

Memorandum

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CITY OF DALLAS

CITY SECRETARY
DALLAS, TEXAS

DATE April 16, 2010

TO Members of the Economic Development Committee
Tennell Atkins (Vice-Chair), Dwaine Caraway, Jerry R. Allen,
Sheffield Kadane, Ann Margolin, Linda Koop, Steve Salazar

SUBJECT **Economic Development Committee**
Monday, April 19, 2010, 9:30 – 11:30 a.m.
1500 Marilla Street, City Hall, Room 6ES, Dallas, Texas 75201

AGENDA

1. Approval of April 5, 2010 Minutes of the Economic Development Committee
2. Board of Adjustment and Appeal Panel Configuration
Theresa O'Donnell, Director
Sustainable Development & Construction
(Estimated time 20 minutes)
3. Hillside West Seniors Housing Development (Davis Garden TIF District)
Karl Zavitkovsky, Director
Office of Economic Development
(Estimated time 20 minutes)
4. Southern Dallas Small Business Lending Program
Karl Zavitkovsky, Director
Office of Economic Development
(Estimated time 20 minutes)
5. Upcoming agenda items for April 2010
 - America's Cable Park Group, LLC, Economic Development Grant
 - Authorize an Economic Development Grant for Interstate Battery System International, Inc.
 - Authorize a Development Agreement with Oak Creek Partners, Ltd., Cityplace Area TIF District

A handwritten signature in black ink, appearing to read 'Ron Natinsky'.

Ron Natinsky, Chair
Economic Development Committee

C: The Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
Deborah Watkins, City Secretary
Tom Perkins, City Attorney
Craig Kinton, City Auditor
Judge C. Victor Lander, Administrative Judge Municipal Court
Ryan S. Evans, First Assistant City Manager
A.C. Gonzalez, Assistant City Manager
Forest Turner, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Jeanne Chipperfield, CFO, OFS
Karl Zavitkovsky, Director, OED
Helena Stevens-Thompson, Asst. to the CMO

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

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

DRAFT

Economic Development Committee

Meeting Record
April 5, 2010

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

Meeting Date: April 5, 2010 Meeting Start time: 9:34 AM

Committee Members Present:

Ron Natinsky
Tennell Atkins
Sheffie Kadane
Ann Margolin
Jerry Allen
Dwayne Caraway
Steve Salazar
Linda Koop

Other Council Members Present:

David Neumann

Staff Present:

AC Gonzalez, *Assistant City Manager*
Karl Zavitkovsky, *Director, Economic Development*
Theresa O'Donnell, *Director, Sustainable Development & Construction*
Dan Weber, *Director, Aviation*
John Rogers, *Assistant City Attorney, City of Dallas Attorney's Office*
David Cossum, *Assistant Director, Sustainable Development & Construction*
Hammond Perot, *Assistant Director, Economic Development*
Thomas Poole, *Real Estate Manager, Dallas Airport System*

Other Presenters:

Sharon Boyd, *Vice-Chair of Board of Adjustment*

1. Approval of February 16 & 25, 2010 Minutes of the Economic Development Committee

Presenter(s):

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

Motion made by: Mr. Atkins

Motion seconded by: Ms. Koop

Item passed unanimously: X

Item passed on a divided vote: _____

Item failed unanimously: _____

Item failed on a divided vote: _____

Follow-up (if necessary):

2. Conservation District Process

Presenter(s): AC Gonzalez, Assistant City Manager; Theresa O'Donnell, Director, Sustainable Development & Construction; David Cossum, Assistant Director, Sustainable Development & Construction; John Rogers, Assistant City Attorney, City Attorney's Office:

Action Taken/Committee Recommendation(s): Committee was briefed; no action taken on this item.

Motion made by: _____

Item passed unanimously: _____

Item failed unanimously: _____

Motion seconded by: _____

Item passed on a divided vote: _____

Item failed on a divided vote: _____

Follow-up (if necessary):

- **Conservation District Process report received by the committee and staff will now proceed with recommendations made to the scope of the study.**

3. TXI Aviation I, LLC. Proposed Leased Amendment

Presenter(s): AC Gonzalez, Assistant City Manager; Dan Weber, Director, Aviation; Thomas Poole, Real Estate Manager, Aviation:

Action Taken/Committee Recommendation(s): Motion made to move forward to City Council subject to clarification on costs included in capital improvements.

Motion made by: Mr. Atkins

Item passed unanimously: X

Item failed unanimously: _____

Motion seconded by: Ms. Margolin

Item passed on a divided vote: _____

Item failed on a divided vote: _____

Follow-up (if necessary):

- **Councilmember Natinsky requested more information on soft cost fees that will be put in capital improvements for the airport hangers.**
- **Councilmember Atkins requested further clarification on the lease extensions for the two hangers.**

4. Board of Adjustment Panel Size

Presenter(s): AC Gonzalez, Assistant City Manager; Theresa O'Donnell, Director, Sustainable Development & Construction; David Cossum, Assistant, Director, Sustainable Development & Construction; Sharon Boyd, Vice-Chair of Board of Adjustment:

Action Taken/Committee Recommendation(s): Motion made to approve amendment and correction to ordinance language to establish the start date of the two-year term for Board of Adjustment members, city plan commissioners, and landmark commissioners from September 1 to October 1 to conform to City Charter

Motion made by: Ms. Margolin

Item passed unanimously: X

Motion seconded by: Mr. Atkins

Item passed on a divided vote: _____

Item failed unanimously: _____

Item failed on a divided vote: _____

Follow-up (if necessary):

5. Economic Development Corporations

Presenter(s): AC Gonzalez, Assistant City Manager; Karl Zavitkovsky, Director, Economic Development; Hammond Perot, Assistant Director, Economic Development:

Action Taken/Committee Recommendation(s): Committee was briefed; no action taken on this item.

Motion made by: _____

Motion seconded by: _____

Item passed unanimously: _____

Item passed on a divided vote: _____

Item failed unanimously: _____

Item failed on a divided vote: _____

Follow-up (if necessary):

- Councilmember Allen requested a '10 year report card' on Economic Development projects along with private investment dollars.

6. Upcoming agenda items for April 2010:

- TOD TIF District Boundary Amendment, Final Project Plan and Reinvestment Zone Financing Plan and Grant Program
- Forest Park Medical Center, LLC and Forest Park Realty Partners III, LP
- Approval of a consultant to assist with the Dallas Development Fund's New Markets Tax Credit Program
- Handicapped Parking Requirements
- Amend the City of Dallas Main Street District Initiative Loan and Grant Program and a related contract

Presenter(s): AC Gonzalez, Assistant City Manager; Karl Zavitkovsky, Director, Economic Development; Hammond Perot, Assistant Director, Economic Development:

Action Taken/Committee Recommendation(s): Motion made to support items

Motion made by: Mr. Salazar

Motion seconded by: Mr. Atkins

Item passed unanimously: X

Item passed on a divided vote: _____

Item failed unanimously: _____

Item failed on a divided vote: _____

Follow-up (if necessary):

- Councilmember Salazar requested further information on how the New Markets Tax Credit projects are reviewed.

**Economic Development Committee
April 5, 2010
Meeting Record – Page 4 of 4**

Meeting Adjourned: 11:50 AM.

**Approved By: _____
Ron Natinsky, Chair**

Memorandum



CITY OF DALLAS

DATE April 16, 2010

TO Members of the Economic Development Committee:
Ron Natinsky (Chair), Tennell Atkins (Vice Chair), Dwaine Caraway, Sheffie Kadane, Linda Koop, Ann Margolin and Steve Salazar

SUBJECT Proposed Amendments to Board of Adjustment and Appeals Panel Configuration.

Please find attached briefing materials on proposed amendments to Board of Adjustment Panel Configuration. This item was previously briefed on April 5, 2010 and is on the April 19, 2010 Economic Development Committee agenda for additional consideration. The briefing includes an addendum which contains some additional analysis of Board cases. The City Plan Commission has recommended that no change be made to the Board of Adjustment panel size.

Please contact me if you need additional information.

A handwritten signature in black ink, appearing to read 'A.C. Gonzalez'.

A.C. Gonzalez
Assistant City Manager

C: The Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
Ryan S. Evans, First Assistant City Manager
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Jeanne Chipperfield, Chief Financial Officer
Theresa O'Donnell, Director of Sustainable Development and Construction
Helena Stevens-Thompson, Assistant to the City Manager

Board of Adjustment and Appeals Panel Configuration

City Council
Economic Development Committee
April 19, 2010



Background

- Staff was asked to look at alternatives to current 3 panel system with the Board of Adjustment and Appeals
- The Zoning Ordinance Advisory Committee considered the issue at two meetings with input from the community, consultants and current BDA members
- CPC considered the proposal at one hearing with similar input
- First Briefing to City Council Economic Development Committee on April 5, 2010

Issues

- Multiple panels may result in inconsistencies between panels
- Inconsistencies between panels raises questions of fairness to applicants
- A $\frac{3}{4}$ vote is required for the Board to approve a request or appeal
- Panel(s) should reflect the diversity of the city
- Fewer panels may require additional meetings per panel

Issues

- As part of this amendment, staff is also recommending an amendment and correction to ordinance language to establish the start date of the two-year term for board of adjustment members, city plan commissioners, and landmark commissioners from September 1 to October 1 to conform to the City Charter.

