

Memorandum

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CITY OF DALLAS

DATE April 2, 2010

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

SUBJECT **Economic Development Committee**
Monday, April 5, 2010, 9:30 – 11:30 a.m.
1500 Marilla Street, City Hall, Room 6ES, Dallas, Texas 75201

AGENDA

1. Approval of February 16 and 25, 2010 Minutes of the Economic Development Committee
2. Conservation District Process
Theresa O'Donnell, Director
Sustainable Development & Construction
(Estimated time 15 minutes)
3. TXI Aviation I, L.L.C. Proposed Lease Amendment
Dan Weber, Director
Aviation
(Estimated time 15 minutes)
4. Board of Adjustment Panel Size
David Cossum, Assistant Director
Sustainable Development & Construction
(Estimated time 15 minutes)
5. Economic Development Corporations
Hammond Perot, Assistant Director
Office of Economic Development
(Estimated time 15 minutes)
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

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
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 effect 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 effect 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
February 16, 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: February 16, 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

Staff Present:

AC Gonzalez, *Assistant City Manager*
Karl Zavitkovsky, *Director, Economic Development*
Hammond Perot, *Assistant Director, Economic Development*
Lee McKinney, *Assistant Director, Economic Development*

Other Council Members Present:

David Neumann
Vonciel Jones Hill

1. Approval of February 1, 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: Mr. Caraway

Item passed unanimously: X

Item passed on a divided vote:

Item failed unanimously:

Item failed on a divided vote:

Follow-up (if necessary):

2. Mayor's Southern Dallas Task Force Recommendations

Presenter(s): AC Gonzalez, Assistant City Manager; Karl Zavitkovsky, Director, Economic Development; Lee McKinney, Assistant 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: _____
Item passed unanimously: _____

Motion seconded by: _____
Item passed on a divided vote: _____

Item failed unanimously: _____

Item failed on a divided vote: _____

Follow-up (if necessary):

- Councilmember Koop requested description of the transportation system network plan in the North Oak Cliff and West Dallas area.
- Councilmember Allen requested more information on the creation and purpose of a Economic Development Corporation.
- Councilmember Hill requested that staff and task force committee have a connector plan that includes the further south destinations (eg: UNT-Dallas, iiPOD, South Oak Cliff etc). CM Hill also requested specifics on the matching funds relating to Rebranding of Pleasant Grove.

3. Small Business Lending in Southern Dallas

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

Action Taken/Committee Recommendation(s): No action taken on this item.

Motion made by: _____
Item passed unanimously: _____

Motion seconded by: _____
Item passed on a divided vote: _____

Item failed unanimously: _____

Item failed on a divided vote: _____

Follow-up (if necessary):

- Councilmember Salazar inquired if staff has measures to gauge the amount of loans generated and sustained within specific areas in Southern Dallas.
- Councilmember Caraway requested a status on the money that Bank of America committed to lend in Southern Dallas several years ago.

4. Proposed Downtown Parking Study

Presenter(s):

Action Taken/Committee Recommendation(s):

Motion made by: _____
Item passed unanimously: _____

Motion seconded by: _____
Item passed on a divided vote: _____

Item failed unanimously: _____

Item failed on a divided vote: _____

Follow-up (if necessary):

5. Stemmons Corridor – Southwestern Medical District Area Plan

Presenter(s):

Action Taken/Committee Recommendation(s):

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):

6. Upcoming agenda items for February 2010:

- **Authorize a public hearing to be held on April 14, 2010 on a proposed boundary amendment to the TOD TIF District**

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

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

Motion made by: Mr. Salazar

Motion seconded by: Mr. Atkins

Item passed unanimously: _____

Item passed on a divided vote: X

Item failed unanimously: _____

Item failed on a divided vote: _____

Voting 'No': Councilmember Margolin

6b. Upcoming agenda items for February 2010:

- **Historic Preservation Tax Incentive – 10 Nonesuch Road**

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

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

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: _____

6c. Upcoming agenda items for February 2010:

- Multi Packaging Solutions Economic Development Grant

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 item.

Motion made by: Mr. Salazar

Motion seconded by: Mr. Atkins

Item passed unanimously: _____

Item passed on a divided vote: X

Item failed unanimously: _____

Item failed on a divided vote: _____

Voting 'No': Councilmembers Koop and Margolin

Meeting Adjourned: 11:02 AM.

Approved By: _____
Ron Natinsky, Chair

DRAFT

Economic Development Committee

Special Call Meeting Record
February 25, 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: February 25, 2010 Meeting Start time: 2:05 PM

Committee Members Present:

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

Staff Present:

AC Gonzalez, *Assistant City Manager*
Karl Zavitkovsky, *Director, Economic Development*
Theresa O'Donnell, *Director, Sustainable Development & Construction*
Peer Chacko, *Assistant Director, Sustainable Development & Construction*
Lee McKinney, *Assistant Director, Economic Development*

1. Proposed Downtown Parking Study

Presenter(s): AC Gonzalez, Assistant City Manager; Theresa O'Donnell, Director, Sustainable Development & Construction; Peer Chacko, Assistant Director, Sustainable Development & Construction:

Action Taken/Committee Recommendation(s):

Motion made by: Mr. Allen

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 Caraway requested a financial report on downtown parking meters (e.g. how much money do current meters generate v. proposed new meters, expenses, net gain etc).

2. Stemmons Corridor – Southwestern Medical District Area Plan

Presenter(s): AC Gonzalez, Assistant City Manager; Theresa O'Donnell, Director, Sustainable Development & Construction:

Action Taken/Committee Recommendation(s): 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):

- **Status report received by the committee and staff will now proceed with formal adoption process**

3. Small Business Lending Discussion

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

Action Taken/Committee Recommendation(s): 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 Natinsky requested that staff come back to Economic Development Committee with a proposal that speaks to and clarifies the specifics of the lending criteria(s) and job creation.**

Meeting Adjourned: 3:48 PM.

Approved By: _____
Ron Natinsky, Chair

Memorandum



Date: April 2, 2010

To: City Council Economic Development Committee:
Ron Natinsky (Chair), Tennell Atkins (Vice Chair), Jerry R. Allen, Dwaine Caraway, Sheffie Kadane, Linda Koop, Ann Margolin, Steve Salazar

Subject: Conservation District Process

On Monday, April 5, the Economic Development Committee will be briefed on the regulations and process for establishing Conservation Districts. The purpose of this briefing is to receive direction from the committee on the type and scope of revisions desired by the City Council. A copy of the briefing material is attached for your review. This item is intended as an initial dialog with the Committee, rather than a final resolution.

If you need further information please call Theresa O'Donnell at 214 670-4127.



A.C. Gonzalez
Assistant City Manager

c: The Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
Deborah Watkins, City Secretary
Thomas Perkins, City Attorney
Craig Kinton, City Auditor
Judge C. Victor Lander, Judiciary
Ryan S. Evans, First Assistant City Manager
Forest Turner, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Theresa O'Donnell, Director Sustainable Development & Construction
Karl Zavitkovsky, Director, Office of Economic Development
Hammond Perot, Assistant Director, Office of Economic Development
Helena Stevens-Thompson, Assistant to the City Manager

Conservation District Process

Economic Development
Committee

April 5, 2010

Sustainable Development and Construction



Purpose

To brief the Economic Development Committee on:

- Current Conservation District regulations
- Current procedures for processing requests for Conservation Districts
- Receive committee input and direction on revising both regulations and processes to address Council and neighborhood concerns.

