

# Memorandum

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DATE May 18, 2012

TO Members of the Economic Development Committee:  
Ann Margolin, (Vice-Chair), Monica Alonzo, Sheffie Kadane, Jerry Allen

CITY SECRETARY  
DALLAS, TEXAS

SUBJECT **Economic Development Committee**  
**Monday, May 21, 2012, 9:00 – 10:30 a.m.**  
**1500 Marilla Street, City Hall, Room 6ES, Dallas, Texas 75201**

## AGENDA

1. Approval of May 7, 2012 Minutes of the Economic Development Committee
2. "Horizon Scripted Television"  
**Executive Session**  
**(Pursuant to Section 551.071 and 551.087**  
**to deliberate and seek advice from counsel**  
**with respect of Economic Development**  
**negotiations with Horizon Scripted Television**  
Karl Zavitkovsky, Director  
Office of Economic Development  
**(Estimated time 20 minutes)**
3. Realizing Potential: Dallas Executive Airport  
Mark Duebner, Director  
Aviation  
**(Estimated time 20 minutes)**

A handwritten signature in cursive script, appearing to read 'Tennell Atkins'.

Tennell Atkins, Chair  
Economic Development Committee

- C: The Honorable Mayor and Members of the City Council  
Mary K. Suhm, City Manager  
Rosa Rios, City Secretary  
Tom Perkins, City Attorney  
Judge C. Victor Lander, Administrative Judge Municipal Court  
Craig Kinton, City Auditor  
A.C. Gonzalez, First Assistant City Manager
- Ryan S. Evans, Assistant City Manager  
Forest Turner, Assistant City Manager  
Jill A. Jordan, P.E., Assistant City Manager  
Joey Zapata, Assistant City Manager  
Jeanne Chipperfield, CFO, OFS  
Karl Zavitkovsky, Director, OED  
J. Hammond Perot, Assistant Director, OED  
Stephanie Pegues-Cooper, Asst. to the CMO

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

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



**DRAFT**

# Economic Development Committee

## Meeting Record

May 7, 2012

The Economic Development Committee meetings are recorded. Agenda materials and audiotapes may be reviewed/copied by contacting the Office of Economic Development, Staff Coordinator at 214-670-1686.

**Meeting Date:** May 7, 2012    **Meeting Start time:** 9:02 AM

**Committee Members Present:**

Tennell Atkins  
Ann Margolin  
Monica Alonzo

**Staff Present:**

Ryan Evans, *Assistant City Manager, City Managers Office*  
Karl Zavitkovsky, *Director, Office of Economic Development*  
David Cossum, *Assistant Director, Sustainable Development & Construction*  
John Rodgers, *Assistant City Attorney, City Attorney's Office*

**Other Council Members Present:**

**Other Presenters:**

Philip Jones, *President/CEO, Dallas Convention and Visitor Bureau*  
Ray Hammer, *General Manager, Sheraton Hotel*  
Kirk R. Williams, *Attorney, Winstead PC*

**1. Approval of April 2, 2012 and April 30, 2012 Special Called Meeting Minutes of the Economic Development Committee**

**Presenter(s):**

**Action Taken/Committee Recommendation(s):** Motion made to approve the minutes.

**Motion made by:** Ms. Margolin

**Motion seconded by:** Ms. Alonzo

Item passed unanimously:  X

Item passed on a divided vote:  \_

Item failed unanimously:  \_\_\_\_\_

Item failed on a divided vote:  \_\_\_\_\_

**Follow-up (if necessary):**

**2. Helping Make Dallas a Top 5 Destination-Tourism PID**

**Presenter(s):** Karl Zavitkovsky, Director, Office of Economic Development

**Action Taken/Committee Recommendation(s):** Motion made to call a public hearing on May 23, 2012

**Motion made by:** Ms. Margolin

**Motion seconded by:** Ms. Alonzo

Item passed unanimously:  X

Item passed on a divided vote:  \_\_\_\_\_

Item failed unanimously:  \_\_\_\_\_

Item failed on a divided vote:  \_\_\_\_\_

**Follow-up (if necessary):**

**3. Proposed Development Code Amendment to Subdivision Regulations**

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**Presenter(s): David Cossum, Assistant Director, Sustainable Development & Construction**

**Action Taken/Committee Recommendation(s):** Motion made to bring the item to council on June 13, 2012

**Motion made by:** Ms. Margolin

**Motion seconded by:** Ms. Alonzo

Item passed unanimously:  X

Item passed on a divided vote:  \_\_\_\_\_

Item failed unanimously:  \_\_\_\_\_

Item failed on a divided vote:  \_\_\_\_\_

**Follow-up (if necessary):**

**4. Follow Up Information on Sports Arena TIF**

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**Presenter(s): Karl Zavitkovsky, Director, Office of Economic Development**