Summary of Other Texas Cities Board of Adjustment Panels

San Antonio - 11 members and 6 alternates (CC 11)

Ft Worth - two 9 member panels, each serving as alternates for the other panel (CC 9)

Austin – 7 members and no restriction on alternates (CC 7)

Grand Prairie – 9 members and 4 alternates, (CC 9)

Arlington – 9 members and 4 alternates, (CC 9)

Richardson – 7 members (CC 7)

Plano – 5 members and 4 alternates (CC 9)

Garland – 8 members and 1 alternates (CC 9)

Duncanville – 5 members and 4 alternates (CC 7)

$\frac{3}{4}$ Vote Required for Different Number of Panel Members

Members	$\frac{3}{4}$	%
5	4	80%
6	5	83%
7	6	86%
8	6	75%
9	7	78%
10	8	80%
11	9	82%
12	9	75%
13	10	77%
14	11	79%
15	12	80%

Options Considered

- Three panels – Existing system
- One 15 member panel
- One 5 member panel
- Two 8 member panels (one panel for residential and one for commercial)
- Two 8 member panels (cases randomly assigned)

ZOAC Recommendation

- Two 8 member panels (cases randomly assigned)
 - Each Councilmember appoints one member
 - Mayor appoints two members
 - City Secretary assigns panels to reflect diversity of city (current method with 3 panels)
 - Mayor appoints chair and vice chair
 - Chair chairs one panel, vice chair chairs other panel

CPC Recommendation

- No change to panel configuration but adopt correction to ordinance language to establish the start date of the two-year term for board of adjustment members, city plan commissioners, and landmark commissioners from September 1 to October 1 to conform to the City Charter.

Next Steps

- Schedule for City Council action
 - Tentatively scheduled for May 28, 2010

Addendum

Analysis of Board Actions

2008 Board Requests

	Panel A			Panel B			Panel C		
	Requests	Approved	Percent	Requests	Approved	Percent	Requests	Approved	Percent
Variances	17	14	82.35%	9	6	66.67%	14	10	71.43%
Landscape Exception	5	5	100.00%	7	7	100.00%	8	8	100.00%
Fence Exception	13	9	69.23%	13	11	84.62%	18	14	77.78%
Parking	4	4	100.00%	5	4	80.00%	9	8	88.89%
Total	39	32	82.05%	34	28	82.35%	49	40	81.63%

2009 Board Requests

	Panel A			Panel B			Panel C		
	Requests	Approved	Percent	Requests	Approved	Percent	Requests	Approved	Percent
Variances	9	5	55.56%	8	6	75.00%	9	8	88.89%
Landscape Exception	5	4	80.00%	6	5	83.33%	11	11	100.00%
Fence Exception	18	15	83.33%	12	9	75.00%	14	10	71.43%
Parking	5	5	100.00%	10	8	80.00%	7	6	85.71%
Total	37	29	78.38%	36	28	77.78%	41	35	85.37%

Two Year Total	76	61	80.26%	70	56	80.00%	90	75	83.33%
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Addendum

Analysis of Board Case Load

BDA Cases

	FY 0607			FY 0708			FY 0809		
	Cases	Requests	\$	Cases	Requests	\$	Cases	Requests	\$
Oct	20	23	\$27,840.00	13	14	\$7,820.00	13	16	\$11,410.00
Nov	29	35	\$28,315.00	20	24	\$31,790.00	18	20	\$16,360.00
Dec	8	14	\$5,920.00	8	10	\$14,840.00	10	10	\$8,590.00
Jan	12	16	\$8,885.00	11	13	\$30,070.00	15	21	\$10,525.00
Feb	22	30	\$19,530.00	23	25	\$28,135.00	10	15	\$9,625.00
Mar	20	22	\$44,976.00	16	16	\$12,745.00	18	21	\$22,660.00
Apr	15	18	\$26,390.00	27	32	\$28,190.00	15	23	\$19,570.00
May	18	19	\$10,865.00	14	16	\$7,750.00	19	25	\$21,875.00
Jun	20	28	\$26,790.00	21	25	\$23,530.00	17	23	\$20,165.00
Jul	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
Aug	32	41	\$36,710.00	26	26	\$42,720.00	19	24	\$23,395.00
Sept	15	19	\$17,720.00	13	16	\$10,080.00	17	18	\$9,425.00
	211	265	\$253,941.00	192	217	\$237,670.00	171	216	\$173,600.00

- FY 0809 numbers represent a 24% decline in cases and a 42% decline in fees collected compared to FY 0607 numbers
- FY 0809 numbers represent a 8% decline in cases and a 37% decline in fees collected compared to FY 0708 numbers

Memorandum



DATE April 16, 2010

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

SUBJECT Hillside West Seniors Housing Development (Davis Garden TIF District)

On Monday, April 19, 2010, the Economic Development Committee will be briefed on the Hillside Seniors Housing Development (Davis Garden TIF District).

Briefing material is attached.

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


A.C. Gonzalez
Assistant City Manager

C: The Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
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Helena Stevens-Thompson, Assistant to the City Manager

Hillside West Seniors Housing Development (Davis Garden TIF District)

Economic Development Committee

April 19, 2010



Office of Economic Development
WWW.DALLAS-ECODEV.ORG

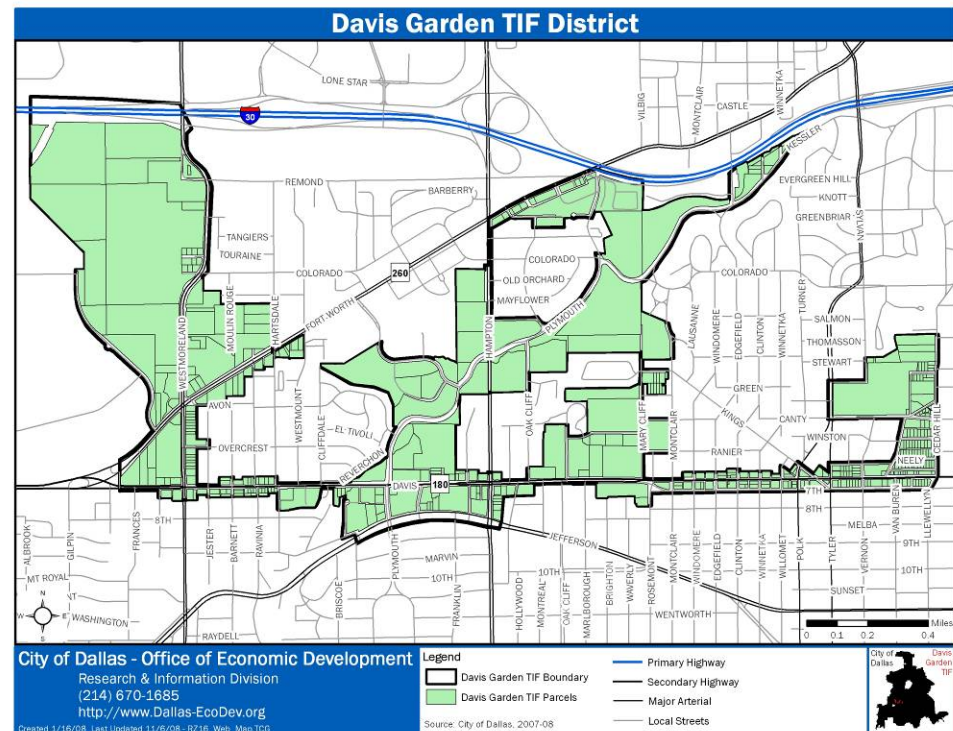


Purpose

- ◆ Review the Hillside West project proposal for TIF funding in the Davis Garden TIF District.
- ◆ Obtain Economic Development Committee approval for consideration of the project by City Council on April 28, 2010.

Davis Garden TIF District Overview: Background

- ◆ The Davis Garden TIF District was created June 13, 2007.
- ◆ This area is located south of I-30 in the North Oak Cliff area, approximately 4.0 miles southwest of downtown Dallas
- ◆ The TIF District contains commercial property along Davis Street, several large vacant parcels where aging apartment complexes were demolished and the 200 acre 'Urban Campus' area, located between I-30 and Fort Worth Avenue west of Westmoreland Road.



Davis Garden TIF District Overview: Background (continued)

- ◆ Assets in and near the District include Pinnacle Park, Kessler Park Conservation District, Kidd Springs Park, Stevens Park Golf Course, Winnetka Heights Historic District, and the Bishop Arts District.
- ◆ The District expires on December 31, 2029 or when approximately \$60 million has been collected. TIF funding is used to offset the infrastructure and other development costs in an effort to encourage redevelopment of the area.
- ◆ Both the Davis Street corridor and the Urban Campus area provide great potential for redevelopment.