Purpose of Conservation Districts

Neighborhoods currently have five types of zoning tools to achieve the appropriate level of regulation desired by the neighborhood:

- Historic Districts
- **Conservation Districts**
- Neighborhood Stabilization Overlays
- Planned Development Districts
- Straight Zoning Districts

Conservation Districts

Conservation Districts offer a high level of regulation as a means of conserving an area's distinctive atmosphere or character. The purpose being to protect or enhance the neighborhood's significant architectural or cultural attributes.

Existing Conservation Districts

CD1	King's Highway (1988)	CD10	Greenway Parks (2003)
CD2	Lakewood (1988)	CD11	M Streets East (2004)
CD3	Page Avenue (1989)	CD12	Belmont Addition (2004)
CD4	Greiner Area (1989)	CD13	Kessler Park (2005)
CD6	Hollywood/Santa Monica (1989, 1993)	CD14	Edgemont Park (2006)
CD7	Bishop/8th (1992, 2001)	CD15	Vickery Place (2006, 2007)
CD8	North Oak Cliff (1996)	CD 16	Rawlins (2007)
CD9	M-Streets (2002)	CD 17	Northern Hills (2009)

Current Regulations and Procedures

Initiating Conservation Districts

- Ordinance requires a zoning fee and a petition signed by more than 50% of the owners of the land and more than 50% of the owners of the building sites.
- Plan Commission or City Council may authorize rezoning by calling a public hearing. Staff advises neighborhood leaders to obtain signatures of at least 75% of the property owners within the area of request.

Current Regulations and Procedures

CD Application

Must include:

- The application fee
- Maps showing the existing zoning and land uses on all of the land in the area of request, and on all of the land within 200 feet
- A list of the names and addresses of all property owners and residents in the area of request
- A list of all neighborhood associations or other organizations representing the interests of property owners in the area of request
- Statement of justification

Current Regulations and Procedures

Statement of Justification

Must include:

- A description of the factors which render the area of request eligible for CD classification
- Detailed explanation of how and why such a classification would be in the best interest of the city as a whole
- A description of the prevalent architectural and cultural attributes of the area
- Any additional information that the Director determines to be necessary for the study

Current Regulations and Procedures

Determination of Eligibility

- The area must contain at least one blockface
- There is no maximum size
- The area must be either "stable" or "stabilizing" as those terms are defined in the ordinance
- The area must contain significant architectural or cultural attributes
- The area must have a distinctive atmosphere or character which can be conserved by protecting or enhancing its architectural or cultural attributes

Current Regulations and Procedures

Petitions

- Signatures must be on a City provided petition
- Conservation District process form left with owner
- Signing a petition indicates the interest of the signers in exploring the potential for a conservation district
- Petition includes the primary issues that are proposed to be addressed

Current Regulations and Procedures

CD Authorization

If fee is paid and required signatures collected, CD application becomes zoning case and may be started

If neighborhood wishes application to be authorized, staff presents to the CPC information summarizing:

- The petition signatures
- The inventory of properties
- The architectural merits of the area
- Photographs
- Proposed boundaries

CPC then makes a determination on whether to authorize the hearing. CPC has authorized hearings with 65% of affected property owners on a petition in support to authorize the application; however at least 75% has been the standard.

Current Regulations and Procedures

2-step process

- Conceptual plan formulation and review
- CD ordinance preparation and review
- Public hearings on conceptual plan and ordinance may be held concurrently

Current Regulations and Procedures

CD Boundaries

- Once boundaries are established through the application process, they may not be amended by staff
- During the public hearings, either Plan Commission or City Council may enlarge or reduce the area of coverage if, desired
- Altering the boundaries of a district under consideration has proven to be highly controversial

Current Regulations and Procedures Elements

Conservation Districts may include any of the following:

- Building Material
- Density
- Demolition
- Doors
- Driveways
- Fences/Walls
- Garages
- Glass Type
- Height
- Land Uses
- Landscaping
- Lot Coverage
- Lot Width
- Paint Color
- Parking
- Screening
- Sidewalks
- Siding
- Style
- Stories
- Windows
- Roof Styles
- Roof Materials
- Retaining Walls
- Structure Width
- Porches (enclosures)
- Front Yard Coverage
- Front Yards & Parkways
- Non-Conforming Uses
- FARs (floor area ratio)
- Paving (drives and walkways)
- Wrought Iron/Metal Elements

Processing

- A conservation district follows the same rezoning as a normal zoning case
- Public Hearing(s) are conducted at CPC
- Public Hearing(s) are conducted at city Council
- All mandated notifications, procedures and requirements are followed

Concerns and Issues

The following are concerns or issues that frequently occur during the processing of Conservation Districts:

- Roles and responsibilities of different stakeholders
- Conservation Study vs actual rezoning process
- Threshold of neighborhood support necessary to authorize a Conservation District
- Changing the boundary configuration
- Elements included for regulation
- Non-conforming elements
- Significance of voting

Roles and Responsibilities

Stake Holders

- Neighborhood leaders
- Entire neighborhood
- City Plan Commission members
- City Council members
- Staff

Questions

- Who owns the process?
- How should differences be resolved?
- What processing procedures should be formally adopted?
- How can an atmosphere of fairness, impartiality, and transparency be cultivated?

Study vs Rezoning

- Conservation District process is actually a two step process that can, and often does, get collapsed into one process
- The study typically involves a staff analysis of the architectural style and age of structures within the proposed area to determine eligibility
- Rezoning process can proceed concurrently
- Petition includes language that refers to the study. Neighbors often state the support the study, but not the rezoning.

Threshold to Authorize

- Current ordinance allows authorization of a Conservation District with a petition signed by 50% or more of property owners
- Current practice permits authorization of a Conservation District with a petition signed by a majority of property owners. Staff and CPC have traditionally suggested 75% or more; however CPC has authorized hearings with at least 65%.

Boundaries

- In the cases of authorized hearings, staff will work with neighborhood leaders/committee to draw an appropriate boundary for the Conservation District
- Once the authorization is made, no boundary changes will be made by staff
- CPC may recommend the Council approve a reduced boundary, but the entire area under authorization will go forward to City Council. CPC can “re-authorize” a different boundary if it so desires

Non-Conforming Elements

Non-Conforming Elements could be considered as 2 groups:

- Major elements

- Height
- Setbacks
- Lot coverage
- Architectural style
- Lot width
- FAR
- Impervious surface

- Minor elements

- Construction materials
- Fences and screening
- Walls and walks
- Landscaping
- Paint color
- Driveways/Paving
- Architectural features

Significance of Voting

- Voting by the neighborhood during the final meeting to determine the level of support for the ordinance provision
- CPC ballots
- City Council ballots

Significance of Voting

- City Council ballots have the “official” purpose of triggering a $\frac{3}{4}$ vote for approval
- CPC and City Council ballots are used for the practical purpose of gauging neighborhood support
- Is there an specific threshold that should be achieved and maintained?
- Should ballots “inside” the district be given more consideration than those within the 200ft radius?
- Should “for” and “against” ballots be weighed against the total number of ballots mailed or those returned?