**Action Taken/Committee Recommendation(s):** No Action Taken

**Motion made by:**

**Motion seconded by:**

Item passed unanimously:  \_\_\_\_\_

Item passed on a divided vote:  \_\_\_\_\_

Item failed unanimously:  \_\_\_\_\_

Item failed on a divided vote:  \_\_\_\_\_

**Follow-up (if necessary):**

**5. Upcoming agenda items for September 2011**

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- Amendment to TIF Development Agreement for the Lancaster Urban Village Project and related TOD TIF project Plan Amendment
- Call and Hold a public hearing to receive comments regarding the renewal of an existing Public Improvement District – South Side Public Improvement District
- Call and Hold a public hearing to receive comments regarding the renewal of an existing Public Improvement District – Uptown Public Improvement District

**Action Taken/Committee Recommendation(s):** Motion made to recommend items to council for approval.

**Motion made by:** Ms. Margolin

**Motion seconded by:** Ms. Alonzo

Item passed unanimously:  X

Item passed on a divided vote:  \_\_\_\_\_

Item failed unanimously:  \_\_\_\_\_

Item failed on a divided vote:  \_\_\_\_\_

**Follow-up (if necessary):**

**Meeting Adjourned:  10:13 AM**

**Approved By: \_\_\_\_\_**

# **Executive Session**

**Pursuant to Section 551.071 and  
551.087 to deliberate and seek advice  
from counsel with respect of Economic  
Development negotiations with Horizon  
Scripted Television**

# Memorandum



DATE May 18, 2012

TO Members of the Economic Development Committee: Tennell Atkins (Chair),  
Ann Margolin (Vice Chair) Jerry R. Allen, Sheffie Kadane, Monica Alonzo

SUBJECT **Realizing Potential: Dallas Executive Airport**

On Monday, May 21, 2012, the Economic Development Committee will be briefed on the Realizing Potential: Dallas Executive Airport.

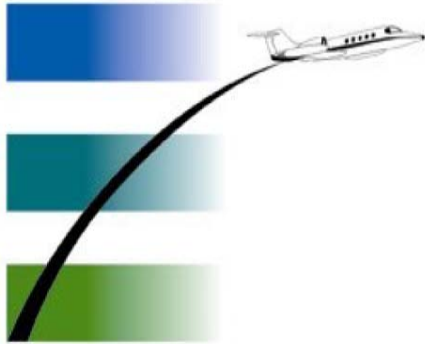
Briefing material is attached.

Should you have any questions, please contact me at (214) 670-3314.



A.C. Gonzalez  
First Assistant City Manager

C: The Honorable Mayor and Members of the City Council  
Mary K. Suhm, City Manager  
Rosa Rios, City Secretary  
Tom Perkins, City Attorney  
Craig Kinton, City Auditor  
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Ryan Evans, Assistant City Manager  
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Forest Turner, Assistant City Manager  
Joey Zapata, Assistant City Manager  
Jeanne Chipperfield, Director, Chief Financial Services  
Mark Duebner, Interim Director, Aviation  
Stephanie Pegues-Cooper, Assistant to the City Manager



