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CITY SECRETARY
DALLAS, TEXAS

City of Dallas

*1500 Marilla Street, Room 6ES
Dallas, Texas 75201*



Economic Development Committee

January 6, 2020

1:00 PM

2019 CITY COUNCIL APPOINTMENTS

COUNCIL COMMITTEE	
ECONOMIC DEVELOPMENT Atkins (C), Blewett (VC), Gates, McGough, Narvaez, Resendez, West	ENVIRONMENT AND SUSTAINABILITY Narvaez (C), Atkins (VC), Blackmon, Blewett, Gates
GOVERNMENT PERFORMANCE AND FINANCIAL MANAGEMENT Gates (C), Mendelsohn (VC), Arnold, Bazaldua, Kleinman, Narvaez, Thomas	HOUSING AND HOMELESSNESS SOLUTIONS West (C), Thomas (VC), Arnold, Blackmon, Kleinman, Mendelsohn, Resendez
PUBLIC SAFETY McGough (C), Arnold (VC), Bazaldua, Blewett, Medrano, Mendelsohn, Thomas	QUALITY OF LIFE, ARTS, AND CULTURE Arnold (C), Gates (VC), Atkins, Narvaez, West
TRANSPORTATION AND INFRASTRUCTURE Kleinman (C), Medrano, (VC), Atkins, Bazaldua, Blewett, McGough, West	WORKFORCE, EDUCATION, AND EQUITY Thomas (C), Resendez (VC), Blackmon, Kleinman, Medrano
AD HOC JUDICIAL NOMINATING COMMITTEE McGough (C), Blewett, Mendelsohn, Narvaez, West	AD HOC ADMINISTRATIVE AFFAIRS Kleinman (C), Arnold, Atkins, Gates, Resendez

(C) – Chair, (VC) – Vice Chair, (L) – Liaison

Handgun Prohibition Notice for Meetings of Governmental Entities

"Pursuant to Section [30.06](#), Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun."

"De acuerdo con la sección [30.06](#) del código penal (ingreso sin autorización de un titular de una licencia con una pistola oculta), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola oculta."

"Pursuant to Section [30.07](#), Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly."

"De acuerdo con la sección [30.07](#) del código penal (ingreso sin autorización de un titular de una licencia con una pistola a la vista), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola a la vista."

Note: A quorum of the Dallas
City Council may attend
this Council Committee
meeting.

Call to Order**MINUTES**

1. [20-29](#) Approval of the December 2, 2019 Economic Development Committee Meeting Minutes

Attachments: [Minutes](#)

BRIEFING ITEMS

- A. [20-26](#) Review and consider a development agreement with HW Commerce Office LP ("Developer") and/or its affiliates in an amount not to exceed \$2,576,125 for actual TIF eligible Project expenditures, payable from future Deep Ellum Tax Increment Finance ("TIF") District funds, in consideration of the Stack Deep Ellum Project ("Project") on property currently addressed at 2700, 2712, and 2718 Commerce Street.
[Kevin Spath, Assistant Director, Office of Economic Development]

Attachments: [Memo](#)
 [Presentation](#)

CLOSED SESSION

- B. [20-28](#) Deliberate the offer of a financial or other incentive to a business prospect ("Project Vega") that the City seeks to locate/relocate within the City and with which the city is conducting economic development negotiation (Sec. 551.087 T.O.M.A.)
[Robin Bentley, Assistant Director, Office of Economic Development]

BRIEFING BY MEMORANDUM

- C. [20-27](#) Red Bird Mall redevelopment (New Markets Tax Credit Transaction and Amendment to TIF/ Chapter 380 Agreement)
[Kevin Spath, Assistant Director, Office of Economic Development]

Attachments: [Memo](#)

- D. [20-42](#) Follow Up to the December 18, 2019 Economic Development Strategic Plan - Next Steps
[Courtney Pogue, Director, Office of Economic Development]

Attachments: [Memo](#)

