

Upcoming Agenda Items



Memorandum



CITY OF DALLAS

DATE August 29, 2008

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

SUBJECT **City of Dallas Public Improvement Districts Annual Assessment Rate for 2008 and the Service Plan for 2009; Seven Agenda Items, September 10, 2008 & September 24, 2008 Council Agenda**

The Texas Local Government Code, Chapter 372, Public Improvement Districts in Municipalities, requires that the City Council annually approve a Service Plan for each Public Improvement District (PID) and subsequently call and hold public hearings to set the Annual Assessment Rate for property in the PIDs. These actions take place in September each year after the management of each PID has a chance to review changes in the tax base for their district and prepare an annual budget for the remaining term of the PID.

On August 1, 2008 the City Staff received the proposed, amended PID Service Plans for 2009 and the proposed Assessment Rates for 2008 from the following seven City of Dallas PIDs.

- Dallas Downtown Improvement District – DID; Council Districts 2 and 14
- Deep Ellum Public Improvement District – DEPID; Council Districts 2 and 14
- Prestonwood Public Improvement District – PPID; Council District 12
- South Side Public Improvement District – SSPID; Council District 2
- Uptown Public Improvement District – UPID; Council District 14
- Vickery Meadow Public Improvement District – VMPID; Council Districts 9 and 13
- Lake Highlands Public Improvement District – LHPID; Council Districts 9 and 10

The City desires, by the calling and holding of such public hearings to provide a reasonable opportunity for any owner of property located within the Districts to speak for or against the proposed Assessment Rate for each District.

The PID program provides a way for property owners to petition the City to collect a special assessment from all property owners in an area to be used for supplemental services. All requested and proposed assessment rates are similar to those requested last year, with the exception of the DID.

STAFF

Karl Stundins, Manager, Area Redevelopment Division
Stan Prichard, Economic Development Analyst
Vasavi Mallena, Economic Development Analyst

RECOMMENDATION

Staff recommends approval of the subject items.

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



A.C. Gonzalez
Assistant City Manager

- C: 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 Victor Lander, Judiciary
Ryan S. Evans, First Assistant City Manager
David O. Brown, Interim Assistant City Manager
Ramon Miguez, P.E., Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Dave Cook, Chief Financial Officer
Jeanne Chipperfield, Interim Budget Director, Office of Financial Services
Karl Zavitkovsky Director, Office of Economic Development
Hammond Perot, Assistant Director, Office of Economic Development
Helena Stevens-Thompson, Assistant to the City Manager

OK
OK

Memorandum



DATE August 15, 2008

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

SUBJECT **EDC Industrial, LP - City Council Agenda – September 10, 2008**

On September 10, 2008, the City Council will consider authorizing an eight-year real property tax abatement of 70% on the added value of a new 345,600 square foot warehouse/distribution center to be constructed by EDC Industrial, LP at 5220 South Westmoreland Road in a Texas Enterprise Zone in Dallas.

BACKGROUND

Over the past several months, city staff has negotiated with Holt Lunsford Commercial (Holt) as General Partner for EDC Industrial, LP to construct a new warehouse facility on South Westmoreland Road in the Southern Sector of the City of Dallas.

Holt Lunsford is a real estate developer headquartered in Addison, TX. The company is the second largest commercial real estate provider in the Dallas/Fort Metroplex, overseeing approximately 32 million square feet in Dallas, Fort Worth, and Houston for private and institutional owners. The warehouse is being built on speculation of acquiring a tenant(s) to occupy the building and bring new jobs to the area. The tax abatement agreement will require the owner to expend \$12 million on the new facility and since it is a speculative development there is no minimum jobs requirement. The proposed abatement will allow Holt to offer competitive lease rates to other developments in neighboring.

City Incentives

New Real Property Tax Abatement: 70% - 8yrs. Tax abatement will commence on or before January 2010.

	<u>Investment</u>	<u>Tax Abatement</u>	<u>Foregone Revenue</u>	<u>City of Dallas Tax Revenue</u>
Real Property 8-year totals	\$12M	70% - 8yrs	\$502,589	\$215,395

