

Memorandum

DATE June 14, 2013

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

SUBJECT **Economic Development Committee**
Monday, June 17, 2013, 9:00 – 10:30 a.m.
1500 Marilla Street, City Hall, Room 6ES, Dallas, Texas 75201



CITY OF DALLAS

CITY SECRETARY
DALLAS, TEXAS

2013 JUN 13 AM 11:23

RECEIVED

AGENDA

1. Approval of June 3, 2013 Minutes of the Economic Development Committee
2. Creation of Klyde Warren Park
Public Improvement District
Karl Zavitkovsky, Director,
Office of Economic Development
(Estimated time 20 minutes)
3. Dallas Entrepreneur Center:
Accelerating Startups in Dallas
Karl Zavitkovsky, Director,
Office of Economic Development
(Estimated time 20 minutes)
4. Upcoming agenda items
 - Kohl's Department Stores, Inc. Project
 - Arboretum Village
 - Authorize First TIF Development Agreement for Farmers Market Improvements
 - North Parking Garage Development Agreement Amendment

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 Jr., City Attorney
Judge Daniel Solis, Administrative Judge Municipal Court
Craig Kinton, City Auditor
A.C. Gonzalez, First Assistant City Manager

Ryan S. Evans, Assistant City Manager
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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

Note: A quorum of the Dallas City Council may attend this Council Committee meeting.

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.

Economic Development Committee DRAFT

Meeting Record

June 3, 2013

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: June 3, 2013 **Meeting Start time:** 9:01 AM

Committee Members Present:

Tennell Atkins
Monica Alonzo
Sheffie Kadane

Other Council Members Present:

Staff Present:

Ryan Evans, Assistant City Manager, City Managers Office
Karl Zavitkovsky, Director, Office of Economic Development
Hammond Perot, Director, Office of Economic Development
Karl Stundins, Manager, Office of Economic Development

Other Presenters:

Scott Dykema, Manager, Richards Group
Jon Napper, Managing Partner, Courtland Development

1. Approval of May 20, 2013 Minutes of the Economic Development Committee

Presenter(s):

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

Motion made by: Mr. Kadane

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. Call and Hold a public hearing to receive comments regarding the renewal of Deep Ellum Public Improvement District

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

Action Taken/Committee Recommendation(s): Motion made to recommend item to full council for approval

Motion made by: Mr. Kadane

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. Authorize a Multiple Use Agreement with the Texas Department of Transportation (TXDOT) to cross underneath the IH-35E right-of-way to construct and maintain the Edison/Hi Line Sustainable Development Infrastructure Project

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

Action Taken/Committee Recommendation(s): Motion made to recommend item to full council for approval

Motion made by: Ms. Alonzo
Item passed unanimously: X

Item failed unanimously:

Follow-up (if necessary):

Motion seconded by: Mr. Kadane
Item passed on a divided vote:

Item failed on a divided vote:

4. The Richards Group / SBR Real Estate Holdings, LP

Presenter(s): Hammond Perot, Assistant Director, Office of Economic Development

Action Taken/Committee Recommendation(s): Motion made to recommend item to full council for approval

Motion made by: Ms. Alonzo
Item passed unanimously: X

Item failed unanimously:

Follow-up (if necessary):

Motion seconded by: Mr. Kadane
Item passed on a divided vote:

Item failed on a divided vote:

5. The Grocers Supply Co., Inc.

Presenter(s): Hammond Perot, Assistant Director, Office of Economic Development

Action Taken/Committee Recommendation(s): Motion made to recommend item to full council for approval

Motion made by: Mr. Kadane
Item passed unanimously: X

Item failed unanimously:

Follow-up (if necessary):

Motion seconded by: Ms. Alonzo
Item passed on a divided vote:

Item failed on a divided vote:

6. Mt. Creek Investments, Ltd.

Presenter(s): Hammond Perot, Assistant Director, Office of Economic Development

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

Motion made by: Mr. Kadane
Item passed unanimously: X

Item failed unanimously:

Follow-up (if necessary):

Motion seconded by: Ms. Alonzo
Item passed on a divided vote:

Item failed on a divided vote:

7. TCDFW Development Inc. Project

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

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

Motion made by: Mr. Kadane
Item passed unanimously: X

Item failed unanimously:

Follow-up (if necessary):

Motion seconded by: Ms. Alonzo
Item passed on a divided vote:

Item failed on a divided vote:

June 3, 2013

ED Committee Meeting Record – Page 2 of 2

Meeting Adjourned: 9:35AM

Approved By: _____

Memorandum



DATE June 14, 2013

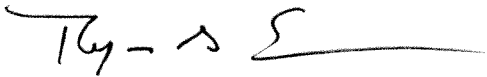
TO Members of the Economic Development Committee: Tennell Atkins (Chair), Ann Margolin (Vice Chair) Jerry R. Allen, Sheffie Kadane, Monica Alonzo

SUBJECT **Creation of Klyde Warren Park Public Improvement District**

On Monday, June 17, 2013 the Economic Development Committee will be briefed on the proposed creation of the Klyde Warren Park Public Improvement District.

Briefing material is attached.

Should you have any questions, please contact me at (214) 670-3296.



Ryan S. Evans
Assistant City Manager

C: The Honorable Mayor and Members of the City Council
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Thomas Perkins Jr., City Attorney
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Karl Zavitkovsky, Director, Office of Economic Development
J. Hammond Perot, Assistant Director, Office of Economic Development
Stephanie Pegues-Cooper, Assistant to the City Manager

Creation of Klyde Warren Park Public Improvement District (KWPPID)

Economic Development Committee

June 17, 2013



Office of Economic Development
WWW.DALLAS-ECODEV.ORG



Purpose

- ◆ Provide the Economic Development Committee with a brief overview of the proposed Klyde Warren Park Public Improvement District (KWPPID) located in the area north and south of Woodall Rodgers Freeway generally between Field Street and the eastern edge of the CBD
- ◆ Request approval for Council action on the following items:
 - June 26, 2013 - Call public hearing to be held on August 14, 2013 to consider creation of the KWPPID
 - August 14, 2013 - Hold public hearing and consider creation of the KWPPID

Public Improvement Districts (PIDs)

Background

- ◆ Public Improvement Districts (PIDs) are special assessment areas created at the request of the property owners for enhanced services like: marketing and promotion, additional security, landscaping and lighting, and cultural or recreational improvements. Property owners pay a special annual assessment used to fund eligible PID expenditures
- ◆ The City of Dallas currently has ten PIDs (and one additional PID pending Council approval) located throughout the City:
 - Deep Ellum PID
 - DID – Dallas Downtown Improvement District
 - Knox Street PID
 - Lake Highlands PID
 - Oak Lawn – Hi Line PID
 - Prestonwood PID
 - Southside PID
 - Uptown PID
 - Vickery Meadow PID
 - Tourism PID
 - University Crossing

- ◆ A summary of the Dallas PID Policy is contained in Appendix A

Klyde Warren Park PID

Purpose

The purpose of the KWPPID is to:

- ◆ Enhance security
- ◆ Install landscape improvements
- ◆ Promote and market activities and events in Klyde Warren Park and the Dallas Arts District
- ◆ Provide supplemental sanitation and trash pick-up services
- ◆ Provide cultural enhancement programming
- ◆ Improve public green spaces

The KWPPID is supported by the cultural institutions of the Dallas Arts District (see Appendix D)

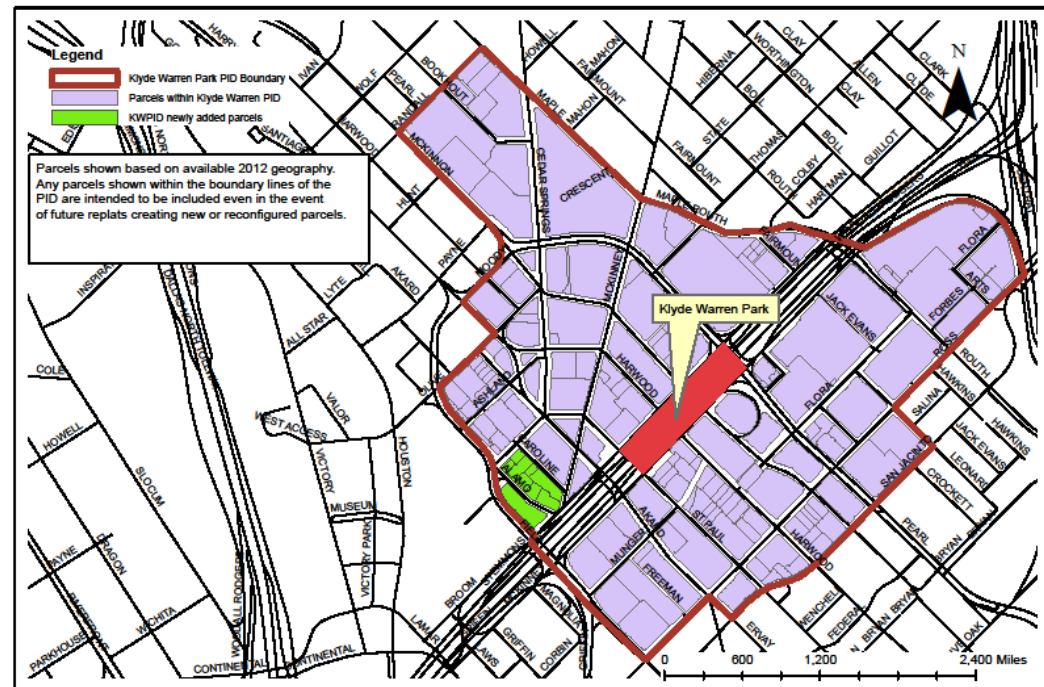


Klyde Warren Park PID

Location/Boundaries

The proposed Klyde Warren Park PID is located north and south of Woodall Rodgers Freeway surrounding Klyde Warren Park. The District extends as far north as the Crescent; east to IH-45; south to San Jacinto Street and west to Field Street, as shown in the map.