ADJOURNMENT

EXECUTIVE SESSION NOTICE

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

1. seeking the advice of its attorney about pending or contemplated litigation, settlement offers, or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act. [Tex. Govt. Code §551.071]
2. deliberating the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.072]
3. deliberating a negotiated 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. [Tex. Govt. Code §551.073]
4. deliberating the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing. [Tex. Govt. Code §551.074]
5. deliberating the deployment, or specific occasions for implementation, of security personnel or devices. [Tex. Govt. Code §551.076]
6. discussing or deliberating commercial or financial information that the city has received from a business prospect that the city seeks to have locate, stay or expand in or near the city and with which the city is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect. [Tex Govt. Code §551.087]
7. deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementations of security personnel, critical infrastructure, or security devices. [Tex Govt. Code §551.089]



City of Dallas

1500 Marilla Street
Dallas, Texas 75201

Agenda Information Sheet

File #: 20-29

Item #: 1.

Approval of the December 2, 2019 Economic Development Committee Meeting Minutes

Economic Development Meeting Record

The Economic Development Committee meetings are recorded. Agenda materials are available online at www.dallascityhall.com. Recordings may be reviewed/copied by contacting the Economic Development Committee Coordinator at 214-670-1686

Meeting Date: December 2, 2019

Convened: 1:00 p.m.

Adjourned: 4:31 p.m.

Committee Members Present:

Tennell Atkins, Chair
David Blewett, Vice Chair
Chad West
Jennifer S. Gates
B. Adam McGough
Omar Narvaez
Jaime Resendez

Committee Members Absent:

N/A

Other Council Members Present:

Mayor Eric Johnson
Casey Thomas, III
Carolyn King Arnold

Presenters:

Michael Mendoza, Chief Eco. Dev. & Neighborhood Services
Courtney Pogue, Director, Office of Economic Development
Avis F. Chaisoon, Asst. Director, Office of Economic Development

AGENDA

Call to Order (1:07 p.m.)

***Before the presentation were presented, the Chair asked Chris Casso to discuss the Chapter VI. The City Manager and Chapter III. City Council**

1. Approval of the November 4, 2019 Meeting Minutes

Presenter(s): Tennell Atkins, Chair

Action Taken/Committee Recommendation(s): A motion was made to approve the minutes for the November 4, 2019 Economic Development & Housing Committee meeting.

Motion made by: Omar Narvaez
Item passed unanimously: X
Item failed unanimously:

Motion seconded by: Adam McGough
Item passed on a divided vote:
Item failed on a divided vote:

1. City of Dallas Preliminary Recommendation of the Strategic Economic Development Plan 2019

Presenter(s): Courtney Pogue, Director, Office of Economic Development

Action Taken/Committee Recommendation(s): The Office of Economic Development and angelou economics presented preliminary recommendations of the Strategic Economic Development Plan 2019 and solicited feedback from the committee members on future briefings and committee direction. The Chair asks that this item be brought back to the committee at a later date

2. Dallas Tourism Public Improvement District and Bournday Expansion Impact

Presenter(s): Jiroko Rosales, Assistant Director, Office of Economic Development

Action Taken/Committee Recommendation(s): A motion was made to move this item to Council for approval by Jennifer S. Gates seconded by David Blewett, showing that Omar Narvaez was opposed

3. Review of Upcoming New Markets Tax Credit Transactions: Dallas Lite & Barricade and Reclim

Presenter(s): Heather Lepeska, Manager III, Office of Economic Development

Action Taken/Committee Recommendation(s): A motion was made to move this item to Council for approval by and Jennifer S Gates second by David Blewett

4. Proposed creation of the Dallas Public Facility Corporation, under Chapter 3030 of the Texas Local Government Code, the Public Facility Corporation Act.

Presenter(s): Avis Chaisson, Assistant Director, Office of Economic Development

Action Taken/Committee Recommendation(s): A recommendation was made to postpone or delete this item from the December 11, 2019 Council Agenda by Chad West second by Jaime Resendez. The Chair asked that this item be brought back to the committee at a later date

Adjourn (4:31 p.m.)

APPROVED BY:

ATTESTED BY:

**Tennell Atkins, Chair
Economic Development Committee**

**Della Lowe, Coordinator
Economic Development Committee**



City of Dallas

1500 Marilla Street
Dallas, Texas 75201

Agenda Information Sheet

File #: 20-26

Item #: A.