Scope and Direction of Revisions

Is this a complete and representative list of issues that should be addressed in a comprehensive revision of the ordinance?

- Roles and responsibilities of different stakeholders
- Conservation Study vs actual rezoning process
- Threshold of neighborhood support necessary to authorize a Conservation District
- Changing the boundary configuration
- Elements included for regulation
- Non-conforming elements
- Significance of voting

Conservation District Process

Receive direction from Committee on ordinance revision or process improvement

Memorandum



CITY OF DALLAS

DATE April 2, 2010

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

SUBJECT TXI Aviation I, LLC (Vitesse Aviation Services) Proposed
Lease Amendments to Ground Leases at Love Field

Attached is the briefing entitled, "TXI Aviation I, LLC Proposed Lease Amendments at Love Field", that will be presented to you on Monday, April 5, 2010.

Please contact me if you need additional information.

A handwritten signature in dark ink, appearing to read 'A.C. Gonzalez', written over a horizontal line.

A.C. González
Assistant City Manager

c: Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
Thomas P. Perkins, Jr., City Attorney
Deborah Watkins, City Secretary
Craig Kinton, City Auditor
Judge C. Victor Lander, Administrative Judge
Ryan S. Evans, First Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Forest E. Turner, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Edward Scott, Director, Controller's Office
Helena Stevens-Thompson, Assistant to the City Manager - Council Office
Daniel T. Weber, Director, Department of Aviation

TXI Aviation I, L.L.C. Proposed Lease Amendments

Briefing to the
Economic Development Committee

Department of Aviation
April 5, 2010



Purpose

- Review TXI's two leases
- Discuss effects of economic recession
- Discuss the proposal for an amendment to both leases of TXI Aviation I, L.L.C., which extends the deadline for completing capital improvement obligations.

Background

- Lessee is a 9-year full service Fixed Base Operator operating 24/7
- Current full time employment is 65 with annual payroll of \$4 M
- Local taxes and utilities total \$250,000 annually
- Local purchases of supplies & goods including fuel approx \$8 M
- Annual lease rental revenue currently \$91,565 with escalations
- Planned development will result in \$3.5 M new capital improvements on Love Field
- Lessee anticipates a 58% increase in business, and commensurate increase in employment and local expenditures in first year following completion, and 100% increase within 5 years of completion.

Background, cont.

- **1986 – Lease 1**, consisting of 168,000 s.f. and a tenant-constructed \$2.6 M hangar
- **May 2007 – Lease 2**, consisting of 102,000 s.f. located adjacent to Lease 1
 - Included requirement to construct **\$2.5 M, 35K s.f. hangar** within 24 mon (5/09)
- **May 2007 – Lease 1 amended** to coincide with Lease 2 term
 - Included requirement for addtl **\$1 M, 15K s.f. hangar** within 24 mon
- **April 2008 – amendments** added 19,000 s.f. to Lease 1, and 34,000 s.f. to Lease 2, to accommodate design changes to both hangars
- **February 2009 – amendments** to both leases which extended the \$3.5 M capital commitments by one year to May 1, 2010

TXI AVIATION I, L.L.C.



Image © 2006 Sanborn

© 2016 Google

3242 ft

Pointer 32°50'51.51" N 96°50'56.61" W

Streaming ||||| 100%

Eye alt 11218 ft

Lease 2 Effective May 2007

Lease 1 Effective 1986

**April 16, 2008, Amended
Lease 2 to add 33,692 SF**

**April 16, 2008, Amended
Lease 1 to add 19,152 SF**

Image © 2008 Sanborn

©2008 Tele Atlas

© 2007 Google™

Pointer 32°50'30.12" N 96°51'21.10" W elev 470 ft Streaming 100%

Eye alt 2224 ft

Effects of Economic Recession

- TXI advised its inability to obtain financing during the current economic recession
- Effects of the recession on General Aviation Activity at Love Field is exhibited in aircraft operation statistics

- CY 2008	72,917	-21.45%
- CY 2009	54,041	-25.89%
- CY 2010 YTD	8,262	-04.66%

- Love Field General Aviation market (as measured by aircraft operations) has shrunk over 50% since 2007

New Amendment Proposal

- TXI requests a **12 month extension to May 1, 2011**, to complete required improvements, resulting in an amendment to both leases
- TXI **expenses to date** exceed **\$800,000** in design and consultant services toward the combined \$3.5 M improvements
- TXI has paid **prevailing ground rent since lease inception** on land to be improved.

Recommendation, Next Steps



- Recommendation
 - Recommend City Council authorize the City Manager to execute amendments to both TXI leases extending the date for completion of capital improvements to May 1, 2011.
- Next Step
 - April 28, 2010 City Council agenda

Memorandum



CITY OF DALLAS

DATE April 2, 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 size.

Please find attached briefing materials on proposed amendments to Board of Adjustment Panel Size. This item is on the April 5, 2010 Economic Development Committee agenda for your consideration. The City Plan Commission has recommended that no change be made to the Board of Adjustment panel configuration.

Please contact me if you need additional information.

A handwritten signature in black ink, appearing to read 'A.C. Gonzalez', enclosed in a hand-drawn oval.

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
Deborah Watkins, City Secretary
Tom Perkins, City Attorney
Craig Kinton, City Auditor
Judge C. Victor Lander, Administrative Judge Municipal Court
Forest Turner, Assistant City Manager
Jill A. Jordan P.E., Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Theresa O'Donnell, Director of Development Services
Helena Stevens-Thompson, Assistant to the City Manager

Board of Adjustment and Appeals Panel Configuration

City Council
Economic Development Committee
April 5, 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

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

Mem	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 12, 2010

Memorandum



DATE: April 2, 2010

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

SUBJECT: **Economic Development Corporations**

On Monday, April 5, 2010 the Economic Development Committee will be briefed on the Economic Development Corporations. The briefing is attached.

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



A.C. Gonzalez
Assistant City Manager

C: Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
Deborah A. 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

Economic Development Corporations

Economic Development
Committee
April 5, 2010



Introduction

- The notion of creating an Economic Development Corporation (EDC) has been proposed to promote economic development in Southern Dallas.
 - Recent advocates include the Economic Development Committee of the Mayor's Southern Dallas Task Force as well as the Dallas Morning News
- The purpose of this presentation is to introduce basic information related to EDCs for review and discussion.

Purpose for EDCs

- The role of an EDC is to facilitate land and facility development resulting in:
 - new and diversified tax base;
 - corporate/business expansion; and,
 - the creation/retention of primary jobs.
- EDCs often undertake other related activities such as marketing and promotion to achieve desired goals.
- EDCs are often operationally independent from the sponsor (e.g., state, municipalities, etc.). This results in:
 - Solidified roles, responsibilities and procedures;
 - Limitations on “public” and “political” negotiations;
 - Independence.