Most property in the proposed KWPPID is also located in either the DID or the Uptown PID – there is no legal prohibition for properties to be participating in two PIDs.



Proposed Klyde Warren Park
Public Improvement District (PID)
Exhibit A

City of Dallas
Office of Economic Development
www.Dallas-EcoDev.org
Created 4/2013

Klyde Warren Park PID

Creation Requirements

- ◆ Petition Requirement
 - Petition of support from owners representing at least **60% of total value** of all properties within the KWPPID
AND
 - Petition of support from **EITHER** at least **60% of record owners** of all properties within the KWPPID **OR** at least **60% of the total land area** within the KWPPID
- ◆ Applicant (Woodall Rodgers Park Foundation) submitted formal application containing:
 - Petitions
 - Map
 - Proposed Service Plan for KWPPID
 - Assessment Rate & Supporting Information

Klyde Warren Park PID Creation Requirements (continued)

- ◆ Petition received exceed minimum requirements
 - Petitions received meet minimum requirements to create a new PID:
 - 74% of property value
 - 71% of land area

Klyde Warren Park PID Review		
	Property Values ¹	Area (SF) ¹
Total Accounts within the PID	\$2,378,574,030	5,640,290
Accounts supporting the creation of the PID ²	\$1,760,113,841	3,979,896
% of Accounts supporting the creation of the PID ²	74%	71%
1. Information is based on the City of Dallas GIS 2012 parcel data.		
2. Minimum requirement for renewal/creation of a PID is 60% of value and 60% of all record Owners (or) 60% of land area.		

Klyde Warren Park PID Proposed Service Plan (continued)

KLYDE WARREN PARK PID BUDGET SERVICE PLAN 2014 TO 2020							
REVENUE	2014	2015	2016	2017	2018	2019	2020
Fund Balance from pervious year							
Net assessment revenue	\$610,490.83	\$683,749.73	\$765,799.70	\$857,695.66	\$960,619.14	\$1,075,893.44	\$1,220,981.66
TOTAL REVENUE							
EXPENDITURES							
1 Security	\$298,035.00	\$333,000.00	\$349,650.00	\$367,132.50	\$385,489.13	\$404,763.58	\$425,001.76
2 Sanitation	\$150,000.00	\$157,500.00	\$165,375.00	\$173,643.75	\$182,325.94	\$191,442.23	\$201,014.35
3 Scrubbing and power washing pavers	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
4 Water and waste disposal	\$12,000.00	\$15,527.33	\$42,527.56	\$72,775.21	\$107,000.00	\$107,000.00	\$107,000.00
Landscape improvements	\$31,000.00	\$34,100.00	\$40,920.00	\$49,104.00	\$58,924.80	\$70,709.76	\$84,851.71
Water features	\$13,406.75	\$14,747.43	\$16,222.17	\$17,844.38	\$19,628.82	\$21,591.70	\$23,750.88
5 Cultural enhancement (programs)	\$15,000.00	\$21,000.00	\$29,175.00	\$38,471.25	\$48,347.04	\$88,534.56	\$135,871.43
6 Marketing and promotion	\$15,000.00	\$19,500.00	\$25,350.00	\$32,955.00	\$42,841.50	\$64,262.25	\$96,393.38
Administration	\$30,649.08	\$36,454.97	\$43,063.97	\$50,577.77	\$59,110.52	\$68,790.38	\$81,359.26
Liability insurance and financial audit	\$30,400.00	\$31,920.00	\$33,516.00	\$35,191.80	\$36,951.39	\$38,798.96	\$40,738.91
Holiday lighting	\$5,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$15,000.00
Contingency							
TOTAL OPERATING EXPENDITURES	\$610,490.83	\$683,749.73	\$765,799.70	\$857,695.66	\$960,619.14	\$1,075,893.43	\$1,220,981.66
KWP overall budget is supporting the remaining operating cost, which is not included in the Service Plan							
1 24 hour security in KWP							
2 Trash pickup, general cleaning, graffiti control and KWP improvements							
3 Pavement (sidewalk) detail cleaning, staining and restoration							
4 PID assessment will support actual cost of water and water disposal by 2018							
5 Partial cost of European and Christmas Market, programming activities, will grow in phases							
6 Partial cost of Kiosk, free Wi-Fi, website, promotion of the district, PR and advertising							

Klyde Warren Park PID Assessment

- ◆ The proposed KWPPID assessment rate is \$0.025 per \$100.00 of appraised value as determined by the Dallas Central Appraisal District.
- ◆ Annual assessment rate shall not exceed \$0.15 per \$100.00 valuation (*there is no expectation of any rate increase above \$0.025 per \$100 valuation*).
- ◆ Assessment rate will be reviewed annually by the City Council
- ◆ Other tax exempt properties such as those owned by the City of Dallas or the Dallas Arts District non-profit entities will **not** be paying the assessment, but they will have an active voice in event coordination and marketing/promotion and will collaborate in developing and implementing an infrastructure improvement plan for the area.

Klyde Warren Park PID Management and Operation

- ◆ KWPPID will be managed by Woodall Rodgers Park Foundation, a nonprofit corporation created under the provisions of Section 501(c)(3).
- ◆ Subject to the City Council approval:
 - KWPPID will operate for seven years
 - January 1, 2014 to December 31, 2020

Recommendations

- ◆ Economic Development Committee recommendation for Council approval of:
 - June 26, 2013 (Addendum) - Call public hearing to be held on August 14, 2013 to consider creation of the KWPPID
 - August 14, 2013 - Hold public hearing and consider creation of the KWPPID

◆ Appendices

Appendix A - Dallas PID Policy

- ◆ PIDs are governed by state law (Chapter 312).
- ◆ A City policy related to local administration of the PID program was originally adopted in December 2005 and last amended on October 28, 2009.
- ◆ Property owners petition the City to create a PID. City Council approval is required to create a PID.
- ◆ PID revenue is collected as part of the standard tax collection process. To date, all PID assessments are based on property value.
- ◆ Individual PIDs are governed by property owner elected boards and managed by a specifically formed non-profit organization or homeowners' association.

Appendix A - Dallas PID Policy (cont)

- ◆ State law requires that City Council annually adopt an updated PID Service Plan, hold a public hearing and set the PID assessment rate for each district for the upcoming year.
- ◆ To create a PID, property owners petition the City Council to adopt a special assessment on all property within PID boundaries for the purpose of improving services and infrastructure with the PID boundaries.
- ◆ For new PIDs and PID renewals, the City requires that Owners representing at least 60% of the value and 60% of all record Owners or 60% of land area support the creation of a new or renewing PID.

Appendix A - Dallas PID Policy (cont)

- ◆ In new Single-Family PIDs, the City will require that Owners representing at least 66.7% of the value and 66.7% of all record Owners or 66.7% of land area support the creation of a new PID.
- ◆ In Dallas, PIDs are authorized for a period of no longer than seven (7) years with the option of renewal. The renewal process requires preparing a budget, service plan and assessment plan for the district and having property owners sign a petition supporting renewal of the PID.

Appendix A - Dallas PID Policy (cont)

- ◆ A PID application for creating or renewing a PID shall include a section that clearly identifies the benefit of the PID to the affected property owners and to the city as a whole, an assessment plan, and also evidence of insurance.
- ◆ PID applications include a map and a legal or clear description of the property included in the District.

Appendix A - Dallas PID Policy (cont)

- ◆ Most of the PIDs are in mixed-use districts but the PID policy allows for the establishment of PIDs in residential districts like Prestonwood.
- ◆ The PID Policy does NOT allow the creation of PID Districts in undeveloped subdivisions.
- ◆ PIDs are required to be self-sufficient and not adversely impact ordinary service delivery of the City.
- ◆ PIDs in Dallas will be allowed to fund any item provided by state law.