Review and consider a development agreement with HW Commerce Office LP ("Developer") and/or its affiliates in an amount not to exceed \$2,576,125 for actual TIF eligible Project expenditures, payable from future Deep Ellum Tax Increment Finance ("TIF") District funds, in consideration of the Stack Deep Ellum Project ("Project") on property currently addressed at 2700, 2712, and 2718 Commerce Street.

[Kevin Spath, Assistant Director, Office of Economic Development]

Memorandum



CITY OF DALLAS

DATE January 6, 2020

TO Honorable Member of the Economic Development Committee:

Tennell Atkins (Chair), David Blewett (Vice-Chair), Jennifer Staubach Gates,
Adam McGough, Omar Narvaez, Jaime Resendez, Chad West

SUBJECT **The Stack Deep Ellum Project in the Deep Ellum TIF District**

On Monday, January 6, 2020, the Committee will be briefed on The Stack Deep Ellum Project in the Deep Ellum TIF District. The briefing material is attached for your review.

Please know that the confidential underwriting report is available upon request from the Office of Economic Development.

If you have questions about the renewal, please contact my office at (214) 670-3309.

A handwritten signature in black ink, appearing to read 'Michael A. Mendoza'.

Michael A. Mendoza

Chief of Economic Development & Neighborhood Services

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney (Interim)
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizer Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager
Jon Fortune, Assistant City Manager

Joey Zapata, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager
M. Elizabeth Reich, Chief Financial Officer
Laila Aleqresh, Chief Innovation Officer
M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion
Directors and Assistant Directors