**Dallas**ExecutiveAirport

# Realizing Potential:

Dallas Executive Airport

May 21, 2012

# Purpose

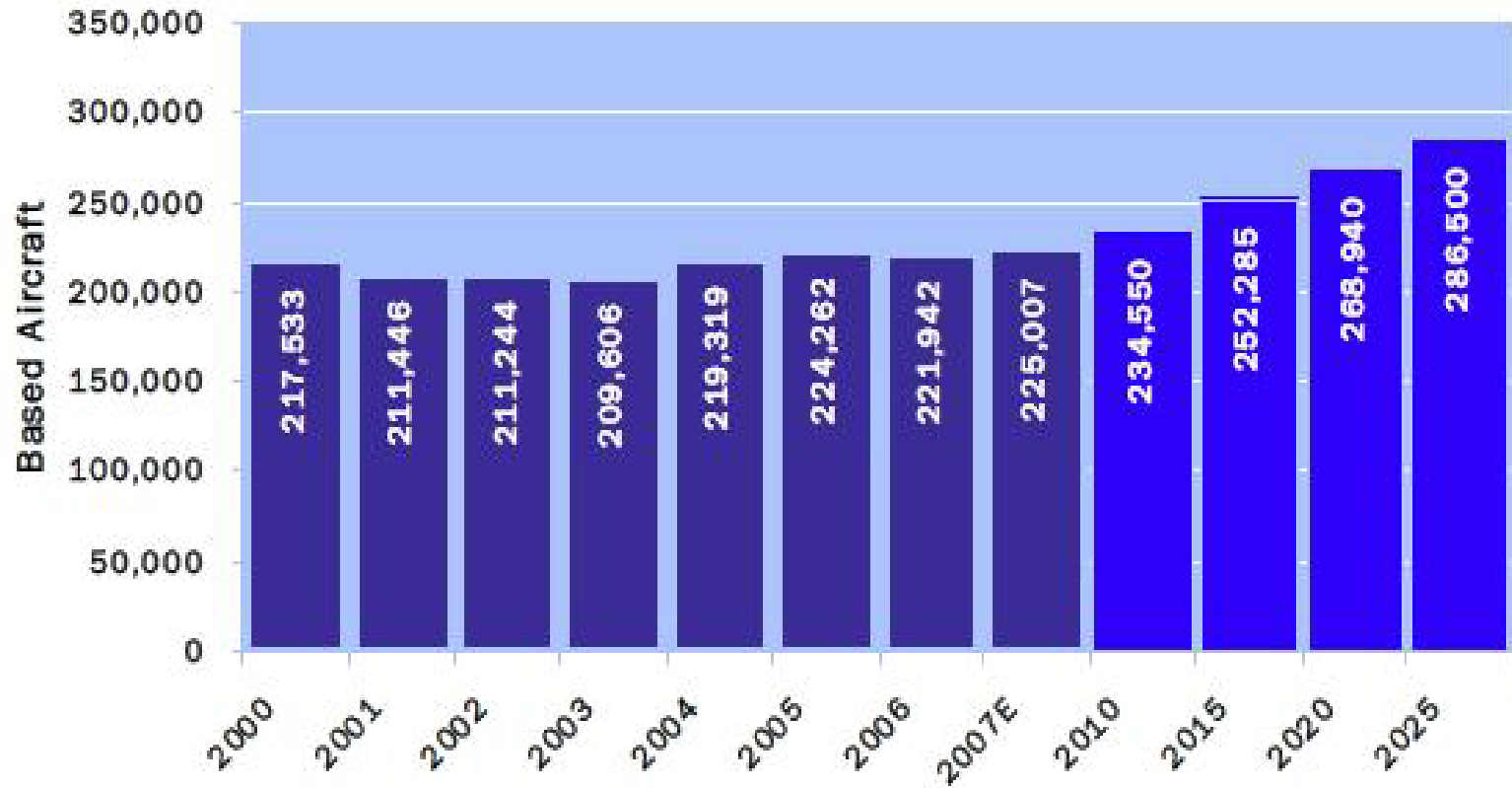
- Provide overview of general aviation in the North Texas region
- Provide detailed overview of DEA
- Demonstrate potential economic impact of Dallas Executive Airport(DEA)
- Identify factors contributing to slow growth at DEA
- Outline key strategies to move DEA into the future



# Aviation Trends

- Business aviation is one of the fastest growing facets of general aviation
  - Companies are again using aircraft as a tool to improve their businesses efficiency and productivity
  - Companies flying general aviation aircraft for business have control of their travel
  - Private aircraft can fly into destinations not served by scheduled airlines

**Exhibit 2-4: U.S. Active General Aviation and Air Taxi Aircraft**



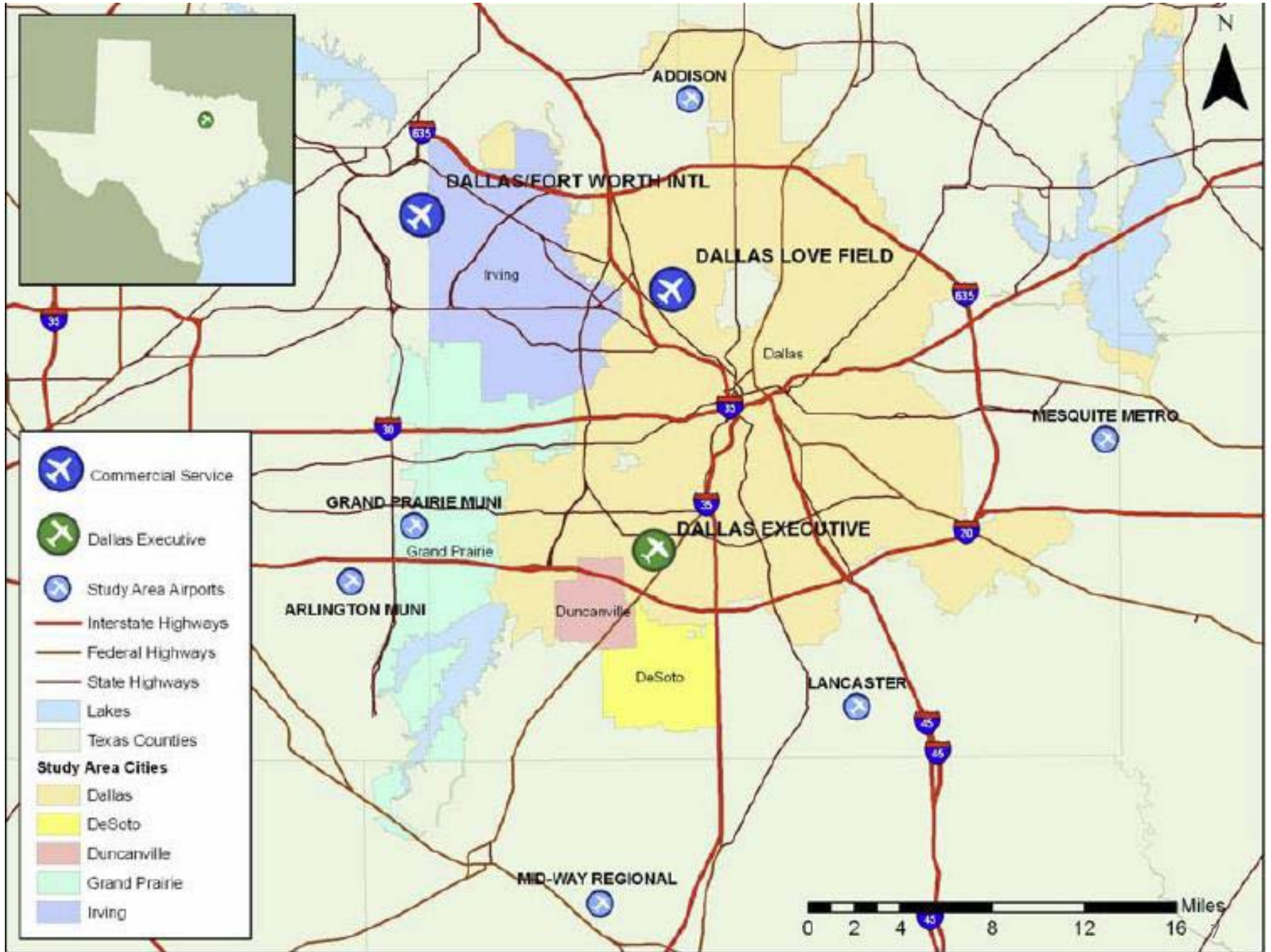
Source: FAA Aerospace Forecasts, Fiscal Years 2008-2025