Appendix A - Dallas PID Policy (cont)

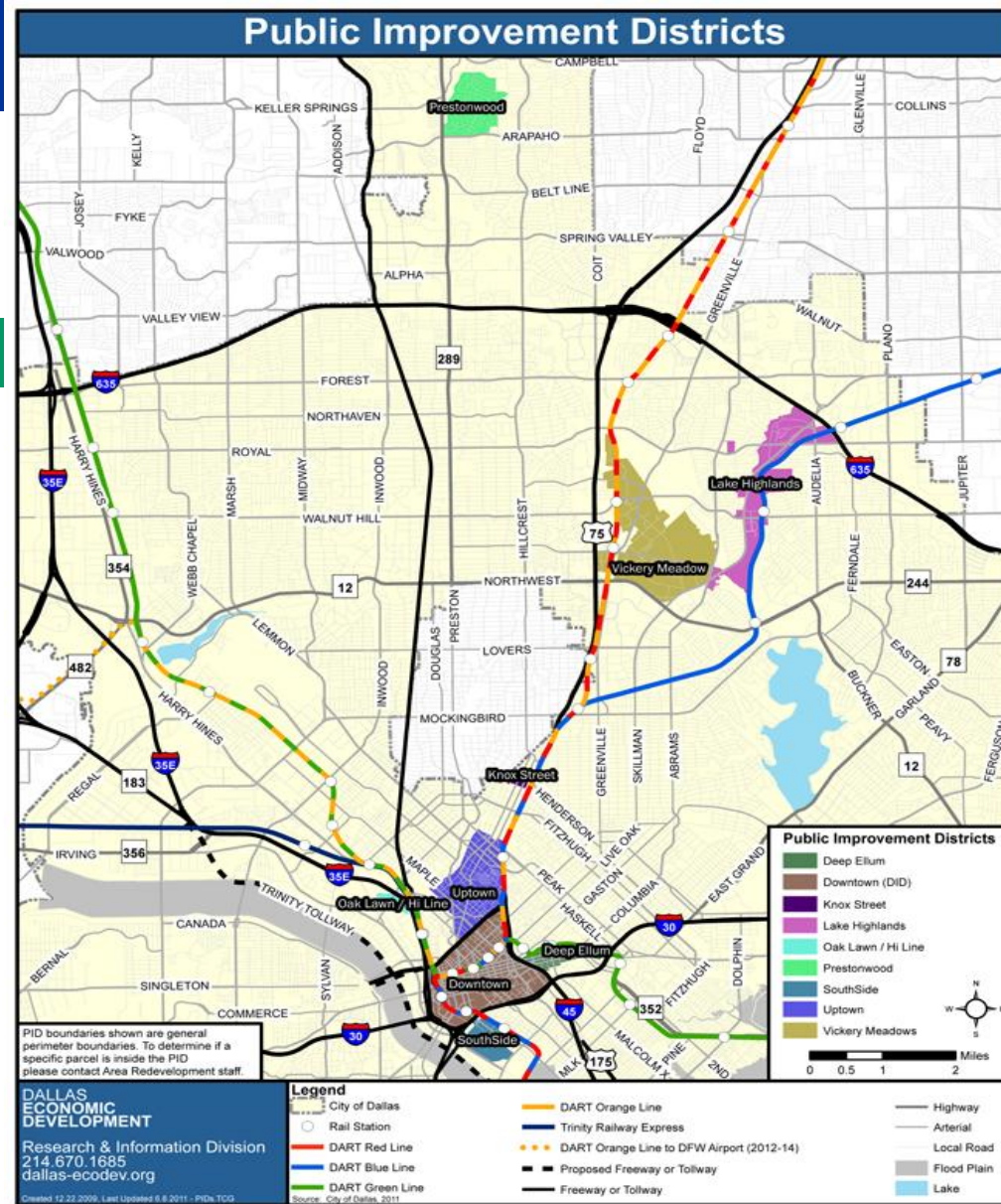
- ◆ PID assessments are typically based on a set rate applied to total property value. The maximum PID assessment in Dallas shall be \$0.15 per \$100 valuation.
- ◆ PID assessments in the Tourism PID will be a set fee based on hotel collections on rooms.
- ◆ Administrative expenses, including costs for day to day City Staff administration, for a PID are limited to **15%** of the total budget in any year.

Appendix A - Dallas PID Policy (cont)

- ◆ A PID Service Plan shall contain procedures for the termination of the PID without imposing unintended costs on the City of Dallas. A PID cannot be dissolved without a petition from property owners and must be sufficient as for creation or renewal in accordance with Chapter 372, Section 372.005(b).
- ◆ All PID management entities are required to:
 - Submit quarterly reports on activities and expenditures
 - Have an independent annual audit
 - Hold an annual open meeting with at least 2 weeks notice to all property owners for input on the budget and service plan

Appendix B – Overview of Existing PIDs

Map showing location of existing Dallas Public Improvement Districts



Appendix B - Overview of Existing PIDs (continued)

	Deep Ellum		Downtown		Knox Street		Lake Highlands	
Expiration	12-31-2013		12-31-2013		12-31-2017		12-31-2014	
Accounts	420		1901		59		976	
Value	\$141,842,860		\$4,102,475,390		\$120,166,610		\$184,466,130	
Assessment	\$170,211		\$4,881,945		\$180,250		\$239,806	
Change in value	1.2%		6.5%		-0.4%		-1.2%	
Budget	Park Impvmts., L/S Svcs.	24%	Public Safety	46%	Public Safety	0%	Public Safety	53%
	Professional Svcs.	1%	Capital Improvements	8%	Capital Improvements	69%	Improvements	19%
	Promotion	46%	Park Impvmts. L/S Services	22%	Marketing/Promotion	26%	Promotion	10%
	Audit/Insurance	7%	Administration	10%	Administration	0%	Administration	11%
	Administration	14%						
	PID Renewal Fee	8%						

Appendix B - Overview of Existing PIDs (continued)

	Oak Lawn-Hi Line		Prestonwood		South Side		Uptown	
Expiration	12-31-2016		12-31-2018		12-31-2019		12-31-2019	
Accounts	49		1032		134		2250	
Value	\$132,541,770		\$346,621,470		\$74,585,120		\$3,049,101,950	
Assessment	\$198,812		\$311,959		\$105,097		\$1,372,096	
Change in Value	32.3%		-0.4%		1.0%		10.6%	
Budget	Public Safety	41%	Public Safety	90%	Safety & Security	56%	Services (incl safety) & Promotion	38%
	Improvements	45%	Administration	3%	Improvements	20%	Capital Improvements	29%
	Promotion	1%	Audit/Insurance	7%	Business Promotion	7%	Landscape Improvements	16%
	Audit/Insurance	4%			Administration	9%	Contingency and Reserve for Griggs Park	6%
	Administration	9%			Audit/Insurance	7%	Administration	11%

Note: Total assessment values are based on properties assessed in the PIDs.

Office of Economic Development
WWW.DALLAS-ECODEV.ORG

Appendix B - Overview of Existing PIDs (continued)

	University Crossing		Vickery Meadow	
Expiration	12-31-2020		12-31-2015	
Accounts	251		2411	
Value	\$521,528,032		\$727,054,300	
Assessment	\$479,000		\$514,606	
Change in value	N/A		4.4%	
Budget	Security	35%	Community Service	11%
	Improvements	12%	Property Standards	14%
	Landscaping	25%	Safety & Security	50%
	Promotion	9%	Park Lane Improvements, Services	10%
	Audit/Insurance	4%	Audit/Insurance	2%
			Economic Devel	2%
	Administration	15%	Administration	11%

Note: Total assessment values are based on properties assessed in the PIDs.

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Appendix C - Tourism Public Improvement District Summary

- ◆ A Tourism PID (TPID) is a Public Improvement District composed solely of hotels, focused on marketing, promotional activities, improving transit connections, attracting conventions, group meetings and increasing hotel activities within Dallas.
- ◆ TPID assessment is based on two percent assessment on hotel room-nights sold at Dallas hotels with 100 or more rooms.
- ◆ Funding is used for the following expenditures:
 - **Incentives** - 50% of TPID budget used to provide incentives to bring more conventions, meetings and visitors to Dallas
 - **Marketing** - 45% of TPID budget allocated for marketing efforts
 - **Administration** - 5% of TPID budget dedicated for administrative expenses

Appendix D – Dallas Arts District Support Press Release

KLYDE WARREN PARK PID GAINS ARTS DISTRICT SUPPORT *Agreement will benefit entire Arts District*

DALLAS (June 14, 2013) -- The Dallas Arts District cultural institutions and Klyde Warren Park have agreed on a new partnership focused on collaboration and improving infrastructure in the District, including areas adjacent to the Park and the Perot Museum of Nature and Science. The agreement moves forward the proposed public improvement district (PID) for the Park.

Together the Dallas Arts District, Klyde Warren Park, and the Perot Museum of Nature and Science are attracting well over two million visitors a year to downtown Dallas. But the public streets, sidewalks, linkage and other infrastructure in the area need upgrading and improving. The stakeholders have now agreed to join forces to work in new ways for substantial improvements. This would include updating existing designs and planning and creating a master plan for the Arts District to include the Park and the Perot. At the top of the priority list is improved traffic safety around the Perot Museum and better connections to the Park and Arts District. Improving walkability and traffic safety on Pearl Street, which slices through the Arts District, are high priorities. The groups also will work to identify funding sources and set a timetable for completion.

Appendix D – Dallas Arts District Support Press Release

“This has been a very productive process, and from these discussions have come new ways to build a better Arts District, provide additional resources for all its stakeholders, and most importantly, enhance the experience all of us together provide to the public,” said Maxwell Anderson, Dallas Museum of Art Director and Chair of the nonprofit Dallas Arts District.

“We are grateful for the support of our Arts District neighbors and look forward to moving forward together through this excellent partnership,” said Jody Grant, Chairman of the Board, Klyde Warren Park. “Klyde Warren Park is in the center of a vibrant neighborhood, and we consider one of the great purposes of the park is to improve the area for everyone to enjoy.”