The Stack Deep Ellum Project Deep Ellum TIF District

**Economic Development
Committee
January 6, 2020**

**Courtney Pogue, Director
Office of Economic Development**



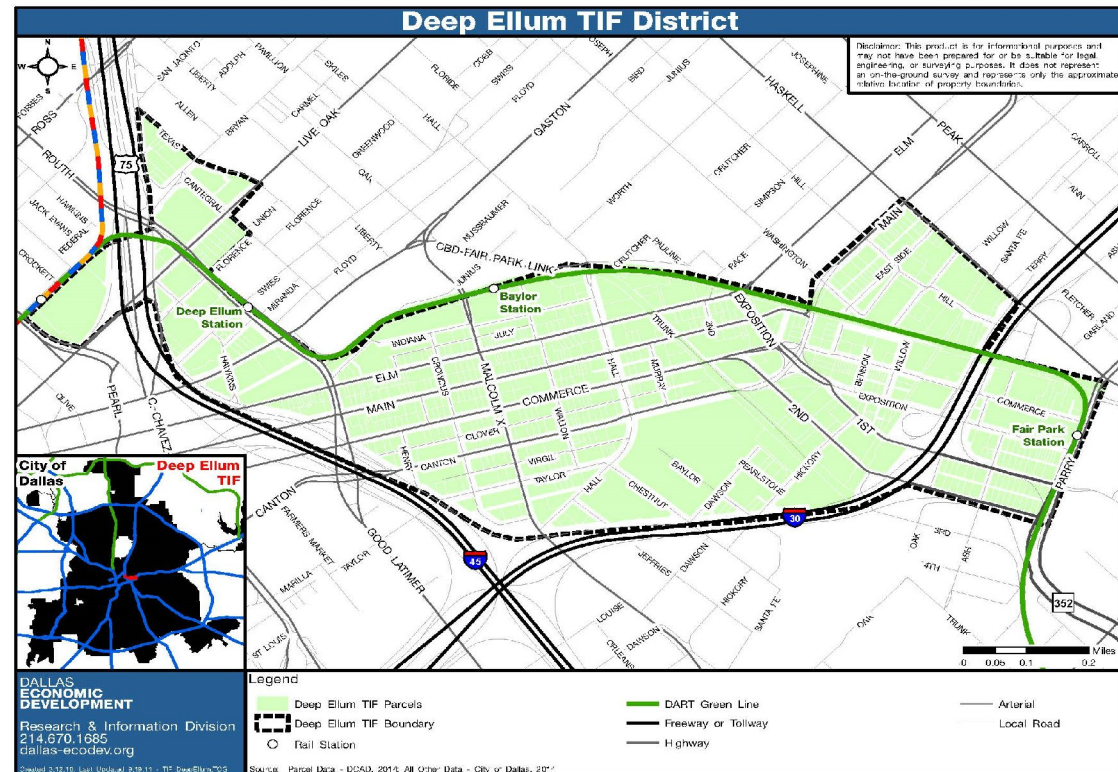
Presentation Overview

- Background
- Proposed Project
- Staff Recommendation
- Next Steps
- Appendix

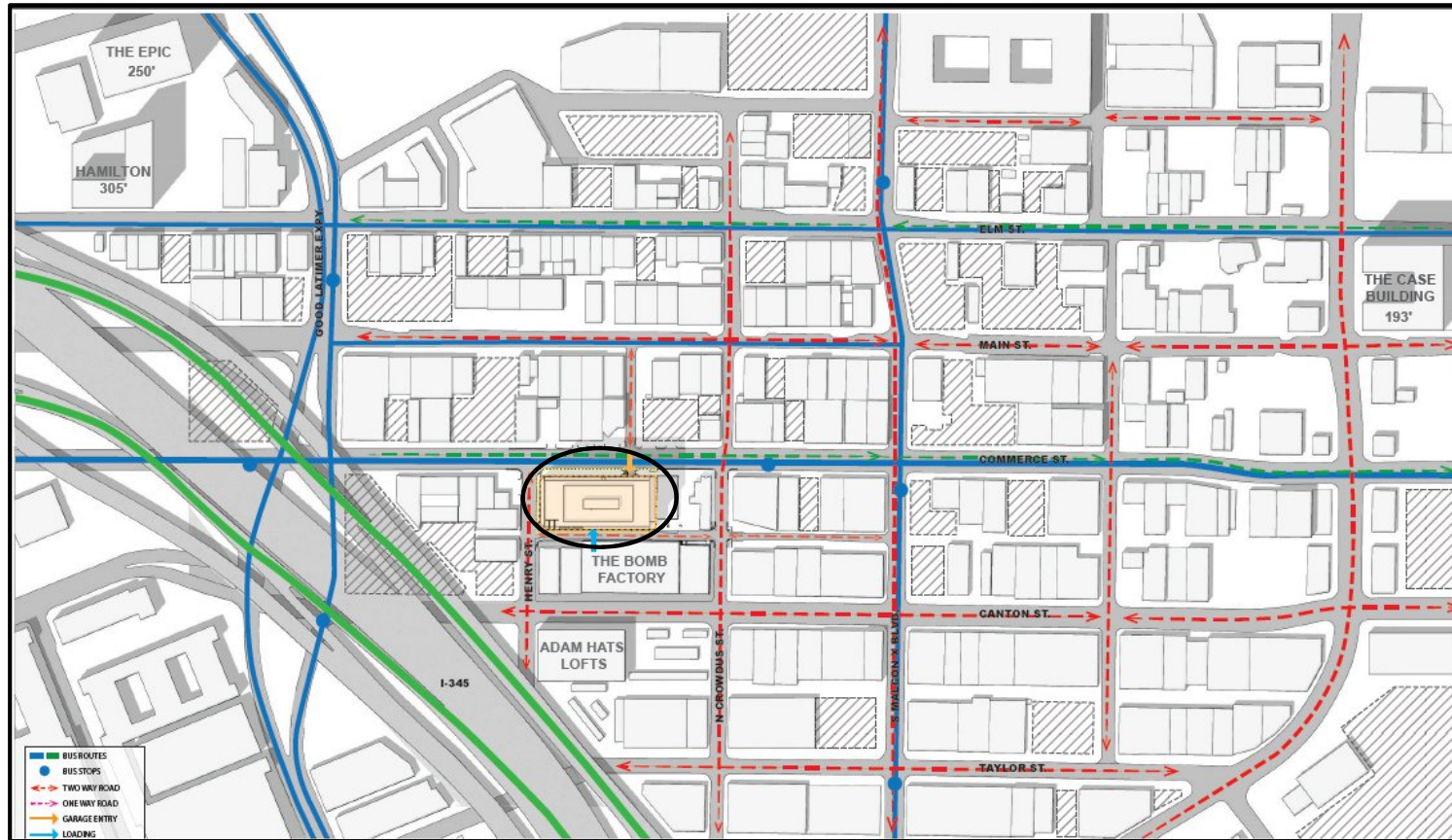


Background – Deep Ellum TIF District

- Established in 2005 as a long-term tool to assist the area in becoming a more diversified, pedestrian friendly, mixed-use neighborhood and to improve the urban fabric and connections with adjacent neighborhoods.
- TIF District took effect on January 1, 2006 and is scheduled to terminate on December 31, 2027
- TIF District Plan was amended in 2008, 2011 and 2014 (2008 and 2014 amendments included boundary changes)
- City of Dallas (85%) and Dallas County (55%) are the two participating jurisdictions
