AUGUST 28, 2013 CITY COUNCIL ADDENDUM
CERTIFICATION

This certification is given pursuant to Chapter XI, Section 9 of the City Charter for the City Council Addendum dated August 28, 2013. We hereby certify, as to those contracts, agreements, or other obligations on this Agenda authorized by the City Council for which expenditures of money by the City are required, that all of the money required for those contracts, agreements, and other obligations is in the City treasury to the credit of the fund or funds from which the money is to be drawn, as required and permitted by the City Charter, and that the money is not appropriated for any other purpose.

A.C. Gonzalez
Interim City Manager

8/23/13
Date

for Edward Scott

Edward Scott
City Controller

8/23/13
Date

RECEIVED
2013 AUG 23 PM 4:43
CITY SECRETARY
DALLAS, TEXAS

ADDENDUM
CITY COUNCIL MEETING
WEDNESDAY, AUGUST 28, 2013
CITY OF DALLAS
1500 MARILLA
COUNCIL CHAMBERS, CITY HALL
DALLAS, TX 75201
9:00 A.M.

REVISED ORDER OF BUSINESS

Agenda items for which individuals have registered to speak will be considered no earlier than the time indicated below:

9:00 a.m.	**INVOCATION AND PLEDGE OF ALLEGIANCE**	
	SPECIAL PRESENTATIONS	
	OPEN MICROPHONE	
	CLOSED SESSION	
	MINUTES	Item 1
	CONSENT AGENDA	Items 2 - 58
	CONSENT ADDENDUM	Items 1 - 7

ITEMS FOR INDIVIDUAL CONSIDERATION

No earlier	Items 59 - 72
than 9:15 a.m	Addendum Items 8 - 11

PUBLIC HEARINGS AND RELATED ACTIONS

1:00 p.m.	Items 73 - 91

ADDENDUM
CITY COUNCIL MEETING
AUGUST 28, 2013
CITY OF DALLAS
1500 MARILLA
COUNCIL CHAMBERS, CITY HALL
DALLAS, TEXAS 75201
9:00 A. M.

ADDITIONS:

Closed Session 6ES
Attorney Briefings (Sec. 551.071 T.O.M.A.)
- Legal issues regarding recent amendments to the Texas Public Information Act.

Personnel (Sec. 551.074 T.O.M.A.)
- Personnel issues involving City Manager.

CONSENT ADDENDUM

Business Development & Procurement Services

1. Authorize a three-year service contract for database access to downloadable digital content audiobooks, e-books and e-magazines for the Dallas Public Library - OverDrive, Inc. in the amount of $590,000, Baker & Taylor, Inc. in the amount of $180,000, Recorded Books, LLC in the amount of $148,494 and ProQuest, LLC in the amount of $139,768, most advantageous proposers of nine - Total not to exceed $1,058,262 - Financing: Current Funds (subject to annual appropriations)

2. Authorize a professional services contract to conduct an actuarial audit of the asset and liability valuations for the City of Dallas' pension funds - Foster & Foster Consulting Actuaries, Inc., most advantageous proposer of three - Not to exceed $243,040 - Financing: Current Funds

3. Authorize Supplemental Agreement No. 1 to increase the service contract with Andrews Building Service, Inc. to extend the contract term through February 28, 2014 for janitorial and event set up services at the Kay Bailey Hutchison Convention Center Dallas - Not to exceed $3,432,869, from $13,731,475 to $17,164,344 - Financing: Convention and Event Services Current Funds

City Attorney's Office

4. A resolution appointing Warren M. S. Ernst, as Interim City Attorney for the City of Dallas, effective at the close of business on September 3, 2013 to serve until the City Council selects and appoints a permanent City Attorney - Financing: No additional cost consideration to the City

ADDENDUM
CITY COUNCIL MEETING
AUGUST 28, 2013

ADDITIONS: (Continued)

CONSENT ADDENDUM (Continued)

Code Compliance

5. An ordinance amending Chapter 10A of the Dallas City Code to: **(1)** clarify that a person must have operating authority to dispatch a limousine for hire; **(2)** clarify that a limousine driver may only respond to dispatches from a holder employing or contracting with the driver; **(3)** require luxury sedans, trucks, sports-utility vehicles, and vans used as limousines to have sticker prices over $45,000 when purchased new, with certain exceptions; **(4)** prohibit advertising the operation of a limousine service that does not have valid operating authority when the advertisement is reasonably calculated to be heard by persons seeking such service; **(5)** require limousine service to be prearranged at least 30 minutes before the service is provided; **(6)** clarify that the use of any type of meter or measuring device in determining the fare for limousine service is prohibited regardless of whether the device is located in the limousine; **(7)** establish minimum limousine fares; and **(8)** define “dispatch" - Financing: No cost consideration to the City

Sustainable Development and Construction

6. Authorize moving expense and replacement housing payments for Linda Velo in the Cadillac Heights neighborhood as a result of an official written offer of just compensation to purchase real property at 2954 Gloyd Street for future City facilities - Not to exceed $51,450 - Financing: 2006 Bond Funds

Trinity Watershed Management

7. A resolution affirming support for the proposed Trinity Floodway Trail as presently proposed to be constructed and operated as a joint use, all weather maintenance trail in the Dallas Floodway from Sylvan Avenue to Commerce Street on the east side of the river and Sylvan Avenue to IH30 on the west side of the river - Financing: No cost consideration to the City

ITEMS FOR INDIVIDUAL CONSIDERATION

City Secretary’s Office

8. A resolution designating an absence by Councilmember Dwaine Caraway as being for "official city business" - Financing: No cost consideration to the City

ADDENDUM
CITY COUNCIL MEETING
AUGUST 28, 2013

ADDITIONS: (Continued)

ITEMS FOR INDIVIDUAL CONSIDERATION (Continued)

DESIGNATED PUBLIC SUBSIDY MATTERS

Economic Development

Continental Building Downtown Connection TIF District

Note: Item Nos. 9 and 10 must be considered collectively.

9. * Authorize Supplemental Agreement No. 8 to the master development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P. ("FC Merc"), a Texas limited partnership, FC Continental Complex, L.P. ("FCC"), a Texas limited partnership, FC Continental Landlord, LLC, a Texas limited liability company ("FC Continental") and FC Continental Manager, LLC, a Texas limited liability company and managing member of FC Continental (collectively called Forest City) to: **(1)** revise Section 2.07 of the master development agreement to remove the requirement of the City to issue bonds in the amount of $2,500,000 with an interest rate of 8% and pay all costs of bond issuance for the project; and **(2)** provide TIF funding to Forest City in an amount not to exceed $3,700,000 total dollars or an amount equivalent to Net Present Value of $2,500,000 at a discount rate of 4%, whichever is less, to be funded by annual increment generated by the increase in property value of the Continental Building only, collected by the City - Not to exceed $3,700,000 - Financing: Downtown Connection TIF District Funds

10. * A resolution declaring the intent of Tax Increment Financing District Reinvestment Zone Number Eleven (Downtown Connection TIF District) to make annual payments to Forest City from annual increment generated by the increase in property value of the Continental Building only, up to an amount not to exceed $2,500,000, pursuant to the Supplemental Agreement No. 8 - Financing: No cost consideration to the City

Housing/Community Services

11. Authorize **(1)** an amendment to Resolution No. 08-2433, previously approved on September 10, 2008, to decrease the existing development loan with City Wide Community Development Corporation (CWCDC) for the Lancaster/Opal project by $243,674 and extend the option deadline for CWCDC to redevelop the acquired properties to September 12, 2016, and **(2)** an amendment to Resolution No. 13-1159, previously approved on June 26, 2013, to increase the existing development loan with City Wide Community Development Corporation for the Lancaster/Kiest project by $243,674 for environmental, demolition, and predevelopment costs - Financing: No cost consideration to the City

ADDENDUM DATE August 28, 2013

ITEM #	OK	IND DEF	DISTRICT	TYPE	DEPT.	DOLLARS	LOCAL	MWBE	DESCRIPTION
1			All	C	PBD, LIB	$1,058,262.00	0.00%	0.00%	Authorize a three-year service contract for database access to downloadable digital content audiobooks, e-books and e-magazines for the Dallas Public Library
2			All	C	PBD, CON	$243,040.00	0.00%	0.00%	Authorize a professional services contract to conduct an actuarial audit of the asset and liability valuations for the City of Dallas' pension funds
3			2	C	PBD, CES	$3,432,868.65	100.00%	100.00%	Authorize Supplemental Agreement No. 1 to increase the service contract with Andrews Building Service, Inc. to extend the contract term through February 28, 2014 for janitorial and event set up services at the Kay Bailey Hutchison Convention Center Dallas
4			All	C	ATT	NC	NA	NA	A resolution appointing Warren M. S. Ernst, as Interim City Attorney for the City of Dallas, effective at the close of business on September 3, 2013 to serve until the City Council selects and appoints a permanent City Attorney
5			All	C	CCS	NC	NA	NA	An ordinance amending Chapter 10A of the Dallas City Code to: clarify that a person must have operating authority to dispatch a limousine for hire; clarify that a limousine driver may only respond to dispatches from a holder employing or contracting with the driver; require luxury sedans, trucks, sports-utility vehicles, and vans used as limousines to have sticker prices over $45,000 when purchased new, with certain exceptions; prohibit advertising the operation of a limousine service that does not have valid operating authority when the advertisement is reasonably calculated to be heard by persons seeking such service; require limousine service to be prearranged at least 30 minutes before the service is provided; clarify that the use of any type of meter or measuring device in determining the fare for limousine service is prohibited regardless of whether the device is located in the limousine; establish minimum limousine fares; and define “dispatch"
6			2	C	DEV, PBW	$51,450.00	NA	NA	Authorize moving expense and replacement housing payments for Linda Velo in the Cadillac Heights neighborhood as a result of an official written offer of just compensation to purchase real property at 2954 Gloyd Street for future City facilities
7			All	C	TWM	NC	NA	NA	A resolution affirming support for the proposed Trinity Floodway Trail as presently proposed to be constructed and operated as a joint use, all weather maintenance trail in the Dallas Floodway from Sylvan Avenue to Commerce Street on the east side of the river and Sylvan Avenue to IH30 on the west side of the river
8			All	I	SEC	NC	NA	NA	A resolution designating an absence by Councilmember Dwaine Caraway as being for "official city business"
9			14	I	ECO	$3,700,000.00	NA	NA	Continental Building Downtown Connection TIF District: Authorize Supplemental Agreement No. 8 to the master development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P. (“FC Merc”), a Texas limited partnership, FC Continental Complex, L.P. (“FCC”), a Texas limited partnership, FC Continental Landlord, LLC, a Texas limited liability company (“FC Continental”) and FC Continental Manager, LLC, a Texas limited liability company and managing member of FC Continental (collectively called Forest City) to: revise Section 2.07 of the master development agreement to remove the requirement of the City to issue bonds in the amount of $2,500,000 with an interest rate of 8% and pay all costs of bond issuance for the project; and provide TIF funding to Forest City in an amount not to exceed $3,700,000 total dollars or an amount equivalent to Net Present Value of $2,500,000 at a discount rate of 4%, whichever is less, to be funded by annual increment generated by the increase in property value of the Continental Building only, collected by the City
10			14	I	ECO	NC	NA	NA	Continental Building Downtown Connection TIF District: A resolution declaring the intent of Tax Increment Financing District Reinvestment Zone Number Eleven (Downtown Connection TIF District) to make annual payments to Forest City from annual increment generated by the increase in property value of the Continental Building only, up to an amount not to exceed $2,500,000, pursuant to the Supplemental Agreement No. 8

ADDENDUM DATE August 28, 2013

ITEM #	OK	IND DEF	DISTRICT	TYPE	DEPT.	DOLLARS	LOCAL	MWBE	DESCRIPTION
11			4	I	HOU	NC	NA	NA	Authorize an amendment to Resolution No. 08-2433, previously approved on September 10, 2008, to decrease the existing development loan with City Wide Community Development Corporation (CWCDC) for the Lancaster/Opal project by $243,674 and extend the option deadline for CWCDC to redevelop the acquired properties to September 12, 2016, and an amendment to Resolution No. 13-1159, previously approved on June 26, 2013, to increase the existing development loan with City Wide Community Development Corporation for the Lancaster/Kiest project by $243,674 for environmental, demolition, and predevelopment costs

TOTAL $8,485,620.65

ADDENDUM ITEM # 1

KEY FOCUS AREA: Efficient, Effective and Economical Government

AGENDA DATE: August 28, 2013

COUNCIL DISTRICT(S): All

DEPARTMENT: Business Development & Procurement Services
Library

CMO: Jeanne Chipperfield, 670-7804
Joey Zapata, 670-1204

MAPSCO: N/A

SUBJECT

Authorize a three-year service contract for database access to downloadable digital content audiobooks, e-books and e-magazines for the Dallas Public Library - OverDrive, Inc. in the amount of $590,000, Baker & Taylor, Inc. in the amount of $180,000, Recorded Books, LLC in the amount of $148,494 and ProQuest, LLC in the amount of $139,768, most advantageous proposers of nine - Total not to exceed $1,058,262 - Financing: Current Funds (subject to annual appropriations)

BACKGROUND

This action does not encumber funds; the purpose of a service contract is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis.

This service contract will provide Dallas Public Library customers access to downloadable digital content audiobooks, e-books and e-magazines. Library customers with a valid Dallas Public Library card will have the ability to download items at any time (24 hour access), through the library's webpage. The material can be downloaded to a variety of devices, including personal computers (PCs), laptops, tablets (iOS and Android), iPods, iPhones, MP3 players, and e-book readers.

Currently, the Library offers downloadable e-books and audiobooks. In FY 2011-2012, 130,474 items were checked out. This service contract will allow the Library to provide a wide-variety of e-books and audiobooks including bestsellers and popular materials as well as e-books that can be used for research for school, workforce readiness, and lifelong learning.

BACKGROUND (Continued)

For e-books and audiobooks, the customer will be able to check out items for up to 21 days. At the end of the check-out period, the material expires and the customer can no longer access the material from their playback device. There is nothing to return and no late fees will be incurred through this service. For e-magazines, the customer will be able to check-out the magazine and download to their device and have access to read the magazine for as long as they wish. The Dallas Public Library expects to purchase approximately 34,000 downloadable media titles and provide access to an additional 30,000 titles through an e-book subscription during this three year period.

A seven member committee from the following departments reviewed and evaluated the proposals:

- Library (2)
- Convention and Event Services (1)
- Strategic Customer Service (1)
- Office of Cultural Affairs (1)
- Business Development and Procurement Services (2)*

*Business Development and Procurement Services only evaluated the Business Inclusion and Development Plan and pricing.

The successful proposer was selected by the committee on the basis of demonstrated competence and qualifications under the following criteria:

- Pricing 45%
- Business Inclusion and Development Plan 15%
- Title and publisher availability 15%
- Device compatibility 10%
- Electronic catalog 10%
- Qualifications and licensing agreement 5%

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 1923 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, notifications were sent by the BDPS' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council - Southwest, to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On November 9, 2009, City Council authorized a three-year service contract for database access to download audio books, music, videos, e-books and other digital content for the Dallas Public Libraries by Resolution No. 09-2751.

FISCAL INFORMATION

$1,058,262.00 - Current Funds (subject to annual appropriations)

M/WBE INFORMATION

228 - Vendors contacted
222 - No response
6 - Response (Proposals)
0 - Response (No bid)
0 - Successful

1923 M/WBE and Non-M/WBE vendors were contacted

The recommended awardees have fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826 as amended.

ETHNIC COMPOSITION

OverDrive, Inc.

White Male	97	White Female	63
Black Male	3	Black Female	4
Hispanic Male	3	Hispanic Female	2
Other Male	10	Other Female	3

Baker & Taylor, Inc.

White Male	566	White Female	1556
Black Male	130	Black Female	215
Hispanic Male	110	Hispanic Female	267
Other Male	71	Other Female	135

Recorded Books, LLC

White Male	46	White Female	85
Black Male	3	Black Female	23
Hispanic Male	1	Hispanic Female	0
Other Male	5	Other Female	5

ETHNIC COMPOSITION (Continued)

ProQuest, LLC

White Male	520	White Female	567
Black Male	17	Black Female	56
Hispanic Male	16	Hispanic Female	17
Other Male	103	Other Female	61

PROPOSAL INFORMATION

The following proposals were received from solicitation number BTZ1305 and opened on June 6, 2013. This service contract is being awarded to the most advantageous proposers by group.