EDCs in Texas

- The Development Corporation Act of 1979 (DCA) permits municipalities to create privately funded nonprofit development corporations to promote industrial and manufacturing development.
 - In November 1987, Texas voters approved an amendment to the Texas Constitution that allowed for the creation of programs and the making of loans and grants of public money for the public purpose of development and diversification of the economy.
- Perhaps the most recognized EDCs in Texas are sales tax funded entities created pursuant to 1989 and 1991 amendments to the DCA. These EDCs are:
 - legal entities with the statutory authority to spend local economic development sales tax dollars;
 - city-chartered and governed by a city-appointed board of directors subject at all times to the control of the governing body of the city that created the corporation; and,
 - typically referred to as either “4A” (or Type A) and “4B” (or Type B) depending on the intended use of sales taxes approved by local voters.

EDCs in Texas

- Both Type A and Type B EDCs can
 - fund (directly or through the issuance of debt, notes and contract) for land, buildings, equipment, facilities, and infrastructure for the creation or retention of primary jobs related to manufacturing and industrial facilities, research and development, distribution centers, etc.
 - Type B EDCs can also fund projects such as facilities for professional/amateur sports, parks, entertainment, tourism and affordable housing.

EDCs in Texas

- Well over 550 Texas cities have adopted either the 4A or 4B economic development sales tax (or both).
- **The City of Dallas is excluded by state law from adopting either the 4A or 4B sales taxes to support economic development.**
 - 4A sales taxes are limited to cities located in counties with populations less than 500,000.
 - Adoption of the 4B tax would make Dallas' new combined local sales tax rate exceed the maximum of 2 percent.

Additional Types Of Development Corporations

- In addition to Type A and Type B EDCs, other corporations may be created to promote economic development including IDC's and LGC's
 - pursuant to the Development Corporation Act (Industrial Development Corporations "IDCs") and the Texas Transportation Corporation Act (Local Government Corporations "LGCs").
 - While IDCs and LGCs can issue bonds and assume other debt, a **primary** distinguishing **characteristic** is the **lack of a statutorily dedicated revenue source** which is available to the sales tax corporations.

Examples of Dallas Corporations

- The City has a history of creating (or sponsoring) non-sales tax economic development related corporations to achieve its development goals. Examples include:
 - City of Dallas Industrial Development Corporation (to issue industrial revenue bonds for new projects in targeted areas)
 - City of Dallas Business Development Corporation (to facilitate Southern Dallas land and business expansion)
 - Southern Dallas Development Corporation (to provide a capital source for business expansions)
 - Downtown Dallas Development Authority (to issue contract revenue bonds associated with the Downtown Connection TIF District)
 - Love Field Economic Development Corporation (to issue revenue bonds for new facilities at Love Field)

Other Dallas Tools

- In addition, the City continues to evolve its programs to further promote development and job creation in the Southern Sector.
- Recent tools implemented to finance or otherwise offset private development costs include:
 - Increasing FY2010 PILOT funding to \$6.8 million for the City's Public/Private Partnership Program;
 - Achieving voter approval of Proposition 8 of the 2006 Bond Program (\$41.495 million);
 - Receipt of a \$55 million New Markets Tax Credit allocation;
 - Implementing four new tax increment financing districts (TIFs) since 2007 that can support potential funding needs exceeding \$400 million in Southern Dallas;
 - Creating the City of Dallas Regional Center with initial year project funding anticipated to reach \$40 million and ultimately exceed \$100 million annually; and,
 - Supporting the creation of Municipal Management Districts to enhance public infrastructure/services through MMD taxes and assessments.

Peer City Review

- In addition to reviewing Texas development corporations, City staff reviewed economic development entities in a number of cities including Houston, San Antonio, Fort Worth, Austin, Chicago, Atlanta, Denver, Phoenix, Portland, Nashville, and Kansas City.
- Given the differences in political and legal organization, funding levels, objectives and missions, it's difficult to compare or benchmark one city to another, but some general observations emerged.

Observations from Peer City Review

- Characteristics of primary economic development entities for non-Texas cities reviewed:
 - Entities other than a city often act as the lead economic development organization;
 - Varying degrees of city oversight for economic development corporations/authorities;
 - They may act as a lead source of financing to commercial and housing projects alike;
 - Heavy use of TIFs and revenue bonds;
 - Focus on urban renewal;
 - Lending programs for small business prominent; and,
 - If municipalities play a strong role, it's generally on development and recruitment programs may be outsourced.

Observations from Peer City Review

- Characteristics of the primary economic development entities for Texas cities reviewed:
 - Cities generally focus on development programs whereas marketing and recruitment is generally led by non-city entities;
 - Strong city oversight for economic development corporations;
 - Act as a supplemental source of financing for commercial development;
 - Substantial use of TIFs; and,
 - Special purpose usage LGCs or IDCs.
- San Antonio and Austin created Urban Renewal Agencies (See Urban Renewal on page 13.) in the 1950's that remain somewhat active.

Urban Renewal Agencies

- The Texas Urban Renewal Law allows for the creation of agencies to prevent and eliminate slum or blighted areas.
- Created subject to voter referendum, these agencies can:
 - Carry out a broad range of activities which includes the issuance of bonds and the use eminent domain for certain purposes in accordance with an approved urban renewal plan.

Observations

- Finance related IDCs or LGCs do not lead the economic development efforts of Texas cities as sales tax EDCs do.
- Restricted funding options for LGCs and IDCs limit their functionality to specific purpose developments.
- Urban Renewal Agencies are used sparingly in Texas due to negative history and requirement of voter referendum.

Conclusion

- At the moment, Dallas has the finance and development tools in place to facilitate meaningful and targeted developments.
- Unless there is enabling legislation which would provide a new funding source to promote economic development, an EDC will not improve Dallas' current efforts because it will require a reallocation of existing revenues and the City will still need staff to handle associated legal mandates.
- If a new funding source is authorized, the City can implement enhanced efforts through existing programs thereby ensuring appropriate City Council oversight.

Discussion

Memorandum



DATE April 2, 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 **TOD TIF District Boundary Amendment, Final Project Plan and Reinvestment Zone Financing Plan, and Grant Program, April 14, 2010 Council Agenda**

Background

City staff and the TOD TIF District Board of Directors ("Board") has been working over the last several months on a boundary amendment and adoption of a Final Project Plan and Reinvestment Zone Financing Plan (the "Final Plan") and TOD TIF District Grant Program. On January 20, 2010, the Board recommended a boundary amendment as described below. On March 11, 2010, the Board adopted a final plan and grant program to recommend to City Council for approval.

Three separate items are recommended for City Council approval on April 14th: an amendment to the TIF District boundary, the Final Plan, and Grant Program.

The TOD TIF District was created by Ordinance No. 27432 on December 10, 2008, to provide a source of funding for public infrastructure improvements that will help create a series of unique destinations, as well as foster the construction of structures or facilities that will be useful or beneficial to the development of transit stations along the DART light rail system in the central portion of the City.