ESTIMATED SCHEDULE OF DEVELOPMENT

Substantial Completion: December 31, 2009

OWNER

EDC Industrial, LP

Holt Lunsford,
General Partner/Managing Member

Albert Jarrell, Senior Vice President –
Development

DEVELOPER

Holt Lunsford Commercial

Albert Jarrell, Senior Vice President -
Development

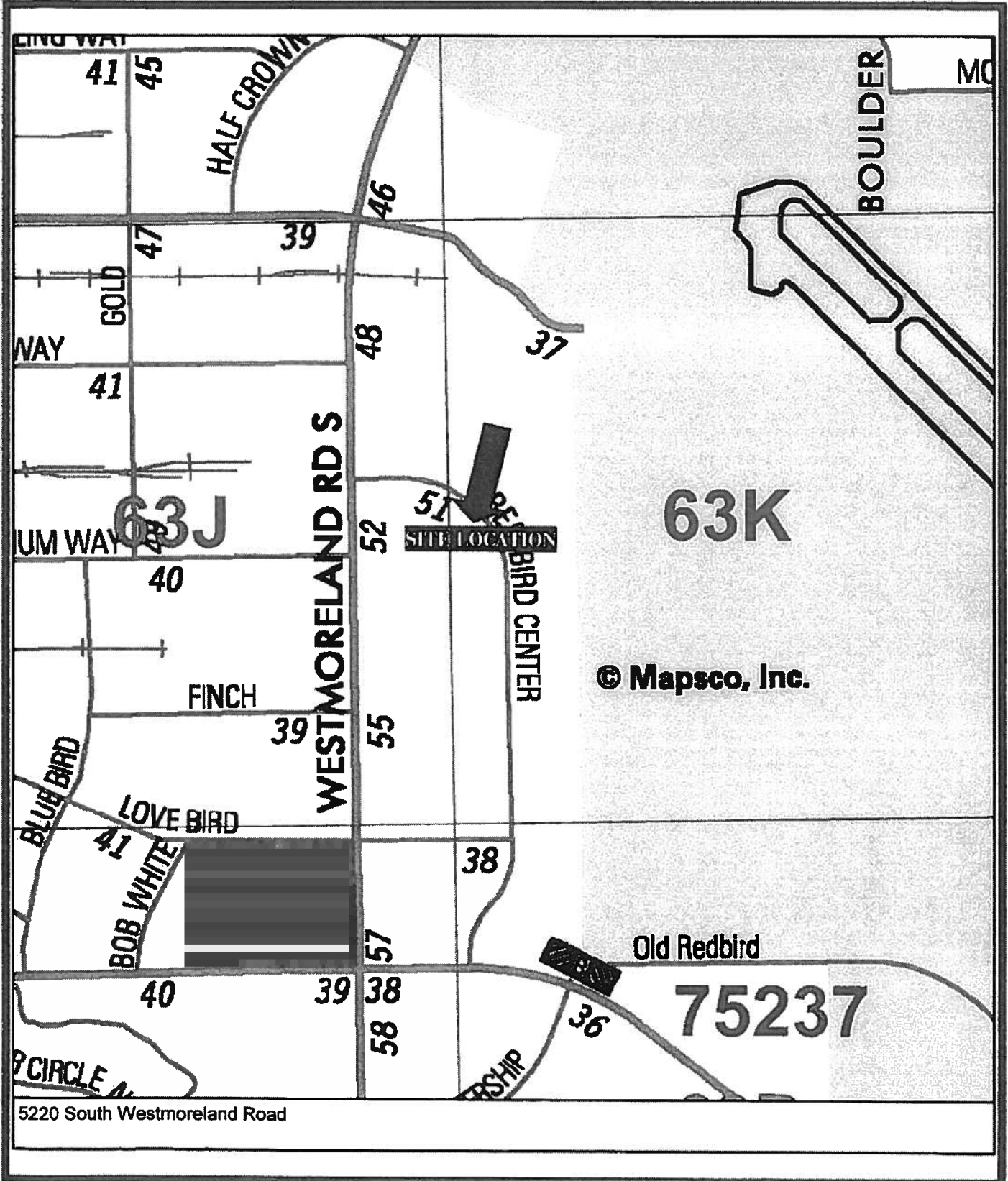
MAP

Attached

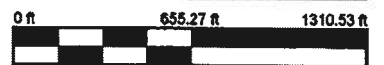


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Dave Cook, *Chief Financial Officer*
Jeanne Chipperfield, *Interim Budget Director, Office of Financial Services*
Karl Zavitkovsky, *Director, Office of Economic Development*
Hammond Perot, *Assistant Director, Office of Economic Development*
Helena Stevens-Thompson, *Assistant to the City Manager*



5220 South Westmoreland Road



OK
LJ

Memorandum



CITY OF DALLAS

DATE August 29, 2008

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

SUBJECT **Southern Dallas Development Corporation (SDDC) Revolving Loan Program
Contract Option 3 Renewal - City Council Agenda – September 10, 2008**

On September 10, 2008, the City Council will consider authorizing the third twelve-month renewal option to the contract with the Southern Dallas Development Corporation (SDDC) to administer the Southern Dallas Development Corporation Revolving Loan Program, for the purpose of servicing and making loans to area businesses and creating and retaining jobs for low-to-moderate income persons; and (2) any unexpended balances of program income and allocations from prior contracts be rolled over to continue the Business Revolving Loan

BACKGROUND

Since 1989, the City of Dallas has contracted with SDDC to use Community Development Block Grant (CDBG) dollars to administer and implement a business loan program designed to help revitalize and enhance community and economic development in Department of Housing and Urban Development (HUD). SDDC is currently in the nineteenth year of contracting with the City of Dallas to provide these loan services. On September 28, 2005, the City Council approved the 2005-06 contract authorizing an entitlement of \$566,000 with the option of four renewals by resolution # 05-2788.

On August 9, 2006 the first renewal option was approved by Resolution No. 06-2020 and on August 22, 2007 the second one-year renewal option with SDDC was approved by Resolution No. 07-2359.

SDDC has approved 163 loans through the Revolving Loan Program from inception to date. The SDDC Revolving Loan Program has a proven track record in administering loan programs and other services. SDDC has provided approximately \$18,000,000 in CDBG loans to foster economic development; leveraged an estimated \$42,350,000 in private investment and created/retained 1,835 jobs. The SDDC Revolving Loan Program provides loan of up to \$300,000 in financing for eligible businesses in low to moderate income areas of the City of Dallas and requires that 1 new job per \$35,000 be created per loan.

Year-to-date FY 2007-08 SDDC have closed eight (8) loans for a total of \$ 1,121,700 and created thirty-seven (37) jobs. The pipeline currently has \$468,850 in pending loans.

Southern Dallas Development Corporation (SDDC)
August 29, 2008

OWNER

Southern Dallas Development Corporation

Loren Montgomery, Board Chair

COUNCIL DISTRICT

1, 2, 3, 4, 5, 6, 7, 8

FISCAL INFORMATION

No cost consideration to the City

RECOMMENDATION

Staff recommends the City Council authorize the third twelve-month renewal option to the contract with the Southern Dallas Development Corporation to administer the Southern Dallas Development Corporation Revolving Loan Program.

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



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Assistant City Manager

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