The proposed PID, approved by more than 70% of property owners by value in the PID’s Uptown and downtown boundaries, would assess 2½ cents per \$100 in value. The revenue, estimated to be \$600,000 the first year, would be used to support the operations of Klyde Warren Park. As part of the agreement, 10% of the annual revenue of the PID will be devoted to common purposes or programs involving the

Appendix D – Dallas Arts District Support Press Release

Park and Dallas Arts District, all of which are at the Park's discretion. The Arts District and Park will work together to create a path to a sustainable source of PID funding for the Dallas Arts District organization, which coordinates district marketing, tourism, festivals and major events, such as the 2014 New Cities Summit. Last week, the international organization announced its annual meeting will be in the Arts District and that its new Global Cultural Districts Network also will be there. Additionally, there are major events planned in the Dallas Arts District for the U.S. Conference of Mayors annual meeting next year. Separate from the PID, the Woodall Rodgers Park Foundation also has committed to actively and substantially assist with these events.

“The proposed PID for Klyde Warren Park is great news for the City of Dallas and its citizens,” said Dallas Mayor Mike Rawlings. “To have the Park and the Arts District organizations collaborating to bring more positive attention to our city, connecting the various venues, coordinating more programming, and generating additional resources for these extraordinary assets is terrific. We look forward to being a partner in this process.”

Appendix D – Dallas Arts District Support Press Release

The proposed PID must still be approved by the Dallas City Council. Once approved, the Park and the Arts District will begin work to expand the geography of the PID to include additional areas surrounding the Park and the Arts District. A future expansion would result in new money dedicated to the Arts District, leaving the original PID intact and dedicated to Klyde Warren Park. The proposed PID will come before the Dallas City Council in August. If approved, it will take effect October 1, 2013.

Memorandum



DATE June 14, 2013

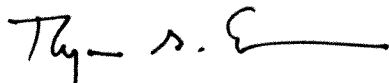
TO Members of the Economic Development Committee:
Tennell Atkins (Chair), Ann Margolin (Vice-Chair), Jerry R. Allen,
Monica Alonzo, Sheffie Kadane

SUBJECT **Dallas Entrepreneur Center: Accelerating Startups in Dallas**

On Monday, June 17, 2013, the Economic Development Committee will be briefed on the Dallas Entrepreneur Center.

Briefing material is attached.

Should you have any questions, please contact me at (214) 670-3296.



Ryan S. Evans
Assistant City Manager

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Dallas Entrepreneur Center:

Accelerating Startups in Dallas

Economic Development Committee

June 17, 2013



**DALLAS
ECONOMIC
DEVELOPMENT**

Office of Economic Development | dallas-ecodev.org



City of Dallas

Purpose

- Discuss **importance of startup** entrepreneurship for economic development
- Discuss **seed-accelerator** model of funding and mentoring startups
- Propose pilot public-private partnership with Dallas Entrepreneur Center (DEC) to support **startups** and host **new seed accelerator** programs
- Recommend Economic Development Committee approval for Council consideration on June 26th of **\$200,000** in **Public Private Partnership funds** to provide temporary support
 - Funded in **\$100,000/yr** increments for **two years**
 - **One-to-one** first year and **two-to-one** second year **matching requirement** from DEC

City Eco-related Small Business Programs

- **Business Assistance Center Program**
 - Funded by Community Development Block Grant (CDBG) from HUD
 - Intended to provide benefit for LMIs in the City through technical assistance and capacity building
- **South Dallas/Fair Park Trust Fund**
 - Facilitates economic and community development in the South Dallas / Fair Park community
 - Commercial loans to small businesses
 - Grants to non-profit social service providers
- **Southern Dallas Development Corporation**
 - City provided \$500,000 annually in 2010 and 2011 for the Southern Dallas Small Business Loan Program
 - \$600,000 revolving loan program funded by CDBG
- **Dallas Entrepreneur Network / SourceLinkDallas**
 - Concierge service to connect microbusinesses to no / low cost resources
 - Research, innovation and funding hub to pilot and scale new programs

Why support startups?

- Dallas has the **most diverse industry base** in the U.S.
 - Top five city in a dozen industries
 - Good small business reputation
- **Competitor cities** branded themselves as “startup” centers specializing in high-growth, high-tech, and quick-exit business models (e.g. Facebook, Twitter, etc.)
- Dallas’ diversity and size makes it harder for a startup brand to take hold here
- Solution is to provide a **focal point** for startup activity and attract more startups

City Contribution

- The City has an opportunity to build on its small business and entrepreneurship programs by supporting activities focused on startups
- The Dallas Entrepreneur Center (DEC) formed a relationship with VentureSpur to bring new startups companies to Dallas for mentoring, training and funding
- The City can support this through a pilot funding match to the DEC:
 - City provides limited match to funds raised by the DEC
 - Up to two year funding potential at up to \$100,000 each year
 - DEC required to:
 - Raise match of \$100,000 in year one and \$200,000 in year two
 - Host programming for Dallas residents and students
 - DEC provides a “Dallas bias” to accelerator companies which increases their likelihood of staying in Dallas after graduation.

Term sheet conditions are attached as an appendix.

What is the DEC?

- Texas nonprofit
- A location where entrepreneurs can receive training, education, mentorship, promotion and capital

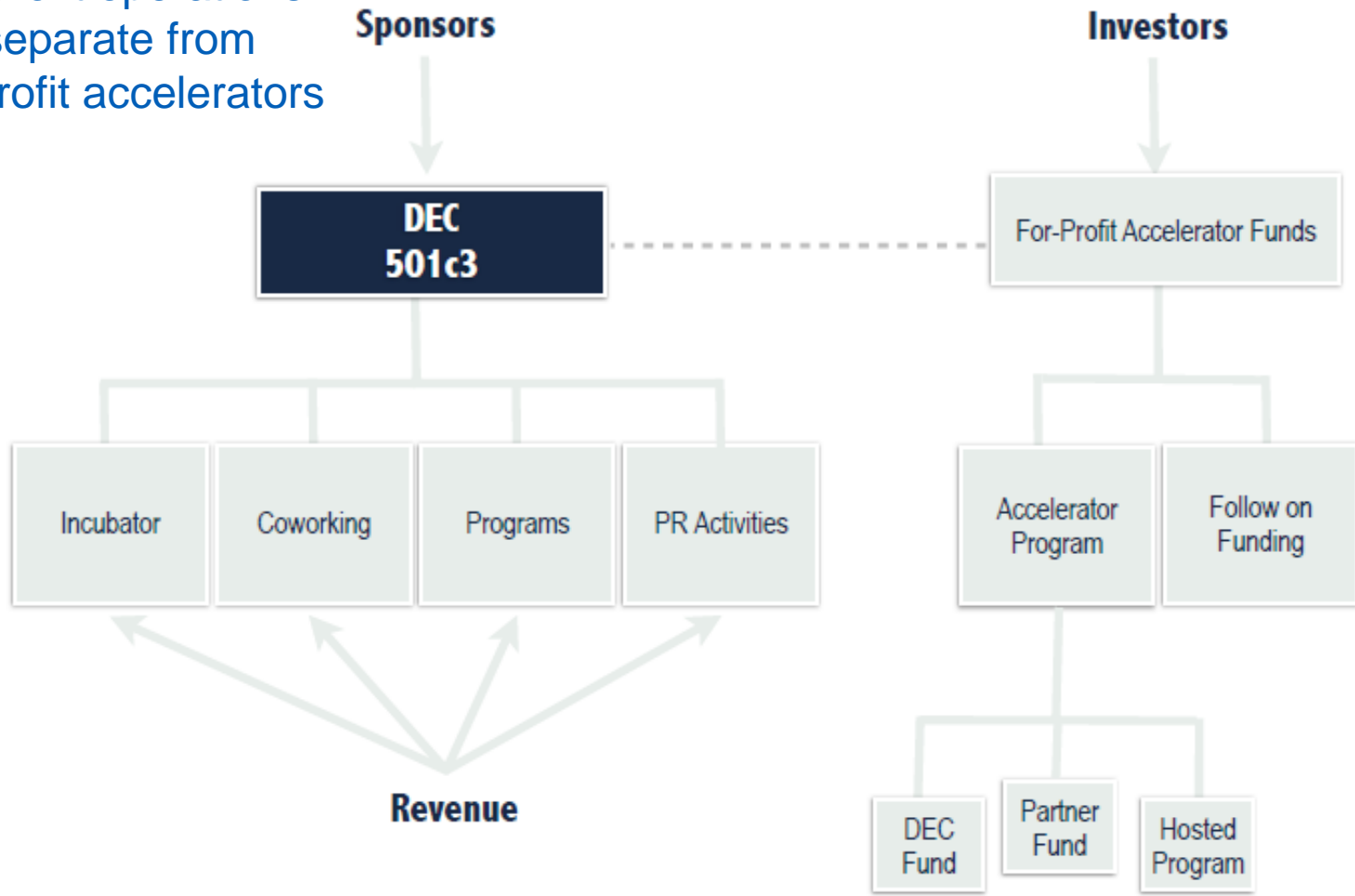
- Staffed by:
 - **Trey Bowles**, Chair, Startup America: Texas Region
 - **Jeremy Vickers**, Managing Director of Innovation, Dallas Regional Chamber
 - **Jennifer Conley**, Director, Alcatel-Lucent
 - Gravity Center



- To encourage and equip the entrepreneurial community to be one of the world's best startup ecosystems
- Programs include
 - Venture capital office hours
 - Hands on mentoring programs
 - Community educational and networking events
 - Seed Accelerator programs
 - Venture Spur in July 2013
 - A.H. Belo media accelerator

DEC Organization

Nonprofit operations
are separate from
for-profit accelerators



DEC Matching Partners



DEC Facility

- Centrally located in Design District
- A physical hub for startups in Dallas
 - Can accommodate dozens of startup companies
 - Open layout for common work areas
 - Nights and weekend space
 - Community and event space
 - Location for training and networking events
- Reduces overhead cost for seed accelerators
 - Up to four accelerators can rotate annually
 - After graduation, accelerator companies can rent coworking space at the DEC

DEC Facility



What is a Seed Accelerator?