*Denotes successful proposers

Proposers	Address	Points	Amount
*****OverDrive, Inc.	One OverDrive Way Cleveland, OH 44125	83.00% 83.00% 66.52% 83.00%	Group A - $464,000.00 Group B - $180,000.00 Group C - $220,500.00 Group D - $126,000.00 Group E - No Bid
*Baker & Taylor, Inc.	2550 West Tyvola Rd. Ste. 330 Charlotte, NC 28217	84.20%	Group A - Non-responsive** Group B - $180,000.00 Group C - No Bid Group D - Non-responsive** Group E - No Bid
*Recorded Books, LLC	270 Skipjack Rd. Prince Fredrick, MD 20678	54.10% 84.20%	Group A - No Bid Group B - No Bid Group C - No Bid Group D - $361,068.00 Group E - $148,494.00

PROPOSAL INFORMATION (Continued)

Proposers	Address	Points	Amount
*ProQuest, LLC	789 E. Eisenhower Pkwy. P.O. BOX 1346 Annarbor, WI 48106	83.00%	Group A - No Bid Group B - No Bid Group C - $139,768.00 Group D - No Bid Group E - No Bid
Midwest Tape, LLC	6950 Hall St. Holland, OH 43528		Group A - No Bid Group B - No Bid Group C - No Bid Group D - Non-responsive** Group E - No Bid
Ingram Library Services, Inc.	One Ingram Blvd. La Vergne, TN 37086	44.64% 43.71% 43.09%	Group A - $2,166,000.00 Group B - $ 930,000.00 Group C - $ 777,000.00 Group D - No Bid Group E - No Bid
Cengage Learning, Inc.	27500 Drake Rd. Farmington Hills, MI 48331	41.55%	Group A - No Bid Group B - No Bid Group C - $1,022,400.00 Group D - No Bid Group E - No Bid
3M Company	3M Center Bldg. 225-4N-14 St. Paul, MN 55144		Non-responsive**
EBSCO Industries, Inc.	10 Estes St. Ipswich, MA 01938		Non-responsive**

******3M Company and EBSCO were deemed non-responsive due not meeting specifications. Baker & Taylor, Inc. was deemed non-responsive on groups A & D and Midwest Tape, LLC was deemed non-responsive on group D due to not meeting specifications.

OWNERS

OverDrive, Inc.

Steve Potash, President
Erica Lazzaro, Vice President
Michael Vantusko, Secretary
Lori Franklin, Treasurer

Baker & Taylor, Inc.

Marshall A. Wright, President
Jeffrey Leonard, Chief Financial Officer

Recorded Books, LLC

Richard Freese, President
Neil Tress, Vice President

ProQuest, LLC

Kurt Sanford, President
Kevin Norris-Ceneral Counsel, Vice President
Larisa Avner Trainor, Secretary
Patrick Randall, Treasurer

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a three-year service contract for database access to downloadable digital content audiobooks, e-books and e-magazines for the Dallas Public Library - OverDrive, Inc. in the amount of $590,000, Baker & Taylor, Inc. in the amount of $180,000, Recorded Books, LLC in the amount of $148,494 and ProQuest, LLC in the amount of $139,768, most advantageous proposers of nine - Total not to exceed $1,058,262 - Financing: Current Funds (subject to annual appropriations)

OverDrive, Inc., Baker & Taylor, Inc., Recorded Books, LLC and ProQuest, LLC are non-local, non-minority firms, have signed the "Business Inclusion & Development" documentation, and propose to use their own workforces.

PROJECT CATEGORY: Other Services

LOCAL/NON-LOCAL CONTRACT SUMMARY

	Amount	Percent
Total local contracts	$0.00	0.00%
Total non-local contracts	$1,058,262.00	100.00%
TOTAL CONTRACT	$1,058,262.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

None

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	Local	Percent	Local & Non-Local	Percent
African American	$0.00	0.00%	$0.00	0.00%
Hispanic American	$0.00	0.00%	$0.00	0.00%
Asian American	$0.00	0.00%	$0.00	0.00%
Native American	$0.00	0.00%	$0.00	0.00%
WBE	$0.00	0.00%	$0.00	0.00%
Total	$0.00	0.00%	$0.00	0.00%

August 28, 2013

WHEREAS, on November 9, 2009, the City Council authorized a three-year service contract for database access to download audio books, music, videos, e-books and other digital content for the Dallas Public Libraries by Resolution No. 09-2751;

NOW, THEREFORE,

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

Section 1. That the City Manager is authorized to execute a contract with OverDrive, Inc. (VS0000039352) in the amount of $590,000.00, Baker & Taylor, Inc. (VS000016001) in the amount of $180,000.00, Recorded Books, LLC (VS0000018410) in the amount of $148,494.00 and ProQuest, LLC (VS0000015943) in the amount of $139,768.00, for database access to downloadable digital content audiobooks, e-books and e-magazines for the Dallas Public Library for a term of three years in a total amount not to exceed $1,058,262.00, upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to OverDrive, Inc., Baker & Taylor, Inc., Recorded Books, LLC and ProQuest, LLC shall be based only on the amount of the services directed to be performed by the City and properly performed by OverDrive, Inc., Baker & Taylor, Inc., Recorded Books, LLC and ProQuest, LLC under the contract.

Section 2. That the City Controller is authorized to disburse funds in an amount not to exceed $1,058,262.00 (subject to annual appropriations).

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

ADDENDUM ITEM # 2

KEY FOCUS AREA: Efficient, Effective and Economical Government

AGENDA DATE: August 28, 2013

COUNCIL DISTRICT(S): All

DEPARTMENT: Business Development & Procurement Services
City Controller

CMO: Jeanne Chipperfield, 670-7804

MAPSCO: N/A

SUBJECT

Authorize a professional services contract to conduct an actuarial audit of the asset and liability valuations for the City of Dallas' pension funds - Foster & Foster Consulting Actuaries, Inc., most advantageous proposer of three - Not to exceed $243,040 - Financing: Current Funds

BACKGROUND

This professional service contract will allow the City to perform an actuarial audit of the five most recent asset and liability valuations for the City of Dallas' pension funds by an independent actuary, as required by Texas Government Code Section 802.1012.

As part of the minimum requirements of the solicitation the reviewing actuary must be a fellow of the Society of Actuaries, a member of the American Academy of Actuaries, or an enrolled actuary under the Employee Retirement Income Security Act of 1974. In addition, have at least five years of experience as an actuary and must have successfully completed an actuarial audit for at least three public retirement systems.

The City has three pension funds:

- Employees' Retirement Fund
- Dallas Police and Fire Pension System
- Dallas Police and Fire Pension System - Supplemental Plan

The audit will include a review of the valuations for reasonableness, consistency and completeness at the time the valuations were completed. The actuary's report will address the following items for all three plans:

- Appropriateness of the actuarial assumptions and cost method used to calculate the normal cost and actuarial accrued liability
- Appropriateness of the methods and assumptions used to develop the actuarial value of assets

BACKGROUND (Continued)

- Full replication of 2008-2012 valuation reports
- 25 year funding projections
- Whether the valuation meets the requirements of the Texas State Pension Review Board Guidelines for Actuarial Soundness, and relevant Actuarial Standards Board Standards of Practice
- Completeness of the valuation report and any additional items which the reviewing actuary believes should be included in or omitted from future valuation reports

The reviewing actuary will communicate with the current actuaries as necessary. The actuary must also meet with the manager of each of the pension funds to discuss the appropriate assumptions to use in conducting the audit. No later than the 30th day after completing the audit, the independent actuary shall submit to the funds' Boards, for the purpose of discussion and clarification, a preliminary draft of the audit report that is substantially complete. The final results of the audit must be provided in a signed, written report and presented to the City Council by an actuary meeting the above requirements from the reviewing firm's staff.

Proposals for this professional services contract were presented to a eight member selection committee. This committee was comprised of representatives from seven City departments.

- Human Resources (1)
- City Controller's Office (1)
- Dallas Water Utilities (1)
- Communication and Information Services (1)
- Economic Development (1)
- City Manager's Office (1)
- Business Development and Procurement Services (2)*

*Business Development and Procurement Services only evaluated the proposed pricing and Business Inclusion and Development Plan.

The successful proposer was selected by the committee on the basis of the demonstrated competence and qualifications under the following criteria:

- Qualifications and references 35%
- Pricing considerations 30%
- Proposed operation plan 20%
- Business Inclusion and Development Plan 15%

BACKGROUND (Continued)

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 180 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, notifications were sent by the BDPS' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 14, 2008, City Council authorized a professional services contract to conduct an audit of the City of Dallas pension funds by Resolution No. 08-1455.

FISCAL INFORMATION

$243,040.00 – Current Funds

M/WBE INFORMATION

42 - Vendors contacted
41 - No response
1 - Response (Bid)
0 - Response (No Bid)
0 - Successful vendor

180 M/WBE and Non-M/WBE vendors were contacted

The recommended awardee has fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826 as amended.

ETHNIC COMPOSITION

Foster & Foster Consulting Actuaries, Inc.

White Male	15	White Female	14
Black Male	0	Black Female	0
Hispanic Male	1	Hispanic Female	0
Other Male	0	Other Female	1

PROPOSAL INFORMATION

The following proposals were received from solicitation number BHZ1307 and opened on July 11, 2013. This professional services contract is being awarded in its entirety to the most advantageous proposer.

*Denotes successful proposer

Proposers	Address	Points	Amount
*Foster & Foster Consulting Actuaries, Inc.	13420 Parker Commons Blvd. Suite #104 Fort Myers, FL 33912	82.17%	$243,040.00
Milliman, Inc.	10000 N. Central Expwy. Suite 1500 Dallas, TX 75231	78.90%	$274,460.00
Gallagher Benefit Services, Inc.	Two Pierce Place 21st Floor Itasca, IL 60143		Non-Responsive**

**Gallagher Benefit Services, Inc. was deemed non-responsive due to not meeting specifications.

OWNER

Foster & Foster Consulting Actuaries, Inc.

Bradley R. Heinrichs, President
Sandra R. Heinrichs, Vice President

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a professional services contract to conduct an actuarial audit of the asset and liability valuations for the City of Dallas' pension funds - Foster & Foster Consulting Actuaries, Inc., most advantageous proposer of three - Not to exceed $243,040 - Financing: Current Funds

Foster & Foster Consulting Actuaries, Inc. is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce.

PROJECT CATEGORY: Professional Services

LOCAL/NON-LOCAL CONTRACT SUMMARY

	Amount	Percent
Total local contracts	$0.00	0.00%
Total non-local contracts	$243,040.00	100.00%
TOTAL CONTRACT	$243,040.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

None

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	Local	Percent	Local & Non-Local	Percent
African American	$0.00	0.00%	$0.00	0.00%
Hispanic American	$0.00	0.00%	$0.00	0.00%
Asian American	$0.00	0.00%	$0.00	0.00%
Native American	$0.00	0.00%	$0.00	0.00%
WBE	$0.00	0.00%	$0.00	0.00%
Total	$0.00	0.00%	$0.00	0.00%

August 28, 2013

WHEREAS, on May 14, 2008, City Council authorized a professional services contract to conduct an audit of the City of Dallas pension funds by Resolution No. 08-1455;

NOW, THEREFORE,

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

Section 1. That the City Manager is authorized to execute a professional services contract with Foster & Foster Consulting Actuaries, Inc. (VC0000012184) to conduct an actuarial audit of the asset and liability valuations for the City of Dallas' pension funds in an amount not to exceed $243,040.00, upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Foster & Foster Consulting Actuaries, Inc. shall be based only on the amount of the services directed to be performed by the City and properly performed by Foster & Foster Consulting Actuaries, Inc. under the contract.

Section 2. That the City Controller is authorized to disburse funds from the following appropriation in an amount not to exceed $243,040.00:

FUND	DEPT	UNIT	OBJ	ENCUMBRANCE
0001	BMS	1991	3070	CTBMSACTUARIAL4

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

ADDENDUM ITEM # 3

KEY FOCUS AREA: Clean, Healthy Environment

AGENDA DATE: August 28, 2013

COUNCIL DISTRICT(S): 2

DEPARTMENT: Business Development & Procurement Services
Convention and Event Services

CMO: Jeanne Chipperfield, 670-7804
Forest E. Turner, 670-3390

MAPSCO: 45 P

SUBJECT

Authorize Supplemental Agreement No. 1 to increase the service contract with Andrews Building Service, Inc. to extend the contract term through February 28, 2014 for janitorial and event set up services at the Kay Bailey Hutchison Convention Center Dallas - Not to exceed $3,432,869, from $13,731,475 to $17,164,344 - Financing: Convention and Event Services Current Funds

BACKGROUND

This action does not encumber funds; the purpose of a service contract is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis.

This service contract is necessary for continued janitorial and event set up services at the Kay Bailey Hutchison Convention Center Dallas (KBHCCD). The extension will allow the City time to develop specifications and complete a proposal process. The KBHCCD has over 2.2 million square feet of space that requires janitorial and event set up services. The KBHCCD hosts in excess of one million visitors each year, creating significant economic impact and contributes to the vitality of the downtown area and surrounding communities.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On December 12, 2007, City Council authorized a thirty-six-month service contract for janitorial services at the Dallas Convention Center, Reunion Arena and Farmers Market by Resolution No. 07-3742.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (Continued)

On August 14, 2013, this item was deferred by Mayor Pro Tem Atkins.

On August 21, 2013, City Council authorized the rejection of bids for janitorial and event set up services at the Kay Bailey Hutchison Convention Center Dallas by Resolution No. 13-1395.

FISCAL INFORMATION

$3,432,868.65 - Convention and Event Services Current Funds

ETHNIC COMPOSITION

Andrews Building Service, Inc.

White Male	18	White Female	21
Black Male	70	Black Female	35
Hispanic Male	60	Hispanic Female	36
Other Male	22	Other Female	10

OWNER

Andrews Building Service, Inc.

Peter Kim, President

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize Supplemental Agreement No. 1 to increase the service contract with Andrews Building Service, Inc. to extend the contract term through February 28, 2014 for janitorial and event set up services at the Kay Bailey Hutchison Convention Center Dallas - Not to exceed $3,432,869, from $13,731,475 to $17,164,344 - Financing: Convention and Event Services Current Funds

Andrews Building Service, Inc. is a local, minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce.

PROJECT CATEGORY: Other Services

LOCAL/NON-LOCAL CONTRACT SUMMARY - THIS ACTION ONLY

	Amount	Percent
Local contracts	$3,432,868.65	100.00%
Non-local contracts	$0.00	0.00%
TOTAL THIS ACTION	$3,432,868.65	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION THIS ACTION

Local Contractors / Sub-Contractors

Local	Certification	Amount	Percent
Andrews Building Service, Inc.	PMMB58339N0814	$3,432,868.65	100.00%
Total Minority - Local		$3,432,868.65	100.00%

Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE PARTICIPATION

	This Action		Participation to Date	
	Amount	Percent	Amount	Percent
African American	$0.00	0.00%	$0.00	0.00%
Hispanic American	$0.00	0.00%	$0.00	0.00%
Asian American	$3,432,868.65	100.00%	$17,164,434.75	100.00%
Native American	$0.00	0.00%	$0.00	0.00%
WBE	$0.00	0.00%	$0.00	0.00%
Total	$3,432,868.65	100.00%	$17,164,434.75	100.00%

August 28, 2013

WHEREAS, on December 12, 2007, City Council authorized a thirty-six-month service contract for janitorial services at the Dallas Convention Center, Reunion Arena and Farmers Market by Resolution No. 07-3742; and,

WHEREAS, on August 14, 2013, this item was deferred by Mayor Pro Tem Atkins; and,

WHEREAS, on August 21, 2013, City Council authorized the rejection of bids for janitorial and event set up services at the Kay Bailey Hutchison Convention Center Dallas by Resolution No. 13-1395;

NOW, THEREFORE,

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

SECTION 1. That following approval as to form by the City Attorney, the City Manager is hereby authorized to execute Supplemental Agreement No. 1 to increase the service contract with Andrews Building Service, Inc. (356444) to extend the contract term through February 28, 2014, for janitorial and event set up services at the Kay Bailey Hutchison Convention Center Dallas, in an amount not to exceed $3,432,868.65, increasing the service contract amount from $13,731,474.60 to $17,164,343.25.