# Aviation in the Region

- The Dallas region is home to a robust and diverse aviation market
- Many of the airports in the region are expanding in an effort to attract new and retain existing tenants in a competitive market
- The primary competition for Dallas Executive Airport is:
  - Addison
  - Arlington Municipal
  - Collin County Regional (McKinney)

# Aviation in the Region

- With so many airports to choose from in the region, location and infrastructure are the most important factors in a tenant's decision of where to base aircraft
  - **Arlington Municipal** serves the Ft. Worth and western Dallas areas
  - **Addison Airport** captures most of its tenants and business activity from the growing north Dallas market
  - **Collin County Regional** continues to expand with the growing north Texas market
  - **Dallas Executive Airport** is key to the economic development for the Southern Sector of Dallas and serves the southern side of the Dallas Market



# Comparison

- These competing airports to Dallas Executive Airport have similar airport facility characteristics such as:
  - Precision approaches
  - Air Traffic Control Tower,
  - Affordable Jet Fuel pricing
  - First Class Fixed Based Operator(FBO) services
- All of these factors attract the same client base

# Background

- Dallas Executive Airport occupies 1,040 acres of land, with two concrete runways:
  - 13/31 measuring 6,451 feet in length and 150 feet wide.
  - 17/35 measuring 3,800 feet in length and 150 feet wide.
- Dallas Executive Airport is fully equipped with an air traffic control tower, a full instrument landing system, and all of the necessary aeronautical lighting, airport markings and air navigation radio aids to ensure accessibility to aircraft even under highly adverse weather conditions
  - Tower open from 0700 to 2100 daily

# Background

- The service level for Dallas Executive Airport has been established and defined by the National Plan of Integrated Airport Systems (NPIAS),
  - Identifies DEA as airport important to National Transportation System
- Allows DEA eligible to receive grants under the Airport Improvement Program (AIP) for airport capital improvements and infrastructure development



# Aerial View



# Advantages

- Two full service fixed base operators (FBO's) provide general aviation users with a wide variety of services including meeting rooms, car rentals, limousine service, fuel, maintenance, hangar rentals, and charters
- Full fire service protection
  - ARFF Index B capable - 24 hours

# Advantages

- Terminal Building
  - Constructed in 2005
  - Full service with passenger lounge, administrative offices, and pilot facilities
- Business Conference Center – with Main Hall Occupancy of 75, as well as break out rooms
- Restaurant

# Advantages

- The Airport has good existing airside facilities to support general aviation and business related activity
- Excellent location in Southern Dallas with good proximity to transportation, higher education, and other commercial areas
- Approximately 50 acres currently developed with combination of aviation, commercial, and governmental use
- DEAh has more developable land (480 acres) than any other general aviation airport in the Dallas region

# Advantages

## Flight Time:

- Immediately outside Class B airspace (congested commercial airspace that DFW + Love Field + Addison occupy)
  - Example: During the Super Bowl, Dallas Executive Airport was the closest airport to Cowboys Stadium allowed to operate during that event
- Air Traffic Controlled Field - Class D
- No delays – 20 minute turn around for aircraft
- Low fuel prices