- Mentorship, network building and seed funding
- Single industry focus (e.g. telecom software, education software)
- Accelerator company recruits investors
 - Successful entrepreneurs in the industry
 - Typical \$25K investment each
 - Vote to create a portfolio of 5-10 companies
 - Become mentors to portfolio companies
 - Funds split between accelerator administration and investment
- Companies relocate to accelerator site and enter an intensive business development program
- Graduation “pitch day” provides opportunity for companies to receive additional funding or partnerships

Venture Spur Accelerator



VentureSpur is a venture accelerator and seed capital fund dedicated to identifying and developing early-stage, high-growth ventures.

Dallas
class
begins on
Monday,
July 29th

Program Benefits

- *seed investment of \$15k
- *12 week accelerator program
- *additional investment for certain companies
- *mentor sessions (around 60 mentors)
- *education
- *training
- *events
- *pitch day to accredited investors

A.H. Belo Accelerator



A.H. Belo

DMN has agreed to be a part of the DEC's first new media accelerator.

The goal of the new media accelerator is to find new media startups that can add value to the A.H. Belo stable of companies, technologies, and content offerings. We will partner with DMN and other to create the premiere new media accelerator in America

** The recent acquisition of Belo Corp. by Gannett Co, Inc. did not include the A.H. Belo Corporation, which is separate and apart- DMN 6-13-2013*

DEC Funding & Programs

- \$221,267 first year budget, \$608,829 second year budget

Program	2013	2014
Personnel	\$ 131,767	\$ 384,829
Overhead	\$ 35,000	\$ 90,000
Events, misc.	\$ 54,500	\$ 134,000
Total	\$ 221,267	\$ 608,829

Next Steps

- Economic Development Committee approval for Council consideration on June 26th of \$200,000 for DEC operations for two years
 - Funding source: Public Private Partnership Program.
 - Overall program funded in \$100,000 increments for two years for a total of \$200,000.
 - Subject to 1:1 first year and 2:1 second year outside match.

Appendix: Term Sheet

The City of Dallas recognizes the important role startup and entrepreneurship-based programs can play to returning Dallas to a leadership position in Entrepreneurship. Accordingly, the City of Dallas agrees to prepare a Council resolution and development agreement to accomplish the following:

Permit a nonconforming application under the Public/Private Partnership Program to provide temporary accommodation to programs that support startup businesses for the purposes of training, education and mentorship activities and rental allowance.

Provide a Chapter 380 grant in an amount not to exceed \$100,000 to the Dallas Entrepreneur Center (DEC) in the first year, subject to the DEC:

- Raising \$100,000 to match to the City's first year contribution to support programming and facilities for the DEC and providing City verification of budget sources and uses,
- Hosting four of the 2013 VentureSpur portfolio companies in the City of Dallas,
- Securing a letter of intent from A.H. Belo to launch a media-focused accelerator at the DEC during the first year,
- Providing a DEC board seat to be appointed by the City Manager,
- Hosting all accelerator graduating class pitch events in the City of Dallas,
- Including SourceLinkDallas partners in their DEC event marketing distribution lists to encourage participation by City of Dallas residents, and
- Offering monthly tours of their program to City of Dallas youths.

Each time during the first year that DEC verifies that it has raised \$25,000 in matching funds, City will pay DEC \$25,000 in grant funds (not to exceed to the total grant amount for the first year), subject to DEC's ongoing compliance, as applicable, with the terms listed above.

Appendix: Term Sheet

Provided DEC has met all first year grant requirements, provide a Chapter 380 grant to the DEC in an amount not to exceed \$100,000 in the second year subject to DEC raising \$200,000 to support programming and facilities for the DEC and providing City verification of budget sources and uses

Additional continuing activities include:

- Hosting all accelerator graduating class pitch events in the City of Dallas,
- Including SourceLinkDallas partners in their DEC event marketing distribution lists to encourage participation by City of Dallas residents, and
- Offering monthly tours of their program to City of Dallas youths.

Each time during the second year that DEC verifies that it has raised \$50,000 in matching funds, City will pay DEC \$25,000 in grant funds (not to exceed the total grant amount for the second year), subject to DEC's ongoing compliance, as applicable, with the terms listed above.

All economic development incentives negotiated by City staff are subject to final approval by the City Council and the execution of a mutually satisfactory contract.

Memorandum



DATE June 14, 2013

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

SUBJECT **Kohl's Department Stores, Inc. Project; Agenda Item, June 26, 2013**

City staff has been in negotiations with Kohl's Department Stores, Inc. to create a customer contact center operation in Dallas. The company provides customer contact center services to the credit card operations and e-commerce support for the national retailer. This contact center is integral in extending the Kohl's brand by ensuring world class customer care, merchandise sales and to provide payment solutions to customers that breed loyalty and enhance the shopping experience. This site will handle credit card operation functions such as inbound customer service, back office support (such as correspondence, disputes, fraud), all phases of collections, underwriting, e-commerce order fulfillment, back-office functional support and administrative areas in technology, finance, training, quality assurance and human resources.

The company will lease approximately 230,000 square feet in two Class A office buildings, at 17655-17657 Waterview Parkway, Dallas, Texas. These building are directly adjacent to The University of Texas at Dallas' main campus and the Texas A&M AgriLife Research and Extension Center at Dallas, which are essential to their employee recruitment. These buildings have been vacant for almost four years and were recently acquired out of foreclosure. Kohl's Department Stores, Inc. will make a minimum investment of \$15,000,000 in tenant improvements to the buildings.

Kohl's Department Stores, Inc. will create a minimum of 1,000 new, permanent, non-seasonal FTE jobs in Dallas by April 15, 2018. Kohl's Department Stores, Inc. has committed to hire and train workers from socioeconomically challenged backgrounds. In addition to gainful employment and full benefits, employees receive skills training for internal promotional or future employment opportunities.

Kohl's Department Stores, Inc. seeks City Council approval of an economic development grant in an amount not to exceed \$500,000 in consideration of the creation of Kohl's Department Stores, Inc.'s customer contact center operation in Dallas.

The economic development grant will be payable in one installment corresponding to the creation of 1,000 FTE jobs on site by April 15, 2018. The Chapter 380 Economic Development Grant will be terminated in the event that the total job creation requirement is not met by April 15, 2018.

Kohl's Department Stores, Inc. will be required to maintain a total minimum employment of 1,000 permanent, non-seasonal FTE jobs in Dallas until April 15, 2023. If Kohl's Department Stores, Inc. fails to maintain the minimum job requirement, Kohl's Department Stores, Inc. will be required to repay \$500 per job under the minimum 1,000 job creation requirement not to exceed \$250,000.

The proposed agreement will result in an estimated \$1,023,322 net fiscal impact over 20-years.

The proposed project meets the minimum eligibility requirements of the Public/Private Partnership Program as adopted by the City Council in Resolution No. 12-1520 on June 13, 2012.

Should you have any questions, please contact me at (214) 670-3296.