Section 2. That the City Controller is authorized to disburse funds from the following appropriation in an amount not to exceed $3,432,868.65:

FUND	DEPT	UNIT	OBJ	AMOUNT
0080	CCT	7823	3091	$3,432,868.65

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

ADDENDUM ITEM # 4

KEY FOCUS AREA: Efficient, Effective and Economical Government

AGENDA DATE: August 28, 2013

COUNCIL DISTRICT(S): All

DEPARTMENT: City Attorney's Office

CMO: Thomas P. Perkins, Jr., 670-3491

MAPSCO: N/A

SUBJECT

A resolution appointing Warren M. S. Ernst, as Interim City Attorney for the City of Dallas, effective at the close of business on September 3, 2013 to serve until the City Council selects and appoints a permanent City Attorney - Financing: No additional cost consideration to the City

BACKGROUND

City Attorney Thomas P. Perkins submitted his resignation on July 3, 2013, effective at the close of business on September 3, 2013.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Council was briefed in Closed Session on August 7, 2013.

FISCAL INFORMATION

No additional cost consideration to the City.

August 28, 2013

WHEREAS, Thomas P. Perkins has submitted his resignation as City Attorney and as head of the legal department, effective at the close of business on September 3, 2013; and

WHEREAS, the City Council has determined that it is necessary to appoint an Interim City Attorney during the time it takes to select a permanent City Attorney; **Now, Therefore**,

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

Section 1. That Warren M. S. Ernst is hereby appointed Interim City Attorney, effective at the close of business on September 3, 2013, to serve until the City Council selects and appoints a permanent City Attorney. During this temporary appointment period, Warren M. S. Ernst shall have the full powers and duties of the City Attorney as provided in the City Charter and ordinances, and shall be paid an annual base salary at the rate of $154,083.39 per year while serving in this capacity.

Section 2. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

ADDENDUM ITEM # 5

KEY FOCUS AREA: Clean, Healthy Environment

AGENDA DATE: August 28, 2013

COUNCIL DISTRICT(S): All

DEPARTMENT: Code Compliance

CMO: Charles Cato, 671-3908

MAPSCO: N/A

SUBJECT

An ordinance amending Chapter 10A of the Dallas City Code to: **(1)** clarify that a person must have operating authority to dispatch a limousine for hire; **(2)** clarify that a limousine driver may only respond to dispatches from a holder employing or contracting with the driver; **(3)** require luxury sedans, trucks, sports-utility vehicles, and vans used as limousines to have sticker prices over $45,000 when purchased new, with certain exceptions; **(4)** prohibit advertising the operation of a limousine service that does not have valid operating authority when the advertisement is reasonably calculated to be heard by persons seeking such service; **(5)** require limousine service to be prearranged at least 30 minutes before the service is provided; **(6)** clarify that the use of any type of meter or measuring device in determining the fare for limousine service is prohibited regardless of whether the device is located in the limousine; **(7)** establish minimum limousine fares; and **(8)** define “dispatch" - Financing: No cost consideration to the City

BACKGROUND

The use of computer applications and other technologies by some providers of limousine service has distorted certain distinctions between limousines and taxicabs. It is important to re-establish those distinctions to help the public understand the differences between those types of passenger transportation services and to assist transportation inspectors in administering and enforcing the city's regulations governing those services. The proposed ordinance amending Chapter 10A of the Dallas City Code would clarify the distinctions between limousines and taxicabs. The proposed ordinance would also clarify that the dispatch of a limousine for hire, by whatever form of communication, is subject to the same requirements and regulations as any other operation of a limousine service.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS

This item has no prior action.

FISCAL INFORMATION

No cost consideration to the City.

8/23/13

ORDINANCE NO. _____

An ordinance amending Sections 10A-5, 10A-6, 10A-8, 10A-11, 10A-14, 10A-18, 10A-36, 10A-42, 10A-44, and 10A-47 of CHAPTER 10A, "LIMOUSINES," of the Dallas City Code, as amended; clarifying that a person must have operating authority to dispatch a limousine for hire; clarifying that a limousine driver may only respond to dispatches from a holder employing or contracting with the driver; requiring luxury sedans, trucks, sports-utility vehicles, and vans when used as limousines to have sticker prices in excess of $45,000 when purchased new, except for classic and specialty limousines; prohibiting advertising the operation of a limousine service that does not have valid operating authority when the advertisement is reasonably calculated to be heard by persons seeking such service; requiring limousine service to be prearranged at least 30 minutes before the service is provided; clarifying that the use of any type of meter or measuring device in determining the fare for limousine service is prohibited regardless of whether the device is located in the limousine; establishing minimum limousine fares; defining "dispatch"; providing a penalty not to exceed $500; providing a saving clause; providing a severability clause; and providing an effective date.

WHEREAS, the use of computer applications and other technologies by some providers of limousine service has distorted the distinction between limousines and taxicabs; and

WHEREAS, re-establishing the distinctions between limousines and taxicabs will help the public understand the differences between those types of transportation services and help transportation inspectors administer and enforce the regulations for limousines and taxicabs; and

WHEREAS, some provisions of Chapter 10A should be clarified so that there is no dispute that dispatching a limousine is subject to the same regulations as any other operation of a limousine service; Now, Therefore,

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

SECTION 1. That Section 10A-5, "Definitions," of Article I, "General Provisions," of CHAPTER 10A, "LIMOUSINES," of the Dallas City Code, as amended, is amended to read as follows:

"SEC. 10A-5. DEFINITIONS.

In this chapter:

(1) CLASSIC LIMOUSINE means a stretch or executive limousine that is recognized by the Classic Car Club of America as a classic vehicle.

(2) CONVICTION means a conviction in a federal court or a court of any state or foreign nation or political subdivision of a state or foreign nation that has not been reversed, vacated, or pardoned.

(3) DIRECTOR means the director of the department designated by the city manager to enforce and administer this chapter or the director's authorized representative.

(4) DISPATCH means to send or cause to be sent a limousine to a person who has requested limousine service through any method of communication.

(5) DRIVER means an individual who drives or operates a limousine.

(6) [~~(5)~~] EXECUTIVE LIMOUSINE means a limousine that:

(A) is a luxury sedan;

(B) has a manufacturer's rated seating capacity of not more than six nor less than five passengers; and

(C) is not a stretch limousine.

(7) [~~(6)~~] HOLDER means a person who is granted operating authority under this chapter to provide limousine service in the city.

(8) [~~(7)~~] LAWFUL ORDER means a verbal or written directive issued by the director in the performance of official duties in the enforcement of this chapter and any rules and regulations promulgated under this chapter.

(9) [~~(8)~~] LIMOUSINE means a motor vehicle that:

(A) is a luxury sedan, luxury sport-utility vehicle, luxury truck, or luxury van;

(B) has a manufacturer's rated seating capacity of not more than 15 passengers;

(C) is used for the transportation of persons from a location in the city to another location either inside or outside the city; and

(D) has been driven no more than 150,000 miles before being placed in limousine service in the city for the first time, except that this requirement does not apply to a classic limousine or specialty limousine.

(10) [~~(9)~~] LIMOUSINE DRIVER'S PERMIT means a permit issued to an individual by the director authorizing that individual to operate a limousine for hire in the city.

(11) [~~(10)~~] LIMOUSINE SERVICE means the business of offering, dispatching, or providing transportation of persons for hire by limousine when:

(A) a driver is furnished as part of the service; and

(B) the service is offered either upon a prearranged basis, the prearrangement being made in advance of the time the transportation is to begin, or in accordance with a preapproved route that must be current and kept on file with the director.

(12) [~~(11)~~] LUXURY SEDAN means a motor vehicle:

(A) that is designated by the manufacturer as a full-size sedan;

(B) that has at least four doors, except that this requirement does not apply to a classic limousine or specialty limousine;

(C) that is equipped with a combination of at least five of the following nonessential passenger comfort appointments, except that this requirement does not apply to a classic limousine or specialty limousine:

(i) electric locks;

(ii) power windows;

(iii) power seats;

(iv) enhanced interior lighting;

(v) upgraded seat covers and carpeting, such as leather or another high-quality fabric;

(vi) upgraded trim, such as leather or woodgrain;

(vii) a sunroof or moonroof;

(viii) an intercom system;

(ix) upgraded wheel covers; and

(x) separate heating and air conditioning controls for rear passengers;

(D) that, when purchased new, has a sticker price in excess of $45,000 [~~35,000~~], except that this requirement does not apply to a classic limousine or specialty limousine;

(E) whose interior and exterior, including all parts, features, appointments, equipment, and accessories, are in excellent condition both in operation and in appearance; and

(F) that is approved by the director for use as a limousine.

(13) [~~(12)~~] LUXURY SPORT-UTILITY VEHICLE means a motor vehicle:

(A) that is designated by the manufacturer as a full-size sport-utility vehicle;

(B) that has at least four doors, except that this requirement does not apply to a classic limousine or specialty limousine;

(C) that is equipped with a combination of at least five of the following nonessential passenger comfort appointments, except that this requirement does not apply to a classic limousine or specialty limousine:

(i) electric locks;

(ii) power windows;

(iii) power seats;

(iv) enhanced interior lighting;

(v) upgraded seat covers and carpeting, such as leather or another high-quality fabric;

(vi) upgraded trim, such as leather or woodgrain;

(vii) a sunroof or moonroof;

(viii) an intercom system;

(ix) upgraded wheel covers; and

(x) separate heating and air conditioning controls for rear passengers;

(D) that, when purchased new, has a sticker price in excess of $45,000 [~~35,000~~], except that this requirement does not apply to a classic limousine or specialty limousine;

(E) whose interior and exterior, including all parts, features, appointments, equipment, and accessories, are in excellent condition both in operation and in appearance; and

(F) that is approved by the director for use as a limousine.

(14) [~~(13)~~] LUXURY TRUCK means a motor vehicle modified to be a stretch limousine:

(A) that is designated by the manufacturer as a truck or a sport-utility vehicle;

(B) that, after modification, has at least three doors, except that this requirement does not apply to a classic limousine or specialty limousine;

(C) that, after modification, has seating capacity for at least four passengers, excluding the driver;

(D) that is equipped with a combination of at least five of the following nonessential passenger comfort appointments, except that this requirement does not apply to a classic limousine or specialty limousine:

(i) electric locks;

(ii) power windows;

(iii) power seats;

(iv) enhanced interior lighting;

(v) upgraded seat covers and carpeting, such as leather or another high-quality fabric;

(vi) upgraded trim, such as leather or woodgrain;

(vii) a sunroof or moonroof;

(viii) an intercom system;

(ix) upgraded wheel covers; and

(x) separate heating and air conditioning controls for rear passengers;

(E) that, when purchased new, has a sticker price in excess of $45,000 [~~30,000~~], except that this requirement does not apply to a classic limousine or specialty limousine;

(F) whose interior and exterior, including all parts, features, appointments, equipment, and accessories, are in excellent condition both in operation and in appearance; and

(G) that is approved by the director for use as a stretch limousine.

(15) [~~(14)~~] LUXURY VAN means a motor vehicle:

(A) that is designated by the manufacturer as a full-size van with a wheel base of not less than 135 inches;

(B) that has at least one driver's side door, two passengers' side doors, and a rear door for the cargo area, except that this requirement does not apply to a classic limousine or specialty limousine;

(C) that is equipped with a combination of at least five of the following nonessential passenger comfort appointments, except that this requirement does not apply to a classic limousine or specialty limousine:

(i) electric locks;

(ii) power windows;

(iii) power seats;

(iv) enhanced interior lighting;

(v) upgraded seat covers and carpeting, such as leather or another high-quality fabric;

(vi) upgraded trim, such as leather or woodgrain;

(vii) a sunroof or moonroof;

(viii) an intercom system;

(ix) upgraded wheel covers; and

(x) separate heating and air conditioning controls for rear passengers;

(D) that, when purchased new, has a sticker price in excess of $45,000 [~~30,000~~], except that this requirement does not apply to a classic limousine or specialty limousine;

(E) whose interior and exterior, including all parts, features, appointments, equipment, and accessories, are in excellent condition both in operation and in appearance; and

(F) that is approved by the director for use as a limousine.

(16) [~~(15)~~] MANUFACTURER'S RATED SEATING CAPACITY means the rated seating capacity assigned to a vehicle when it is originally manufactured at the manufacturing plant.

(17) [~~(16)~~] OPERATE means to drive or to be in control of a limousine.

(18) [~~(17)~~] OPERATING AUTHORITY means written permission granted by the director under this chapter to operate a limousine service.

(19) [~~(18)~~] OPERATOR means the driver of a limousine, the owner of a limousine, or the holder of limousine service operating authority.

(20) [~~(19)~~] OWNER means the person to whom state license plates for a vehicle were issued.

(21) [~~(20)~~] PERMITTEE means an individual who has been issued a limousine driver's permit under this chapter.

(22) [~~(21)~~] PERSON means an individual, corporation, government or governmental subdivision, or an agency, trust, partnership, or two or more persons having a joint or common economic interest.

(23) [~~(22)~~] PREAPPROVED ROUTE means a scheduled limousine service operating on predetermined fixed pickup points located on a fixed route approved by and on file with the director.

(24) [~~(23)~~] PREARRANGED BASIS means a limousine service operating with a reservation for service made in advance of the time the transportation is to begin.

(25) [~~(24)~~] SPECIALTY LIMOUSINE means a stretch or executive limousine that has been:

(A) modified to accommodate a special feature, such as a hot tub; or

(B) enhanced by altering its appearance to provide a distinctive design, such as with a kit to replicate a classic vehicle.

(26) [~~(25)~~] STRETCH LIMOUSINE means a limousine with a wheelbase that has been extended not less than 12 inches from its original length."

SECTION 2. That Section 10A-6, "Operating Authority Required," of Article II, "Limousine Service Operating Authority," of CHAPTER 10A, "LIMOUSINES," of the Dallas City Code, as amended, is amended to read as follows:

"**SEC. 10A-6. OPERATING AUTHORITY REQUIRED.**

(a) A person commits an offense if he operates a limousine service or otherwise dispatches a limousine within the city without valid operating authority granted under this article.

(b) A person commits an offense if he advertises or causes to be advertised the operation of a limousine service, or any other type of service through which limousines are dispatched, that does not have valid operating authority granted under this article when the advertisement is reasonably calculated to be seen or heard by persons seeking limousine service in the city.

(c) A person commits an offense if he transports, or offers to transport, a passenger for hire by limousine from a location within the city to a location either inside or outside the city unless the person driving the limousine or another who employs or contracts with the driver holds valid operating authority issued under this article.

(d) A person commits an offense if he hires or employs a limousine service to pick up passengers in the city that he knows does not have valid operating authority under this article.

(e) It is a defense to prosecution under Subsection (b) that the person was the publisher or broadcaster of the advertising material and had no knowledge that the limousine service did not have valid operating authority under this article.

(f) It is a defense to prosecution under Subsection (a) that the person dispatched a limousine as part of his duties as an agent or employee of a holder."

SECTION 3. That Section 10A-8, "Application for Operating Authority," of Article II, "Limousine Service Operating Authority," of CHAPTER 10A, "LIMOUSINES," of the Dallas City Code, as amended, is amended to read as follows:

"SEC. 10A-8. APPLICATION FOR OPERATING AUTHORITY.

