair of Texas entered into the Fair Park Contract for a term of 25 years with two five-year extensions, to provide for the use of the City's Fair Park for the annual State Fair of Texas Exposition and to clearly define the roles and responsibilities of the City and the State Fair of Texas (the "Agreement") by Resolution No. 02-2405; and

WHEREAS, on October 24, 2018, City Council authorized a 20-year management agreement with the non-profit, Fair Park First, for the year-round private operation, maintenance, and enhancement of Fair Park by Resolution No. 18-1531; and

WHEREAS, it is the mutual goal and desire of the City and the State Fair of Texas to cooperate with Fair Park First throughout the term of the private management agreement in order to further the enhancement, development, and improvement of Fair Park as a year-round public entertainment facility, tourist attraction, campus for cultural facilities, and public park; and

WHEREAS, to facilitate that mutual goal and desire, the City and the State Fair of Texas now agree that the initial term of the Agreement should be extended to coincide with the initial term of the private management agreement with Fair Park First; and

WHEREAS, as part of the consideration for extending the term of the Agreement, the City and the State Fair of Texas also agree to amend the Agreement to incorporate: (i) certain financial processes and procedures; (ii) the wage rate requirements for all State Fair employees; (iii) certain security plan requirements; and (iv) certain miscellaneous provisions now required by state law; and

WHEREAS, all other terms, provisions, conditions, and obligations of the Agreement between the City and State Fair shall remain in full force and effect, and the Agreement, as previously amended, and this fifth amendment shall be construed together as a single contractual agreement.

Now, Therefore,

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

December 12, 2018

SECTION 1. That the City Manager is hereby authorized to execute a fifth amendment to the Fair Park Contract dated May 21, 2003, as previously amended (the "Agreement") to: **(1)** extend the initial term of the agreement for a period of 10 years (the term shall expire on December 31, 2038); **(2)** establish annual rental fees for 2028 thru 2038; **(3)** incorporate financial processes and procedures for the allocation of funds; **(4)** require the State Fair of Texas to pay its full-time and part-time employees at least \$11.15 per hour or the federal minimum wage, whichever is higher; **(5)** incorporate a security plan process between the Dallas Police Department and the State Fair of Texas; and **(6)** incorporate miscellaneous provisions as required by state law, approved as to form by the City Attorney.

SECTION 2. That the Chief Financial Officer is hereby authorized to receive and deposit funds from the State Fair of Texas (Vendor 078069) in the Fair Park Naming Sponsorship Fund, Fund 0426, Department PKR, Unit 5234, Revenue Code 7199.

SECTION 3. That this contract is designated as Contract No. PKR-2019-00008943.

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 Information Sheet

File #: 18-1318

Item #: 6.

STRATEGIC PRIORITY: Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: December 12, 2018

COUNCIL DISTRICT(S): 2, 3

DEPARTMENT: Department of Aviation

EXECUTIVE: Kimberly Bizer Tolbert

SUBJECT

Authorize **(1)** an increase in the annual lease rental rates at Dallas Love Field to **(a)** \$0.85 square feet per year for unimproved land; **(b)** \$0.95 square feet per year for improved land; **(c)** \$4.75 square feet per year for storage hangar; **(d)** \$5.50 square feet per year for maintenance hangar space; **(e)** \$9.50 square feet per year for office space; **(f)** \$10,000.00 per year for fuel operations permit fees for fixed-based operators and \$5,000.00 per year for fuel operations permit fees for self-fuelers; **(gf)** \$40.00 - \$55.00 per square foot per year for non-aeronautical commercial and retail use; **(hg)** \$20.00 - \$25.00 per square foot per year for non-aeronautical office use; and **(ih)** \$8.00 - \$10.00 per square foot for non-aeronautical warehouse and storage use, effective February 1, 2019; **(2)** an increase in the annual lease rental rates at Dallas Executive Airport to **(a)** \$0.45 square feet per year for unimproved land; **(b)** \$0.55 square feet per year for improved land; **(c)** \$5.50 - \$8.00 square feet per year for general aviation storage and maintenance hangars; **(d)** \$375.00 - \$400.00 per month for T-hangar space; and **(e)** \$7.50 square feet per year for office space; and **(f)** \$10,000.00 per year for fuel operations permit fees for fixed-based operators and \$5,000.00 per year for fuel operations permit fees for self-fuelers, effective February 1, 2019; and **(3)** the annual lease rental rates at Dallas Vertiport of **(a)** \$200.00 - \$500.00 landing fee; **(b)** \$150.00 - \$300.00 parking fee; **(c)** \$200.00 - \$400.00 overnight fee; **(d)** \$300.00 per day and \$750.00 per week for office space; and **(e)** \$400.00 per day and \$1,000.00 per week for lobby space, effective February 1, 2019 - Financing: This action has no cost consideration to the City (see Fiscal Information for future revenue impact)

BACKGROUND

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 seven 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; \$0.30 per square foot per unimproved ground. These recommendations to increase the annual lease rates were approved by City Council on February 24, 2016, by Resolution No. 16-0324.