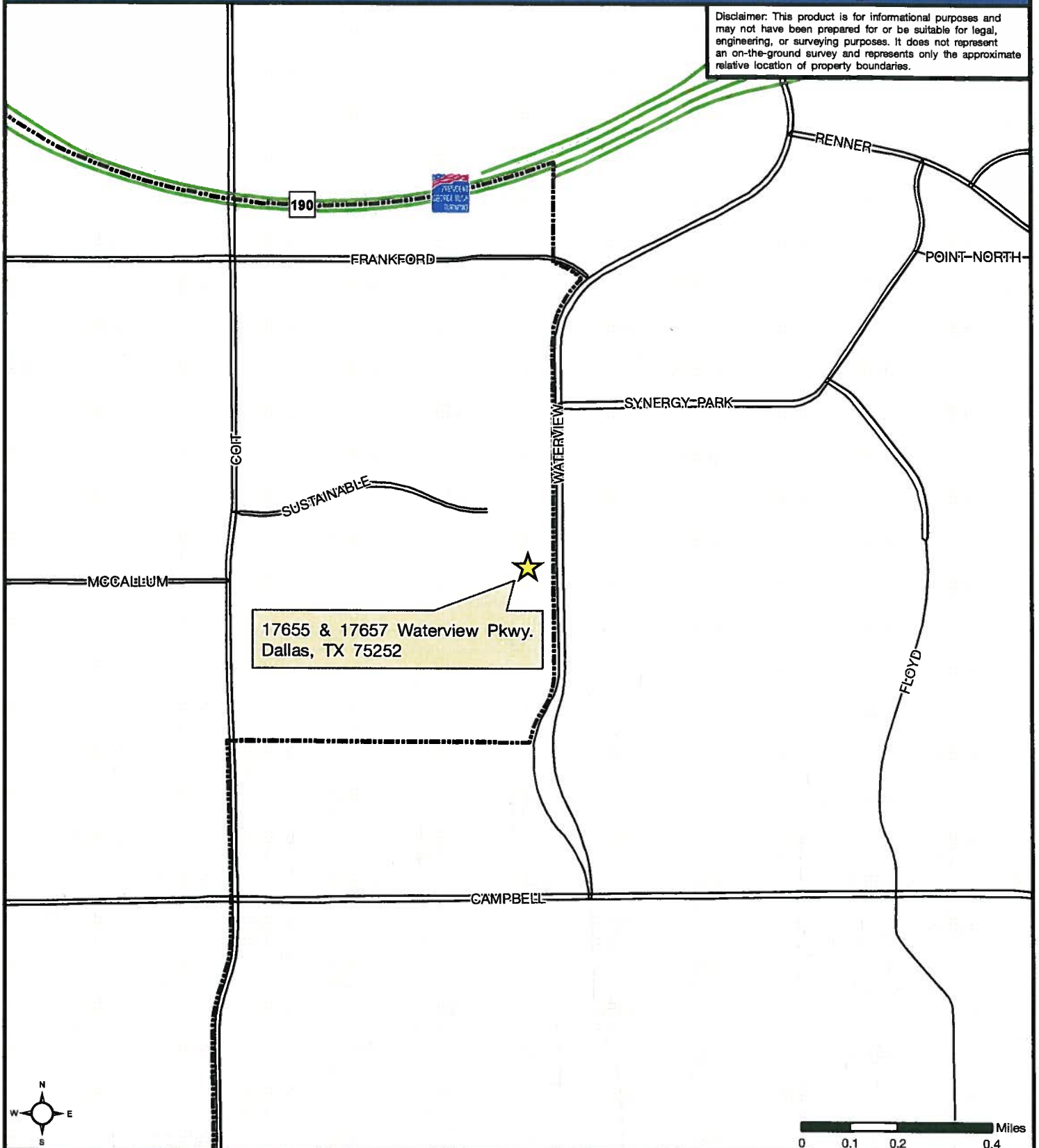


Ryan S. Evans
Assistant City Manager

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Karl Zavitkovsky, Director, Office of Economic Development
J. Hammond Perot, Assistant Director, Office of Economic Development
Stephanie Pegues-Cooper, Assistant to the City Manager

17655 & 17657 Waterview Parkway

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.



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Legend



City of Dallas



Tollway

Arterial

Local Road

Created: 4/22/2013 13:04:29 Kim Moore LCO

Source: City of Dallas, 2013

Proposed Project Information Worksheet Economic Development Committee

A. Project Summary

City Council District	12	
Project/Company Name	Kohl's Department Stores, Inc.	
Project Location	17655-17657 Waterview Parkway	
Project Type	Customer contact center	
Facilities (Square Feet)	230,000	
Construction Schedule	Begin	1-Aug-13
	Complete	31-Dec-14
Private Improvement Investment	Real Property	\$15,000,000
	Business Property	\$13,000,000
Jobs	Created	1,500
	Retained	N/A
Average Wage Rate	Salary	\$30,351
	Hourly	N/A
City Incentive Summary	Tax Abatement	N/A
	Infrastructure	N/A
	Other - Grant	\$500,000

B. Economic Impact Estimates (Dallas City Economy Only, \$ Million)

	10-Year		20-Year	
	Jobs	Economic Output	Jobs	Economic Output
Direct Impact	1500	629,538,599	1500	1,681,631,639
Indirect and Induced Impact*	900	503,630,879	900	1,345,305,311
Total Impact	2400	1,133,169,478	2400	3,026,936,950

C. City of Dallas General Fund Fiscal Impact (\$ Million)

(From direct, indirect and induced economic impacts)

	10-Year	20-Year
Total City GF Revenue Generated	12,129,228	33,455,736
Total City GF Service Costs	14,034,700	32,967,414
Net Impact Before Incentives	-1,905,472	488,322
Unemployment Adjustment	517,500	1,035,000
City Incentives	500,000	500,000
Net City Fiscal Impact	-1,887,972	1,023,322

* Indirect impacts represent supplier effects, induced impacts represent spin-off household effects.

D. Other Taxing Jurisdiction 10-yr Estimated Tax Revenue

	Property Taxes	Sales Taxes
Plano ISD	\$ 2,541,889	N/A
Collin County	\$ 444,192	N/A
CCCCD	\$ 159,722	N/A
Parkland Hospital	\$ -	N/A
DART	\$ -	N/A

Memorandum



DATE June 14, 2013

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

SUBJECT **Arboretum Village; June 26, 2013 Council Agenda**

BACKGROUND

For the past year, City staff has been in discussions with Lincoln Property Company regarding the redevelopment and expansion of the shopping center at 7301, 7305 and 7331 Gaston Avenue in Dallas. The proposed plan involves significant building improvements to the existing 79,936 square feet of space which will accommodate a new 15,000 square foot grocery anchor known as Fresh Market. In addition, the project is anticipated to result in construction of up to another 20,000 square feet of new space for restaurant or other retail based on market demand.

Gaston/Grand, Ltd., a general partner entity owned entirely by principals and executive officers of Lincoln Property Company, has acquired the property and plans to invest an additional \$10,000,000 to \$15,000,000 to make improvements and expand the shopping center. For years the shopping center has been underutilized. Recent tenants included a bingo parlor and a dance hall. These uses have been removed and another tenant, a YMCA, has been relocated across the street where it will continue to serve families in the neighborhood.

In order to qualify for City incentives, Gaston/Grand, Ltd. must secure the grocery anchor within the shopping center. Additionally, Gaston/Grand, Ltd. must invest a minimum of \$10,000,000 in project costs at the shopping center by December 31, 2015.

In order to offset substantial costs impacting the profitability of the project, the developer requests the described Economic Development Grant of \$1,000,000. City staff recommends approval of the incentives.

The terms of the proposed grant are as follows:

- A. Gaston/Grand, Ltd. must secure a grocer tenant of at least 15,000 square feet that is open by December 31, 2014; and
- B. Gaston/Grand, Ltd. must invest a minimum of \$10,000,000 in project costs at the shopping center located at 7301, 7305 and 7331 Gaston Avenue in Dallas by December 31, 2015. Project costs shall include renovations, new construction, site work, tenant relocation, tenant improvements, engineering, design and other related project soft costs.

This project conforms to Public/Private Partnership Program Guidelines and Criteria as it involves an investment of at least \$10,000,000 in the North Dallas zone.

OWNER

Gaston/Grand, Ltd.

Robert Dozier, Executive Vice President

STAFF

J. Hammond Perot, Assistant Director
Christopher O'Brien, Sr. Coordinator

MAP

Attached

RECOMMENDATION

Staff recommends approval of the subject item. Should you have any questions or concerns, please contact me at (214) 670-3296.

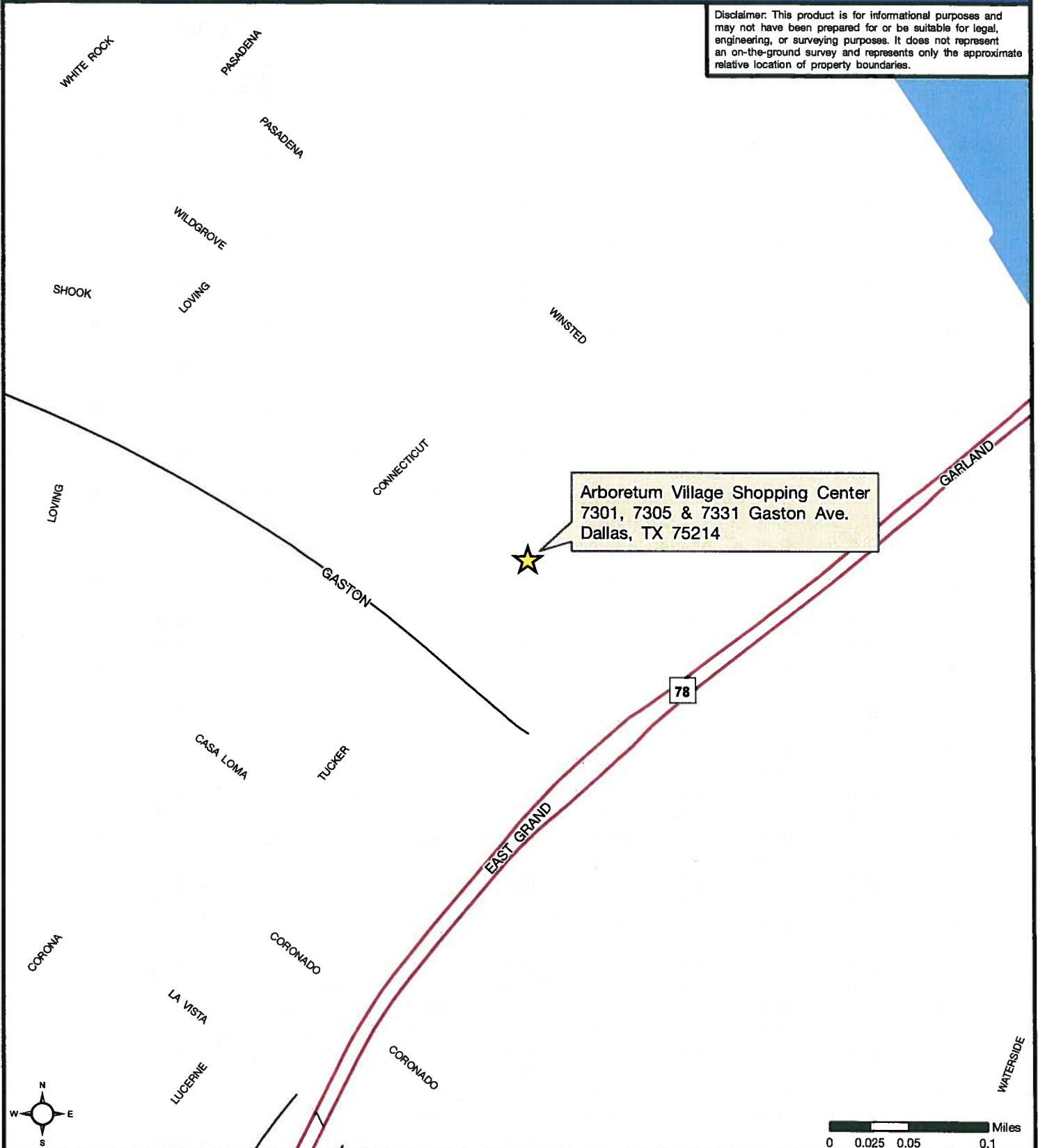


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Arboretum Village

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**DALLAS
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Created: 5/30/2013 13:05:30 Chris O'Brien/TCG