Redevelopment of the Lancaster Corridor and encouragement of transit-oriented development (TOD) around DART stations are top City priorities. Linkage of areas proximate to the Lovers Lane/Mockingbird, Cedars West/8th & Corinth, and Lancaster Corridor transit stations via the DART Rail Lines facilitates higher density urban development in all areas and permits tax increment sharing to occur.

Boundary Amendment

On February 16, 2010, a memo was submitted to the Committee describing the proposed boundary amendment. On March 10, 2010, the City Council authorized a public hearing to be held on April 14, 2010, to hear comments on the removal of certain properties and expansion of the boundary of the TOD TIF District.

The boundary amendment will address the removal of office and hotel properties that were included in the original boundary; however, are not anticipated to redevelop in the foreseeable future and have resulted in a significant decline in taxable value for the district. Boundary expansions have targeted sites with development potential in the various sub-districts. The proposed amendment includes:

- Removal from the boundary of five properties in the Mockingbird Sub-District located at 4849 and 4925 Greenville Avenue and 6070, 6116, and 6688 North Central Expressway.

- The addition of property in the Mockingbird Sub-District located at 5936 East Lovers Lane, 4530 Greenville Avenue and properties along the eastern frontage of Greenville Avenue between Milton Street and University Boulevard.
- The addition of several properties in the Cedars West Sub-District located in the block bounded by Lamar Street, Cadiz Street, MKT Railroad, and R.L. Thornton Freeway; and the block bounded by Wall Street, Parker Street, Gould Street, and Corinth Street.
- Reassign the properties located in the existing boundary at the 8th and Corinth DART station area from the Cedars West Sub-District to the Lancaster Sub-District for resource allocation purposes along with the addition of property to the 8th and Corinth DART station area located south of the existing boundary to the east and south of Fran Way between Corinth Street and Fayette Street/creek bed.
- The addition of a new sub-district "Cedar Crest Sub-District" generally bounded by Southerland Avenue, Kiest Boulevard, Rector Street, MKT Railroad, Van Cleave Drive, Magna Vista Drive, Old Bonnie View Road, Sutter Street, Illinois Avenue, and Ozona Street.
- The addition of properties in the Ledbetter DART station area located at the northeast corner of Lancaster Road and Ledbetter Drive, and the DART station property along with primarily vacant land along the western side of Lancaster Road, Denley Drive, Arden Road, and Wagon Wheels Trail.

At the close of the public hearing on April 14, 2010, City Council will consider an ordinance authorizing the amendment to the TIF District boundary and separate items to approve the Final TIF Project and Reinvestment Zone Financing Plan for the District and Grant Program.

Final TIF Project and Financing Plan

As part of the statutory process for TIF Districts, state law requires that a Final Project Plan and Reinvestment Zone Financing Plan (the "Final Plan") be developed for the TIF District and approved by the City Council after it has been prepared and adopted by the Board of Directors of the District. The Final Plan forecasts planned private development, describes the public infrastructure improvement program for the District, and details public improvement spending.

The City of Dallas will contribute approximately \$324,692,388 in total dollars (\$160,457,349 NPV 2009 dollars) to the TIF District. It is expected that Dallas County will contribute approximately \$45,124,877 in total dollars (\$24,720,341 NPV 2009 dollars) to the TIF District. It is estimated that with City and County participation, additional taxable value attributable to new private investment in the TOD TIF District will total approximately \$2,431,150,836. Anticipated captured value, including both private investment and property appreciation, is anticipated to total \$3,394,368,960 over the life of the District.

The City's participation begins with 70% in 2009 through 2011, and then increases to 85% in 2012 through 2029. It then decreases to 70% for 2030 and the remaining years of the TIF. TIF collections will terminate once the TIF budget of \$185,177,697 (NPV 2009 dollars) has been collected or on December 31, 2038, whichever occurs first.

TOD TIF District Grant Program

Pursuant to Chapter 311 of the Texas Tax Code and to implement the Final Plan, the Board recommended the adoption of a TOD TIF District Grant Program (the "Grant Program") with the primary focus to facilitate higher density development. It is recognized that additional density may require costly parking structures and other enhanced infrastructure that may not be accommodated under traditional TIF budget categories.

The Grant Program will promote: (1) development and diversification of the economy; (2) development or expansion of residential, transportation, business, and commercial activity; (3) creation of a broader mix of residential property types, (4) elimination of unemployment and underemployment; (5) density within the district; and (6) public infrastructure improvements that enhance pedestrian connections and DART light rail transit station access within the District.

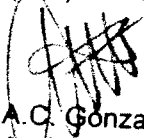
Specific eligibility criteria are included in the Grant Program description. All grant award amounts and awardees must be recommended by the TOD TIF Board and approved by City Council. A project must demonstrate that the development is not financially feasible but for the grant.

Financing

No cost consideration to the City.

Recommendation

Staff recommends approval. 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
 - 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
 - Forest Turner, Assistant City Manager
 - Jill A. Jordan P.E., Assistant City Manager
 - Jeanne Chipperfield, Chief Financial Officer
 - Karl Zavitkovsky, Director, Office of Economic Development
 - Hammond Perot, Assistant Director, Office of Economic Development
 - Helena Stevens-Thompson, Assistant to the City Manager

Memorandum



DATE April 2, 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 **Forest Park Medical Center, LLC and Forest Park Realty Partners III, LP;
Agenda Item, April 14, 2010**

Background

On Wednesday, April 5, 2010 City Council will be asked to authorize an amendment to Resolution No. 09-2666, previously approved on October 24, 2009, authorizing a real property tax abatement agreement with Forest Park Medical Center, LLC and Forest Park Realty Partners III, LP to include soft costs (Architecture, Design, Fees, Financing and other related costs) Financing: No cost consideration to the City.

Pursuant to Resolution No. 09-2666, approved on October 24, 2009, the City entered into a 60 percent real property tax abatement agreement for 8 years in consideration of an expansion of the company's medical and office space, and a significant investment in real property. The project will result in real property improvement costs exceeding \$50,000,000, and a total investment of over \$70,000,000. The project will create 300 jobs in Dallas.

The anticipated \$70 million investment for developing the proposed new facilities contemplated all costs associated with constructing the project, however, Resolution No. 09-2666 did not specifically include associated soft costs for the project. In order to clarify, staff requests the following amendment to Resolution No. 09-2666.

Section 5 (e) in part states:

"That the proposed \$70,000,000 in real property improvements will be substantially completed by June 2011."

The proposed new language is as follows:

"That the proposed \$70,000,000 investment in real property improvements and other associated costs shall be substantially completed by June 2011.

Project Details

Project Site: 11990 North Central Expressway, Dallas

New facilities: 125,000 sq. ft. Hospital
150,000 sq. ft. Medical Office Building
750 Space Parking Garage

New Jobs: 300

Real Property Investment: \$50,000,000

City Incentives

New Real Property Tax Abatement: 60% - 8yrs Tax abatement will commence on or before January 2013.