## Drive Time:

- 10 minutes to Downtown Dallas
- 23 minutes to the Cowboy Stadium and The Ballpark in Arlington
- 20 minutes to Lone Star Park
- 20 minutes to Galleria Mall
- Easy access to I-20, I-30, I-35E, I-45, US-67 and Loop 12

# Disadvantages

- Dallas executive has some disadvantages over the competition, and needs to invest in improvements to attract and retain customers
  - Runway length under 7000' is a liability for larger aircraft insurance
  - Large amount of unproductive acreage requires maintenance expense

Competing General Aviation Airport Analysis			
Airport/Tower	Runways	Size	Navigation Aids
Dallas Executive: Yes	Rwy 13/31: 6451'X150' Rwy 17/35: 3800'X150'	1040 Acres	ILS, PAPI, VASI
Addison: Yes	Rwy 15/33 7202'X100'	373 Acres	ILS, VASI
Arlington: Yes	Rwy 16/34 6080'X100'	500 Acres	VASI
McKinney: No	Rwy 17/35 5999'X100'	350Acres	ILS, PAPI

# Challenges

- DEA has been hampered in its development due to misperceptions
- Infrastructure and physical improvements to the airport need additional funding
- DEA has suffered from changing development strategies
- Some vacant developed facilities, i.e. hangers

# Economic Potential

- Why should the City invest in Dallas Executive Airport now?
  - Development on the 480 acres available at Dallas Executive Airport:
    - Aviation Revenue – estimated \$2.9 million
    - Property tax Revenue – estimated \$1.85 million
  - This represents real opportunity for DEA to drive additional investment in the Southern Sector



# Economic Potential

- By seeking available grant funding, DEA can maximize its investment:
  - TxDOT Airfield infrastructure grants are typically “90/10” grants, where the City would only be responsible for 10% of the project costs
  - Other infrastructure development can be captured through state and federal matching grants, with City responsible for 25% of project costs

# Future of DEA

- In order to effect change at DEA, will be important to have a comprehensive approach
- All aspects of the airport have to be considered as a whole
- Multiple aspects can be worked on concurrently
- All constituent groups must be included in this process for success

# Activity Currently Underway at Dallas Executive Airport

# Master Planning

- City has begun master plan project to help guide development and management of DEA into the future
  - Contract awarded to Coffman & Associates -24 month duration to include:
    - Airfield Layout and Improvements
    - Study extension and overlay for both runways and related impact and cost
    - Facility Inventory
    - Rates and Charges
    - Land Development opportunities including non-aeronautical and aeronautical land use alternatives
    - Forecasting
    - Noise Contours
    - Financial Data
    - Fuel Storage

# Master Planning

- Main goal of the Master Plan will be to create an “Identity” for the airport
- Need to answer fundamental questions about what type of airport DEA should be, e.g. private jet vs. cargo and logistics airport
- From the Master Plan, the City will better be positioned to target what type of growth should be pursued
- Plan will also address compatibility issues within the airport and the surrounding community as well as Dallas as a whole

# Capital Improvement: Current Year

Leveraged State and Federal Funding: TxDOT Aviation and FAA AIP (Airport Improvement Projects).

TxDOT Funded Projects for FY 10/11 – FY11/12	Amount	Grant Type	Split	Contract Award
Master Plan Update	\$200,000	90/10	\$180K / \$20K	Coffman & Associates
Engineer/Design: Fencing, Roads, Hangar Access TW	\$555,000	90/10	\$499.5K / \$55.5K	Garver Engineering
Clearing: Brush along North Perimeter Road	\$100,000	90/10	\$90K / \$10K	Garver Engineering
Construction: Asphalt Airfield Service Road	\$550,000	50/50	\$275K / \$275K	Garver Engineering
Construction: Light Duty Perimeter Road	\$220,000	50/50	\$110K / \$110K	Garver Engineering
<b>Total Capital Improvement Cost: \$1,625,000</b>		<b>City of Dallas Cost: \$470,500</b>		

AVI CIP-Supported Projects:

Engineering/Design for the Master Drainage & Grading Plan – \$498K Project cost

# Development

- Working with Office of Economic Development to promote and recruit development
  - Joint efforts to identify and attract new business
  - Dedicated staff to assist in development activity
- Recently completed appraisal process to help set market rates for lease/ sale of property

# Marketing

- Heli-Expo 2012 – February 11-14, 2012, Dallas Convention Center –
  - *World's largest tradeshow dedicated to the International helicopter community*
  - DEA FBOs were the exclusive fuel provider for this event
  - DEA staff provided logistics and operation support for this event
  - Received excellent feedback from attendees and gathered several target for recruitment



# Moving Forward

- Action plan at Dallas Executive Airport looking strategically at the next five years, encompassing following areas:
  - *Airport Development*
  - *Capital Improvement and Funding Opportunities*
  - *Marketing*