To obtain limousine service operating authority, a person must submit an application on a form provided for that purpose to the director. The applicant must be the person who will own, control, or operate the proposed limousine service. The application must be verified and contain the following:

(1) the form of business of the applicant; if the business is a corporation or association, a copy of the documents establishing the business and the name, address, and citizenship of each person with a direct interest in the business;

(2) the name, address, and verified signature of the applicant;

(3) a description of any past business experience of the applicant, particularly in providing or dispatching passenger transportation services; identification and description of any revocation or suspension of operating authority held by the applicant or business before the date of filing the application;

(4) the number and description of vehicles the applicant proposes to use or dispatch in the operation of the limousine service, including year, make, model, whether or not the vehicle is equipped with refrigerated air, manufacturer's rated seating capacity, motor identification number, and state license registration number for each vehicle;

(5) a description of the proposed limousine service, including routes, rates or fares to be charged, and schedules, where applicable;

(6) documentary evidence from an insurance company indicating a willingness to provide liability insurance as required by this chapter;

(7) documentary evidence of payment of ad valorem taxes owed on the real and personal property to be used in connection with the operation of the proposed limousine service if the business establishment is located in the city;

(8) such additional information as the applicant desires to include to aid in the determination of whether the requested operating authority should be granted; and

(9) such additional information as the director considers necessary to assist or promote the implementation or enforcement of this chapter or the protection of the public safety."

SECTION 4. That Section 10A-11, "Limitations of Operating Authority," of Article II, "Limousine Service Operating Authority," of CHAPTER 10A, "LIMOUSINES," of the Dallas City Code, as amended, is amended to read as follows:

"SEC. 10A-11. LIMITATIONS OF OPERATING AUTHORITY.

(a) Operating authority when issued must state on its face the type of service for which it is issued. It may also contain other conditions and limitations determined necessary by the director, including, but not limited to:

(1) number of vehicles authorized;

(2) description of vehicles to be operated or dispatched;

(3) number of passengers that may be transported in each vehicle;

(4) customers to be served;

(5) places and times of loading or unloading passengers;

(6) schedules and routes to be followed, if applicable;

(7) maximum rates to be charged, including any hourly minimums and gratuities;

(8) operating procedures; and

(9) special conditions or limitations.

(b) A holder commits an offense if he fails to comply with the conditions or limitations placed on the operating authority under which he is operating a limousine service."

SECTION 5. That Section 10A-14, "Revocation of Operating Authority," of Article II, "Limousine Service Operating Authority," of CHAPTER 10A, "LIMOUSINES," of the Dallas City Code, as amended, is amended to read as follows:

"SEC. 10A-14. REVOCATION OF OPERATING AUTHORITY.

The director shall revoke operating authority if the director determines that the holder has:

(1) made a false statement as to a material matter in the application or hearing concerning the operating authority;

(2) failed to comply with applicable provisions of this chapter;

(3) operated or dispatched a service not authorized by the operating authority;

(4) failed to comply with the conditions and limitations of the operating authority;

(5) been finally convicted for violation of another city, state, or federal law, that indicates a lack of fitness of the permittee to perform a passenger transportation service;

(6) is under indictment for or has been convicted of any felony offense while holding operating authority;

(7) does not qualify for operating authority under Section 10A-7 of this chapter; or

(8) failed to pay a fee for operating authority at the time it was due."

SECTION 6. That Section 10A-18, "Limousine Driver's Permit Required," of Article III, "Limousine Driver's Permit," of CHAPTER 10A, "LIMOUSINES," of the Dallas City Code, as amended, is amended to read as follows:

"SEC. 10A-18. LIMOUSINE DRIVER'S PERMIT REQUIRED.

(a) A person commits an offense if he operates a vehicle engaged in limousine service in the city without a valid limousine driver's permit issued to the person under this article.

(b) A holder commits an offense if he employs, contracts with, or otherwise allows a person to operate for hire a limousine owned, controlled, dispatched, or operated by the holder unless the person has a valid limousine driver's permit issued under this article."

SECTION 7. That Subsection (e) of Section 10A-36, "Insurance; Suspension of Operating Authority," of Article IV, "Miscellaneous Holder and Driver Regulations," of CHAPTER 10A, "LIMOUSINES," of the Dallas City Code, as amended, is amended to read as follows:

"(e) Insurance required under this section must include:

(1) a cancellation provision in which the insurance company is required to notify the director in writing not fewer than 30 days before canceling, failing to renew, or making a material change to the insurance policy;

(2) a provision to cover all vehicles, whether owned or not owned by the holder, operated or dispatched under the holder's operating authority; and

(3) a provision requiring the insurance company to pay every claim on a first-dollar basis."

SECTION 8. That Subsection (h) of Section 10A-36, "Insurance; Suspension of Operating Authority," of Article IV, "Miscellaneous Holder and Driver Regulations," of CHAPTER 10A, "LIMOUSINES," of the Dallas City Code, as amended, is amended to read as follows:

"(h) If the insurance of a holder lapses or is canceled and new insurance is not obtained, the director shall suspend the operating authority until the holder provides evidence that insurance coverage required by this section has been obtained. A person shall not operate a passenger transportation service or dispatch a passenger transportation vehicle for hire while operating authority is suspended under this section whether or not the action is appealed. A $100 fee must be paid before operating authority suspended under this section will be reinstated."

SECTION 9. That Section 10A-42, "Conduct of Drivers," of Article V, "Service Rules and Regulations," of CHAPTER 10A, "LIMOUSINES," of the Dallas City Code, as amended, is to read as follows:

"**SEC. 10A-42. CONDUCT OF DRIVERS.**

A driver shall:

(1) act in a reasonable, prudent, and courteous manner;

(2) maintain a sanitary and well-groomed appearance;

(3) not consume an alcoholic beverage, drug, or other substance that could adversely affect the driver's ability to drive a motor vehicle;

(4) not interfere with the director in the performance of the director's duties; [~~and~~]

(5) comply with lawful orders of the director issued in the performance of the director's duties; and

(6) not respond to a request for limousine service that is directly or indirectly dispatched by a person other than a holder employing or contracting with the driver, or the holder's agent or employee."

SECTION 10. That Section 10A-44, "Service on Prearranged Basis; Trip Manifests," of Article V, "Service Rules and Regulations," of CHAPTER 10A, "LIMOUSINES," of the Dallas City Code, as amended, is to read as follows:

"SEC. 10A-44. SERVICE ON PREARRANGED BASIS; TRIP MANIFESTS.

(a) Each holder providing limousine service on a prearranged basis shall provide its drivers with all of the following printed or electronic information to be used in maintaining a trip manifest:

(1) The time, place, origin, and destination of each trip.

(2) The names and addresses of the passengers.

(3) The total number of passengers.

(4) Other information required by the director to aid in the discharge of official duties.

(b) A driver furnishing limousine service on a prearranged basis shall show the documentation required by Subsection (a) to the director upon request.

(c) A driver furnishing limousine service on a prearranged basis shall not accept any passenger except one for whom service has been prearranged and documented in accordance with this section.

(d) A driver furnishing limousine service on a prearranged basis shall not arrive at a location to pick up a passenger with whom prearrangement has been made:

(1) more than 10 minutes before the designated pickup time; or

(2) less than 30 minutes after the time that the request for limousine service was made."

SECTION 11. That Section 10A-47, "Rates of Fare," of Article VI, "Fares," of CHAPTER 10A, "LIMOUSINES," of the Dallas City Code, as amended, is amended to read as follows:

"SEC. 10A-47. RATES OF FARE.

(a) A driver or holder shall not charge a fare for operating a limousine that is inconsistent with the rates authorized in the limousine service operating authority.

(b) A driver or holder shall not charge a fare for operating a limousine that is less than $35, except that the minimum fare is $25 for operating a limousine from Dallas Love Field Airport to a location within the Dallas Central Business District or from a location within the Dallas Central Business District to Dallas Love Field Airport.

(c) A holder desiring to change the authorized rates of fare must submit a written request in accordance with Section 10A-12 of this chapter.

(d) [~~(c)~~] The rates listed in the holder's operating authority must be strictly adhered to, and no change in rates may be implemented without written approval of the director.

(e) [~~(d)~~] The director may require a holder to display rates on or within a limousine in a manner prescribed by the director.

(f) [~~(e)~~] The driver or holder shall give the person paying a fare a ticket or receipt that indicates the name, address, and phone number of the limousine company and the amount of the fare.

(g) [~~(f)~~] The use of any type of meter or measuring device to calculate rates, distance, or time for determining the [~~of~~] fare for limousine service is prohibited. This prohibition applies regardless of whether the meter or measuring device is located in the limousine."

SECTION 12. That Sections 10A-5(12)(D), (13)(D), (14)(E), and (15)(D) of the Dallas City Code, as set forth in this ordinance, requiring luxury sedans, luxury sports-utility vehicles, luxury trucks, and luxury vans used as limousines to have sticker prices in excess of $45,000 when purchased new do not apply to any such vehicle that, on the passage date of this ordinance, was currently and lawfully being operated as a limousine in the city of Dallas under valid operating authority issued to a holder under Chapter 10A of the Dallas City Code.

SECTION 13. That a person violating a provision of this ordinance, upon conviction, is punishable by a fine not to exceed $500.

SECTION 14. That Chapter 10A of the Dallas City Code, as amended, will remain in full force and effect, save and except as amended by this ordinance. Any proceeding, civil or criminal, based upon events that occurred prior to the effective date of this ordinance are saved, and the former law is continued in effect for that purpose.

SECTION 15. That the terms and provisions of this ordinance are severable and are governed by Section 1-4 of CHAPTER 1 of the Dallas City Code, as amended.

SECTION 16. That this ordinance will take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:

THOMAS P. PERKINS, JR., City Attorney

By_____
Assistant City Attorney

Passed_____

CB/DCC/00002

ADDENDUM ITEM # 6

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: August 28, 2013

COUNCIL DISTRICT(S): 2

DEPARTMENT: Sustainable Development and Construction
Public Works Department

CMO: Theresa O'Donnell, 671-9195
Jill A. Jordan, P.E., 670-5299

MAPSCO: 55H

SUBJECT

Authorize moving expense and replacement housing payments for Linda Velo in the Cadillac Heights neighborhood as a result of an official written offer of just compensation to purchase real property at 2954 Gloyd Street for future City facilities - Not to exceed $51,450 - Financing: 2006 Bond Funds

BACKGROUND

Chapter 39A of the Revised Code of Civil and Criminal Ordinances of the City of Dallas provides moving expense and replacement housing payments for homeowners displaced by the City of Dallas in conjunction with its real property acquisition activities. On April 24, 2013, the City Council approved Resolution No. 13-0715 which authorized the acquisition of real property known as 2954 Gloyd Street for future City facilities. Linda Velo will be displaced as a direct result of this property acquisition. She has qualified for a moving expense payment of up to $2,050 and a replacement housing payment of up to $49,400 pursuant to City Code and will use the replacement housing payment to acquire a replacement property.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On April 24, 2013, the City Council authorized the acquisition of single family homes in the Cadillac Heights neighborhood for future City facilities by Resolution No. 13-0715.

FISCAL INFORMATION

2006 Bond Funds - $51,450

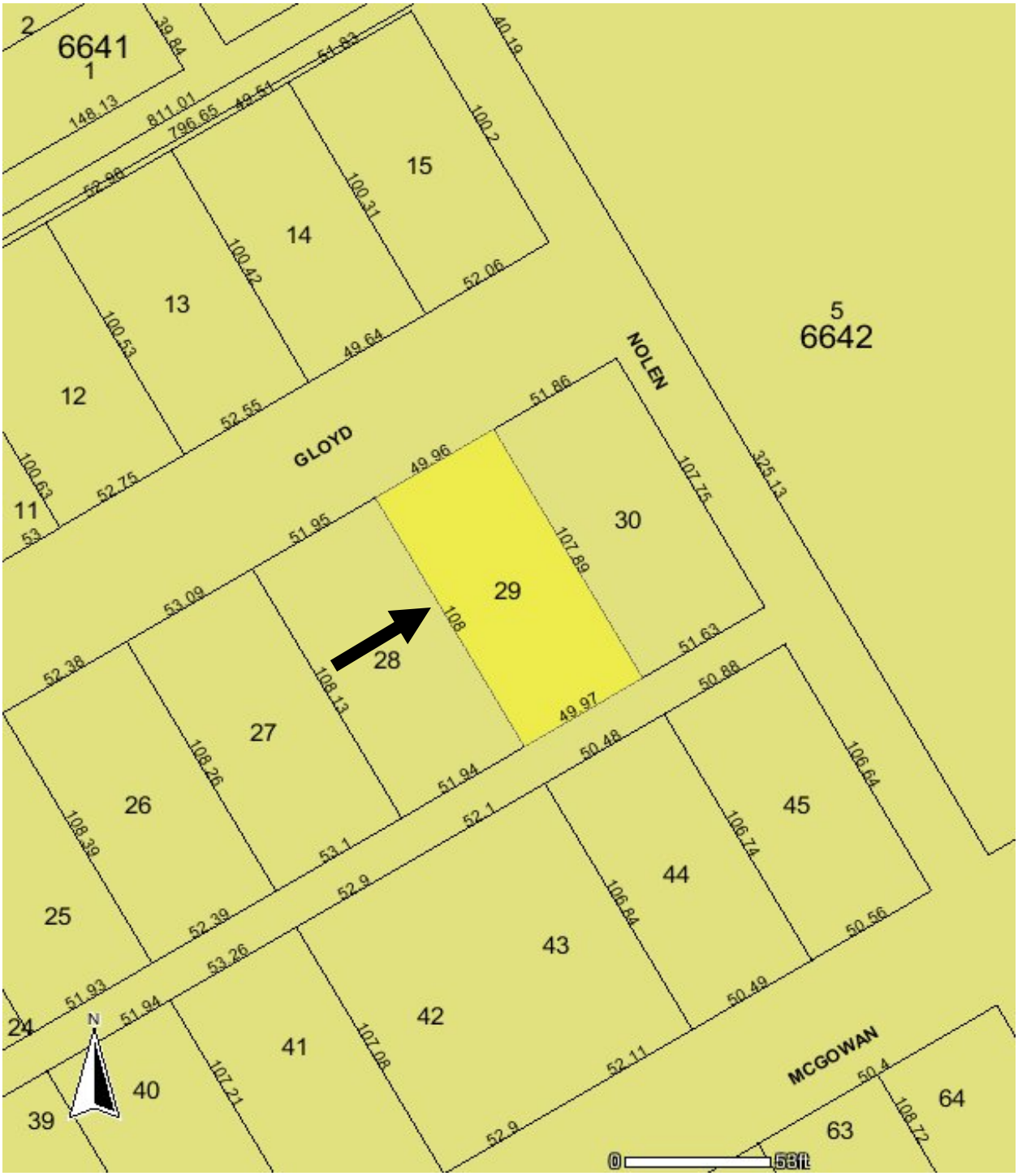
OWNER

Linda Velo

MAP

Attached

Future City Facilities Project
Relocation Assistance



Lot 29, Block 6642 - 2954 Gloyd Street

WHEREAS, on November 7, 2006, Dallas voters approved the use of General Obligation Bonds to acquire property for future City facilities; and

WHEREAS, Linda Velo will be displaced as a direct result of this property acquisition and will vacate the property; and

WHEREAS, Chapter 39A of the Revised Code of Civil and Criminal Ordinances of the City of Dallas provides moving expense and replacement housing payments for homeowners displaced by City of Dallas property acquisition activities; and

WHEREAS, on April 24, 2013, the City Council approved Resolution No. 13-0715 authorizing the acquisition of 2954 Gloyd Street located in the Cadillac Heights neighborhood, to be used in conjunction with the construction of future City facilities.

Now, Therefore,

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

SECTION 1. That Linda Velo will be displaced in conjunction with the construction of future City facilities and is entitled to moving expense and replacement housing payments pursuant to Chapter 39A of the Revised Code of Civil and Criminal Ordinances of the City of Dallas.

SECTION 2. That Linda Velo is eligible to receive a moving expense payment in an amount up to $2,050 and a replacement housing payment in an amount up to $49,400.

SECTION 3. That the City Controller is authorized to draw warrants in favor of Linda Velo in an amount not to exceed $51,450 for moving expense and replacement housing payments.