	<u>Investment</u>	<u>Tax Abatement</u>	<u>Foregone Revenue</u>	<u>City of Dallas Tax Revenue</u>
Real Property Year One	\$50M	60% - 8yrs	\$224,370	\$ 149,580
8-year totals			\$ 1,794,960	\$ 1,196,640

Proposed Estimated Schedule of the Project

Begin Tenant Improvements January 2010
Substantial Completion June 2011

Fiscal Information

- Revenue: First year revenue estimated at \$149,580; eight-year revenue estimated at \$1,196,640; (Estimated revenue foregone for eight-year abatement estimated at \$1,794,960)

Owner

Forest Park Realty Partners III, LP
Richard Toussaint, M.D., Founder
Forest Park Medical Center, LLC
Managing Partner
Neal Richards Group

Staff

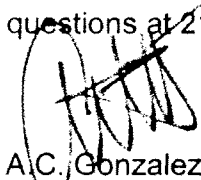
J. Hammond Perot, Assistant Director

Forest Park Medical Center
April 2, 2010
Page 3 of 3

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.

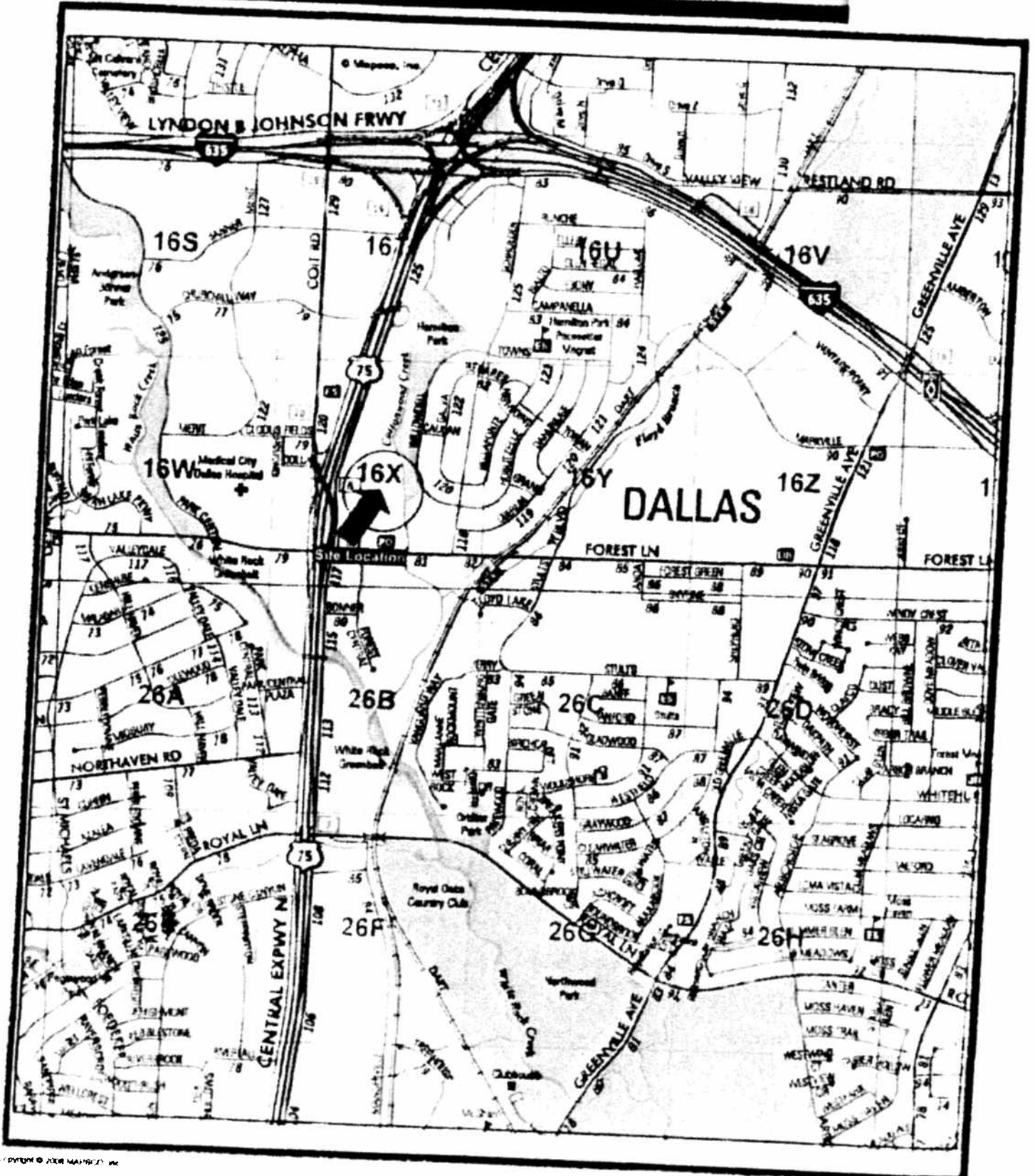


A.C. Gonzalez
Assistant City Manager

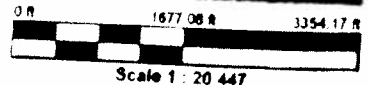
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Helena Stevens-Thompson, Assistant to the City Manager

Forest Park Medical Center

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Memorandum



CITY OF DALLAS

DATE April 2, 2010

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

SUBJECT **Approval of a consultant to assist with the Dallas Development Fund's New Markets Tax Credit program**

At the April 14th Council meeting, you will consider an agenda item to authorize a professional services contract with S.B. Friedman for operational and transactional assistance for the Dallas Development Fund's (DDF) New Markets Tax Credit (NMTC) program.

As you know, the City created DDF to apply to the U.S. Department of Treasury's New Markets Tax Credits program, and the DDF was awarded a \$55 million allocation in the 2009 awards cycle. Dallas is the first municipality in the State to receive a NMTC allocation.

The NMTC program permits taxpayers to receive a credit against Federal income taxes for making qualified equity investments in designated Community Development Entities (CDE). These investments must be used by the CDE for projects and investments in low-income communities, and would provide additional opportunities for development in low-income areas. The credit provided to the investor totals 39 percent of the cost of the investment and is claimed over a seven-year credit allowance period.

The \$55 million allocation equates to about \$15 million in funds that will be available for projects. This new source of funds, combined with other City programs including the City of Dallas Regional Center, will allow projects that otherwise would not be developed to move forward. City staff believes that by promptly awarding the NMTC funds and combining NMTC funds with other City programs, DDF is positioning itself well for future rounds of NMTC allocation.

Of the \$55 million allocation, DDF's NMTC application indicated that 3% (approximately \$1.6 million) would be used for administration of DDF's NMTC program. DDF and the City of Dallas intend to use these funds to offset compliance, legal, underwriting and general transactional and operational assistance. However, DDF will not have access to these funds until a NMTC deal has closed. Because of this, the City of Dallas' Public Private Partnership (PPPF) fund will serve as a bridge-loan source so that DDF can begin operations of its NMTC program.

Because DDF will not have its own source of funds until a NMTC deal closes, the City of Dallas issued a RFP on December 10, 2009, seeking ongoing transactional and operational assistance for DDF's NMTC program. The RFP was issued to 775 vendors registered in Procurement's bid system. Of these 775, 179 were M/WBE vendors.