- To date, taxable value of real property has increased by \$557.2 million within the District, an increase of 295% from the base value



Background – Location of Project



- The Stack Deep Ellum Project (the “Project”) is located at 2700, 2712, and 2718 Commerce Street

Background – Existing Conditions



- Site is an existing surface parking lot

Proposed Project - Summary

Project Developer: HW Commerce Office LP, a Texas limited partnership controlled by Hines Interests (“Developer”), with equity investment from Westdale Properties and Canadian group Ivanhoé Cambridge

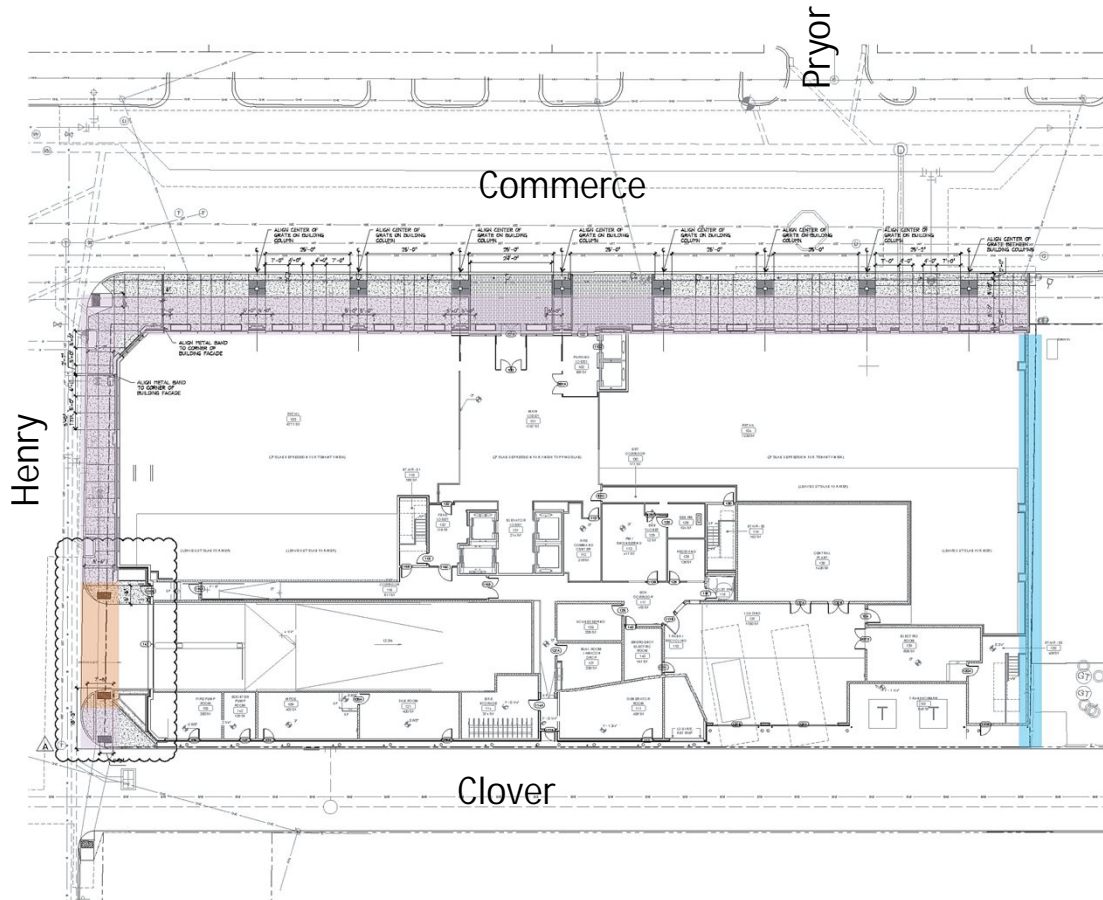
Project Summary: Developer submitted an incentive application to the City of Dallas Office of Economic Development seeking assistance for the development a sixteen story mixed-use building located at 2700, 2712 and 2718 Commerce Street to be known as The Stack Deep Ellum (the “Project”). Developer’s total Project cost is estimated at \$106 million.