# Action Plan-Airport Development

- Near term action items (3-6months):
  - Continue partnership with Office of Economic Development – work to identify and leverage other economic development efforts surrounding airport including dedicated Economic Development staff to focus on DAE
  - Develop Airport Property Parcel GIS locating all available utilities for potential clients
  - Work to identify infrastructure with utility providers to develop grid maps for cable, fiber, water, electric, gas and sewage lines; prepares parcels for “shovel ready” development
  - Attend NTCAR (North Texas Commercial Association of Realtors ) annually for developing relationships with commercial brokers
  - Continue participation in the North Texas Commission Aviation Marketing Committee

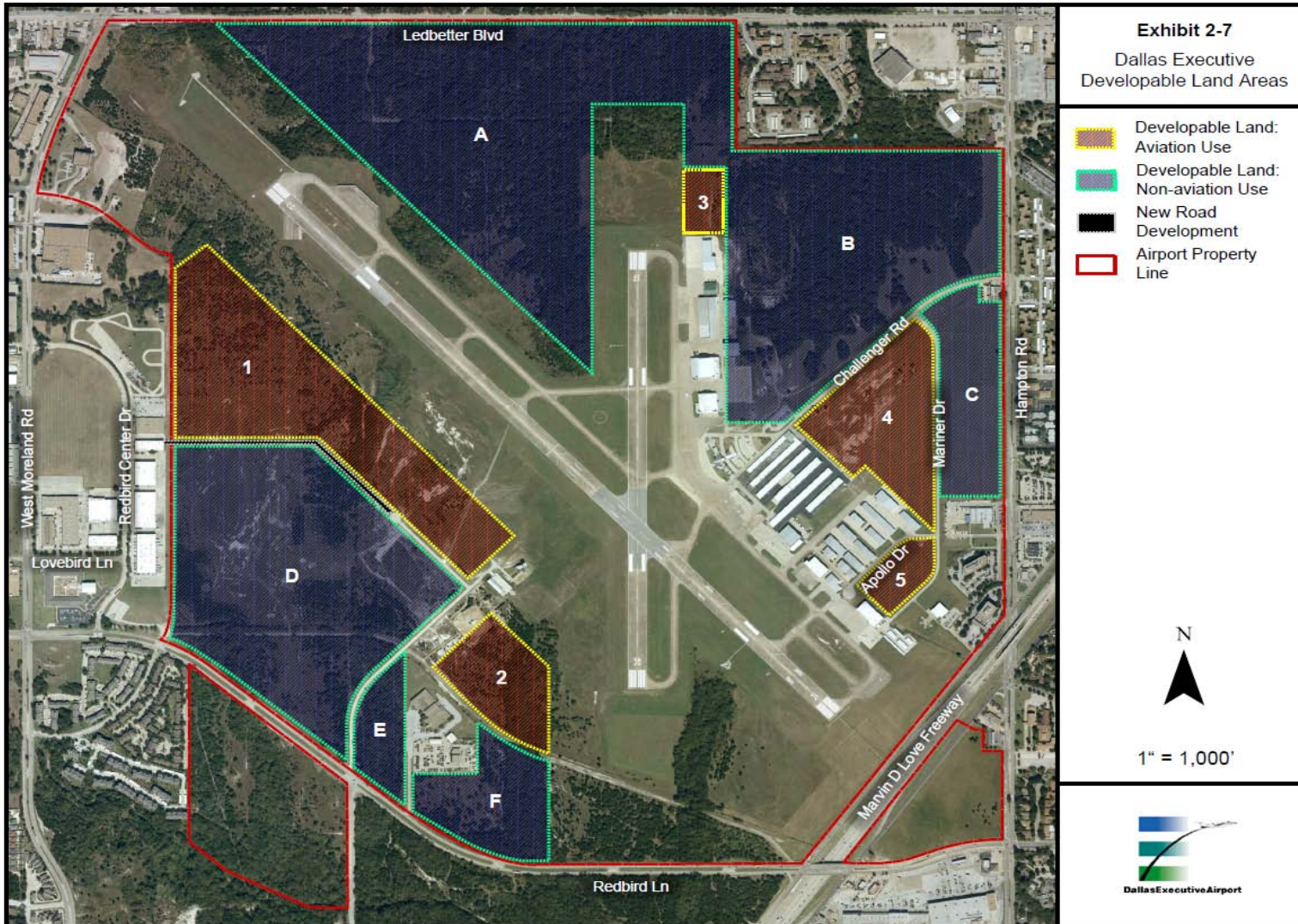
# Action Plan-Airport Development

- Mid term action items (6-12 months):
  - Work with various local Chambers and business groups to identify potential private developers
  - Create database
  - Host “Development Roundtable” with potential developers to gain insight into what steps airport can take to make development more attractive
  - Increase attendance and visibility at Aviation Business Conferences
    - NBAA
    - Schedulers and Dispatchers
    - Texas Aviation Conferences
    - Texas Airport Council
    - Other conferences when identified as appropriate