Proposals were opened on January 6, 2010. The city received three responsive proposals from the RFP. The service contract is being awarded in its entirety to the most advantageous proposer and a committee of four made up the consultant selection team. Departments represented on the committee included Economic Development (2), Housing (1) and Sustainable Development and Construction Services (1).

*Denotes successful proposer

Proposers	Address	Score
*S. B. Friedman & Company	221 North LaSalle Street Suite 820 Chicago, IL 60601	62.8
Reznick	500 E. Pratt St. Suite 200 Baltimore, MD 21202	56
Strategic Development Solutions	11150 West Olympic Boulevard Suite 910 Los Angeles, CA 90064	42
Baker, Tilly and Company, LLP	Ten Terrace Madison, WI 53718	Non-responsive**

**Baker, Tilly and Company, LLP was deemed non-responsive for failure to agree to contract terms.

S.B. Friedman and Company (S.B. Friedman) was determined to be the most advantageous proposer and is based out of Chicago. S.B. Friedman assisted the City of Dallas in obtaining its \$55 million allocation, the City of Chicago in obtaining its \$100 million NMTC allocation, and serves as the ongoing consultant for Chicago's NMTC program.

S.B. Friedman will provide on-going technical and operational assistance to ensure that DDF is able to close its entire \$55 million allocation and maintain compliance throughout the 7-year compliance period for each transaction.

Specifically, S.B. Friedman will offer assistance with deal intake and underwriting, asset management and compliance, and limited administrative and management support for the operations of DDF.

Upon City Council approval, the City will enter into a one-year contract deal with S.B. Friedman, with an option for up to nine renewals. This ten-year total contract period allows for continuity through the required seven-year compliance period after the close of each NMTC transaction.

The first year of the contract includes the start-up expenses to allow DDF to operate within the NMTC program regulations, and is payable based on billable hours. It will not exceed \$110,000 and expenses will initially be paid through PPPF and reimbursed by DDF as NMTC transactions close. The total cost of the 10-year contract is not to exceed \$700,000. It is anticipated that after the initial year of the contract, the remaining years of the contract will be paid directly by DDF to S.B. Friedman.

Once DDF has closed at least one NMTC deal, and reimbursed the PPPF, additional fees will be used by the City of Dallas to reimburse staff time and expenses, in accordance with federal guidelines. The mechanism to establish this reimbursement will be established later.

The agenda item will also authorize the City Manager to exercise the renewal terms and assign the contract to DDF, in whole or in part, without the need for further Council action.

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



A.C. Gonzalez
Assistant City Manager

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Jerry Killingsworth, Director, Housing Department
Karl Zavitkovsky, Director, Office of Economic Development
Hammond Perot, Assistant Director, Office of Economic Development
Helena Stephens-Thompson, Assistant to the City Manager

Memorandum



CITY OF DALLAS

DATE April 2, 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 Handicapped Parking Requirements

Please find attached Council docket materials for an upcoming agenda item for an amendment to the Development Code relative to handicapped parking requirements. The purpose of the code amendment is to ensure consistency with Federal and State requirements and give architects and the development community a consistent requirement across all jurisdictions. This item is on the April 28, 2010 City Council agenda for consideration. The City Plan Commission has recommended approval of the proposed amendment.

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
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Jeanne Chipperfield, Chief Financial Officer
Theresa O'Donnell, Director of Development Services
Helena Stevens-Thompson, Assistant to the City Manager

HONORABLE MAYOR & CITY COUNCIL

WEDNESDAY, APRIL 28, 2010

ACM: A.C. GONZALEZ

FILE NUMBER: DCA 090-004 (DC)

DATE INITIATED: June 15, 2009

TOPIC: Handicapped Parking Requirements

COUNCIL DISTRICT: All

CENSUS TRACT: All

PROPOSAL: Consideration of amendments to Chapter 51 and Chapter 51A, the Dallas Development Code, to amend Section 51A-4.305, "Handicapped Parking Regulations," to require compliance with all Federal and State requirements.

SUMMARY: The purpose of the amendment is to ensure consistency in the handicapped parking standards in city requirements and Federal and State statutes.

STAFF RECOMMENDATION: Approval.

ZONING ORDINANCE ADVISORY COMMITTEE RECOMMENDATION: Approval.

CPC ACTION (February 10, 2010):

Motion: It was moved to recommend **approval** of amendments to Chapter 51A, the Dallas Development Code, to amend Section 51A-4.305, "Handicapped Parking Regulations," to require compliance with all Federal and State requirements.

Maker: Bagley
Second: Bernbaum
Result: Carried: 13 to 0

For: 13 - R. Davis, Wally, Anglin, M. Davis, Rodgers, Lozano, Bagley, Lavallaisaa, Tarpley, Bernbaum, Schwartz, Peterson, Alcantar

Against: 0

Absent: 2 - Lueder, Wolfish

Vacancy: 0

Speakers: None

~~“SEC. 51A-4.305. HANDICAPPED PARKING REGULATIONS.~~

Handicapped parking must be provided and maintained in compliance with all Federal and State laws and regulations.

~~(a) Definitions. In this section:~~

~~(1) ACCESS AISLE means an accessible space between elements such as parking spaces that provides clearances appropriate for use of the elements.~~

~~(2) ACCESSIBLE ROUTE means a continuous unobstructed path having a smooth and firm surface sufficient in width and configuration to permit a person in a standard-sized wheelchair to obtain free access to buildings and facilities. Accessible routes may include but are not limited to walks, halls, aisles, corridors, elevators, ramps, curb ramps, and clear floor spaces at fixtures.~~

~~(3) CIRCULATION ROUTE means an exterior or interior way of passage from one place to another for pedestrians, including but not limited to walks, hallways, and courtyards.~~

~~(4) LEVEL means any surface or part of a surface not having a slope in excess of 1:50 (2.0%) at any point, in any direction. Slopes expressed in terms of 1/4 inch per foot are considered 2.0% and are acceptable.~~

~~(5) PRIMARY ENTRANCE means an entrance intended to be used by the occupants and visitors to enter or leave a building or facility. This may include but is not limited to the main entrance.~~

~~(b) Purpose. The provisions of this section are to further the policy of the City of Dallas and the State of Texas to encourage and promote the rehabilitation of handicapped or disabled citizens and to eliminate, insofar as possible, unnecessary barriers encountered by aged, handicapped, or disabled persons, whose ability to engage in gainful occupations or to achieve maximum personal independence is needlessly restricted when such persons cannot readily use buildings accessible to the public.~~

~~(c) Application of section.~~

~~(1) This section only becomes applicable to a lot when a use is expanded or converted so that additional off street parking is required. In this event, the number of handicapped parking spaces required is based on the total number of off street parking spaces required for the use.~~

~~(2) When a lot is used for a combination of uses and one use is converted or expanded, only the off street parking spaces required for that use are taken into account in calculating the handicapped parking requirement for the lot.~~