These warrants are to be paid as follows:

Fund	Dept	Unit	Obj	Act Code	Prog No	CT	Vendor No	Amount
8T11	PBW	T825	4240	LAAQ	PB06T825	PBW06T825I8	VC0000011881	$49,400
8T11	PBW	T825	4240	LAAQ	PB06T825	PBW06T825I7	VC0000011880	$ 2,050

SECTION 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

ADDENDUM ITEM # 7

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: August 28, 2013

COUNCIL DISTRICT(S): All

DEPARTMENT: Trinity Watershed Management

CMO: Jill A. Jordan, P.E., 670-5299

MAPSCO: N/A

SUBJECT

A resolution affirming support for the proposed Trinity Floodway Trail as presently proposed to be constructed and operated as a joint use, all weather maintenance trail in the Dallas Floodway from Sylvan Avenue to Commerce Street on the east side of the river and Sylvan Avenue to IH30 on the west side of the river - Financing: No cost consideration to the City

BACKGROUND

The Trinity Trail Network is a subset of the Dallas Trails Network, extending from Royal Lane in the North to I20 and Dowdy Ferry in the South. These trails are comprised of both hard surface and soft surface. Since work began on this system with the 1998 Bond Program, approximately 63 miles of hard surface has been planned with 8 miles in service and approximately 19 miles of soft surface trails in service.

The 2012 Bond Program includes $6,418,400 for the design and construction of the Trinity Floodway Trails. To advance this trail ahead of the US Army Corps of Engineers (Corps) Environmental Impact Statement (EIS), the 2012 Bond Program proposed alignment could be modified and constructed as an all weather joint use maintenance road for maintenance truck and other equipment, pedestrians and bicyclists. This trail extends from Commerce to Sylvan on the East and from Sylvan to IH30 on the West with funds reserved to complete the connection from IH30 to south of IH35, two bridge crossings at culverts upon completion of the EIS, and incorporates the safety measures to accommodate joint use activities.

This alignment is being designed by City staff and could begin construction as early as this fall, completing in early summer 2014. This action will express the City Council's recommended alignment for the Trinity Floodway Trails and authorizes staff to proceed with final design and construction initiatives.

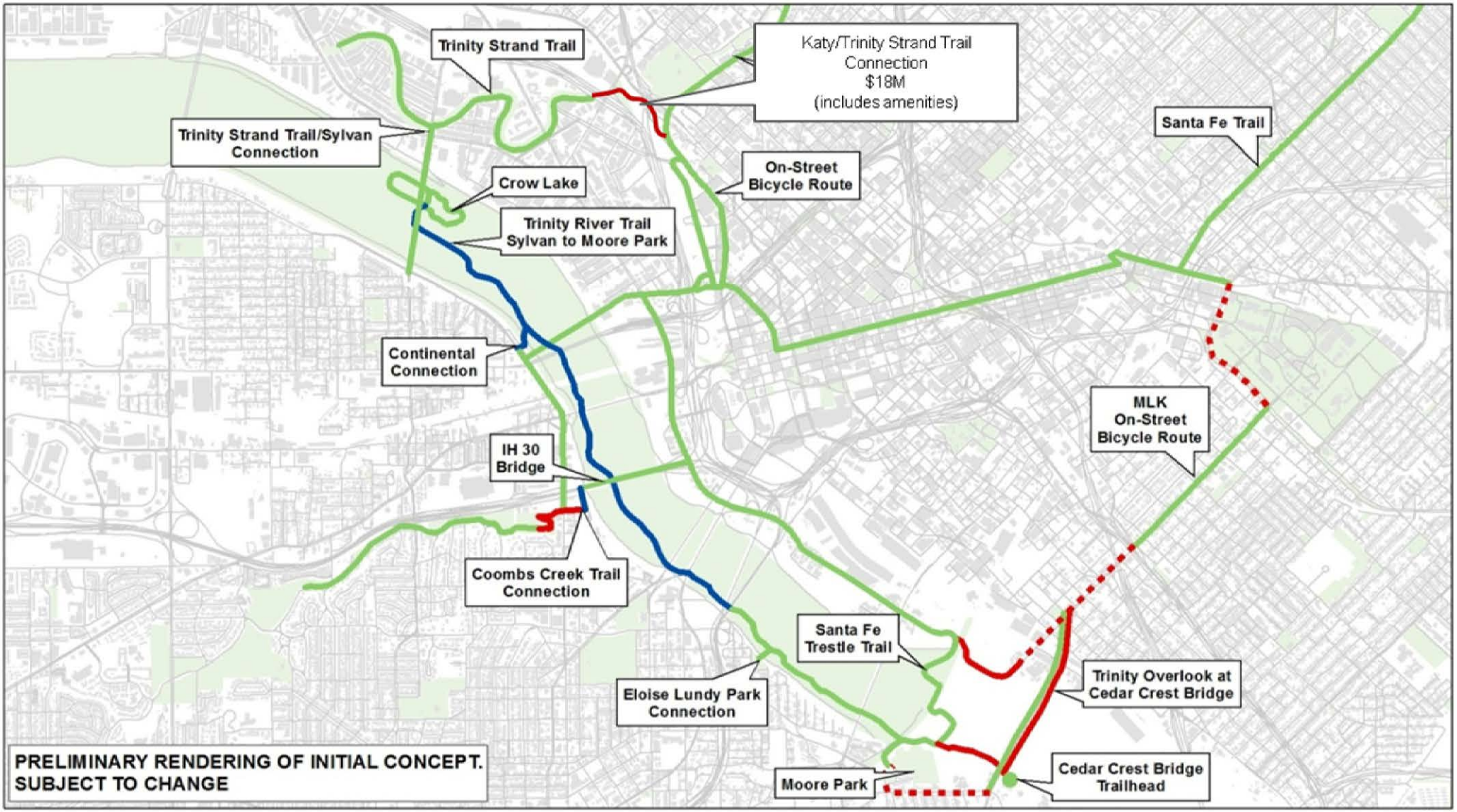
PRIOR ACTION

Briefed the Trinity River Corridor Project Committee on June 10, 2013.

Briefed the Dallas City Council on August 21, 2013.

MAP

Attached.



Trinity Trail

August 28, 2013

WHEREAS, the Trinity River Corridor Citizen's Committee, formed in 1994, formalized the participation of thousands of citizens to make recommendations for flood control, environmental restoration, transportation and recreation projects; and,

WHEREAS, the City initiated studies to create a Trinity Trail Network system extending from Royal Lane in the north to I20 and Dowdy Ferry in the south; and,

WHEREAS, the City has been working on development of the Trinity Trail Network system that includes plans for over 63 miles of hard and soft surface trails; and,

WHEREAS, funding for the design and construction of some of these trails was included in the 1998, 2006 and 2012 bond programs, grant programs and private donations; and,

WHEREAS, the City has implemented approximately 8 miles of hard surface trails and approximately 19 miles of soft surfaces trails; and,

WHEREAS, the City desires to modify the Trinity Floodway Trail included in the 2012 Bond Program and begin implementation.

Now, Therefore,

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

SECTION 1. That the City Council affirms support for the proposed Trinity Floodway Trail as presently proposed to be constructed and operated as a joint use, all weather maintenance trail in the Dallas Floodway from Sylvan Avenue to Commerce Street on the east side of the river and Sylvan to IH30 on the west side of the river.

SECTION 2. That the City will reserve funding for the connections crossing outfalls following the Dallas Floodway EIS, the connection to Coombs Creek Trail at IH30 following the construction of IH30 and the connection between IH30 and IH35 following completion of the Horseshoe construction project.

SECTION 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

ADDENDUM ITEM # 8

KEY FOCUS AREA: Efficient, Effective and Economical Government

AGENDA DATE: August 28, 2013

COUNCIL DISTRICT(S): All

DEPARTMENT: City Secretary

CMO: Rosa A. Rios, 670-3738

MAPSCO: N/A

SUBJECT

A resolution designating an absence by Councilmember Dwaine Caraway as being for "official city business" - Financing: No cost consideration to the City

BACKGROUND

Chapter III, Section 4(e) of the Dallas City Charter provides in part, "If any city council member, including the mayor, misses more than 10 percent of the total number of regular meetings held by the city council during any compensation year, then the city council member's compensation...for that year will be reduced proportionately by the percentage of meetings missed.... Meetings missed by a city council member while he or she is on the official business of the city council and at the direction of the city council will not be counted towards the percentage of missed meetings for which compensation reduction is required... but will be counted as though the member had attended the meetings that are missed while so engaged in city business."

Section 4.11(b) of the City Council Rules of Procedure provides that an absence by a council member for (1) attending a meeting or conference of a professional organization of or association of municipalities or municipal officers, (2) testifying at a legislative hearing at the request of the mayor, the city council, the chair of the council's legislative affairs committee or the city manager, or (3) attending a meeting of a board, commission, or committee to which the council member has been appointed by the mayor or the city council, will automatically be deemed to be for "official city business at the direction of the city council" and will not be counted against a city councilmember for purposes of determining the council member's annual compensation.

BACKGROUND (Continued)

Section 4.11(c) of the City Council Rules of Procedure provides that, in addition to those absences automatically considered to be on "official city business at the direction of the city council" under Section 4.11(b) above, the city council may by resolution designate whenever a council member's absence is for official city business and not counted as a missed meeting for purposes of determining the council member's annual compensation under Chapter III, Section 4 of the Dallas City Charter.

The proposed resolution authorizes and directs the city secretary to amend the minutes of city council meetings, without further city council action or approval, to reflect when the absences by designated council members have been deemed by the city council to be for "official city business."

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

FISCAL INFORMATION

No cost consideration to the City.

August 28, 2013

WHEREAS, Chapter III, Section 4(e) of the Dallas City Charter provides in part, "If any city council member, including the mayor, misses more than 10 percent of the total number of regular meetings held by the city council during any compensation year, then the city council member's compensation... for that year will be reduced proportionately by the percentage of meetings missed.... Meetings missed by a city council member while he or she is on the official business of the city council and at the direction of the city council will not be counted towards the percentage of missed meetings for which compensation reduction is required... but will be counted as though the member had attended the meetings that are missed while so engaged in city business"; and

WHEREAS, Section 4.11(b) of the City Council Rules of Procedure provides that an absence by a council member for (1) attending a meeting or conference of a professional organization of or association of municipalities or municipal officers, (2) testifying at a legislative hearing at the request of the mayor, the city council, the chair of the council's legislative affairs committee or the city manager, or (3) attending a meeting of a board, commission, or committee to which the council member has been appointed by the mayor or the city council, will automatically be deemed to be for "official city business at the direction of the city council" and will not be counted against a city council member for purposes of determining the council member's annual compensation; and

WHEREAS, Section 4.11(c) of the City Council Rules of Procedure provides that, in addition to those absences automatically considered to be on "official city business at the direction of the city council" under Section 4.11(b) above, the city council may by resolution designate whenever a council member's absence is for official city business and not counted as a missed meeting for purposes of determining the council member's annual compensation under Chapter III, Section 4 of the Dallas City Charter; and

WHEREAS, Councilmember Dwaine Caraway participated in event(s) and/or meeting(s) , as described in **Exhibit A** attached, which required him to miss all or part of one or more city council meeting(s) or committee meeting(s) on the date(s) noted in Exhibit A; **Now**, **Therefore**,

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

August 28, 2013

SECTION 1. That, in accordance with Chapter III, Section 4(e) of the Dallas City Charter and Section 4.11(c) of the City Council Rules of Procedure, the event(s) and/or meeting(s) described in **Exhibit A,** attached, are hereby deemed to be for "official city business," and any absences from city council meeting(s) and/or city council committee meeting(s), on the date(s) noted in Exhibit A, by Councilmember Dwaine Caraway because of his participation in any event(s) and/or meeting(s) will not be counted against him in determining his annual compensation under Chapter III, Section 4 of the Dallas City Charter.

SECTION 2. That, in accordance with Section 4.11(a) of the City Council Rules of Procedure, the City Secretary shall maintain a record of the absence on official city business so that such absence will not count against Councilmember Dwaine Caraway in determining his annual compensation under Chapter III, Section 4 of the Dallas City Charter.

SECTION 3. That the City Secretary is authorized and directed to amend the minutes of each city council meeting held on the date(s) specified in Exhibit A, if applicable, to reflect that the absence by Councilmember Dwaine Caraway as described in Exhibit A, was for "official city business," and no further city council action or approval of those minutes is required.

SECTION 4. That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas, and it is accordingly so resolved.

EXHIBIT A
CITY COUNCIL MEMBER(S)
REQUEST ABSENT AS OFFICIAL CITY BUSINESS

COUNCILMEMBER	TRIP/EVENT	LOCATION	DATE	PURPOSE	MEETING(S) MISSED	ABSENCE TYPE
Dwaine Caraway	Presenting a Memoriam at a funeral on behalf of City of Dallas	Dallas, TX	4/8/2013 (3rd Quarter)	Representing the City of Dallas	City Council Voting Agenda Meeting	50%

ADDENDUM ITEM # 9,10

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: August 28, 2013

COUNCIL DISTRICT(S): 14

DEPARTMENT: Office of Economic Development

CMO: Ryan S. Evans, 671-9837

MAPSCO: 45 L Q

SUBJECT

Continental Building Downtown Connection TIF District

* Authorize Supplemental Agreement No. 8 to the master development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P. ("FC Merc"), a Texas limited partnership, FC Continental Complex, L.P. ("FCC"), a Texas limited partnership, FC Continental Landlord, LLC, a Texas limited liability company ("FC Continental") and FC Continental Manager, LLC, a Texas limited liability company and managing member of FC Continental (collectively called Forest City) to: **(1)** revise Section 2.07 of the master development agreement to remove the requirement of the City to issue bonds in the amount of $2,500,000 with an interest rate of 8% and pay all costs of bond issuance for the project; and **(2)** provide TIF funding to Forest City in an amount not to exceed $3,700,000 total dollars or an amount equivalent to Net Present Value of $2,500,000 at a discount rate of 4%, whichever is less, to be funded by annual increment generated by the increase in property value of the Continental Building only, collected by the City - Not to exceed $3,700,000 - Financing: Downtown Connection TIF District Funds

* A resolution declaring the intent of Tax Increment Financing District Reinvestment Zone Number Eleven (Downtown Connection TIF District) to make annual payments to Forest City from annual increment generated by the increase in property value of the Continental Building only, up to an amount not to exceed $2,500,000, pursuant to the Supplemental Agreement No. 8 - Financing: No cost consideration to the City

BACKGROUND

Redevelopment of the Continental building was completed by Forest City in March of 2013. Section 2.07 of the amended development agreement for the Continental Building requires the Downtown Connection TIF District/Downtown Dallas Development Authority (DDDA) to issue bonds for the project that would have net proceeds of $2.5 million.

BACKGROUND (Continued)

The agreement also obligates the DDDA and/or City to pay the costs to issue the bonds. Lastly, the agreement mandated an 8% interest rate if Forest City purchased the Continental Bonds. The debt service for the bonds would be paid by the increment generated by the Continental building only and could total approximately $4.7 million (the entire amount of increment anticipated to be generated by the building over the life of the TIF).

In order to facilitate project financing and meet a closing deadline of September, Forest City has requested an alternative to issuing bonds that will allow them to meet the September deadline. In lieu of issuing bonds, Staff has proposed to begin reimbursement of the project from increment generated by the project only, beginning with any increment generated during fiscal year 2013 in an amount not to exceed $3.7 million or NPV of $2.5 million (4% discount rate), whichever is less.

The requested development agreement amendments meets the spirit and intent of the original agreement, while simplifying the entire process, eliminating costs for a small bond issuance, reducing the interest rate from 8% to 4%, saving the District approximately $1 million in increment. The amendment also allows Forest City to meet a September financing deadline.

The City's bond attorney that drafted the original master development agreement concluded providing annual payments to Forest City equivalent to the annual amount of increment generated by the Continental Building only is a viable alternative to issuing bonds for the project.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On December 8, 2004, City Council authorized the adoption of the revised Public/Private Partnership Guidelines and Criteria governing tax abatement agreements and other incentive programs, including infrastructure cost participation, development fee rebates, public improvement districts, and tax increment financing districts by Resolution No. 04-3462.

On June 8, 2005, City Council authorized the establishment of the Downtown Connection TIF District to promote development and redevelopment in the Uptown and Downtown areas through the use of tax increment financing by Ordinance No. 26020.

On June 8, 2005, City Council authorized sponsoring the DDDA as a local government corporation to promote the City, including the development of the geographic areas of the City included within the City Center TIF District and the Downtown Connection TIF District and authorizes the City Manager to file the DDDA articles of incorporation with the Secretary of State by Resolution No. 05-1755.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (Continued)

On August 29, 2005, City Council authorized (1) the Downtown Connection Tax Increment Financing District Project Plan and Reinvestment Zone Financing Plan (the" Project and Financing Plan") by Ordinance No. 26096; and (2) a development agreement among the City of Dallas, DDDA and Forest City, to provide for the funding of environmental remediation, demolition, facade improvements, and grants for the development and redevelopment of the Mercantile Complex, the Continental Building and the Atmos Complex and design work for the Main Street Gardens Park in the Downtown Connection TIF District by Resolution No. 05-2545.