- 15,000 square feet of ground floor retail
- 195,000 square feet of Class A office (7-levels)
- 638 structured parking spaces (8-levels)

Proposed Project - Summary

- The Project is allowed by right (PD 269)
- In February 2019, the Project was reviewed by the City's Urban Design Peer Review Panel ("UDPRP")
- The UDPRP was encouraged by the overall architectural design to fit into the neighborhood's existing historical fabric (e.g. additional expense of the garage façade architectural elements). UDPRP also recommended:
 - Enhancing the western façade along Henry Street
 - Providing greater design detail to the street-level experience
 - Shifting the ingress/egress garage access alignment at Pryor to create a more striking ground-level use at this terminating vista
- As a result, Developer made several changes such as moving the garage entrance and enhancing the streetscape design to satisfy the UDPRP comments

Proposed Project - Summary



Primary Design Considerations

1. Sidewalk should be clear, continuous, and level across parking garage entry driveway cut. See next page for examples. [UDPRP Advice Summary \[5\]](#)
2. Minimum 7' sidewalk clear zone must be maintained between tree grates and building facade. No sidewalk cafes will be permitted in this zone unless future street improvements provide an 8' sidewalk clear zone on the other side of tree grates. [UDPRP Advice Summary \[5\]](#)
3. Provide an enhanced east elevation facade in order to better reflect the western facade along Henry Street to create a more visually interesting publicly facing facade. [UDPRP Advice Summary \[2\]](#)

Deep Ellum Bomb Factory Office

urban design comments 10.04.19

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Proposed Project - Renderings



Looking southeast at the Project from Commerce Street

Source: 5G Studio

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Proposed Project - Renderings



Looking south at the Project from Pryor Street

Source: 5G Studio

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Proposed Project - Renderings



Note: outdoor café seating subject to license

Looking west at the Project from Commerce Street

Source: 5G Studio

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Proposed Project – Budget

Uses	Amount	Percent
Land	\$5,118,300	4.8%
Hard Costs (including tenant improvements)	\$79,061,475	74.5%
Professional Fees	\$6,923,000	6.5%
Soft Costs (including financing & marketing)	\$10,513,775	9.9%
Developer Fee	\$4,559,030	4.3%
Total Uses	\$106,175,580	100%