# Action Plan-Airport Development

- Long term action items (12-36 months):
  - Develop and conduct survey of potential tenants regarding deficiencies, real and perceived, to increasing development at the airport
  - Pursue the addition of a stop light at the corner of Hampton Road & Challenger Drive
  - Create a safe ingress and egress onto airport property
  - Increase response time by DFD Station #49
  - Explore street name change of Red Bird Lane
  - Consult with the Sustainable Development and Construction Department
  - Research alternative use of property for commercial ventures i.e. solar farm, cargo containment, maximizing Free Trade Zone position, and production facilities

# Action Plan-Airport Development



# Action Plan-Capital Improvement

TxDOT Funded Projects for FY 12/13 - FY13/14	Amount	Grant Type	Split	Contract Award
Airfield Pavement Evaluation & Rehabilitation	\$4,318,000	90/10	\$3,878.2M / \$431.8K	Garver Engineering
Airfield Pavement Rehabilitation – Phase 2	\$3,000,000	90/10	\$2,565M/\$300K	TBD
Taxilane Romeo - Construction	\$565,000	90/10	\$358.5K/\$56.5K	Garver Engineering
Apron Island Improvements – Design & Construction	\$1,650,000	90/10	\$1,485M/\$165K	Garver Engineering
Airfield LED Electrical Upgrades – Design & Construction	\$1,420,000	90/10	\$1,278M / \$142K	Garver Engineering
Fuel Farm - Design & Construction	\$1,630,000	75/25 ≤\$600K	\$450K / \$1,180M	TBD
<b>Total Capital Improvement Cost: \$12,583,000</b>		<b>City of Dallas Cost: \$2,275,300</b>		

AVI Funded CIP:

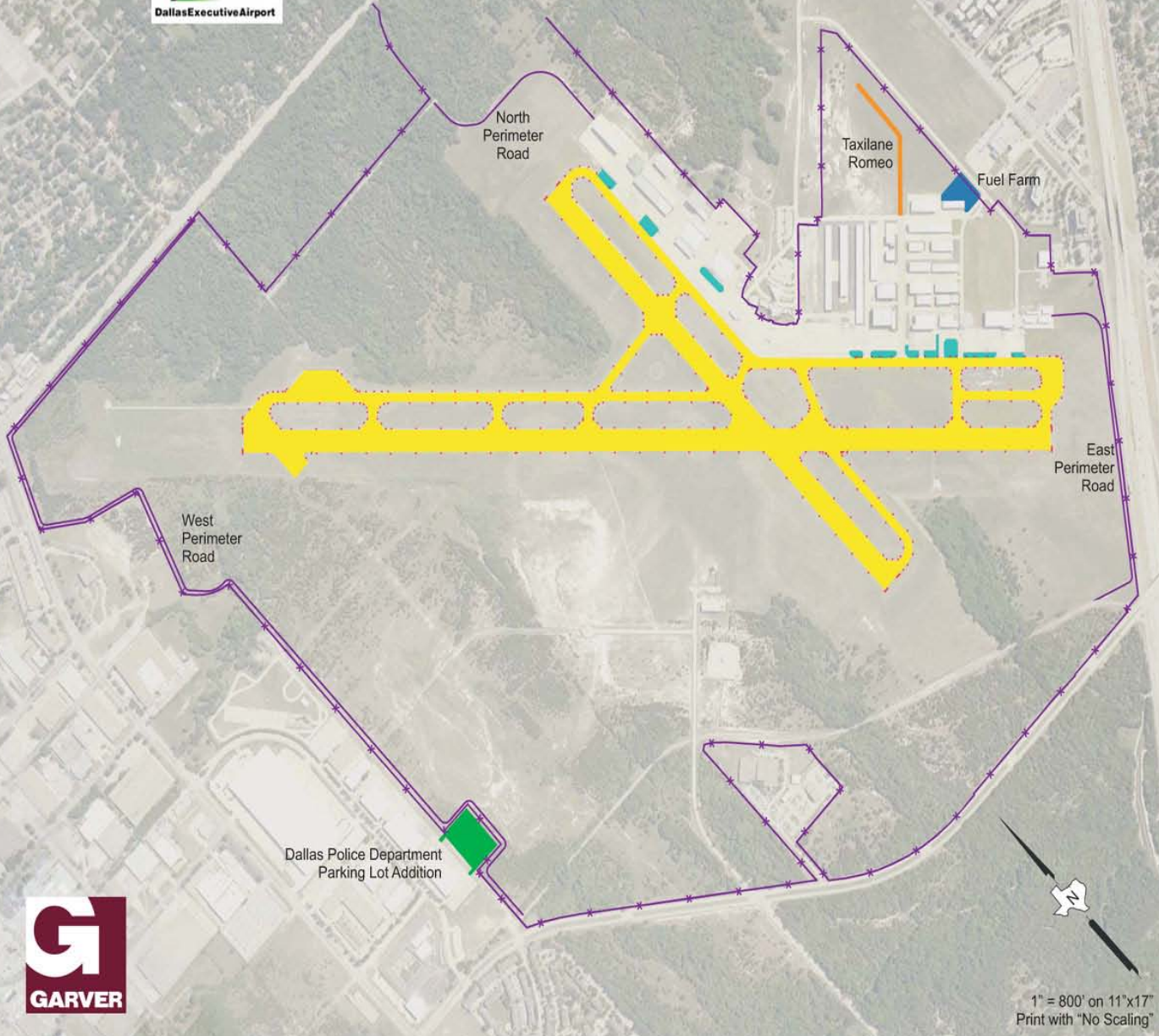
Dallas Police Department Parking Lot Addition- Design & Construction \$140,000.00