On March 8, 2006, City Council authorized (1) the issuance and sale of up to $51,000,000 in Downtown Dallas Development Authority Contract Tax Increment Revenue Bonds for the Mercantile project improvements; (2) approval of the Preliminary Official Statement, Trust Indenture and Bond Resolution; and (3) enacting other provisions in connection therewith by Resolution No. 06-0873.

On April 12, 2006, City Council authorized the re-adoption of the Public/Private Partnership Program Guidelines and Criteria for Non-residential Projects, pursuant to the Property Redevelopment and Tax Abatement Act (V.T.C.A., Tax Code, Chapter 312), governing tax abatement agreements and other city incentives intended to promote private investment, tax base growth and job creation.

On August 9, 2006, City Council authorized Supplemental Agreement No. 1 to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P., FC Continental Complex, L.P., FC Atmos, Inc., and FC Lessee (collectively Forest City) to revise the provisions of Section 1.02 thereby consenting to Forest City's acquisition of the fee interest in the ground lease parcel in lieu of condemnation and directing the DDDA to reprogram the $2,500,000 in bond proceeds that have been earmarked for condemnation to other programs in furtherance of the implementation of the Downtown Connection TIF District project and financing plan by Resolution No. 06-2065.

On June 13, 2007, City Council authorized Supplemental Agreement No. 2 to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P., FC Continental Complex, L.P., FC Atmos, Inc., and FC Lessee (collectively Forest City) to extend the completion date of the Continental Building from October 3, 2009 to June 3, 2011, by Resolution No. 07-1821.

On October 22, 2008, City Council authorized an amendment to the Downtown Connection TIF district project plan and reinvestment Zone Financing Plan to permit the direct lease or sale of city owned, city controlled property without complying with auction and bidding requirements on the condition that the property is redevelopment in accordance with the Downtown Connection TIF district plan by Ordinance No. 27377.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (Continued)

On October 22, 2008, City Council authorized Supplemental Agreement No. 3 to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P., FC Continental Complex, L.P., FC Atmos, Inc., and FC Lessee (collectively Forest City) to: (1) extend the due dates of each of the remaining option fee payments by 12 months; (2) direct the transfer of title of the Atmos Complex without auction and bidding from FC Atmos, Inc. to Hamilton Atmos LP for redevelopment in accordance with the Downtown Connection TIF Project Plan and without requiring the acceleration of payment of the unpaid portion of the $750,000 option fee prior to the new deadline dates; (3) require FC Atmos, Inc. to retain maintenance obligations through October 26, 2010; and (4) require FC Atmos, Inc. to continue obligations for payment of option fees of $250,000 on October 26, 2009 and an additional $250,000 on October 26, 2010 if Hamilton Atmos LP is unable to obtain building permits by those dates by Resolution No. 08-2918.

On February 11, 2009, City Council authorized amending Resolution No. 08-2918, previously approved on October 22, 2008, which authorized Supplemental Agreement No. 3 to the development agreement with Forest City for the redevelopment of the Mercantile Block, Continental Building and Atmos complex permitting the transfer of the Atmos Complex through the transfer of stock in FC Atmos, Inc., in lieu of transferring the title of the separate properties.

On October 14, 2009, City Council authorized Supplemental Agreement No. 4 to the Mercantile master agreement to amend and restate Article II of the agreement to: (1) increase the required minimum “Continental Building Improvements” for residential units from 140-160 units to 180 units and decrease retail square footage from 9,000 square feet to 5,000 square feet; (2) adjust the number of parking spaces from 350 to 250 to correct a typographical error; (3) extend the completion date for the redevelopment of the Continental Building from June 30, 2011 to December 31, 2011; (4) add an affordable housing requirement that twenty percent of the total number of residential units must be set-aside as affordable as defined by the Downtown Connection TIF District Project Plan; and (5) establish Downtown Connection TIF District funding for project costs related to the redevelopment of the Continental Building in an amount not to exceed $17,528,288 (includes $13,305,700 for TIF base funding plus interest up to $4,222,588) by Resolution No. 09-2518.

On January 14, 2010, the Downtown Connection TIF District Board of Directors recommended approval by the City Council of a project loan (the “Continental Building Housing Department Loan”) of $2,000,000 from Downtown Connection TIF District Affordable Housing funds to FCC for the redevelopment of the Continental Building.

On January 27, 2010, City Council authorized the City to make the Continental Building Housing Department Loan by Resolution No. 10-0372.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (Continued)

On June 22, 2011, the fifth Amendment to the Mercantile Agreement for the redevelopment of the Continental Building at 1810 Commerce Street was executed to consent to (i) the restructuring of the ownership of the Continental Building, (ii) the transfer of title to the Continental Building from FCC to FC Continental, (iii) the assignment of certain rights and obligations under the Development Agreement with respect to the Continental Building from FCC to FC Continental, (iv) the partial assignments of certain rights of reimbursement from FC Continental to its affiliates, and (v) that the Continental Building Housing Department Loan be made to FC Continental.

On August 10, 2011, City Council authorized Supplement Agreement No. 6 to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P. ("FC Merc"), a Texas limited partnership, FC Continental Complex, L.P. ("FCC"), a Texas limited partnership, FC Continental Landlord, LLC, a Texas limited liability company ("FC Continental") and FC Continental Manager, LLC, a Texas limited liability company and managing member of FC Continental (collectively called Forest City) to extend the substantial completion date for the Continental Building improvement project from December 31, 2011 to December 31, 2012, with the extension of the date for an additional 6 months subject to the Director of Economic Development, Downtown Connection TIF District by Resolution No. 11-2028.

On February 9, 2012, the Downtown Connection TIF District and Downtown Dallas Development Authority Boards of Directors approved an amendment to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P. ("FC Merc"), a Texas limited partnership, FC Continental Complex, L.P. ("FCC"), a Texas limited partnership, FC Continental Landlord, LLC, a Texas limited liability company ("FC Continental") and FC Continental Manager, LLC, a Texas limited liability company and managing member of FC Continental (collectively called Forest City) to amend Section 1.07 Profit Participation to terminate the City's 20% profit participation in cash flow, financing or sales proceeds from the Mercantile Block project in the event of foreclosure of the project and forwarded a recommendation of approval to City Council.

On March 28, 2012, City Council authorized Supplemental Agreement No. 7 to the master development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P. ("FC Merc"), a Texas limited partnership, FC Continental Complex, L.P. ("FCC"), a Texas limited partnership, FC Continental Landlord, LLC, a Texas limited liability company ("FC Continental") and FC Continental Manager, LLC, a Texas limited liability company and managing member of FC Continental (collectively called Forest City) to amend Section 1.07 Profit Participation to terminate the City's 20 percent profit participation in cash flow, financing or sales proceeds from the Mercantile Block project in the event of foreclosure of the project by Resolution No. 11-2028.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (Continued)

On August 20, 2013, the Downtown Connection TIF District and Downtown Dallas Development Authority Boards of Directors reviewed and recommended approval of an amendment to the master development agreement, as amended, among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P. ("FC Merc"), a Texas limited partnership, FC Continental Complex, L.P. ("FCC"), a Texas limited partnership, FC Continental Landlord, LLC, a Texas limited liability company ("FC Continental") and FC Continental Manager, LLC, a Texas limited liability company and managing member of FC Continental (collectively called Forest City) to revise Section 2.07 of the document to: (1) remove the requirement of the City to issue bonds in the amount of $2,500,000 for the project; and (2) provide TIF Funding to Forest City in an amount not to exceed $3,700,000 total dollars or an amount equivalent to Net Present Value of $2,500,000 at a discount rate of 4%, whichever is less, to be funded by annual increment generated by the increase in property value of the Continental Building only.

FISCAL INFORMATION

$3,700,000 or an amount equivalent to Net Present Value of $2,500,000 at a discount rate of 4%, whichever is less – Downtown Connection TIF District Funds

OWNER	**DEVELOPER**
Forest City Residential Group	**Forest City Residential Group**
Jim Truitt Senior Vice President	Jim Truitt Senior Vice President

MAP

Attached.

Continental Building

Downtown Connection TIF District

Continental Building

Properties outside TIF

Properties inside TIF

City of Dallas
Office of Economic Development
August 2009

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

WHEREAS, on June 8, 2005, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Eleven, City of Dallas, Texas ("Downtown Connection TIF District") in accordance with the Tax Increment Financing Act, as amended, Chapter 311 of the Texas Tax Code, Vernon's Texas Codes Annotated (the "Act") to promote development and redevelopment in the Uptown and Downtown areas through the use of tax increment financing by Ordinance No. 26020; as amended; and

WHEREAS, on June 8, 2005, City Council authorized the establishment of the Downtown Connection TIF District to promote development and redevelopment in the Uptown and Downtown areas through the use of tax increment financing by Ordinance No. 26020; and

WHEREAS, on August 29, 2005, City Council authorized the Downtown Connection Tax Increment Financing District Project Plan and Reinvestment Zone Financing Plan by Ordinance No. 26096; as amended; and

WHEREAS, on August 29, 2005, City Council authorized the execution of a Development Agreement between the City, the Downtown Dallas Development Authority (DDDA), and Forest City affiliates for the development and redevelopment of the Mercantile Block, Continental Building and Atmos Complex by Resolution No. 05-2545; as amended; and

WHEREAS, on March 8, 2006, City Council authorized (1) the issuance and sale of up to $51,000,000 in Downtown Dallas Development Authority Contract Tax Increment Revenue Bonds for the Mercantile project improvements; (2) approval of the Preliminary Official Statement, Trust Indenture and Bond Resolution; and (3) enacting other provisions in connection therewith by Resolution No. 06-0873; and

WHEREAS, on August 9, 2006, City Council authorized Supplemental Agreement No. 1 to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P., FC Continental Complex, L.P., FC Atmos, Inc., and FC Lessee (collectively Forest City) to revise the provisions of Section 1.02 thereby consenting to Forest City's acquisition of the fee interest in the ground lease parcel in lieu of condemnation and directing the DDDA to reprogram the $2,500,000 in bond proceeds that have been earmarked for condemnation to other programs in furtherance of the implementation of the Downtown Connection TIF District project and financing plan by Resolution No. 06-2065; and

WHEREAS, on June 13, 2007, City Council authorized Supplemental Agreement No. 2 to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P., FC Continental Complex, L.P., FC Atmos, Inc., and FC Lessee (collectively Forest City) to extend the completion date of the Continental Building from October 3, 2009 to June 3, 2011, by Resolution No. 07-1821; and

WHEREAS, on October 22, 2008, City Council authorized an amendment to the Downtown Connection TIF district project plan and reinvestment Zone Financing Plan to permit the direct lease or sale of city owned, city controlled property without complying with auction and bidding requirements on the condition that the property is redevelopment in accordance with the Downtown Connection TIF district plan by Ordinance No. 27377; and

WHEREAS, on October 22, 2008, City Council authorized Supplemental Agreement No. 3 to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P., FC Continental Complex, L.P., FC Atmos, Inc., and FC Lessee (collectively Forest City) to (a) extend the due dates of each of the remaining option fee payments by 12 months; (b) direct the transfer of title of the Atmos Complex without auction and bidding from FC Atmos to Hamilton Atmos LP for redevelopment in accordance with the Downtown Connection TIF Project Plan and without requiring the acceleration of payment of the unpaid portion of the $750,000 option fee prior to the new deadline dates; (c) require FC Atmos to retain maintenance obligations through October 26, 2010, and (d) require FC Atmos to continue obligations for payment of option fees of $250,000 on October 26, 2009 and an additional $250,000 on October 26, 2010 if Hamilton Atmos LP is unable to obtain building permits by those dates by Resolution No. 08-2918; and

WHEREAS, on February 11, 2009, City Council authorized an amendment to Resolution No. 08-2918, previously approved on October 22, 2008 which authorized Supplemental Agreement No. 3 to the development agreement with Forest City for the redevelopment of the Mercantile Block, Continental Building and Atmos complex permitting the transfer of the Atmos Complex through the transfer of stock in FC Atmos, Inc., in lieu of transferring the tile of the separate properties; and

WHEREAS, October 14, 2009, City Council authorized Supplemental Agreement No. 4 to the Mercantile master agreement to amend and restate Article II of the agreement to: (1) increase the required minimum "Continental Building Improvements" for residential units from 140-160 units to 180 units and decrease retail square footage from 9,000 square feet to 5,000 square feet; (2) adjust the number of parking spaces from 350 to 250 to correct a typographical error; (3) extend the completion date for the redevelopment of the Continental Building from June 30, 2011 to December 31, 2011; (4) add an affordable housing requirement that twenty percent of the total number of residential units must be set-aside as affordable as defined by the Downtown Connection TIF District Project Plan; and (5) establish Downtown Connection TIF District funding for project costs related to the redevelopment of the Continental Building in an amount not to exceed $17,528,288 (includes $13,305,700 for TIF base funding plus interest up to $4,222,588) by Resolution No. 09-2518; and

WHEREAS, on January 14, 2010, the Downtown Connection TIF District Board of Directors recommended approval by the City Council of a project loan (the "Continental Building Housing Department Loan") of $2,000,000 from Downtown Connection TIF District Affordable Housing funds to FCC for the redevelopment of the Continental Building; and

WHEREAS, on January 27, 2010, City Council authorized the City to make the Continental Building Housing Department Loan by Resolution No. 10-0372; and

WHEREAS, on June 22, 2011, the 5th Amendment to the Mercantile Agreement for the redevelopment of the Continental Building at 1810 Commerce Street was executed to consent to (i) the restructuring of the ownership of the Continental Building, (ii) the transfer of title to the Continental Building from FCC to FC Continental, (iii) the assignment of certain rights and obligations under the Development Agreement with respect to the Continental Building from FCC to FC Continental, (iv) the partial assignments of certain rights of reimbursement from FC Continental to its affiliates, and (v) that the Continental Building Housing Department Loan be made to FC Continental; and

WHEREAS, on August 10, 2011, City Council authorized Supplement Agreement No. 6 to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P. ("FC Merc"), a Texas limited partnership, FC Continental Complex, L.P. ("FCC"), a Texas limited partnership, FC Continental Landlord, LLC, a Texas limited liability company ("FC Continental") and FC Continental Manager, LLC, a Texas limited liability company and managing member of FC Continental (collectively called Forest City) to extend the substantial completion date for the Continental Building improvement project from December 31, 2011 to December 31, 2012, with the extension of the date for an additional 6 months subject to the Director of Economic Development, Downtown Connection TIF District by Resolution No. 11-2028; and

WHEREAS, on February 9, 2012, the Downtown Connection TIF District and Downtown Dallas Development Authority Boards of Directors approved an amendment to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P. ("FC Merc"), a Texas limited partnership, FC Continental Complex, L.P. ("FCC"), a Texas limited partnership, FC Continental Landlord, LLC, a Texas limited liability company ("FC Continental") and FC Continental Manager, LLC, a Texas limited liability company and managing member of FC Continental (collectively called Forest City) to amend Section 1.07 Profit Participation to terminate the City's 20% profit participation in cash flow, financing or sales proceeds from the Mercantile Block project in the event of foreclosure of the project and forwarded a recommendation of approval to City Council; and

WHEREAS, on March 5, 2012, the Economic Development Committee was briefed on the amendments to the master Development Agreement with Forest City and recommended approval to City Council; and

WHEREAS, on March 28, 2012, City Council authorized Supplemental Agreement No. 7 to the master development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P. ("FC Merc"), a Texas limited partnership, FC Continental Complex, L.P. ("FCC"), a Texas limited partnership, FC Continental Landlord, LLC, a Texas limited liability company ("FC Continental") and FC Continental Manager, LLC, a Texas limited liability company and managing member of FC Continental (collectively called Forest City) to amend Section 1.07 Profit Participation to terminate the City's 20% profit participation in cash flow, financing or sales proceeds from the Mercantile Block project in the event of foreclosure of the project by Resolution No. 11-2028; and

WHEREAS, on August 20, 2013, the Downtown Connection TIF District and Downtown Dallas Development Authority Boards of Directors reviewed and recommended approval of an amendment to the master development agreement, as amended, among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P. ("FC Merc"), a Texas limited partnership, FC Continental Complex, L.P. ("FCC"), a Texas limited partnership, FC Continental Landlord, LLC, a Texas limited liability company ("FC Continental") and FC Continental Manager, LLC, a Texas limited liability company and managing member of FC Continental (collectively called Forest City) to: (1) revise Section 2.07 of the document to remove the requirement of the City to issue bonds in the amount of $2,500,000 with an interest rate of 8% and pay all costs of bond issuance for the project; and (2) provide TIF funding to Forest City in an amount not to exceed $3,700,000 total dollars or an amount equivalent to Net Present Value of $2,500,000 at a discount rate of 4%, whichever is less, to be funded by annual increment generated by the increase in property value of the Continental Building only, collected by the City.