Construction Financing Sources

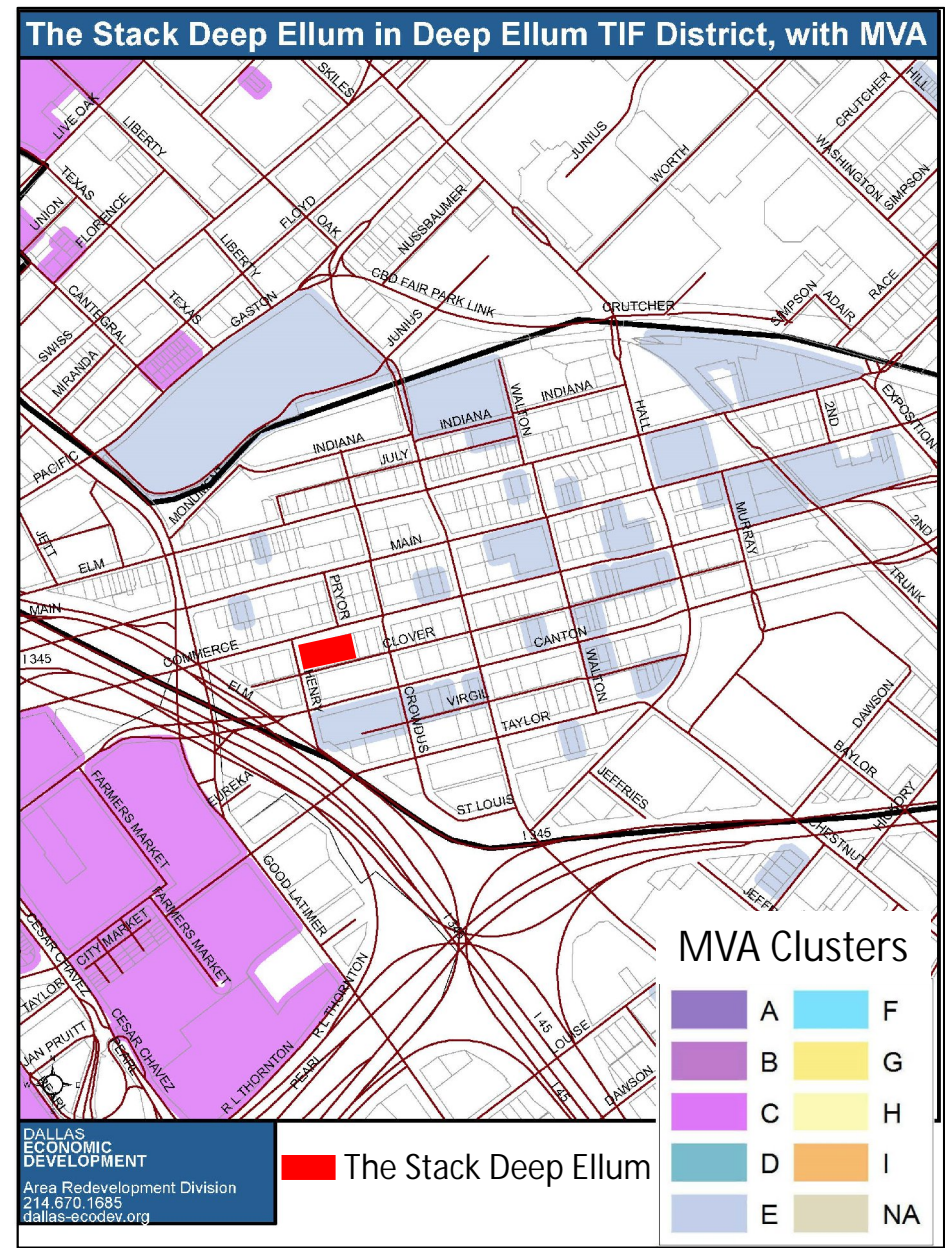
Construction Sources	Amount	Percentage
Construction Loan @ 50% Loan to Cost	\$53,087,790	50%
Equity	\$53,087,790	50%
Total Sources	\$106,175,580	100%

Equity Contribution During Construction		
Equity Sources	Amount	Percentage
Westdale – includes land contribution as equity	\$26,543,895	50.0%
La Caisse de depot et placement du Quebec, through their real estate investment subsidiaries, Ivanhoe Cambridge Group (ICG) and SITQ E.U. L.P.	\$22,562,311	42.5%
Hines	\$ 3,981,584	7.5%
Total Equity	\$53,087,790	100%

Proposed Project

Market Value Analysis (MVA)

- The Market Value Analysis (MVA) is a tool to assist residents and policy-makers to more precisely target intervention strategies in weak residential markets and support sustainable growth in stronger residential markets
- The proposed project is located on a non-residential tract and has closest proximity to residential market type E. Market type E reflects a middle residential real estate market in Dallas
- I-345 is a barrier separating the Project from the stronger market type C in the Farmers Market area
- The proposed project will provide opportunity for local employment to the surrounding residential market areas



Staff Recommendation – TIF Funding

Authorize a development agreement with HW Commerce Office LP (“Developer”) and/or its affiliates in an amount not to exceed **\$2,576,125** for actual TIF eligible project expenditures, payable from future Deep Ellum TIF District