Legend

- Highway
- Arterial

Local Road

Lake

Source: City of Dallas, 2013

Memorandum



DATE June 14, 2013

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

SUBJECT **Authorize First TIF Development Agreement for Farmers Market
Improvements – Upcoming City Council Items**

Background

On February 27, 2013, the City Council authorized a Master Agreement for the redevelopment of the Dallas Farmers Market with DFM Developer, Ltd. (Brian Bergersen, Owner/Developer), which outlined a redevelopment plan for the Dallas Farmers Market. The agreement provides for: (1) the lease of Shed 1 for renovation and operation as a marketplace for local farmers and farm merchants and vendors to sell produce and other farm-related products; (2) the sale of Shed 2 for renovation for use by restaurants, specialty food vendors, other retail vendors, and a beer garden; (3) the sale of Sheds 3 and 4 for the development of retail, residential, and parking uses (including public parking for the market); (4) the sale of the auxiliary/administration building for its renovation for use as a culinary learning center, production studio, market administration office, retail leasing office, and retail; and (5) the sale of the remote parking area for redevelopment for outdoor activities, specifically a community garden and futsal fields.

On March 27, 2013, the City Council approved the lease and land sale items related to the Master Agreement. The various principals involved in the Dallas Farmers Market redevelopment project determined that the implementation of the redevelopment plan was better served by an organizational structure that allows for one manager of the entire project, Brian Bergersen. The entity name for the land transactions on Shed 1 and Shed 2 was modified by Council on the June 12, 2013 agenda. The City expects to close on the lease and land sale transactions on June 17, 2013.

An item scheduled for the June 26, 2013 addendum is related to a development agreement to use future TIF funds to reimburse the developer for design, demolition and infrastructure improvements that set the stage for the redevelopment of the various sheds located in the Dallas Farmers Market.

Specifically, the Project shall include the following components:

- 1) demolition of the vacant Taylor building located at 2101 Taylor Street;
- 2) demolition of the Kiosk building located in the right-of-way on Pearl Street south of Marilla Street;

- 3) design work and preliminary documentation needed for the City to purchase public parking in a new building designed to be located on the Shed 3/Shed 4 site;
- 4) the environmental assessment and abatement for the Kiosk building, Sheds 3 and 4 site, and the Remote Parking Area;
- 5) design work for the Remote Parking Area (for three to four Futsal fields and shade structures)

A related item is likely to be considered by Council in August or September that will relate to the purchase of air rights for public parking on the Shed 3- Shed 4 site. The developer is completing schematic design of the project. Once design is at a sufficient level, a survey will be completed of the air rights parcel, and staff will ask Council to consider a Purchase and Sale Agreement for this property.

A detailed schedule of proposed TIF expenditures is shown on the following page.

Should you have any questions or concerns, please contact me at (214) 670-3296.



Ryan S. Evans
Assistant City Manager

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Stephanie Pegues-Cooper, Assistant to the City Manager

Description	Amount	
2111 / 2101 Taylor Street building		
Contingency	\$12,466	
Asbestos Survey	2,200	
Demolition of 2101 Taylor Street	33,300	
Abatement of Asbestos	37,951	
Engineering	17,750	
Air Quality Monitoring	10,000	
Consulting	353	
Temporary Green Space Grading /Irrigation	<u>25,000</u>	
		\$139,020
Kiosk building on Pearl Street		
Demolition of Kiosk Bldg on Pearl St.	50,000	
Architectural demolition plans	15,000	
Architectural design fee for Pearl and Taylor Street streetscaping	<u>242,500</u>	
		\$307,500
Sheds 3 and 4 / Mixed use development		
Architectural design fee for the public garage	275,000	
Purchase of Air Rights for Public Parking Facility	210,000	
Architectural design fee for streetscaping around shed 3 and 4	398,305	
Contingency for all Architectural	99,960	
Subsurface Investigation for Sheds 3 and 4	19,935	
Utilities 84" Storm Pipe Alignment	<u>5,000</u>	
		\$1,008,200
Remote parking area / Futsal field		
Architectural design fees	197,982	
Contingency	5,185	
Subsurface Investigation	<u>6,945</u>	
		\$210,112
TIF Funding Phase I		\$1,664,832

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On January 28, 2013, the Farmers Market TIF District board of directors approved an amendment to the Farmers Market TIF District Project and Financing Plan, including the expansion of the geographic boundaries of the TIF district to include the Dallas Farmers Market property.

On February 20, 2013, City Council was briefed on a Master Agreement for the Redevelopment of the Dallas Farmers Market and the proposed amendments to the Farmers Market TIF District Project and Financing Plan.

On February 27, 2013, by Resolution No. 13-0447, the City Council approved a Master Agreement for the Redevelopment of the Dallas Farmers Market with DFM Developer, Ltd.

On February 27, 2013, by Resolution No. 13-0448, the City Council authorized a public hearing to be held on March 27, 2013 to hear citizen concerns and comments regarding the proposed amendments to the Farmers Market TIF Project and Financing Plan, including the expansion of the geographic boundaries of the TIF district to include the Dallas Farmers Market property.

On March 27, 2013, by Ordinance No. 28951, the City Council approved amendments to the Farmers Market TIF Project and Financing Plan, including the expansion of the geographic boundaries of the TIF district to include the Dallas Farmers Market property.

On March 27, 2013, by Resolution No. 13-0535, the City Council authorized the City Manager to execute a 30-year lease agreement, with two, five-year renewal options, for the Dallas Farmers Market Shed 1, approximately 57,750 square feet of space, with Dallas Farmers Market Trust 1, LLC.

On March 27, 2013, by Resolution No. 13-0536, the City Council authorized the City Manager to sell the Dallas Farmers Market Shed 2 by executing: (1) a sale agreement with and (2) a deed without warranty conveying the property to Dallas Farmers Market Trust 2, LLC.

On March 27, 2013, by Resolution No. 13-0537, the City Council authorized the City Manager to sell the Dallas Farmers Market Sheds 3 and 4 by executing: (1) a sale agreement with and (2) a deed without warranty conveying the property to FM Harvest, Ltd.

On March 27, 2013, by Resolution No. 13-0538, the City Council authorized the City Manager to sell the Dallas Farmers Market auxiliary/administration building by executing: (1) a sale agreement with and (2) a deed without warranty

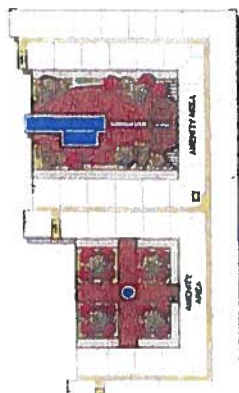
conveying the property to Dallas Farmers Market Trust, LLC.

On March 27, 2013, by Resolution No. 13-0539, the City Council authorized the City Manager to sell the Dallas Farmers Market remote parking area by executing: (1) a sale agreement with and (2) a deed without warranty conveying the property to FM Futsal, Ltd.

On May 30, 2013, the Farmers Market TIF Board of Directors recommended to Review and Consideration of a Development Agreement with DFM Developer, Ltd or affiliate for the Redevelopment of the Dallas Farmers Market Phase 1 Project in an amount not to exceed \$1,664,832.

On June 12, 2013, the City Council authorized a resolution amending the contracting entities for the land sale transactions.

Page 6 of 6



RESIDENTIAL PARKING SPACES 284 SPACES

Memorandum



CITY OF DALLAS

DATE June 14, 2013

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

SUBJECT **North Parking Garage Development Agreement Amendment, June 26, 2013
Council Agenda**

On June 13, 2012, City Council authorized the execution of a development agreement with Anland GP, L.P., (Anland) to construct a public parking garage (North Parking Garage) in the Victory Sub-district of the Sports Arena TIF District. The City will own the garage upon construction completion. The North Parking Garage will provide public parking that will support the American Airlines Center (AAC) public improvements and free up surface parking lots in the district to be developed.

The development agreement with Anland for the North Parking Garage includes the execution of separate Operation/Management agreements for AAC event and non-event times as a condition of TIF reimbursement. As such, reimbursement of construction costs for the North Parking Garage is dependent upon the execution of the agreements, over which Anland has no control. The City is currently negotiating separate management agreements with a third party for the operation and management of the North Parking Garage. Such agreements are anticipated to be finalized prior to completion of the North Parking Garage, therefore execution of the agreements are not necessary as a condition of TIF funding for the project.