Davis Garden TIF District Overview: Current Status

◆ District Development Goals

- **Encourage needed horizontal improvements and site preparation in the District**
 - *6 sites comprising 1,503 units have been demolished and cleared for future redevelopment*
- **Create additional taxable value attributed to new private projects in the Davis Garden TIF District and appreciation totaling approximately \$1.0 billion**
 - The total appraised value of property in the District has increased by \$18,187,206 since its creation (1.8% of the goal).
- **Attract new private development by replacing approximately 1,969 residential units with a more sustainable mix of for-sale and rental units; add approximately 700 residential units to increase the area's population density; and redevelop approximately 472,000 square feet of commercial and retail space.**
 - 6 sites have been prepared for redevelopment activities. However, to date no construction has occurred.
- **Diversify housing options by increasing homeownership opportunities while maintaining an affordable housing component of 20% of all new units built.**
 - TF Development, LP's Taylor Farms project was approved by Council on November 9, 2009. Upon its completion the project will satisfy 29% (160 units) of the District's goal of providing 550 affordable housing units.
- **Maintain the stability of local schools while redevelopment activities occur within the area's neighborhoods by encouraging strong communication between the Dallas Independent School District and area developers**
 - *Staff is working closely with neighborhood schools to coordinate redevelopment activities with school needs.*

Davis Garden TIF District Overview: Current Status (continued)

◆ District Development Goals

- **Diversify commercial and retail uses in the District by restoring historic commercial buildings and finding redevelopment options for commercial structures that are architecturally less significant.**
 - The Settles and Kemp Garages on West Davis Street are properties with historic significance that have been converted for commercial use since the District's creation.
- **Encourage the redevelopment of properties along the Davis Street, Fort Worth Avenue, and Hampton Road corridors for new residential and commercial uses that feature enhanced urban design standards which are complementary to the historic and conservation districts in the immediate area.**
 - INCAP's Development Agreement with the City includes site preparation that will allow for the redevelopment of property at six sites throughout the District. This includes three sites that are located along West Davis Street.
- **Improve recreational opportunities and connections to City trails and open space within the District while providing better connections to County trails and other recreational amenities in the area.**
 - The Twelve Hills Nature Center's Urban Prairie Trailhead project was approved by Council on October 14, 2009.
- **Generate approximately \$38.3 million (2006 dollars) in increment over 20 years of collections.**
 - To date \$94,901 in Tax Increment is anticipated for the District. Increment collection began with the 2009 tax year.



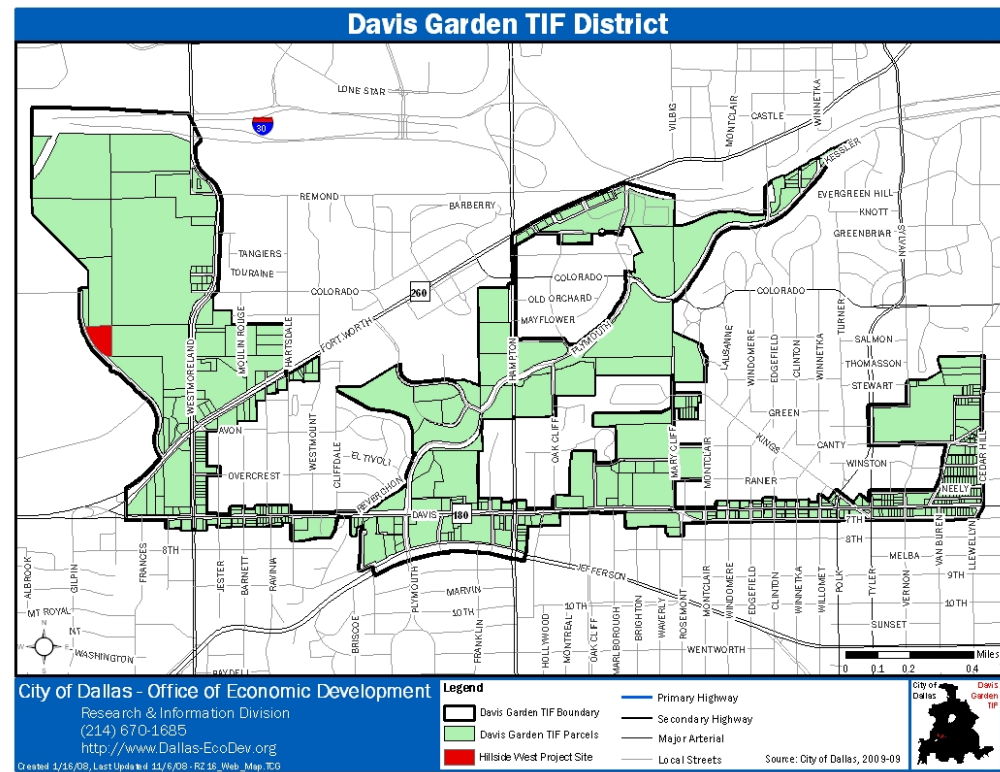
Davis Garden TIF District Overview: Budget

Davis Garden TIF District Projected Increment Revenues to Retire TIF Fund Obligations			
Category	TIF Budget	Allocated	Balance
Environmental Remediation/Demolition	\$9,635,310	\$3,634,952	\$6,000,358
Infrastructure Improvements	\$34,687,115	\$4,625,194	\$30,061,921
Open Space, Parks, Streetscapes and Trails	\$2,047,504	\$88,145	\$1,959,359
Historic Façade Restoration	\$843,090	\$86,535	\$756,555
Affordable Housing	\$11,114,014	\$0	\$11,114,014
Administration and Implementation**	\$1,803,922	\$128,719	\$1,675,203
Total Project Costs	\$60,130,955	\$8,563,545	\$51,567,410
<p><i>** All values are estimated expenditures based on Annual TIF Project Costs and Debt Service schedules. These values depend on timing of projects and will fluctuate. An interest rate of 5% is used throughout the TIF term.</i></p>			

Hillside West Project

Project Location

- The project is located in the Urban Campus area.
- The site consists of 3.9 acres located off Pinnacle Park Boulevard.
- Development of the site is compatible with the overall master development plan for the Urban Campus area.



Hillside West Project (continued)

◆ Project Description

- The project consists of one 4-story, senior housing development with 130 residential units. The building will contain a minimum of 100,000 square feet of residential space and approximately 32,719 square feet of common space.
- The estimated private investment for the project is \$16.6M.
- The recommended TIF subsidy for the project is \$1,600,000.
- All 130 units will meet affordable housing requirements.
- GFD Opportunity II, LLC is requesting a Tax Credit from the Texas Department of Housing and Community Affairs for the Hillside West project.
 - 10-year Tax Credit
 - Total 10-year Tax Credit – \$16M
- On-site amenities for the project include a leasing office, business center, fitness center and swimming pool.

Hillside West Project – Renderings



GROUND FLOOR DEVELOPMENT
HILL SIDE WEST
SENIOR COMMUNITY
DALLAS, TEXAS

PERSPECTIVE FROM SOUTHWEST



Hillside West Project – Funding Sources & Uses

- ◆ Funding Sources and Uses
 - Dougherty Mortgage (FA loan) – Construction loan
 - Texas Department of Housing and Community Affairs – Tax Credit Equity
 - Deferred Developer Fee – Private Equity

Funding Source	Amount	Use
Dougherty Mortgage (FA loan)	\$4,635,000	Construction Loan
Texas Department of Housing and Community Affairs	\$11,205,288	Tax Credit Equity
Deferred Developer Fee	\$795,520	Private Equity
Total	\$16,635,808	

Hillside West Project – Summary

Total square footage required A) Residential Rental Space B) Common Area	N/A 100,000 square feet 30,000 square feet
* Developer fee	11%
Required private investment – site acquisition and hard costs of construction	\$11,500,000
Total project cost including site acquisition, hard costs of construction, all soft costs, and TIF expenses/other public.	\$16,635,808
TIF funding	\$1,600,000
% TIF funds to total project cost	9.62%
Return on Cost with TIF funds	5.28%
Return on Cost without TIF funds or other public assistance	4.75%
Deadline to purchase properties	N/A
Deadline to complete environmental remediation activities	September 21, 2011
Deadline to complete and receive a Certificate of Occupancy	July 2, 2012
Deadline to complete public infrastructure improvements	May 1, 2012

* Developer fee reflects the administration fee that is required to administer the project's tax credits over a 10 year period

Recommendations

- ◆ The following actions are recommended:
 - Approval of a Development Agreement with GFD Opportunity II, LLC for TIF reimbursement for the Hillside West project