From November 2017 through June 2018, the Department of Aviation authorized three amended appraisal services contracts with Airport Business Solutions, to provide updated annual lease rates at Dallas Love Field, Dallas Executive Airport and Dallas Vertiport for improved land, unimproved land, hangar/office space, helicopter landing/parking fees, fuel operations permits, and non-aeronautical land uses, where applicable, based on fair market value.

~~Currently, all fuelers pay an annual fuel operations permit fee of \$1,000.00. Based on the updated market lease rates study, fuel operations permits should be increased to \$10,000.00 per year for fixed-based operators and \$5,000.00 per year for self-fuelers. This recommended increase shall take effect incrementally over a four-year period.~~

The Department of Aviation recommends these proposed updated lease rates at Dallas Love Field, Dallas Executive Airport, and the Dallas Vertiport shall be effective on February 1, 2019.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On February 18, 1981, City Council authorized Rental Rate Revision by Resolution No. 81-0572.

On December 11, 2002, City Council authorized Rental Rate Revision by Resolution No. 02-3525.

On June 13, 2007, City Council authorized the Rates and Charges Study by Resolution No. 07-1722.

On April 23, 2008, City Council authorized contract for Appraisal Services by Resolution No. 08-1225.

On August 27, 2008, City Council authorized Rental Rate Revision by Resolution No. 08-2226.

On February 24, 2016, City Council authorized Rental Rate Revision by Resolution No. 16-0324.

Information about this item will be provided to the Mobility Solutions, Infrastructure, and Sustainability Committee on December 10, 2018.

FISCAL INFORMATION

This action has no cost consideration to the City. Department anticipates that there will be future revenue that will be identified when future leases are brought to City Council for approval.

December 12, 2018

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, Dallas Executive Airport and Dallas Vertiport in Dallas, Texas; and

WHEREAS, it is deemed advisable that the schedule of fees presently in effect at Dallas Love Field, Dallas Executive Airport and Dallas Vertiport 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 February 1, 2019:

<u>Unimproved Land</u>	<u>Improved Land</u>	<u>Storage Hangar</u>	<u>Maintenance Hangar</u>	<u>Office Space</u>
\$0.85 per square foot per year	\$0.95 per square foot per year	\$4.75 per square foot per year	\$5.50 per square foot per year	\$9.50 per square foot per year

<u>Fuel Permits</u>	<u>Non-aeronautical commercial and retail use</u>
\$10,000.00 per year for Fixed-based operators	\$40.00 - \$55.00 per square foot per year
\$5,000.00 per year for Self-fuelers	
<u>Non-aeronautical office use</u>	<u>Non-aeronautical warehouse and storage use</u>
\$20.00 - \$25.00 per square foot per year	\$8.00 - \$10.00 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 February 1, 2019:

<u>Unimproved Land</u>	<u>Improved Land</u>	<u>Storage Hangar & Maintenance Hangar</u>	<u>Office Space</u>
\$0.45 per square foot per year	\$0.55 per square foot per year	\$5.00 - \$8.00 per square foot per year	\$7.50 per square foot per year

<u>T- Hangar</u>	<u>Fuel Permits</u>
\$375.00 - \$400.00 per month	\$10,000.00 per year for Fixed-based operators
	\$5,000.00 per year for Self-fuelers

SECTION 3. 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 Vertiport, to be effective as of February 1, 2019:

<u>Landing Fees</u>	<u>Parking Fees</u>	<u>Overnight</u>	<u>Office Space</u>	<u>Lobby Space</u>
\$200.00 - \$500.00 Per Helicopter	\$150.00 - \$300.00 Per Helicopter	\$200.00 - \$400.00 Per Helicopter	\$300.00 per day \$750.00 per week	\$400.00 per day \$1,000.00 per week

December 12, 2018

SECTION 4. 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 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 Information Sheet

File #: 18-1325

Item #: 36.