NOW, THEREFORE,

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

Section 1. That the City Manager, upon approval as to form by the City Attorney is hereby authorized to execute Supplemental Agreement No. 8 to the master development agreement, as amended, among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P. ("FC Merc"), a Texas limited partnership, FC Continental Complex, L.P. ("FCC"), a Texas limited partnership, FC Continental Landlord, LLC, a Texas limited liability company ("FC Continental") and FC Continental Manager, LLC, a Texas limited liability company and managing member of FC Continental (collectively called Forest City) to revise Section 2.07 of the document to remove the requirement of the City to issue bonds in the amount of $2,500,000 with an interest rate of 8% and pay all costs of bond issuance for the project.

Section 2. That the City Manager, upon approval as to form by the City Attorney is hereby authorized to execute Supplemental Agreement No. 8 to the master development agreement, as amended, among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P. ("FC Merc"), a Texas limited partnership, FC Continental Complex, L.P. ("FCC"), a Texas limited partnership, FC Continental Landlord, LLC, a Texas limited liability company ("FC Continental") and FC Continental Manager, LLC, a Texas limited liability company and managing member of FC Continental (collectively called Forest City) to provide TIF funding to Forest City in an amount not to exceed $3,700,000 total dollars or an amount equivalent to Net Present Value of $2,500,000 at a discount rate of 4%, whichever is less, to be funded by annual increment generated by the increase in property value of the Continental Building only, collected by the City.

Section 3. That the Downtown Connection TIF District Board of Directors is authorized to dedicate future Downtown Connection TIF revenues generated by the increase in property value of the Continental Building only, in an amount not to exceed $3,700,000 total dollars or an amount equivalent to Net Present Value of $2,500,000 at a discount rate of 4%, whichever is less.

Section 4. That the City Controller is hereby authorized to encumber and disburse funds from future tax increments and subject to future appropriations from:

Fund 0044, Department ECO, Unit P832, Object 3072, Activity DTTI, CT ECOP832K234, Vendor No. VS0000049374, in an amount not to exceed $3,700,000 total dollars or an amount equivalent to Net Present Value of $2,500,000 at a discount rate of 4%, whichever is less.

Section 5. That nothing in the resolution shall be construed to require the City to approve future dedications of Downtown Connection TIF revenues (the "TIF Subsidy") from any source of the City funds other than the Downtown Connection TIF District Fund. Any portion of the TIF Subsidy that remains unpaid due to lack or unavailability of Downtown Connection TIF District Funds shall no longer be considered project costs of the Downtown Connection TIF District or the City and the obligation of the Downtown Connection TIF District to pay Forest City shall automatically expire.

Section 6. That the annual TIF Subsidy payment to be provided to Forest City, will be based on the annual increment generated in the Downtown Connection TIF District by the Continental Building, currently addressed as 1810 Commerce, only.

Section 7. That all other terms, provisions, conditions, and obligations of the master development agreement for the Continental Building, as amended, between the City and Developer shall remain in full force and effect.

Section 8. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

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

WHEREAS, on June 8, 2005, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Eleven, City of Dallas, Texas ("Downtown Connection TIF District") in accordance with the Tax Increment Financing Act, as amended, Chapter 311 of the Texas Tax Code, Vernon's Texas Codes Annotated (the "Act") to promote development and redevelopment in the Uptown and Downtown areas through the use of tax increment financing by Ordinance No. 26020; as amended; and

WHEREAS, on June 8, 2005, City Council authorized the establishment of the Downtown Connection TIF District to promote development and redevelopment in the Uptown and Downtown areas through the use of tax increment financing by Ordinance No. 26020; and

WHEREAS, on August 29, 2005, City Council authorized the Downtown Connection Tax Increment Financing District Project Plan and Reinvestment Zone Financing Plan by Ordinance No. 26096; as amended; and

WHEREAS, on August 29, 2005, City Council authorized the execution of a Development Agreement between the City, the Downtown Dallas Development Authority (DDDA), and Forest City affiliates for the development and redevelopment of the Mercantile Block, Continental Building and Atmos Complex by Resolution No. 05-2545; as amended; and

WHEREAS, on March 8, 2006, City Council authorized (1) the issuance and sale of up to $51,000,000 in Downtown Dallas Development Authority Contract Tax Increment Revenue Bonds for the Mercantile project improvements; (2) approval of the Preliminary Official Statement, Trust Indenture and Bond Resolution; and (3) enacting other provisions in connection therewith by Resolution No. 06-0873; and

WHEREAS, on August 9, 2006, City Council authorized Supplemental Agreement No. 1 to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P., FC Continental Complex, L.P., FC Atmos, Inc., and FC Lessee (collectively Forest City) to revise the provisions of Section 1.02 thereby consenting to Forest City's acquisition of the fee interest in the ground lease parcel in lieu of condemnation and directing the DDDA to reprogram the $2,500,000 in bond proceeds that have been earmarked for condemnation to other programs in furtherance of the implementation of the Downtown Connection TIF District project and financing plan by Resolution No. 06-2065; and

WHEREAS, on June 13, 2007, City Council authorized Supplemental Agreement No. 2 to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P., FC Continental Complex, L.P., FC Atmos, Inc., and FC Lessee (collectively Forest City) to extend the completion date of the Continental Building from October 3, 2009 to June 3, 2011, by Resolution No. 07-1821; and

WHEREAS, on October 22, 2008, City Council authorized an amendment to the Downtown Connection TIF district project plan and reinvestment Zone Financing Plan to permit the direct lease or sale of city owned, city controlled property without complying with auction and bidding requirements on the condition that the property is redevelopment in accordance with the Downtown Connection TIF district plan by Ordinance No. 27377; and

WHEREAS, on October 22, 2008, City Council authorized Supplemental Agreement No. 3 to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P., FC Continental Complex, L.P., FC Atmos, Inc., and FC Lessee (collectively Forest City) to (a) extend the due dates of each of the remaining option fee payments by 12 months; (b) direct the transfer of title of the Atmos Complex without auction and bidding from FC Atmos to Hamilton Atmos LP for redevelopment in accordance with the Downtown Connection TIF Project Plan and without requiring the acceleration of payment of the unpaid portion of the $750,000 option fee prior to the new deadline dates; (c) require FC Atmos to retain maintenance obligations through October 26, 2010, and (d) require FC Atmos to continue obligations for payment of option fees of $250,000 on October 26, 2009 and an additional $250,000 on October 26, 2010 if Hamilton Atmos LP is unable to obtain building permits by those dates by Resolution No. 08-2918; and

WHEREAS, on February 11, 2009, City Council authorized an amendment to Resolution No. 08-2918, previously approved on October 22, 2008 which authorized Supplemental Agreement No. 3 to the development agreement with Forest City for the redevelopment of the Mercantile Block, Continental Building and Atmos complex permitting the transfer of the Atmos Complex through the transfer of stock in FC Atmos, Inc., in lieu of transferring the tile of the separate properties; and

WHEREAS, October 14, 2009, City Council authorized Supplemental Agreement No. 4 to the Mercantile master agreement to amend and restate Article II of the agreement to: (1) increase the required minimum "Continental Building Improvements" for residential units from 140-160 units to 180 units and decrease retail square footage from 9,000 square feet to 5,000 square feet; (2) adjust the number of parking spaces from 350 to 250 to correct a typographical error; (3) extend the completion date for the redevelopment of the Continental Building from June 30, 2011 to December 31, 2011; (4) add an affordable housing requirement that twenty percent of the total number of residential units must be set-aside as affordable as defined by the Downtown Connection TIF District Project Plan; and (5) establish Downtown Connection TIF District funding for project costs related to the redevelopment of the Continental Building in an amount not to exceed $17,528,288 (includes $13,305,700 for TIF base funding plus interest up to $4,222,588) by Resolution No. 09-2518; and

WHEREAS, on January 14, 2010, the Downtown Connection TIF District Board of Directors recommended approval by the City Council of a project loan (the "Continental Building Housing Department Loan") of $2,000,000 from Downtown Connection TIF District Affordable Housing funds to FCC for the redevelopment of the Continental Building; and

WHEREAS, on January 27, 2010, City Council authorized the City to make the Continental Building Housing Department Loan by Resolution No. 10-0372; and

WHEREAS, on June 22, 2011, the 5th Amendment to the Mercantile Agreement for the redevelopment of the Continental Building at 1810 Commerce Street was executed to consent to (i) the restructuring of the ownership of the Continental Building, (ii) the transfer of title to the Continental Building from FCC to FC Continental, (iii) the assignment of certain rights and obligations under the Development Agreement with respect to the Continental Building from FCC to FC Continental, (iv) the partial assignments of certain rights of reimbursement from FC Continental to its affiliates, and (v) that the Continental Building Housing Department Loan be made to FC Continental; and

WHEREAS, on August 10, 2011, City Council authorized Supplement Agreement No. 6 to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P. ("FC Merc"), a Texas limited partnership, FC Continental Complex, L.P. ("FCC"), a Texas limited partnership, FC Continental Landlord, LLC, a Texas limited liability company ("FC Continental") and FC Continental Manager, LLC, a Texas limited liability company and managing member of FC Continental (collectively called Forest City) to extend the substantial completion date for the Continental Building improvement project from December 31, 2011 to December 31, 2012, with the extension of the date for an additional 6 months subject to the Director of Economic Development, Downtown Connection TIF District by Resolution No. 11-2028; and

WHEREAS, on February 9, 2012, the Downtown Connection TIF District and Downtown Dallas Development Authority Boards of Directors approved an amendment to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P. ("FC Merc"), a Texas limited partnership, FC Continental Complex, L.P. ("FCC"), a Texas limited partnership, FC Continental Landlord, LLC, a Texas limited liability company ("FC Continental") and FC Continental Manager, LLC, a Texas limited liability company and managing member of FC Continental (collectively called Forest City) to amend Section 1.07 Profit Participation to terminate the City's 20% profit participation in cash flow, financing or sales proceeds from the Mercantile Block project in the event of foreclosure of the project and forwarded a recommendation of approval to City Council; and

WHEREAS, on March 5, 2012, the Economic Development Committee was briefed on the amendments to the master Development Agreement with Forest City and recommended approval to City Council; and

WHEREAS, on March 28, 2012, City Council authorized Supplemental Agreement No. 7 to the master development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P. ("FC Merc"), a Texas limited partnership, FC Continental Complex, L.P. ("FCC"), a Texas limited partnership, FC Continental Landlord, LLC, a Texas limited liability company ("FC Continental") and FC Continental Manager, LLC, a Texas limited liability company and managing member of FC Continental (collectively called Forest City) to amend Section 1.07 Profit Participation to terminate the City's 20% profit participation in cash flow, financing or sales proceeds from the Mercantile Block project in the event of foreclosure of the project by Resolution No. 11-2028; and

WHEREAS, on August 20, 2013, the Downtown Connection TIF District and Downtown Dallas Development Authority Boards of Directors reviewed and recommended approval of an amendment to the master development agreement, as amended, among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P. ("FC Merc"), a Texas limited partnership, FC Continental Complex, L.P. ("FCC"), a Texas limited partnership, FC Continental Landlord, LLC, a Texas limited liability company ("FC Continental") and FC Continental Manager, LLC, a Texas limited liability company and managing member of FC Continental (collectively called Forest City) to: (1) revise Section 2.07 of the document to remove the requirement of the City to issue bonds in the amount of $2,500,000 with an interest rate of 8% and pay all costs of bond issuance for the project; and (2) provide TIF funding to Forest City in an amount not to exceed $3,700,000 total dollars or an amount equivalent to Net Present Value of $2,500,000 at a discount rate of 4%, whichever is less, to be funded by annual increment generated by the increase in property value of the Continental Building only, collected by the City.

NOW, THEREFORE,

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

Section 1. That the findings, determinations and certifications contained in the recitals above are incorporated herein for all purposes.

Section 2. That the issuer expects to incur debt as one or more series of obligation for the purpose of paying the costs of the Project. The following is a general functional description of the Project for which the expenditures to be reimbursed or paid and a statement of the maximum principal amount of debt expected to be issued for such reimbursement purposes.

Project Description	**Debt To Be Issued**
Continental Mixed Use Building at 1810 Commerce Street (Downtown Connection TIF District)	Not to exceed $3,700,000 total dollars or an amount equivalent to Net Present Value of $2,500,000 at a discount rate of 4%, whichever is less as provided by the Project Plan and Reinvestment Zone Financing Plan

Section 3. That the total Downtown Connection TIF District annual payments to Forest City shall be equivalent to the annual increment generated by the increase in property value of the Continental Building only in an amount not exceed $3,700,000 total dollars or an amount equivalent to Net Present Value of $2,500,000 at a discount rate of 4%, whichever is less.

Section 4. That nothing in the resolution shall be construed to require the City to approve payment from any source of City funds other than the Downtown Connection TIF District Fund and/or Tax Increment Bonds. Any funds expended under the development agreement that remain unpaid upon termination of the Downtown Connection TIF District, due to lack or unavailability of Downtown Connection TIF District Funds shall no longer be considered project costs of the Downtown Connection TIF District or the City and any obligation to pay Forest City, shall automatically expire.

Section 5. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

ADDENDUM ITEM # 11

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: August 28, 2013

COUNCIL DISTRICT(S): 4

DEPARTMENT: Housing/Community Services

CMO: Theresa O'Donnell, 671-9195

MAPSCO: 55X 65B C

SUBJECT

Authorize **(1)** an amendment to Resolution No. 08-2433, previously approved on September 10, 2008, to decrease the existing development loan with City Wide Community Development Corporation (CWCDC) for the Lancaster/Opal project by $243,674 and extend the option deadline for CWCDC to redevelop the acquired properties to September 12, 2016, and **(2)** an amendment to Resolution No. 13-1159, previously approved on June 26, 2013, to increase the existing development loan with City Wide Community Development Corporation for the Lancaster/Kiest project by $243,674 for environmental, demolition, and predevelopment costs - Financing: No cost consideration to the City

BACKGROUND

The 2006 Bond Election provided $41,495,000 in general obligation bonds to provide funds for promoting economic development in the Southern Sector. On December 12, 2007, the City Council approved an amendment to the Public/Private Partnership Program to set forth the Economic Development Program for Southern Dallas which includes residential, commercial, retail, mixed use and mixed income development. This project is being implemented under the amended program.

One of the key Lancaster Corridor stakeholders, City Wide Community Development Corporation (CWCDC), proposed to work with the City of Dallas to undertake the Lancaster/Opal and Lancaster/Kiest Redevelopment Projects which are part of the Economic Development Plan for the Lancaster Corridor.

The Lancaster Opal project focused on the area bounded by Marfa on the north, Opal on the east, Hudspeth on the south, and Lancaster on the west. Through the City's award of 2006 General Obligation Bond Funds, CWCDC acquired fourteen improved and unimproved properties and expended approximately $1 million for the acquisition costs, appraisals, surveys, environmental assessments and demolition of existing improvements in order to prepare for redevelopment efforts.

BACKGROUND (continued)

The original loan agreement called for CWCDC to spend all contracted funds within two years and complete redevelopment of the acquired properties by September 10, 2013 or release the acquired properties to the City of Dallas. The project has been delayed due to prolonged negotiations for the acquisitions of the properties, lack of available financing for the vertical construction, and changing plans for the end use of the sites.