◆ Appendices

Appendix 1: Davis Garden TIF Increment Chart

PROJECTED TIF INCREMENT SCHEDULE										
Tax Year	Property Value	Property Value	Property	Anticipated	City of Dallas	TIF	Dallas County	TIF	Total	TOTAL TIF
	Estimate	Estimate	Value Total	Captured	Participation	Contribution	Participation	Contribution	TIF	2008 NPV @
	(2.0% Appreciation)	(New Development)		Value	Rate	City of Dallas	Rate	Dallas County	Contribution	5.00%
2007	\$120,414,462		\$120,414,462							
Adj Base 08	\$137,853,667									
2008	\$146,619,100	\$0	\$146,619,100	\$8,765,433	0.0%	\$0	0.0%	\$0	\$0	\$0
2009	\$154,396,105	\$0	\$155,532,631	\$17,678,964	55.0%	\$72,722	55.0%	\$22,179	\$94,901	\$86,078
2010	\$158,643,284	\$45,710,956	\$204,354,239	\$66,500,572	55.0%	\$273,547	55.0%	\$83,428	\$356,975	\$394,446
2011	\$208,441,324	\$48,545,446	\$256,986,770	\$119,133,103	70.0%	\$629,698	55.0%	\$149,458	\$773,156	\$1,030,524
2012	\$262,126,506	\$61,260,508	\$323,387,013	\$185,533,346	70.0%	\$971,323	55.0%	\$232,761	\$1,204,084	\$1,973,955
2013	\$329,854,754	\$174,079,007	\$503,933,761	\$503,933,761	70.0%	\$1,916,539	55.0%	\$459,266	\$2,375,805	\$3,746,817
2014	\$514,012,436	\$185,497,799	\$699,510,235	\$561,656,568	85.0%	\$3,570,535	55.0%	\$704,626	\$4,275,161	\$6,785,094
2015	\$713,500,440	\$186,359,613	\$899,860,053	\$762,006,386	85.0%	\$4,844,189	55.0%	\$955,975	\$5,800,164	\$10,710,873
2016	\$917,857,254	\$232,564,514	\$1,150,421,769	\$1,012,568,102	85.0%	\$6,437,047	55.0%	\$1,270,317	\$7,707,365	\$15,679,109
2017	\$1,173,430,204	\$77,060,434	\$1,250,490,638	\$1,112,636,971	85.0%	\$7,073,200	55.0%	\$1,395,859	\$8,469,059	\$20,878,377
2018	\$1,275,500,451	\$52,410,127	\$1,327,910,578	\$1,190,056,911	85.0%	\$7,565,370	55.0%	\$1,492,986	\$9,058,356	\$26,174,610
2019	\$1,354,468,790	\$41,480,683	\$1,395,949,473	\$1,258,095,806	85.0%	\$7,997,904	55.0%	\$1,578,344	\$9,576,248	\$31,507,023
2020	\$1,423,868,462	\$60,915,781	\$1,484,784,243	\$1,346,930,576	85.0%	\$8,562,640	55.0%	\$1,689,792	\$10,252,431	\$36,944,106
2021	\$1,514,479,928	\$15,029,697	\$1,529,509,625	\$1,391,655,958	70.0%	\$2,113,047	55.0%	\$506,356	\$2,619,403	\$38,267,083
2022	\$1,560,099,817	\$0	\$1,560,099,817	\$1,422,246,150	70.0%	\$0	55.0%	\$0	\$0	\$38,267,083
2023	\$1,591,301,814	\$0	\$1,591,301,814	\$1,453,448,147	70.0%	\$0	55.0%	\$0	\$0	\$38,267,083
2024	\$1,623,127,850	\$0	\$1,623,127,850	\$1,485,274,183	55.0%	\$0	55.0%	\$0	\$0	\$38,267,083
2025	\$1,655,590,407	\$0	\$1,655,590,407	\$1,517,736,740	55.0%	\$0	55.0%	\$0	\$0	\$38,267,083
2026	\$1,688,702,215	\$0	\$1,688,702,215	\$1,550,848,548	55.0%	\$0	55.0%	\$0	\$0	\$38,267,083
2027	\$1,722,476,259	\$0	\$1,722,476,259	\$1,584,622,592	55.0%	\$0	55.0%	\$0	\$0	\$38,267,083
2028	\$1,756,925,784	\$0	\$1,756,925,784	\$1,619,072,117	55.0%	\$0	55.0%	\$0	\$0	\$38,267,083
2029	\$1,792,064,300	\$0	\$1,792,064,300	\$1,654,210,633	55.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2030	\$1,827,905,586	\$0	\$1,827,905,586	\$1,690,051,919	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2031	\$1,864,463,698	\$0	\$1,864,463,698	\$1,726,610,031	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2032	\$1,901,752,972	\$0	\$1,901,752,972	\$1,763,899,305	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2033	\$1,939,788,031	\$0	\$1,939,788,031	\$1,801,934,364	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2034	\$1,978,583,792	\$0	\$1,978,583,792	\$1,840,730,125	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2035	\$2,018,155,468	\$0	\$2,018,155,468	\$1,880,301,801	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2036	\$2,058,518,577	\$0	\$2,058,518,577	\$1,920,664,910	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2037	\$2,099,688,949	\$0	\$2,099,688,949	\$1,961,835,282	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2038	\$2,141,682,728	\$0	\$2,141,682,728	\$2,003,829,061	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2039	\$2,184,516,382	\$0	\$2,184,516,382	\$2,046,662,715	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2040	\$2,228,206,710	\$0	\$2,228,206,710	\$2,090,353,043	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2041	\$2,272,770,844	\$0	\$2,272,770,844	\$2,134,917,177	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2042	\$2,318,226,261	\$0	\$2,318,226,261	\$2,180,372,594	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
TOTAL thru 2037		\$1,180,914,566				\$52,021,760		\$10,541,347	\$62,563,107	\$38,267,083
2008 NPV						\$31,799,576		\$6,467,507	\$38,267,083	

Appendix 2: GFD Opportunity II, LLC

- ◆ The principals of GFD Opportunity II, LLC include Brandon Bolin and Alan McDonald
 - Brandon Bolin – previously worked with INCAP as a Director of Acquisitions for a 300 acre, \$200M North Oak Cliff land portfolio. The Hillside West is the second development project that he will oversee.
 - Alan McDonald – currently a *Senior Managing Director for INCAP*. Alan founded CityHomes, the nation’s largest inner-city homebuilder. Alan has also served as the President and CEO of Parkwood Development Corporation, the largest inner-city, multi-family adaptive re-use developer in Dallas.

Appendix 3:

Development Assumptions for Davis Garden TIF District

Project	Use	Projected Increased Value	Projected Completion Date
Acorn Tree & Gulf Latin	Multi-Family Housing	\$36,890,480	2014
Bahama Glen	Multi-Family Housing	\$248,357,690	2016
Brookwood	Multi-Family Housing	\$34,175,840	2015
Chateau Crete & Sebastian	Multi-Family Housing	\$22,794,630	2013
Cliffwood	Multi-Family Housing	\$26,165,410	2014
Country Green	Multi-Family Housing	\$25,003,130	2016
Emory Park & Virginia Manor	Multi-Family Housing	\$68,666,920	2015
Holiday Hills 1	Multi-Family Housing	\$87,414,000	2017
Holiday Hills 2	Multi-Family Housing	\$37,291,000	2018
Kidd Springs	Multi-Family Housing	\$34,780,590	2014
King's Highway	Multi-Family Housing	\$8,778,117	2013
TT Apartments	Multi-Family Housing	\$4,738,310	2013
Veterans Apartments	Multi-Family Housing	\$12,894,710	2016
Cantera Crossing	Multi-Family Housing	\$18,870,060	2013
North Hills	Multi-Family Housing	\$31,210,000	2013
Plymouth	Multi-Family Housing	\$4,820,000	2014

Appendix 3: Development Assumptions for Davis Garden TIF District (continued)

Project	Use	Projected Increased Value	Projected Completion Date
Fort Worth Avenue commercial	Commercial/Retail	\$6,200,071	2014
North Hills retail	Commercial/Retail	\$2,576,370	2014
Veterans retail	Commercial/Retail	\$421,740	2015
2800 W. Davis apartments	Multi-Family Housing	\$9,328,990	2018
2717 W. Jefferson apartments	Multi-Family Housing	\$5,119,319	2018
411 Plymouth apartments	Multi-Family Housing	\$2,177,793	2019
515 Plymouth apartments	Multi-Family Housing	\$2,159,292	2019
701 W. Davis block retail	Commercial/Retail	\$1,524,350	2014
Townhome Construction	Single Family Housing	\$16,994,965	2018
Future single-family residences	Single Family Housing	\$49,682,000	2021
New retail w. of Westmoreland	Commercial/Retail	\$4,883,831	2019
Westmoreland/FWA shopping	Commercial/Retail	\$7,284,730	2020
Taylor Farms	Multi-Family Housing	\$11,061,343	2012
Kessler Theater	Commercial/Retail	\$603,770	2011
Hillside West	Senior Housing	\$8,574,650	2012
Urban Campus Land	Land	\$68,762,540	2014
Total		\$900,206,641	

Memorandum



DATE April 16, 2010

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

SUBJECT **Southern Dallas Small Business Lending Program**

The Economic Developed Committee will be briefed on April 19, 2010. The Briefing is attached.

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


A.C. Gonzalez
Assistant City Manager

C: The Honorable Mayor and Members of the City Council
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Deborah Watkins, City Secretary
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Karl Zavitkovsky Director, Office of Economic Development
Hammond Perot, Assistant Director, Office of Economic Development
Helena Stevens-Thompson, Assistant to the City Manager

Southern Dallas Small Business Lending Program

Economic Development Committee
April 19, 2010

PURPOSE

- Highlight small business capital access challenges and address ECO Committee concerns from February 16, 2010
- Recommend guidelines and parameters to expand Small Business Lending Program currently administered by the Southern Dallas Development Corporation (SDDC) (See Appendix A)
- Seek Council approval to provide funding in the form of a Chapter 380 grant from the Public Private Partnership program in the amount of \$1,000,000 (two \$500K increments - FY 2010 and FY 2011).

BACKGROUND

- ❑ The Mayor's Southern Dallas Task Force Small Business Team made a series of recommendations to support small businesses in southern Dallas
- ❑ Improved access to capital for small businesses was the highest priority
- ❑ Staff briefed the Economic Development Committee on February 16, 2010 on small business lending in southern Dallas

Briefing Highlights

- According to the SBA, 95% of employers start their businesses with less than 20 employees and nationally 90% of employers have less than 20 employees
- 93% of businesses in Dallas employ less than 20 people, representing 30% of the Dallas workforce (Dun and Bradstreet 2009).
- According to SBA, small businesses represent 98% of all employers nationally, create over 80% of new jobs and account for 45% of private payroll.
- Small businesses play a major role in job training and retraining, especially in low/moderate income communities (key to job replacement in economic downturn)
- Access to capital and procurement opportunities are highest stated needs of small business owners.