STRATEGIC PRIORITY: Human and Social Needs

AGENDA DATE: December 12, 2018

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Community Care

EXECUTIVE: Nadia Chandler-Hardy

SUBJECT

Authorize the **(1)** to rescind Resolution No. 18-1368, previously approved on September 26, 2018, for the acceptance of a donation in the amount of \$75,000.00 from TXU Energy to provide temporary financial assistance through the Martin Luther King, Jr. Community Center to individuals and families who are experiencing a temporary financial crisis; **(42)** the acceptance of donations in an amount not to exceed ~~\$50,000.00~~ \$125,000.00 in the ~~WDMPC~~ WDMPC Energy Emergency Assistance Fund from TXU Energy to provide temporary financial assistance through the West Dallas Multipurpose Center and the Martin Luther King, Jr. Community Center to individuals and families who are experiencing a temporary financial crisis; **(23)** the receipt and deposit of funds in an amount not to exceed ~~\$50,000.00~~ \$125,000.00 in the ~~WDPMC OCC~~ WDMPC Energy Emergency Assistance Fund; and **(34)** the establishment of appropriations in an amount not to exceed ~~\$50,000.00~~ \$125,000.00 in the ~~WDMPC~~ WDMPC OCC Energy Emergency Assistance Fund - Not to exceed ~~\$50,000.00~~ \$125,000.00 - Financing: ~~WDMPC~~ WDMPC OCC Energy Emergency Assistance Fund

BACKGROUND

TXU Energy and the City of Dallas recognized the need for providing charitable energy assistance to persons in financial distress to help reduce energy related costs essential to their health and welfare. TXU Energy developed the TXU Energy Aid Program as a supplement to government and community aid programs designed to assist individuals in financial distress to reduce energy related costs.

In March 2010, TXU Energy entered into an Energy Aid Agreement with the West Dallas Multipurpose Center and the Martin Luther King, Jr. Community Center to provide charitable assistance to individuals that are TXU Energy customers needing energy efficiency assistance services. Energy Aid will be delivered as a component of the emergency financial assistance services available through the Social Services Programs at the West Dallas Multipurpose Center and Martin Luther King, Jr. Community Center.

TXU Energy provides grant funds, or in certain cases, products in lieu of grant funds to both Centers.

The TXU Energy Aid Program is funded by voluntary contributions from TXU Energy. Through this program, the average assistance per client for utility bill payments will be \$700.00 - \$900.00 with approximately 628 persons served.

To participate in the program, the client must be a current TXU Energy customer and have a TXU Energy bill that is past due. There are no income limits or age restrictions to receive assistance.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On January 22, 2014, City Council accepted a donation from TXU Energy to provide temporary financial assistance to individuals and families who are experiencing a temporary financial crisis by Resolution No. 14-0245.

On January 13, 2016, City Council accepted a donation from TXU Energy, to provide temporary financial assistance through the West Dallas Multipurpose Center and the Martin Luther King, Jr. Community Center, to individuals and families who are experiencing a temporary financial crisis by Resolution No. 16-0078.

Information about this item will be provided to the Human and Social Needs Committee on December 3, 2018.

FISCAL INFORMATION

~~WDMPC~~ OCC Energy Emergency Assistance Fund - \$50,000.00 \$125,000.00

WDMPC - \$50,000.00

MLK Community Center - \$75,000.00

December 12, 2018

WHEREAS, there is a need to provide temporary financial assistance to families in need of utility assistance; and

WHEREAS, the West Dallas Multipurpose Center (WDMPC) and the Martin Luther King, Jr. Community Center (MLK) have developed a partnership with TXU Energy to provide financial assistance through the TXU Energy Aid Program.

Now, Therefore,

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

SECTION 1. That the City Manager is hereby authorized to **(1)** rescind Resolution No. 18-1368, previously approved on September 26, 2018, for the acceptance of a donation in the amount of \$75,000.00 from TXU Energy to provide temporary financial assistance through the Martin Luther King, Jr. Community Center to individuals and families who are experiencing a temporary financial crisis; and (2) accept donations in the an amount of not to exceed \$50,000.00 \$125,000.00 from TXU Energy to provide temporary financial assistance through the West Dallas Multipurpose Center and the Martin Luther King, Jr. Community Center to individuals and families who are experiencing a temporary financial crisis, approved as to form by the City Attorney.

SECTION 2. That the Chief Financial Officer is hereby authorized to receive and deposit funds from TXU Energy in an amount not to exceed ~~\$50,000.00~~ \$125,000.00 in the ~~WDMPC~~ OCC Energy Emergency Assistance Fund, Fund 0T76, Department MGT, Unit 4283, Revenue Code 8411.

SECTION 3. That the City Manager is hereby authorized to establish appropriations in an amount not to exceed \$50,000.00 in the ~~WDMPC~~ OCC Energy Emergency Assistance Fund, Fund 0T76, Department MGT, Unit 4283, Object 3099.

SECTION 4. That the City Manager is hereby authorized to establish appropriations in an amount not to exceed \$75,000.00 in the OCC Energy Emergency Assistance Fund, Fund 0T76, Department MGT, Unit 4282, Object Code 3099.

SECTION-45. That this contract is designated as Contract No. MGT-2019-00008702.

SECTION56. 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.