

Memorandum



CITY OF DALLAS

DATE February 4, 2011

TO Members of the Economic Development Committee:
Ron Natinsky (Chair), Tennell Atkins (Vice-Chair), Jerry R. Allen, Dwaine Carraway, Sheffie Kadane, Linda Koop, Ann Margolin, Steve Salazar

SUBJECT On February 9, 2011 the City Council will consider **1)** Purchase Agreement; **(2)** acquisition; and **(3)** acceptance of a charitable donation from Union Pacific Railroad Company of approximately four miles of abandoned, unimproved railroad right-of-way, between Rylie and Cloverhill Roads for the Kleberg Trail Corridor Project - Not to exceed \$310,000 (\$300,000 plus closing cost not to exceed \$10,000) - Financing: Public/Private Partnership Funds (\$260,000) and 2003 Bond Funds (\$50,000)

Background

The Mayor's Southern Dallas Task Force was formed in August 2008 to bring together local citizens and others interested in the redevelopment of southern Dallas. Thirteen "working teams" with an average of 20 persons were established. Ten teams were divided geographically throughout southern Dallas. Each team committed to engage for a 24 month period to identify and offer one action initiative that could have impact in their assigned sub geography.

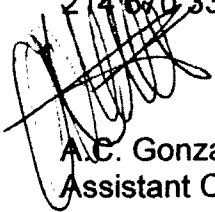
Seven of the thirteen teams identified actions that could be started and or implemented in the near term. Other teams submitted action plans for funding from future GO Bonds and/or action items that will require further development. The Mayor and the City Manager endorsed pursuit of immediate City funding for the seven action items that could be started and or implemented in the near term. Staff was assigned to identify possible funding sources for each action item.

The West Kleberg Community Team identified the "Kleberg Trail" corridor acquisition as a priority, to preserve the ability for future development of the trail. This future six-mile major trail is identified in the Dallas Trail Network Plan and will connect the Crawford Memorial Park area to the Kleberg area of Southeast Dallas.

Approximately four-mile of this trail will be located within an abandoned railroad corridor that is currently owned by the Union Pacific Railroad Company. The City of Dallas will purchase the property from Union Pacific Railroad Company at approximately \$505,000 below market value, based on an independent appraisal, which will represent a charitable donation to the city. The purchase price and closing cost of \$310,000 will be split between Park and Recreation Department and the Economic Development Department Public Private Partnership Fund (\$50,000 Park and Rec/\$260,000 PPP)

In order to manage this property in the most flexible and efficient manner until development funding is identified, it is recommended that the property not be officially dedicated as municipal park land until such time it is developed for park purposes.

Should you have any questions concerning this information, please contact me at
214 670 3314



A.C. Gonzalez
Assistant City Manager

- cc: The Honorable Mayor and Members of the City Council
- Mary K. Suhm, City Manager
- Deborah Watkins, City Secretary
- Tom Perkins, City Attorney
- Craig Kinton, City Auditor
- Judge C. Victor Lander, Administrative Judge Municipal Court
- Ryan S. Evans, First Assistant City Manager
- Forest Turner, Assistant City Manager
- Jill A. Jordan, P.E., Assistant City Manager
- Jeanne Chipperfield, Chief Financial Officer
- Karl Zavitkovsky, Director, Office of Economic Development
- Hammond Perot, Assistant Director, Office of Economic Development
- Helena Stevens-Thompson, Assistant to the City Manager