# Dallas Executive Airport



## 2012-2014 Capital Improvement Plan



**Dallas Police Department Parking Lot Addition**  
Total: \$140,000 (FY 2012)

- Engineering Services
- Construct Gravel parking lot with a minimum of 200 parking spaces

**Airfield Pavement Rehabilitation**  
Total: \$7,318,000 (FY 2012-2014)

- Perform non-destructive and destructive pavement testing, and evaluate the structure life of the existing pavement
- Pavement rehabilitation design
- Rehabilitate and reconstruct pavement determined from the evaluation

**Perimeter Fence & Perimeter Road**  
Total: \$1,725,000 (FY 2012)

- Replace existing perimeter fence and gates
- Construct perimeter road

**Taxilane Romeo**  
Total: \$565,000 (FY 2013)

- Construct Taxilane Romeo extension into proposed hangar development

**Apron Island Improvements**  
Total: \$1,650,000 (FY 2013)

- Engineering Services
- Fill-in grass islands between Taxiway Alpha and the existing aprons

**Airfield LED Electrical Improvements**  
Total: \$1,420,000 (FY 2013-2014)

- Engineering Services for upgrade to LED fixtures and signs for both runways and all taxiways
- Install LED fixtures and signs on both runways and all taxiways

**Fuel Farm Construction**  
Total: \$1,630,000 (FY 2013-2014)

- Site Design
- Environmental Assessment
- Engineering Services
- Construct Fuel Farm







# Action Plan-Capital Improvement

- **Near term action items (3-6months) :**
  - AVI Staff will seek to garner additional grant funding opportunities from TxDOT
    - Set meetings with TxDOT Aviation Offices in Austin and key State officials to promote DEA and garner support for increased funding
  - Make needed repairs and improvements to existing airfield infrastructure, i.e. RWY 13/31 and RWY 17/35 and associated taxiways
    - \$4M currently earmarked by TxDOT for Dallas Executive CIP Program, should be awarded next fiscal year
  - Upgrade airfield lighting to LED to comply with current FAA standards and decrease energy footprint
    - Creates 40% savings in energy costs
  - Drainage improvements on the west side of airport property
  - Other projects as identified by the Master Plan Study

# Action Plan-Capital Improvement

- Mid term action items (6-12 months) :
  - Increase revenues through airport development
  - Review rates & charges program and lease terms
  - Investigate feasibility of additional funding mechanisms such as bond funding and other economic incentives such as new market tax credits and EB-5 capital
- Long term action items (12-36 months) :
  - Begin to divest non- aeronautical real estate portfolio to create capital pool and leverage private capital investments

# Action Plan-Marketing

- Near term action items (3-6months) :
  - Enhance DEA Website Development
  - Utilize Google Analytics
  - Create survey/Feedback Templates
  - Develop Social Media Feeds
  - Build user-friendly data fields to enable staff to input current airport conditions, special events, etc.
  - Create high quality marketing materials for aviation and non-aviation development opportunities
  - Increase travel budget to attend marketing events and conference to solicit business interest

# Action Plan-Marketing

- Mid term action items (6-12 months) :
  - Increase print media and Web-Based advertising in the following:
    - AOPA (Aircraft Owners and Pilots Association)
    - Flying Magazine
    - FlightAware.com
    - NBAA.org
  - Create DEA hosted Air Show
    - Target date : Spring of 2013
    - One Day event with 2-3 hours air show, vendors, booths, entertainment
    - Anticipated attendance approximately 8000
    - Preliminary estimated cost approximately \$30,000

# Action Plan-Marketing

- Long term action items (12-36 months):
  - Develop comprehensive marketing plan
  - Create strategy to overcome misperceptions regarding airport location and surrounding area
  - Target users of major attractions, i.e. Lone Star Park, Cowboy Stadium, etc.

# Conclusion

- Dallas Executive Airport represents a significant investment for the City that offers many development opportunities
- To realize this potential, the City needs to:
  - Move forward with the ongoing Master Planning effort currently underway
  - Implement the development, capital improvements, and marketing outlined action steps
  - Begin immediately