

Memorandum



DATE January 31, 2025 CITY OF DALLAS

TO Honorable Members of the City Council Economic Development Committee: Tennell Atkins (Chair), Omar Narvaez (Vice Chair), Carolyn King Arnold, Chad West, Adam Bazaldua, Paul Ridley, and Kathy Stewart

SUBJECT **Quarterly Update: Economic Development Incentives Awarded via Administrative Action**

On January 25, 2023, the City Council approved an amended City of Dallas Economic Development Policy and approved a new Economic Development Incentive Policy (which was subsequently amended March 27, 2024 and amended and reauthorized on January 8, 2025). The Incentive Policy allows for certain incentives to be awarded by Administrative Action rather than by City Council Resolution. These include:

1. As-of-right tax abatements for certain projects in Target Areas
2. Incentive offers valued at or below \$1 million for projects in Target Areas
3. Incentive offers valued at or below \$1 million that are made to M/WBE developers or community developers in Target Areas and in non-Target Areas

The Incentive Policy specifies that the Office of Economic Development (OED) will update the Economic Development Committee via a quarterly memo summarizing economic development incentives awarded by Administrative Action under these three criteria.

For the quarterly period between October and December 2024, one (1) Administrative Action was executed for an economic development grant agreement with White Pants Agency, LLC.

Additionally, one (1) Administrative Action was executed for Supplemental Agreement No. 1 to the existing real property tax abatement agreement with Trinity Industrial Park, LP previously executed by Administrative Action in August 2023.

More details regarding these two Administrative Actions are attached as **Exhibit A**. Additionally, a cumulative list of previously executed Administrative Actions is attached as **Exhibit B**. Should you have any questions, please contact Kevin Spath, Director (I), Office of Economic Development, at kevin.spath@dallas.gov or (214) 670-1691.

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Service First, Now!



Robin Bentley,
Assistant City Manager (I)

c: Kimberly Bizer Tolbert, City Manager
Tammy Palomino, City Attorney
Mark Swann, City Auditor
Billieae Johnson, City Secretary
Preston Robinson, Administrative Judge
Dominique Artis, Chief of Public Safety

Dev Rastogi, Assistant City Manager
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Alina Ciocan, Assistant City Manager
Donzell Gipson, Assistant City Manager (I)
Jack Ireland, Chief Financial Officer
Elizabeth Saab, Chief of Strategy, Engagement, and Alignment (I)
Directors and Assistant Directors

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Exhibit A

White Pants Agency, LLC (Target Area project with incentive below \$1 million)

Applicant: White Pants Agency, LLC, Brian Bethel, Authorized Representative

Property: 404 Exposition Avenue (District 2), an existing 7,500 square foot building.

Project Scope: White Pants Agency is a digital marketing and content production company founded in 2014 specializing in advertising and strategic brand development to help businesses build strong connections to their audiences. White Pants Agency's headquarters currently operates in a leased office space at 2528 Elm Street. With this Project, White Pants Agency commits to (1) investing at least \$900,000 to complete an interior and exterior renovation of 404 Exposition, (2) relocating White Pants Agency's headquarters to the renovated Property, and (3) expanding White Pants Agency's operation through the creation of at least fifteen (15) new jobs at the Property within five (5) years.

Minimum Investment Requirement: White Pants Agency shall invest a minimum of \$900,000 by December 31, 2025.

Job Creation Requirement: White Pants Agency shall create 15 new jobs within five years of receiving the grant payment. All jobs shall pay a minimum wage that is equal to or exceeds the Dallas County living wage (currently \$22.06) as adjusted throughout the Compliance Period.

Incentive: Economic development grant up to \$595,339 shall be paid in upon verification of Project Improvements and certificate of occupancy, which must occur by December 31, 2025. Compliance Period is 5 years (beginning on the date that the grant payment is disbursed).

Other Requirements: Living wage requirement for the grant-eligible jobs (equal to MIT Living Wage calculator indexed and adjusted annually, currently \$22.06); participation in Local Hiring Plan approved by OED Director; good faith effort to comply with the City's Business Inclusion and Development ("BID") goal of 32% participation by certified Minority/Women-owned Business Enterprises ("M/WBE") for all hard construction expenditures associated with the Project Improvements.

Grant Agreement: Authorized November 20, 2024 (AA 24-6539)

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Trinity Industrial Park, LP

(amendment of existing as-of-right Real Property Tax Abatement Agreement with Trinity Industrial Park, LP)

Summary: The Agreement was amended by Supplemental Agreement No. 1 to extend the Project's completion deadline by four months, allow for delays resulting from Force Majeure, modify the abatement period language to reflect recent changes to the Economic Development Incentive Policy, and increase the Minimum Investment Requirement by \$300,000 (from \$10 million to \$10.3 million) as consideration for the requested amendments.

Supplemental Agreement No. 1 to the Real Property Tax Abatement Agreement:
Authorized December 27, 2024 (AA 25-5249)

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Exhibit B
Economic Development Incentives previously awarded by Administrative Action

AA Number	Date	Recipient	Address	Incentive Type	Project Summary
23-5981	8/7/23	Trinity Industrial Park, LP	8733 N. Stemmons	Real Property Tax Abatement (as of right)	New ground-up construction of two office/warehouse buildings totaling approximately 78,120 square feet with an estimated total investment of \$16.8 million.
23-6671	12/13/23	CityBuild Community Development Corporation	6407 Carleton Garret	Grant (\$850,000)	New ground-up construction of the Bonton Wellness Center, an 11,000 square foot community health, wellness, and financial literacy center with an estimated total investment of \$5.5 million.
24-5874	5/9/24	Presidential Concepts, LLC	1499 Regal Row	Real Property Tax Abatement (as of right)	Renovation of existing 59,742 square foot building to create a new state-of-the-art commercial kitchen facility. Presidential Concepts' total investment is approximately \$9 million.
24-5793	5/17/24	Koya Medical, Inc.	2332 and 2340 Valdina St	Grant (\$350,000)	Relocation and expansion of headquarters of Koya Medical, a medical supply company specializing in compression therapy. Project retains 7 existing full-time jobs in Dallas, relocates 10 existing full-time jobs from out-of-state to Dallas, and creates 220 new full-time jobs. Koya Medical's investment is approximately \$1.7 million.