

# Memorandum



CITY OF DALLAS

DATE June 21, 2024

Honorable Members of the Government Performance and Financial Management

TO Committee: Chad West (Chair), Paula Blackmon (Vice Chair), Cara Mendelsohn, Jesse Moreno, Jaime Resendez

SUBJECT **Status Update – Real Estate for Sale, Development, or Redevelopment Opportunities**

This memorandum provides the Government Performance and Financial Management (GPFM) Committee with an update on the progress in reviewing underutilized assets and appraising possible opportunities for the sale, development, or redevelopment of assets in the City’s real estate portfolio. Also included for the Committee’s awareness is an update on recent City efforts to address reported issues and safeguard the property located at 711 South St. Paul.

## Opportunities for Sale, Development, or Redevelopment of City Real Estate Assets

Property	Appraisal Status
606 Good Latimer	Draft Received
711 South St. Paul	Draft Received
Central Service Center	In Progress
Dallas Executive Airport	In Progress
DWU Hutchins Property	Draft Received
Municipal Courts Building (5 <sup>th</sup> Floor Only)	In Progress
North Oak Cliff Library	Draft Received
Oak Cliff Municipal Center	In Progress
Park Forest Library	Draft Received
Vilbig Auto Pound	Draft Received

An inter-departmental team continues working through the appraisal process for the identified properties. Due to the complexity and size of the outstanding parcels, it is anticipated the remaining appraisal drafts will be completed and provided to the City by the end of June. Once all appraisals are received, staff will prepare a summary update and present the information to City Council during an upcoming executive session. During the executive session, the City Council will have an opportunity to review and discuss the appraisals of the identified parcels and provide guidance on how to proceed with the potential sale or redevelopment of the subject properties.

Included in the May 8<sup>th</sup> mid-year budget adjustment, City Council approved \$600K from General Fund Contingency to fund brokerage and RFP-development services for selected properties. RFPs will be developed with the assistance of subject matter experts who specialize in mixed-used developments, though additional guidance is needed from City Council to finalize the list of properties to be included.

DATE June 21, 2024  
SUBJECT **Status Update – Real Estate for Sale, Development, or Redevelopment Opportunities**

Properties previously identified as potential opportunities for this initiative are:

1. 606 Good Latimer
2. 711 South St. Paul
3. Oak Cliff Municipal Center
4. North Oak Cliff Library\*
5. Park Forest Library\*
6. Vilbig Auto Pound

However, the City Council will provide final direction on which properties are slated for sale and which are planned for development/redevelopment.

*\*2024 Bond Program funds are available as potential leverage to attract and support redevelopment partnerships.*

### **Update on 711 South St. Paul**

The property at 711 South St. Paul was formerly used as a local shelter and operated by Family Gateway. Family Gateway canceled their contract and vacated the facility during the late summer of 2023. The Building Services Department (BSD) boarded and secured the facility in December of 2023 until it could be sold or redeveloped. In May 2023 it was reported that unsheltered residents broke into the vacant facility. Shortly thereafter, the Office of Homeless Solutions (OHS), with assistance from the Dallas Police Department (DPD), entered and cleared the facility of all unauthorized occupants. BSD installed additional locks and hasps and made repairs to the exterior gate to deter future unauthorized access.

Since that time, multiple City departments, including Integrated Public Safety Solutions (IPS), Court and Detention Services’ Marshal’s Office (CTS), Public Works Real Estate (PBW), OHS, DPD, BSD, and others, remain actively engaged in ongoing efforts to ensure the physical security of the facility and safeguard the asset by conducting daily inspections and monitoring all facility activity via cameras. Criminal Trespass charges will be pursued for any unauthorized entry as appropriate. Enhanced monitoring and daily security patrols will continue until the facility is sold or redeveloped.

If there are any questions, please let me know.



**Donzell Gipson**  
Assistant City Manager (I)

- c:
- |  |  |
|--|--|
| Kimberly Bizer Tolbert, City Manager (I)                   | Jack Ireland, Chief Financial Officer                            |
| Tammy Palomino, City Attorney                              | Alina Ciocan, Assistant City Manager                             |
| Mark Swann, City Auditor                                   | Robin Bentley, Assistant City Manager (I)                        |
| Biliera Johnson, City Secretary                            | Dominique Artis, Chief of Public Safety (I)                      |
| Preston Robinson, Administrative Judge                     | Elizabeth Saab, Chief of Strategy, Engagement, and Alignment (I) |
| M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager | Directors and Assistant Directors                                |