- (1) ~~All handicapped parking spaces must comply with the following location and construction standards, regardless of whether the spaces are required by this section or provided voluntarily.~~
 - (2) ~~Parking spaces for handicapped persons must be located on an accessible circulation route and as near as reasonably possible to the accessible primary entrances of the building or facility housing the use. In multi-level parking garages, underground lots, and remote lots, parking spaces must be located on the shortest possible circulation route.~~
 - (3) ~~Head-in or diagonal handicapped parking spaces must be at least 96 inches wide with an adjacent aisle or clear space at least 60 inches wide. A common aisle between two 96 inch wide spaces may be shared. In order to better accommodate handicapped persons using vans with side lifts, an aisle at least 72 inches wide is preferred.~~
 - (4) ~~Handicapped parking spaces must be open on at least one side and allow room for individuals in wheelchairs, crutches, or braces to safely get in and out of a vehicle onto a level surface suitable for wheeling and walking. No handicapped parking spaces may be located in such a place that would cause persons to wheel or walk behind parked vehicles.~~
 - (5) ~~Parallel parking is discouraged except when it can be situated in such a manner that persons entering and exiting vehicles will be out of the flow of traffic. If parallel parking is located on a street, driveway, or any other area where vehicular traffic exists, the space must be designed and placed in such a manner that persons are out of the flow of traffic.~~
 - (6) ~~No parked vehicle overhangs may intrude into or reduce the clearance of accessible routes.~~
 - (7) ~~No parking surfaces and accessible aisles may have a slope in any direction in excess of 1:50 (2.0%).~~
 - (8) ~~Handicapped parking spaces must be identified and reserved for the handicapped by a sign incorporating the symbol of accessibility placed so that it will not be obscured by parked vehicles. The sign must be legible from a distance that is reasonable for the condition. Where conditions exist that preclude the use of vertical signage, suitable phrases or symbols sufficient in size, permanency, meaning, and location so to adequately serve the intent of this section are permitted.~~
- (g) Required parking in multi level parking garages, underground lots, and remote lots:
- (1) ~~In instances where multi-level parking garages, underground lots, or remote lots are used to serve a particular building or facility, required parking spaces and conditions must conform to the following criteria in addition to the other specifications contained in this section:~~
 - (A) ~~There must be an accessible route from the parking spaces to the nearest accessible primary entrance to the use.~~

SECTION 2. That a person violating a provision of this ordinance, upon conviction, is punishable by a fine not to exceed \$2,000.

SECTION 3. That Chapter 51A of the Dallas City Code shall remain in full force and effect, save and except as amended by this ordinance.

SECTION 4. 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 5. That this ordinance shall 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 _____

Memorandum



DATE April 2, 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 **Amend the City of Dallas Main Street District Initiative Loan and Grant Program and a related contract; Agenda Item, April 14, 2010**

This item amends 1) the City of Dallas Main Street District Initiative Chapter 380 Loan and Grant Program ("Grant Program") that City Council adopted in October 2003 and 2) a contract with Central Dallas Association (now known as Downtown Dallas Inc.), authorized on October 13, 2004, to allow expenditures for a comprehensive update of the Downtown Parking Strategy and related Retail Activation Strategy to identify and prioritize improvements needed to support the retail recruitment effort in the Downtown area.

Dallas is in the midst of developing the Downtown Dallas 360 Plan. The process for Downtown Dallas 360, will create a strategic action and development plan that brings together elements from all of the prior studies to create more firm direction. This process will help guide future decisions on how and where to invest public and private resources for the greatest impact and "return on investment".

As part of this planning effort, two areas were identified for additional study – parking and retail activation. This contract amendment allows this work to proceed.

The City Center TIF District Parking Strategy Study was adopted by City Council by Resolution No. 01-1485 on May 9, 2001. Market conditions have changed substantially in the seven years since this program was originally adopted:

- Counts now exist for short-term parking in various garages;
- Information now exists on several retailers that have opened in the downtown core area - there are lessons to be learned from both successful and not so successful efforts;
- Economic conditions have changed significantly since 2003 – financing for retail projects is much more problematic;
- Plans for the D2 Light Rail line and additional streetcar service for the downtown area are closer to implementation and not considered as part of the original studies;
- Property ownership in the FOCUS retail area has become more consolidated – allowing more control over retail recruitment; and

- The amount of vacant office space in the downtown area has declined but increasing the demands for conveniently located employee parking.

In order to adapt to these changing conditions and better utilize existing and future public funding targeted at improving the retail environment in the downtown core, staff recommends modifying both the City of Dallas Main Street District Initiative Chapter 380 Loan and Grant Program and the existing agreement with Central Dallas Association (now known as Downtown Dallas Inc.) to allow funding to update studies and implementation strategies related to downtown retail and parking strategies to support retail and office leasing. The estimated cost of the update of the Parking Strategy is an amount not to exceed \$131,023; the estimated cost of the Retail Activation Study is approximately \$62,077 of which Downtown Dallas Inc. will fund approximately \$27,000. Downtown Dallas Inc. will be responsible for any cost overruns for both studies.

The City of Dallas has contracted with Downtown Dallas Inc. to manage the CityPark Program. This Program was adopted to provide incentives to allow private parking garages to provide low-cost, short-term parking for downtown visitors. Selected garage locations were based on the City Center TIF District Parking Strategy Study. Grant funds were allocated, under the contract to purchase of equipment, standardized signage, improve lighting and accessibility and created a joint marketing program for all garages in the system. This parking program was called the CityPark system. The program was successful in converting four private garages with approximately 2300 spaces for public use. The contract authorized in October 2004 and approximately \$250,000 is available to be reallocated.

In addition to the amendment to the parking contract, the City of Dallas Main Street District Initiative Loan and Grant Program must be modified to allow parking and retail studies to be an eligible grant expenditure. The program allows funding for construction loans, equipment purchase, marketing, and administration. To date, the City of Dallas Main Street District Initiative Loan and Grant Program has led to the construction of approximately 400 parking spaces priced to meet short-term public parking needs in the downtown core area; funding for an initial retail recruitment program; funding for equipment and marketing to allow the conversion of four private parking garages to allow public, short-term parking. All of these activities have helped create new retail jobs downtown, and to generate new general fund revenue from retail sales taxes.

SCHEDULE

Begin Parking Study	April 2010
Complete Parking Study	December 2010
Begin Retail Study	April 2010
Complete Retail Study	July 2010

FINANCING

No cost consideration (reallocation of funds previously allocated) – Public Private Partnership Funds

GRANTEE

Downtown Dallas, Inc.

John Crawford
Executive Director

STAFF

Karl Stundins, Manager, Area Redevelopment Division

RECOMMENDATION

Staff recommends City Council's approval of this item

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



A.C. Gonzalez
Assistant City Manager

- c: The Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
Deborah Watkins, City Secretary
Tom Perkins, City Attorney
Craig Kinton, City Auditor
Judge C. Victor Lander, Administrative Judge Municipal Court
Ryan S. Evans, First Assistant City Manager
Forest Turner, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Karl Zavitkovsky, Director, Office of Economic Development
Hammond Perot, Assistant Director, Office of Economic Development
Helena Stevens-Thompson, Assistant to the City Manager