Briefing Highlights

- ❑ Many formerly bankable businesses are no longer able to access capital
 - Banks have higher loan loss reserves, require lower loan to value ratios, higher credit scores and higher debt service coverage ratios
 - It is more difficult to provide sufficient loan collateral or forecast sales revenues due to falling real estate values and consumer demand
 - Municipalities are plagued by drops in revenue due to lower property values and sales tax volumes

Briefing Highlights

- ❑ Small businesses are turning to non traditional lenders (the dilemma is “how to serve traditional underserved markets with newly underserved knocking at the door”) (See Appendix B Non Traditional Lender Profile Grid)
- ❑ SBA’s recent actions to reduce fees and increase Loan Guarantees have helped banks increase lending, but are limited due to temporary nature of the ARRA
- ❑ Networks often as important as money for success of entrepreneurs and small business owners

Recommended Parameters for Existing Small Business Lending Program Administered by SDDC

- ❑ Contract for \$1,000,000 Public Private Partnership grant to be disbursed over two (2) year period - \$500K in FY 10 and \$500K in FY 11. Second \$500K disbursed after May 2011, subject to the following conditions:
 - \$350K of initial \$500K tranche fully funded or committed
 - Total portfolio Loan Loss Ratio (% of loan losses/ total portfolio) < 5%
 - Unsecured Delinquency Ratio < 8%; total Delinquency Ratio 12%
 - At least one (1) job created OR retained per \$50K loaned
- ❑ Program oversight through City of Dallas Office of Economic Development

Recommended Parameters for existing Small Business Lending Program Administered by SDDC cont'd

- ❑ Parameters continued:
 - Loan Program governance by Board of Directors with at least three (3) board members appointed by Council
 - Lenders overhead cost not to exceed 10% of funds loaned plus marketing expense
 - Payments collected less overhead and marketing to be used to make new loans
 - Lender to provide operating reports quarterly to City of Dallas Office of Economic Development include delinquency and loss reports

Recommended Parameters For Existing Small Business Lending Program Administered by SDDC cont'd

- Loan applicants must meet target area criteria (located south of Trinity River to downtown and south of I 30 to the city limits)
- Lender must develop curriculum and provide at least three (3) three module technical assistance and/or procurement information per year
- Loan applicants with less than 5 years operating history must attend at least one three module information session before being approved for a loan
- Fixed Interest Rate determined by Loan Committee – not to exceed 8%
- Flexible repayment terms suggested as follows:
 - Guaranteed Contract Working Capital 2 years
 - Permanent Working Capital 5 years
 - Fixed Assets 7 years
 - R.E. 7 – 10 year Note /15 year Amortization

Recommended Parameters for Existing Small Business Lending Program Administered by SDDC cont'd

- Loan Uses
 - Working capital
 - Fixed Assets (for R.E. – 51% of space for borrowers business operation)
- Collateral based on established Policies and Procedures
- Loan structure and terms determined by the Board of Directors (established in Policies and Procedures Manual approved by ECO Dept)
- Fees no more than 50 basis points of amount borrowed
- Loan related cost paid by borrower (appraisal, environmental, legal, etc.)
- Loan amount \$15K - \$150K (exceptions on case by case basis)

Recommended Next Steps

- ❑ ECO Committee approval of recommended parameters for expanded small business lending program administered by SDDC
- ❑ ECO Committee recommendation for Council approval on May 12, 2010 to expand the small Business Lending Program currently administered by the Southern Dallas Development Corporation (SDDC) by providing a Chapter 380 grant from the Public Private Partnership program in the amount of \$1,000,000 (two \$500K increments – FY 2010 and FY 2011) with second increment funding subject to loan portfolio quality and job creation/retention conditions.

Appendix A

Southern Dallas Development Corporation (SDDC) Profile

- ❑ SDDC contracted with City of Dallas to manage CDBG program in 1989
 - ❑ Currently contracted to manage CDBG program through 9/31/10
 - ❑ CDBG program is governed by board of 15 Directors
 - ❑ Three (3) members are appointed by City Council
 - ❑ SDDC Manager Charles McElrath
 - Former VP Commercial Lending (Comerica/B of A) – 20 years
 - 5 years with SDDC
 - ❑ Staff Size 4
 - ❑ Average staff tenure 8 years
 - ❑ 169 CDBG loans since inception
 - ❑ \$18,600,000 loaned since inception
 - ❑ Leveraged over \$42,000,000
 - ❑ Created over 4800 jobs
 - ❑ Current loans outstanding \$3,118,178
 - ❑ 12/31/09 Loan Delinquency 11.44%* (\$366.6K/\$3,116.2)
 - ❑ 12/31/09 Annual Loan Loss 3.13%
- * One delinquent loan \$240K - fully secured 1st Lien R.E. – Value \$1,142.7K

Appendix B

Non Traditional Lenders Profile Grid

Lender	Accion TX	The Plan Fund	SDFDTF	Texas Mezzanine	SDDC/CDBG	SDDC/SDDF
Yr Est.	1999	1999	1989	1999	1989	1994
Loan Size	\$5M - \$100M	\$500 - \$6,000	\$5,000 - \$50,000 (higher for Eco Dev)	\$50,000 - \$300,000	\$35M - \$300M	Maximum \$50 - \$250M
Average Interest Rate	> 10%	8% - 12%	3%	> 9%	6% - 8%	Average 6.5%
\$ Loans Since Inception	\$13,148,015	\$775,000	\$949,000	\$34,875	\$18,600,000	\$11,769,544
Capital On Hand	Not Available	\$31,000	\$1,400,000	Not Available	\$420M	\$687,244
# Loans Outstanding	Not Available	\$49,000	\$105,000	\$13.3K	\$3,116,178	\$2,347,074
12/31/09 Loan Delinquency Ratio	Not Available	Not Available	Loan program recently reinstated. Currently no delinquency.	Not Available	11.44%	4.18%
12/31/09 Loan Loss Ratio	Not Available	Not Available	Loan program recently reinstated. Currently no Losses.	< 2%	3.13%	< 1%
Governance	Board of Directors	Board of Directors	Advisory Board/City Council	Investor Board	Board of Directors/HUD	Investor/Board of Directors
Type Entity	Non Profit	Non Profit	City Department	For Profit	Non Profit	For Profit
Target Market	DFW/Arlington	Dallas	South Dallas/Fair Park	Texas	LMI Beneficiaries	Southern Dallas County

Memorandum



CITY OF DALLAS

DATE April 16, 2010

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

SUBJECT **America's Cable Park Group, LLC. , Economic Development Grant, April 28, 2010 Council Agenda**

MAIN TOPIC

Authorize an economic development grant agreement pursuant to Chapter 380 of the Local Government Code, with America's Cable Park Group, LLC. to support the development of the Dallas Watersports Complex at Fish Trap Lake in West Dallas - Not to exceed \$250,000 - Financing: Public Private Partnership Funds

BACKGROUND

The Dallas City Council is asked to authorize a \$250,000 economic development grant to support the development of the Dallas Watersports Complex (Complex) at Fish Trap Lake in West Dallas. The Complex, with a total development cost of approximately \$2,100,000, consists of the construction a four-cable wakeboarding system that includes two cables for beginners, one for intermediate wakeboarders, and one for advanced wakeboarders. The Complex will also include an approximately 5,000 square foot pro-shop and restaurant, an outdoor viewing area that will accommodate 200 people, volleyball courts, trampolines, and 150 parking spaces. Summer programming will include youth camps, wakeboard schools, splash days, corporate events and fund-raisers for nonprofit agencies. Plans also include family areas, misters, waterfalls, and lagoons to combat summertime heat. This project is recommended by the Mayor's Southern Dallas Task Force.

America's Cable Park Group, LLC. will lease the land for the project from the Dallas Housing Authority (DHA). The DHA lease will contain provisions ensuring community access and use of the venue for DHA residents. Fish Trap Lake is currently maintained by the City of Dallas Parks Department. This ongoing cost is eliminated with the development of this project. The Complex will create 25 full-time equivalent jobs or approximately 200 seasonal part-time jobs to run the facility and staff the restaurant and pro-shop. Future development could see the addition of an outdoor skateboard park, a ropes course, zip lines, and a wave-riding facility.

A cable in a cable water park carries (pulls) six wakeboarders at one time. Riders have access to jumps and ramps and when they fall, they swim to shore and ride again. The cable system is green technology as no ski boats are used thus eliminating fumes and exhaust. Worldwide there are approximately 160 parks and an additional 20 new parks are anticipated in the United States in the next 12 months. Cable parks exist in New Braunfels, Fort Worth, and one will open in Houston as of May 2010. Anticipated cost will range from \$22 for one hour to \$35 for an all day pass. West Dallas residents will have access to reduced cost

tickets priced at \$10 in Spring and Fall and \$15 in summer for a 3-hour pass. One night a week, half of the park will be dedicated to West Dallas nonprofit agencies with free admission with sponsor organization. The Complex will be open seven months during the year. The Dallas Watersports Cable Park has been selected to be the final site of the World Wakeboard Association National Championships on September 17-19, 2010.

PROJECT DETAILS

Project Site: Fish Trap Lake, West Dallas

Facility: 5,000 square feet plus cable system over lake

Investment: \$1,845,000 plus \$250,000 for landscaping

Minimum Required Jobs; 35 FTE (approximately 200 seasonal, part-time jobs)

PROPOSED ESTIMATED SCHEDULE OF IMPROVEMENTS

Begin Construction	May 2010
Complete Construction	September 2010

FISCAL INFORMATION

Financing:

April 28, 2010: Public/Private Partnership Program Funds - \$250,000

Developer

Victor Toledo
Managing Partner
America's Cable Park Group, LLC.