The Lancaster/Kiest project is proposed to be four phases of redevelopment: 1) Retail Redevelopment, 2) Retail/Office New Construction, 3) High Density Live/Work affordable housing, and 4) High Density Multifamily affordable housing.

CWCDC has facilitated the purchase of sixteen improved and unimproved properties for the four phase Lancaster/Kiest redevelopment. To date, they have expended $734,500 of the loan but additional funds are needed to cover costs for environmental and demolition work, as well as predevelopment expenses to complete preparation of the sites for the vertical redevelopment.

City Council approval of this item will reduce the Lancaster/Opal development loan agreement by $243,674, provide additional time for CWCDC to redevelop the acquired properties, and allow CWCDC to maintain ownership of the Lancaster/Opal acquired properties through September 12, 2016. The Action will also add $243,674 to the Lancaster/Kiest development loan agreement. Both loans will continue to carry zero interest.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 9, 2006, the City Council approved an ordinance ordering a bond election to be held in the City of Dallas on November 7, 2006, for the purpose of submitting propositions for the issuance of general obligation bonds for funding permanent public improvements.

On December 12, 2007, the City Council approved an amendment to the Public/Private Partnership Program to include a special category for an Economic Development General Obligation Bond Program for Southern Dallas.

On September 10, 2008, the City Council approved a loan in the amount of $500,000 at 0% interest to CWCDC for the Lancaster/Opal project by Resolution No. 08-2433.

On August 12, 2009, the City Council approved an amendment to the development loan from $500,000 to $1,000,000 with CWCDC by Resolution No. 09-1965.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (continued)

On January 12, 2011, the City Council approved an amendment to the development loan from $1,000,000 to $1,275,000 with CWCDC by Resolution No. 11-0194.

On December 12, 2012, the City Council approved a development loan in the amount of $450,000 with CWCDC for the Lancaster/Kiest project by Resolution No. 12-3075.

On April 24, 2013, the City Council approved an amendment to the development loan from $450,000 to $600,000 with CWCDC for the Lancaster/Kiest project by Resolution No. 13-0733.

On June 26, 2013, the City Council approved an amendment to the development loan from $600,000 to $734,500 with City Wide CDC for the Lancaster/Kiest project by Resolution No. 13-1159.

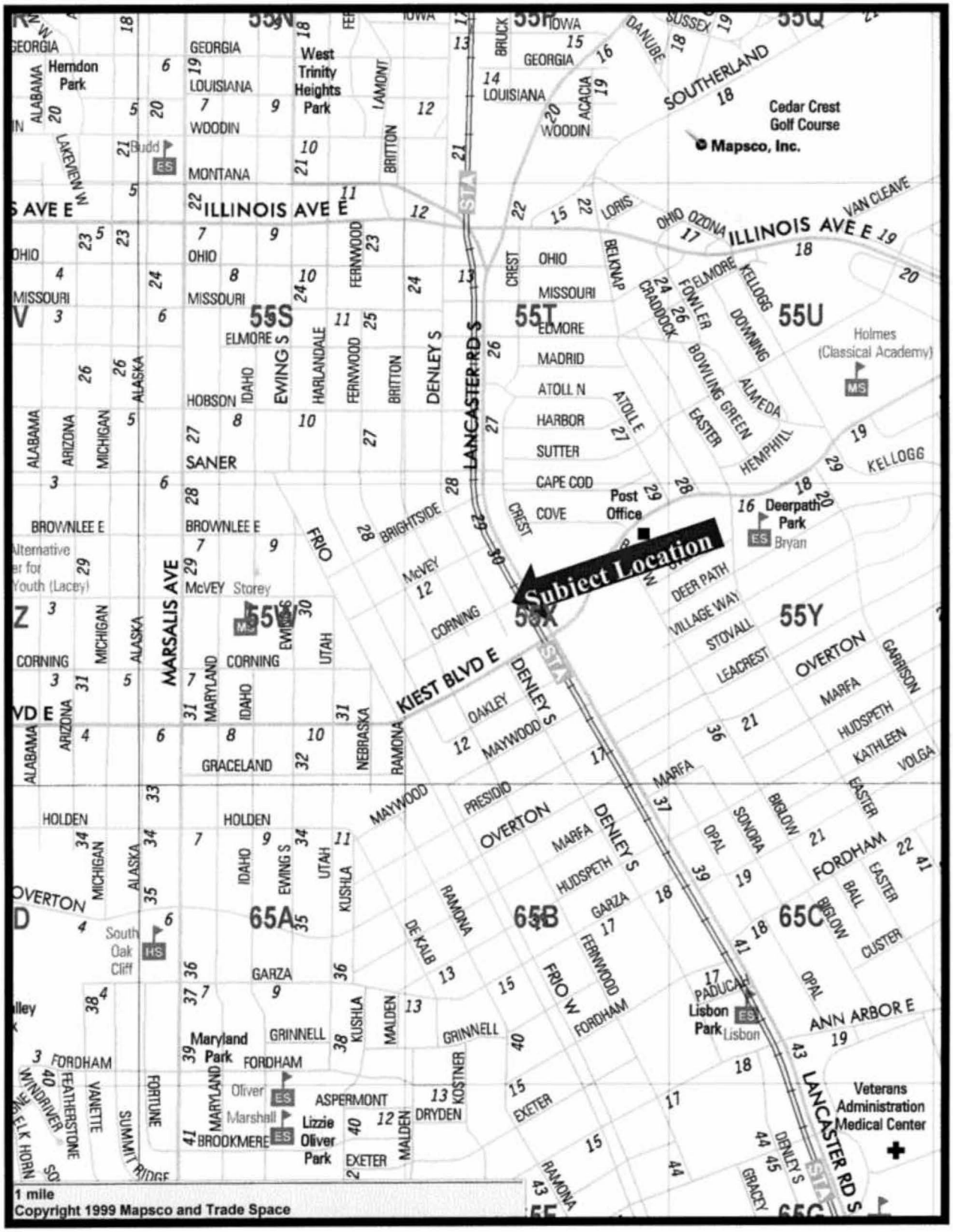
FISCAL INFORMATION

No cost consideration to the City

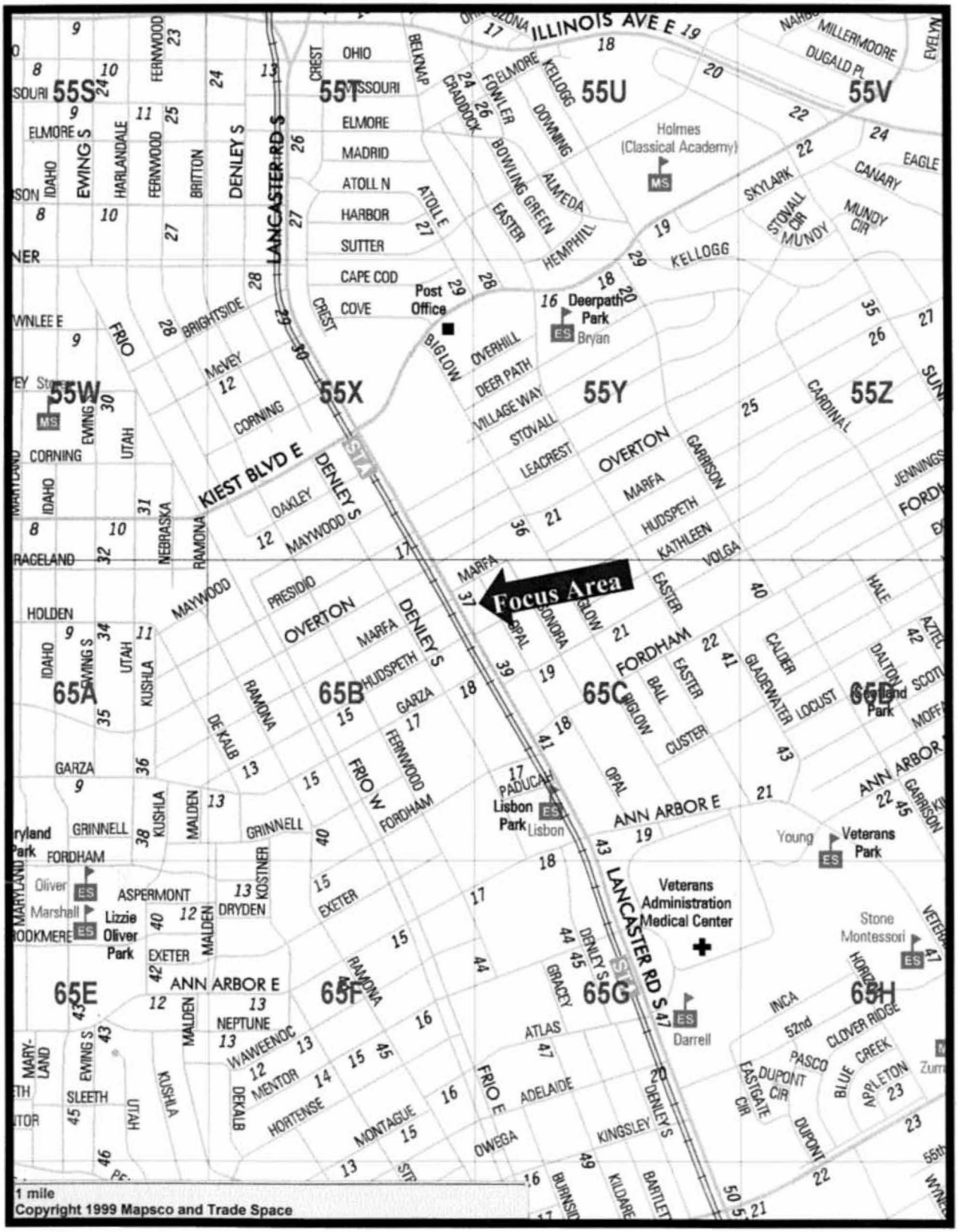
OWNER(S)	DEVELOPER
City Wide CDC	**City Wide CDC**
Sherman Roberts, President	Sherman Roberts, President

MAP

Attached


Subject Location
ILLINOIS AVE E
KIEST BLVD E
LANCASTER RD S
MARSALIS AVE
Herndon Park
West Trinity Heights Park
Cedar Crest Golf Course
Mapsco, Inc.
Holmes (Classical Academy)
Deerpath Park
Post Office
Lisbon Park
Veterans Administration Medical Center
Maryland Park
Oliver
Marshall
Lizzie Oliver Park
South Oak Cliff
55S
55T
55U
55X
55Y
65A
65B
65C
1 mile
Copyright 1999 Mapsco and Trade Space

MAPSCO 55X



MAPSCO 65B & 65C

WHEREAS, on August 9, 2006, the City Council approved an ordinance ordering a bond election to be held in the City of Dallas on November 7, 2006, for the purpose of submitting propositions for the issuance of general obligation bonds for funding permanent public improvements; and

WHEREAS, on November 7, 2006, the voters of Dallas approved a $1.35 billion General Obligation Bond Program of which $41,495,000 was set aside for the purpose of providing funds for promoting economic development in the Southern area of the city, and promoting economic development in other areas of the city in connection with transit-oriented development; and

WHEREAS, on December 12, 2007, the City Council approved an amendment to the Public/Private Partnership Program to include a special category for an Economic Development General Obligation Bond Program for Southern Dallas by Resolution No. 12-3075; and

WHEREAS, on September 10, 2008, the City Council approved a loan in the amount of $500,000 at 0% interest to CWCDC for the Lancaster/Opal project by Resolution No. 08-2433; and

WHEREAS, on August 12, 2009, the City Council approved an amendment to the development loan from $500,000 to $1,000,000 with CWCDC by Resolution No. 09-1965; and

WHEREAS, on January 12, 2011, the City Council approved an amendment to the development loan from $1,000,000 to $1,275,000 with CWCDC by Resolution No. 11-0194; and

WHEREAS, on December 12, 2012, the City Council approved a development loan in the amount of $450,000 with CWCDC for the Lancaster/Kiest project by Resolution No. 12-3075; and

WHEREAS, on April 24, 2013, the City Council approved an amendment to the development loan from $450,000 to $600,000 with CWCDC for the Lancaster/Kiest project by Resolution No. 13-0733; and

WHEREAS, on June 26, 2013, the City Council approved an amendment to the development loan from $600,000 to $734,500 with City Wide CDC for the Lancaster/Kiest project by Resolution No. 13-1159; and

WHEREAS, City Wide CDC proposes to continue to work with the City of Dallas on the Lancaster/Opal and Lancaster/Kiest Projects; and

WHEREAS, the acquisition and redevelopment of the Property will further the City's goals for redevelopment in the Southern Sector; **NOW, THEREFORE**

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

SECTION 1. That the City Manager, upon approval as to form by the City Attorney, is authorized to 1) decrease the existing development loan with City Wide Community Development Corporation (CWCDC) for the Lancaster/Opal project by $243,674 and extend the option deadline for CWCDC to redevelop the acquired properties to September 12, 2016, and 2) increase the existing development loan with City Wide Community Development Corporation for the Lancaster/Kiest project by $243,674 for environmental, demolition, and predevelopment costs.

SECTION 2. That some of the terms of the loan documents continue to include:

a. If Borrower fails to redevelop all of the acquired properties with residential, retail, commercial, or mixed-use structures by the maturity date of each loan agreement, then fee simple title to the acquired properties will be conveyed to the City of Dallas. To be considered "redeveloped," the properties must be improved with either residential units that have all been constructed and sold or rented, or with retail, commercial, or mixed-use buildings which have all been completed, as evidenced by a certificate of occupancy having been obtained from the City of Dallas for each such building.

b. If Borrower fails to timely comply with the redevelopment requirements in Section 2(a) hereof, the City of Dallas has the option to require Borrower to convey fee simple title to the undeveloped properties acquired with bond funds to the City of Dallas, free of any liens or encumbrances not acceptable to the City.

c. Borrower shall maintain ownership of acquired property through the maturity date, subject to Borrower's compliance with the loan documents.

d. Borrower will comply with City of Dallas filed deed restrictions and City's first lien deed of trust securing each property acquired with bond funds.

e. The loan will continue to carry zero percent interest during the extended term.

f. No approval by the City of the expenditure of any loan funds shall bind or obligate the City to approve any zoning or replat change that Borrower may request for the properties.

g. Borrower shall obtain approval from the City for the permitted uses of the properties. Residential units must be sold or rented. "Permitted uses" includes those uses that are permitted under the Dallas Development Code on the property, but in no event may they include any use that requires a sexually oriented business license under Chapter 41A of the Dallas City Code, or a liquor store, a pawn shop, a body piercing studio, or a tattoo studio, as those terms are defined by the Dallas Development Code.

h. As each residential structure is sold or fully leased and each non-residential structure is issued a certificate of occupancy, Borrower will be released from the indebtedness on the note corresponding to the amount of loan proceeds that were advanced in order to acquire the redeveloped parcel, and the City of Dallas will release the Deed Restrictions for that parcel.

i. Intermediate benchmarks for progress acceptable to the City of Dallas will be reestablished in the modified loan documents.

SECTION 3. That the City Manager is hereby authorized to decrease appropriations in an amount not to exceed $243,764 in Fund 7T52, Dept HOU, Unit T807, Obj 3015 CT HOUT807K101.

SECTION 4. That the City Manager is hereby authorized to increase appropriations in an amount not to exceed $243,764 in Fund 9T52, Dept HOU, Unit T808, Obj 3015, CT HOUT808H111.

SECTION 5. That the City Controller be authorized to decrease disbursements in Fund 7T52, Dept HOU, Unit T807, Obj 3015, CT HOUT807K101, and increase disbursements in an amount not to exceed $243,764 in Fund 9T52, Dept HOU, Unit T808, Obj 3015, CT HOUT808H111, in an amount not to exceed $243,764 in accordance with the terms and conditions of the contract. Net cost consideration to City is zero dollars.

SECTION 6. That the City Manager, upon approval as to form by the City Attorney, is authorized to a subordination of lien to a lender who is providing interim construction financing on the properties.

SECTION 7. That nothing in this resolution shall be construed as a binding contract or agreement upon the City, that it is subject to available bond funding, and there will be no liability or obligation on the City until final contract documents are approved, executed and final closing completed.

SECTION 8. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.