The development agreement with Anland for the North Parking garage also requires a minimum of 1,200 parking spaces dedicated to AAC event parking. Current designs indicate approximately 1,271 spaces, 8.6 feet in width (standard parking size) can be housed in the garage. The operator of the AAC has indicated parking spaces 9 feet in width are preferred. This action will amend the development agreement to allow a reduction in the number of parking spaces conditioned upon: (1) the spaces being 9 feet in width and (2) the North Parking Garage receiving full credit from the operator of the AAC of 1,200 dedicated event parking spaces towards the 5,000 parking space requirement for the district.

Staff

Karl Stundins, Manager, Area Redevelopment
Tamara L. Leak, Senior Coordinator

Recommendation

Staff recommends City Council approval of the item. Should you have any questions, please contact me at (214) 670-3296.

A handwritten signature in blue ink, appearing to read "Ry - S. Evans".

Ryan S. Evans
Assistant City Manager

C: The Honorable Mayor and Members of the City Council

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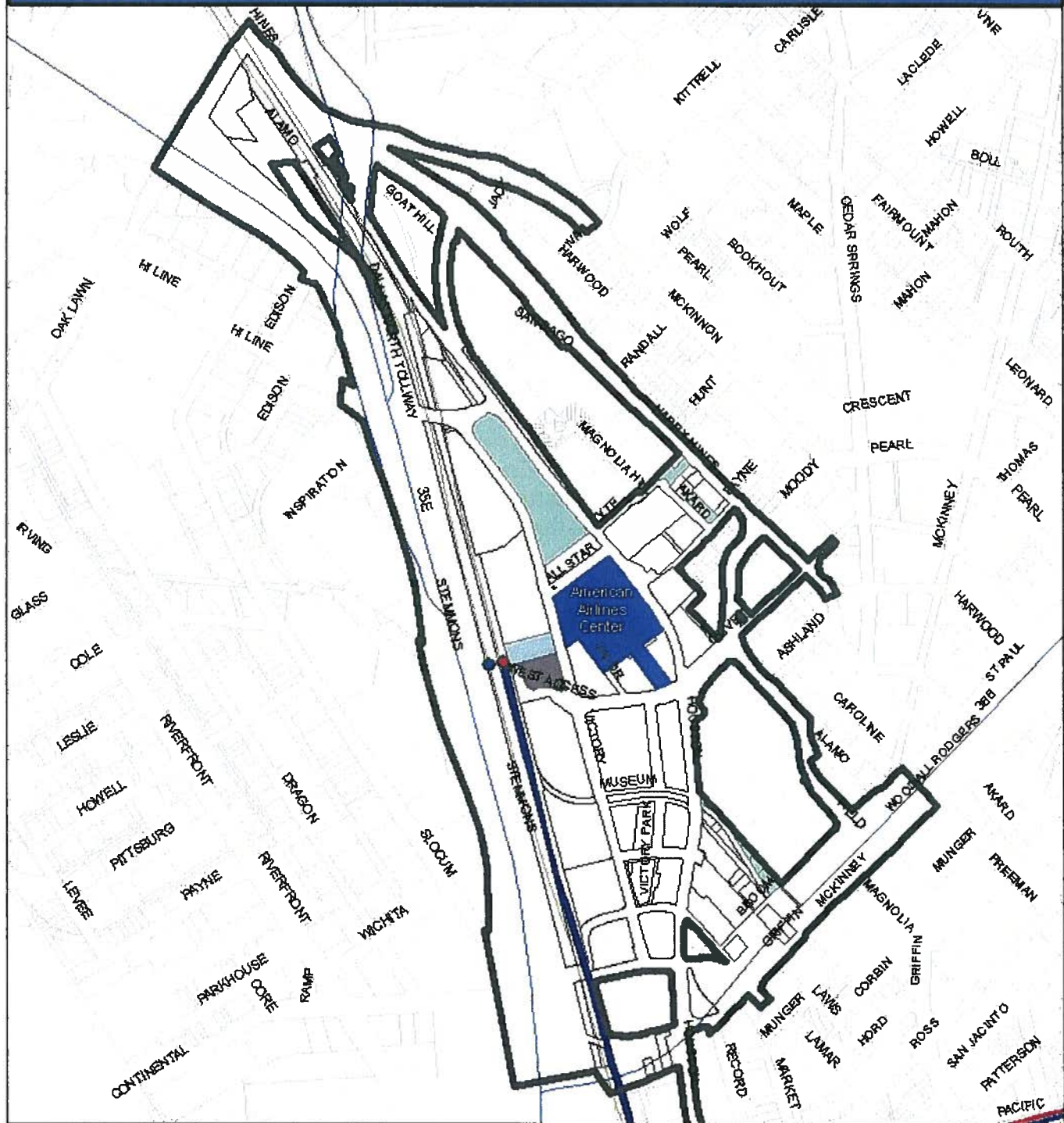
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Stephanie Pegues-Cooper, Assistant to the City Manager

North Parking Garage Sports Arena TIF District - Victory Sub-district



City of Dallas
Office of Economic Development



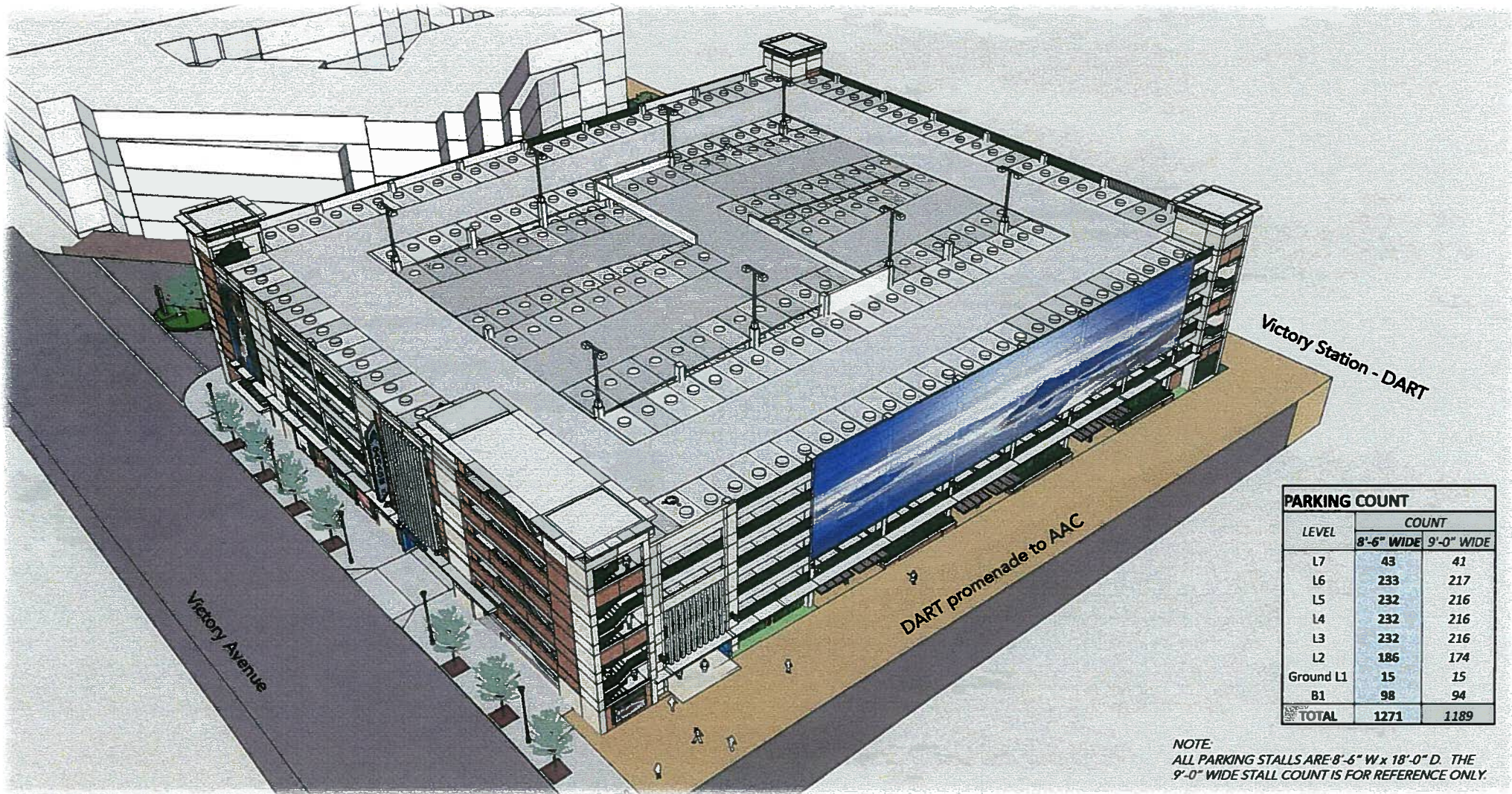
Area Redevelopment Division
<http://www.Dallas-EcoDev.org>

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Legend

- Victory Sub-district
- North Parking Garage
- DART Plaza (Victory LR Station)
- Lots Released from Parking Requirement





Floor Plan/Perspective
Top Level (6-7)