Owner

MaryAnn Russ, President and CEO
Dallas Housing Authority

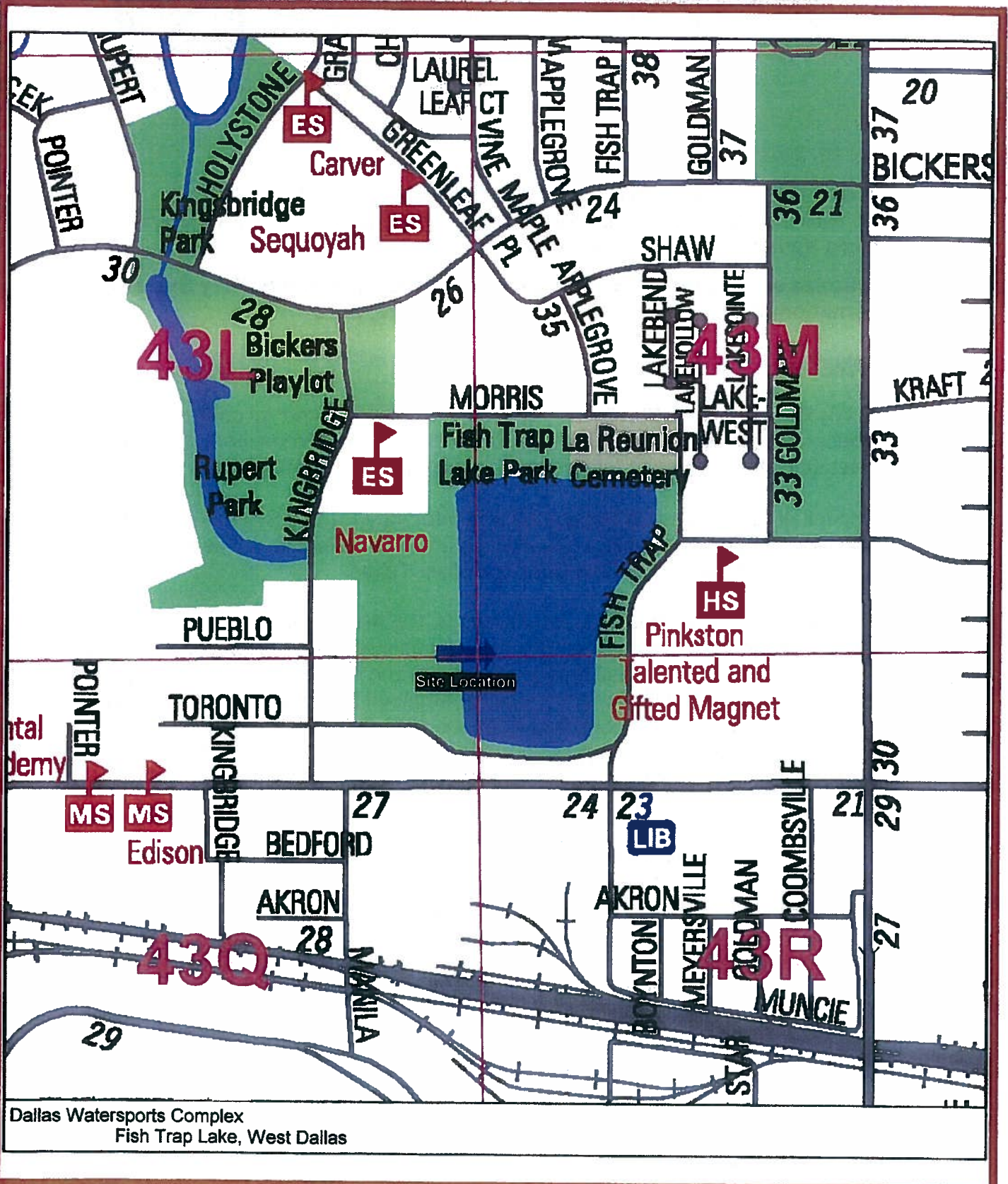
If you have any questions, please contact me at 214-670-3314.



A.C. Gonzalez
Assistant City Manager

C: The Honorable Mayor and Members of the City Council
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Jean Chipperfield, CFO
Karl Zavitkovsky, Director, OED
Hammond Perot, Asst. Director, OED
Helena Stevens-Thompson, Asst. to CMO



Dallas Watersports Complex
Fish Trap Lake, West Dallas



Memorandum



DATE April 16, 2010

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

SUBJECT **Authorize an Economic Development Grant for Interstate Battery System
International, Inc.; City Council Agenda, April 28, 2010**

Background

On Wednesday, April 28, 2010 City Council will be asked to consider an Economic Development Grant in the sum of \$300,000 to retain the expanded headquarters of Interstate Battery Systems International, Inc. in the City of Dallas.

In the fall of 2009, city staff negotiated with Interstate Battery System International, Inc. (Interstate Battery) regarding a possible expansion or relocation of its headquarters currently located at 12770 Merit Drive in Dallas, Texas.

Interstate Battery operates its headquarters in 105,495 s.f. at 12770 Merit Drive in Dallas, where it maintains 425 employees. Additionally, the company operates a warehouse, training and retail facility at 10200 Plano Road in Dallas that employs another 92. In total, the company presently employs 517 employees within the City of Dallas. The company has considered various sites in the Dallas region for this HQ expansion, primarily its existing location, downtown Dallas and several suburban communities. In response to a proposal from the City to retain Interstate Battery's headquarters within the city, the company extended and expanded its lease.

Interstate Battery's expansion will result in an additional 100 full time jobs in the City of Dallas by April 2012 and an addition of approximately 26,000 s.f. of leased space. The company plans to renovate the entire 131,495 of space to accommodate its growth. This project will result in an investment of approximately \$4,000,000 in tenant improvements and related costs and an estimated \$2,100,000 in new business personal property (machinery & equipment and furniture & fixtures). The estimated annual payroll at this facility is \$33,925,000.

The agreement with Interstate Battery shall include:

- An economic development grant in an amount not to exceed \$300,000, to be paid to grantee on or before December 31, 2011, upon validation of a minimum of \$4,000,000 on tenant improvements and related costs;
- That Interstate Battery shall agree to retain 517 jobs and add a minimum of 100 jobs in Dallas April 15, 2012;

- That if Interstate Battery fails to employ a minimum of 617 jobs in Dallas beginning April 15, 2012 through April 15, 2017, the City may on an annual basis, recapture a portion of the grant based on the following calculation - \$60,000 for each year of the remaining term in which employment drops below 617 employees; and,
- That if at any point during the term of the agreement, the company fails to operated its headquarters within the city of Dallas; the full \$300,000 shall be recaptured.

This corporate expansion conforms to Public/Private Partnership Program Guidelines and Criteria as it creates or retains more than a minimum of 250 jobs at this northern Dallas commercial zone site.

The proposed addition of 100 new jobs by Interstate Battery will result in a positive net fiscal impact of approximately \$464,600 over 10-years after incentives. The existing fiscal impact of Interstate Battery's headquarters and other operations in Dallas is approximately \$4,279,946.

Staff recommends approval of incentives.

Project Details

Project Site: 12770 Merit Drive, Dallas, TX

Existing Facility: Approximately 105,000 square foot HQ facility expanding by approximately 26,000 square feet

Jobs: 617

Retention:
517 Jobs

New Jobs:
100 Jobs

New Business Personal Property Investment: Approximately \$2,100,000

Real Property Investment: Approximately \$4,000,000

City Incentives

\$300,000 Economic Development Grant – Public Private Partnership Program Funds

Proposed Estimated Schedule of the Project

Begin Tenant Improvements	April 2010
Substantial Completion	June 2011

Interstate Battery System International, Inc.
April 9, 2010
Page 3 of 3

Fiscal Information

\$300,000 Public Private Partnership Funds

Staff

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

Recommendation

Staff recommends approval of the subject item. Please contact me if you have any questions at 214-670-3314.



A.C. Gonzalez
Assistant City Manager

- c: The Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
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Karl Zavitkovsky, Director, Office of Economic Development
Hammond Perot, Assistant Director, Office of Economic Development
Helena Stevens-Thompson, Assistant to the City Manager

The Towers at Park Central #8



The Towers at Park Central #8
 12770 Merit Dr.
 Dallas, TX 75251

DALLAS
 ECONOMIC
 DEVELOPMENT

Research & Information Division
 214.670.1685
 dallas-ecodev.org

Legend

-  Freeway
-  Arterial
-  Local Road

Memorandum



DATE: April 16, 2010

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

SUBJECT: **Authorize a Development Agreement with Oak Creek Partners, Ltd.
Cityplace Area TIF District; Agenda Item, April 28, 2010**

On April 28, 2010, the Dallas City Council will consider authorizing a development agreement with Oak Creek Partners, Ltd., for the Cityplace Area TIF Infrastructure Improvement Project. The infrastructure project will include the following:

- Extension of Noble Avenue from Cityplace West Boulevard to Blackburn Street
- Extension of Oak Grove Avenue from Cityplace West Boulevard, to Blackburn Street.
- Extension of Howell Street from Lemmon Avenue to Cityplace West Boulevard.
- Gateway Plaza (intersection improvement)
- McKinney Junction (intersection improvement)
- Station Square (multifunctional open space)

These improvements will provide better traffic circulation for the area, public amenities for existing developments, patrons and residents, as well as maximize the development potential of the remaining seven undeveloped parcels within the District. The total project cost is approximately \$12,000,000, consisting of the following components: (1) street, utility, and intersection improvement costs of \$8,578,860 and (2) improvements to open space costs of \$3,421,140

The construction of the improvements will be managed privately by Oak Creek Partners Ltd. Private construction management of the infrastructure project will ensure the improvements will be constructed in the very near future thus taking advantage of the current decrease in construction costs, while ensuring the project will be completed in a timely manner. Although the project will be privately bid, it must still comply with Business Inclusion and Development's goal of 25% M/WBE participation in the project.

On March 31, 2010, the Cityplace Area TIF District Board of Directors reviewed the proposed improvement project and recommended City Council's consideration of a development agreement with Oak Creek Partners, Ltd. and Cityplace Area TIF District's participation in the project.

Schedule of the Project

Begin Construction December 2010
Complete Construction December 2011

Fiscal Information

\$12,000,000 – Cityplace Area TIF District Funds and/or Tax Increment Bonds Funds are requested to be dedicated to the Cityplace Area TIF Infrastructure Improvement project. Currently, the Cityplace TIF District has enough funds to construct the proposed infrastructure improvements. The budget below shows the estimated amount of funds, as updated in March 2010, on deposit in the Cityplace Area TIF District.

<u>TIF Budget Line Item</u>	<u>TIF Budget Balance</u>	<u>Proposed Project Costs</u>	<u>TIF Funds Remaining</u>
Street, Utility, Intersection Improvements	\$9,777,380	\$8,578,860	\$1,198,520
Improvements to Open Space	\$3,421,140	\$3,421,140	\$0
Totals	\$13,198,520	\$12,000,000	\$1,198,520

STAFF

Karl Stundins, Manager, Area Redevelopment Division
Tamara L. Leak, Economic Development Analyst

APPLICANT

Oak Creek Partners Ltd.

Neal Sleeper
President

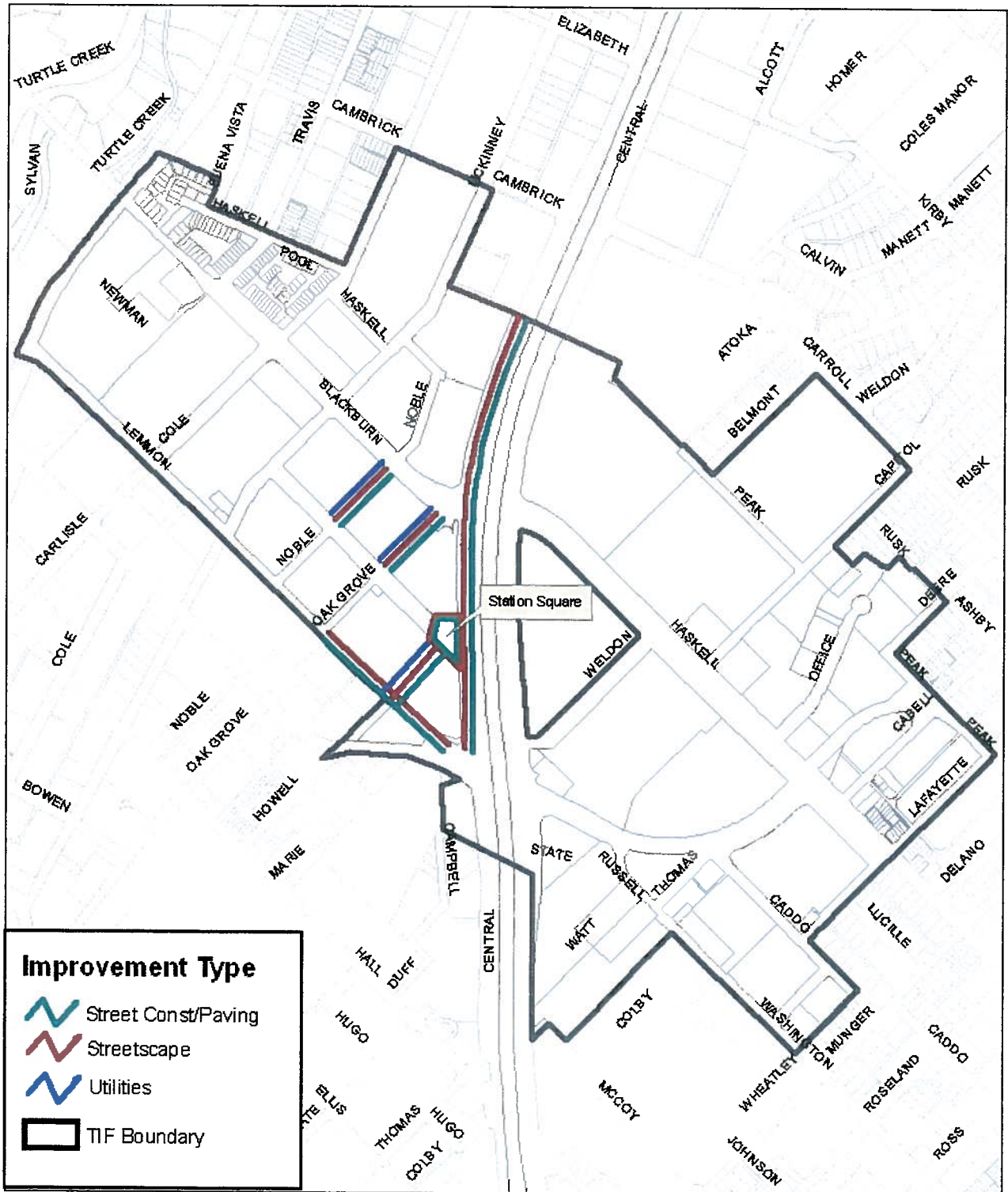
RECOMMENDATION

Staff recommends approval of the subject item. Please contact me if you have any questions.



A. C. Gonzalez
Assistant City Manager

C: The Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
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Cityplace Area TIF District
Remaining District Public Improvements

Office of Economic Development
 Area Redevelopment
 January 2009

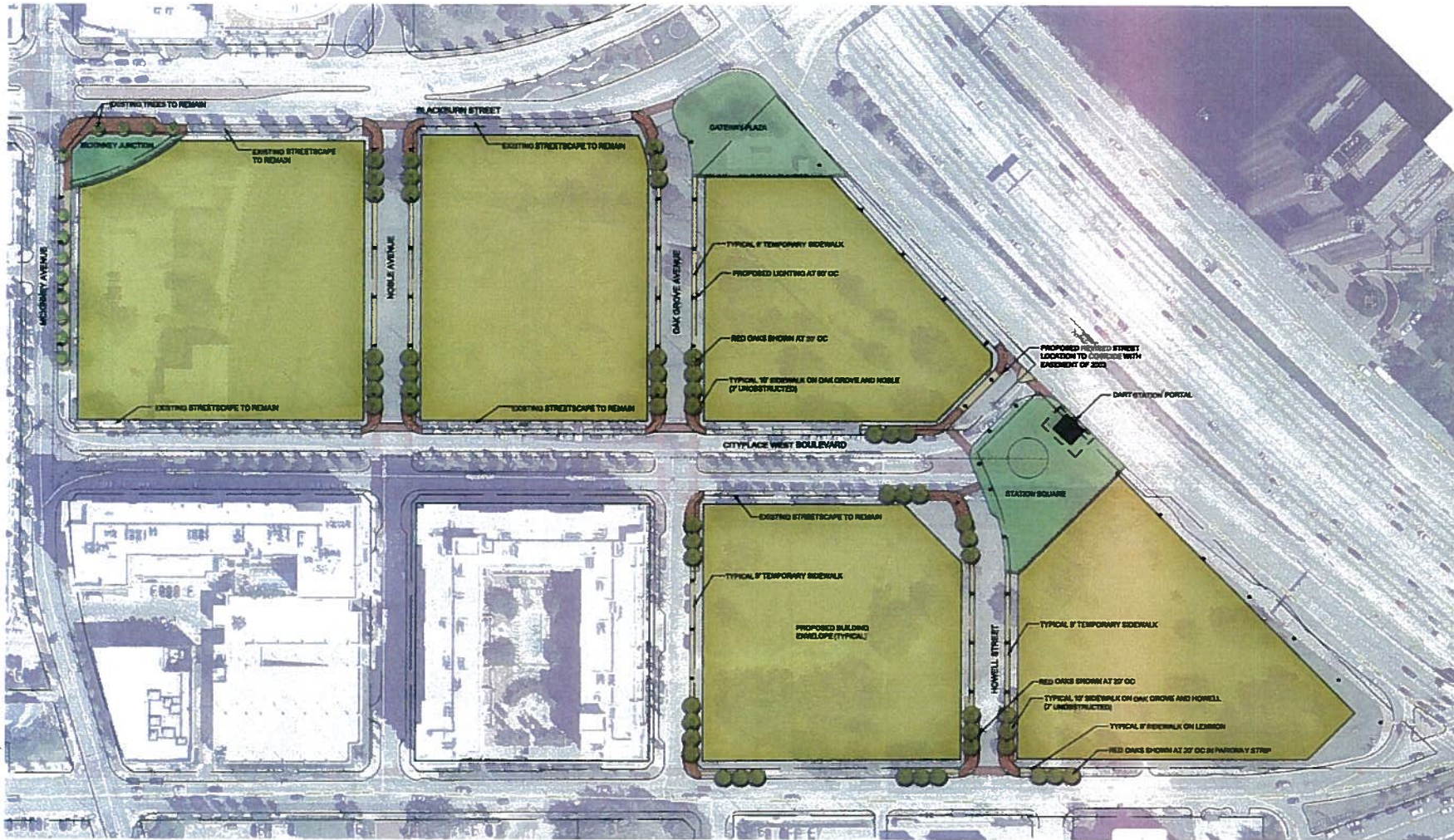




Cityplace Area TIF District Remaining Undeveloped Parcels

Office of Economic Development
 Area Redevelopment
 Created March 2010





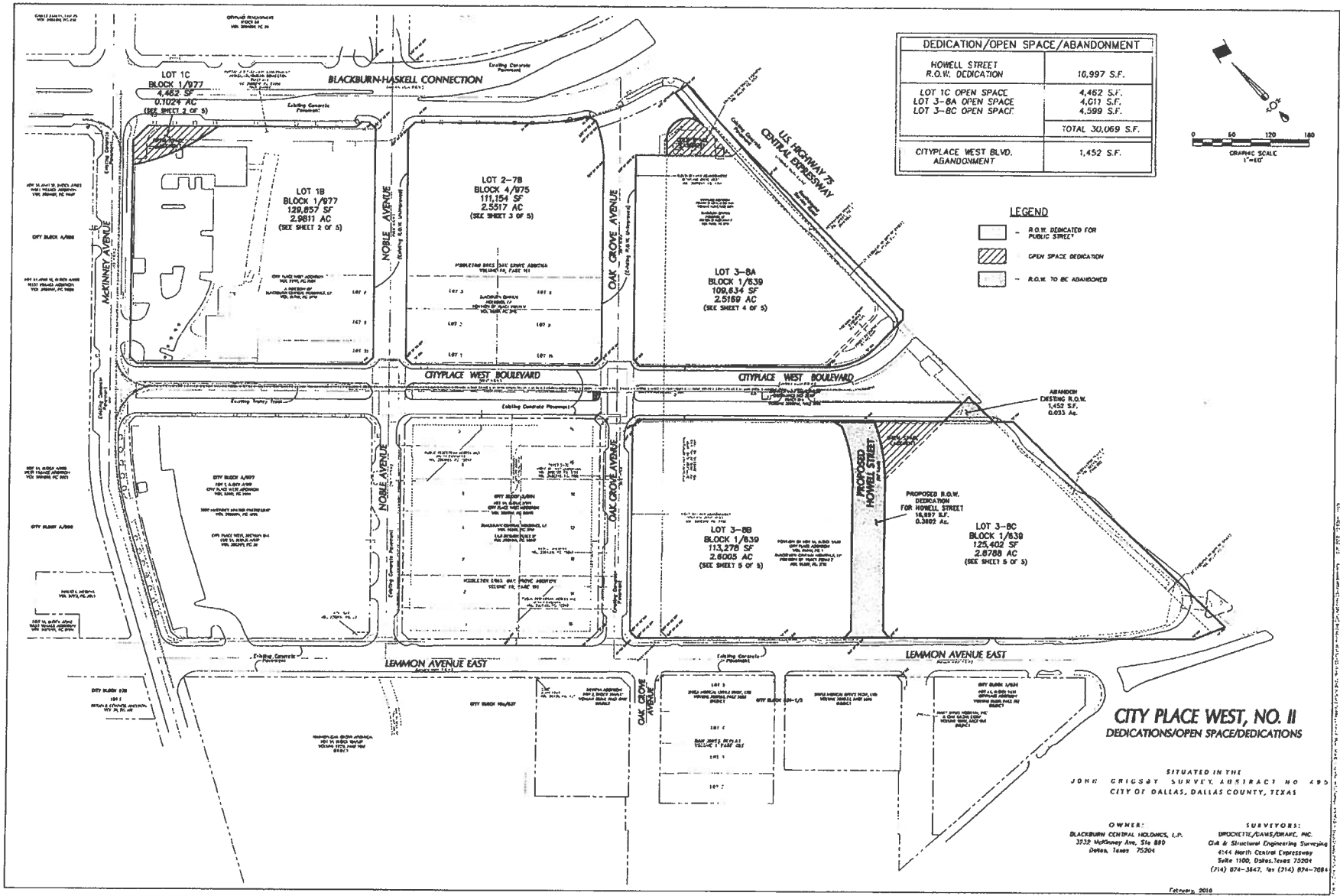
CONCEPTUAL OPEN SPACE AND STREETSCAPE PLAN

Cityplace TIF
Dallas, Texas

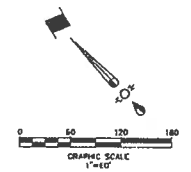


GFF Planning

2305 Forewood Street
Suite 300
Dallas, Texas 75244
www.gff.com



DEDICATION/OPEN SPACE/ABANDONMENT	
HOWELL STREET R.O.W. DEDICATION	16,997 S.F.
LOT 1C OPEN SPACE	4,462 S.F.
LOT 3-8A OPEN SPACE	4,011 S.F.
LOT 3-8C OPEN SPACE	4,589 S.F.
TOTAL	30,069 S.F.
CITYPLACE WEST BLVD. ABANDONMENT	1,452 S.F.



- LEGEND**
- R.O.W. DEDICATED FOR PUBLIC STREET
 - OPEN SPACE DEDICATION
 - R.O.W. TO BE ABANDONED

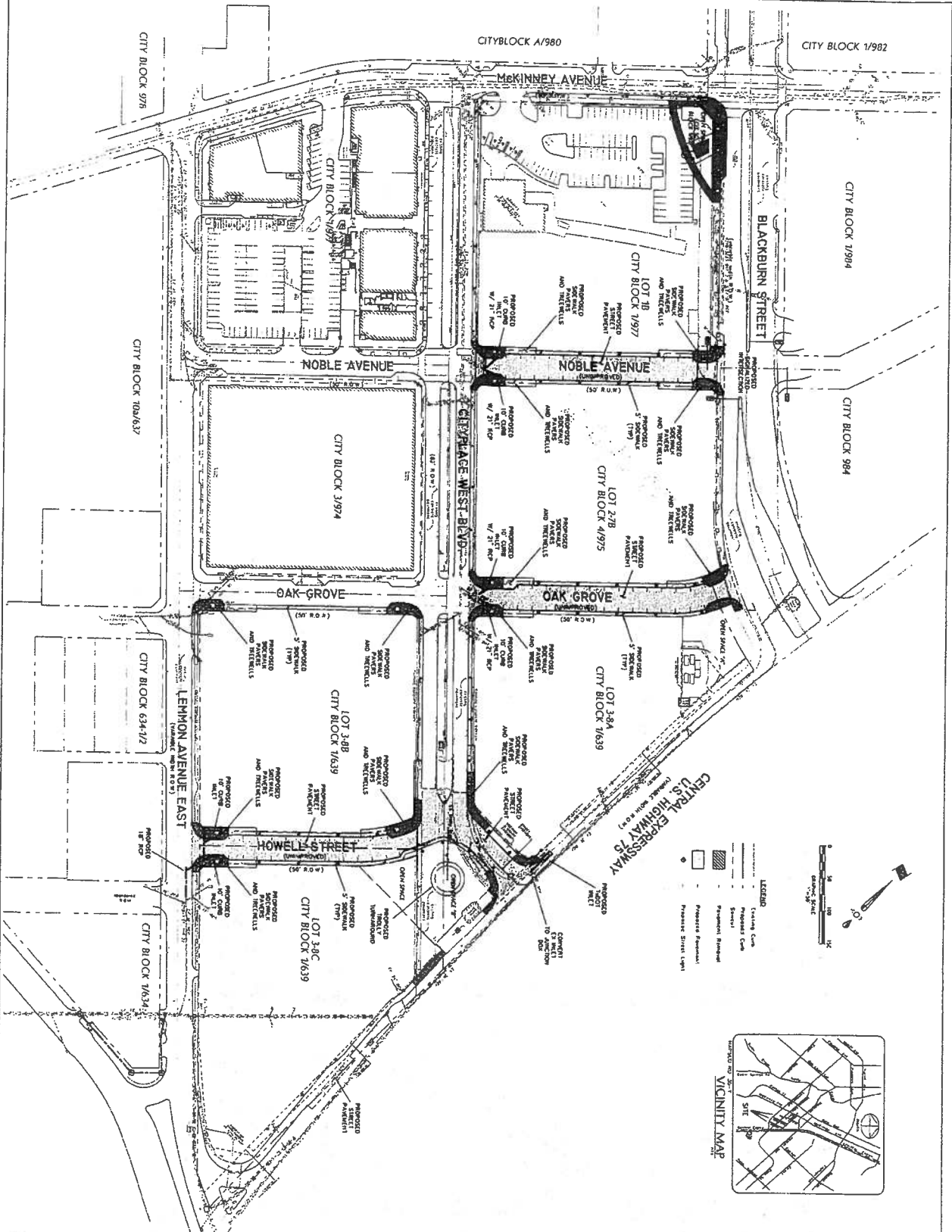
CITY PLACE WEST, NO. II
DEDICATIONS/OPEN SPACE/DEDICATIONS

SITUATED IN THE JOHN CRIGSBY SURVEY, ABSTRACT NO. 495, CITY OF DALLAS, DALLAS COUNTY, TEXAS

OWNER:
BLACKBURN CENTRAL HOLDINGS, L.P.
3732 Howdrey Ave., Ste 889
Dallas, Texas 75204

SURVEYORS:
DROCKEY/CRAWFORD, P.C.
Civil & Structural Engineering/Surveying
4144 North Central Expressway
Suite 1100, Dallas, Texas 75204
(214) 874-3847, fax (214) 874-7084

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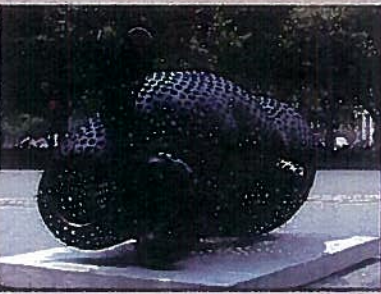
DATE: 11/11/98
 SHEET: 01

**CITYPLACE
 IMPROVEMENTS**

BROCKETTE • DAVIS • DRAKE, INC.
 consulting engineers
 Civil & Structural Engineering • Surveying
 Texas Registered Professional Engineer No. 6441
 4141 North Central Expressway, Suite 100 • Dallas, Texas 75204
 (214) 343-1000 • Telex: 750100

A PROJECT BY:
CITYPLACE COMPANY

**PROPOSED TIF
 PAVING AND DRAINAGE
 IMPROVEMENTS**



Cityplace
 Gateway Plaza Concept Plan