TIF Eligible Expenditure Categories	Estimated
Water, Wastewater, Stormwater and Utilities	\$425,000
Paving, Streetscape, and Lighting	\$505,625
Environmental Remediation	\$1,645,500
TOTAL TIF FUNDING – amount not to exceed	\$2,576,125

Funds could be shifted among TIF eligible expenditure categories, with verification of actual expenditures, so long as the total TIF payment does not exceed \$2,576,125

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Staff Recommendation – Conditions

- Developer will invest and document a **minimum of \$73,800,000 in private improvements** in the Project, including site preparation and construction hard costs (excluding site acquisition/contribution, soft costs, financing, leasing, and marketing)
- The Project will include a **minimum of 195,000 square foot Class A office space**, of which a minimum of 50% must be occupied prior to TIF payment
- The Project will include a **minimum of 15,000 square feet of leasable retail space**, of which a minimum of 50% must be occupied prior to TIF payment
- Developer will **obtain a building permit by March 31, 2020**; a demolition or foundation permit may constitute meeting the obligation of this requirement
- Construction of the Project, including associated public improvements/streetscape improvements, will be substantially complete by **March 31, 2022** as evidenced by letter of acceptance, certificate of completion, or similar documentation from the City
- The **proposed management entity for the Project must be submitted at least three months prior to Project completion for review by the Director** of the Office of Economic Development to consider acceptance

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Staff Recommendation – Conditions

- Owner will execute a **20-year Operating and Maintenance Agreement** for all **non-standard TIF eligible improvements** prior to TIF payment
- Developer will make a good faith effort to comply with City's Business Inclusion and Development ("BID") **goal of 25% participation by certified Minority/Women-owned Business Enterprises ("M/WBE")** for **all hard construction expenditures, excluding tenant finish-out not funded by Developer**, of the Project (i.e. **public and private improvements**) and meet all reporting requirements
- Until the Project has passed final building inspection and all required paperwork for TIF payment has been submitted, Developer will submit to the Office of Economic Development **quarterly status reports** for ongoing work on the Project as well as public improvements
- Developer will construct the Project (public and private improvements) in **substantial conformance with the conceptual site plan and conceptual renderings approved by the City's Planning and Urban Design Department, addressing the comments provided by the Urban Design Peer Review Panel on February 22, 2019**; modifications to the conceptual site plan and conceptual renderings, should the Office of Economic Development Director determine they are material, will require review by the UDPRP

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Staff Recommendation – Conditions

- Developer will submit to the City a **written plan describing (i) how Developer will use and document best efforts to recruit and hire residents of the city of Dallas and (ii) how Developer will cause all tenants of the retail/commercial spaces to use and document best efforts to recruit and hire residents of the city of Dallas.** At a minimum, the written plan will describe how Owner and tenants will target local recruitment through local advertisement, community outreach, local engagement, participation in local job fairs, and/or coordination with local hiring sources. The plan will be subject to approval by the Director of the Office of Economic Development to ensure that employment opportunities are targeted to Dallas residents and that reasonable efforts were made to promote the hiring of neighborhood residents for any new jobs created
- Developer will not appeal the property's **Dallas Central Appraisal District (DCAD) valuation** below a minimum of \$72 million for a period of ten (10) years from construction completion
- Developer will **own and control the property and the Project until a certificate of occupancy** or other equivalent evidence of completion has been issued by the City for the Project
- The **Director of the Office of Economic Development, after approval and recommendation of the TIF Board, may authorize minor modifications** to the Project including a reduction of the minimum square footage requirement of less than ten percent (10%), development mix and/or an extension of the Project deadlines up to 12 months

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Staff Recommendation – Conditions

Developer will work to **minimize Project construction impacts on adjacent businesses and traffic circulation** with the following efforts, to be added as conditions to any construction contracts as appropriate:

- **Developer will ensure that the Project's GC and all GC's subcontractors arrange for remote parking and/or shuttling to construction site.** With the exception of the Project site, no unreserved, accessible short-term parking spaces (on-street or parking lots/garages, whether publicly or privately owned) within 1,800 feet from the Project site may be used as construction parking
- To the extent permitted by applicable law, Developer will post signage, along with road closure and construction signage, detailing alternative public parking options
- Commerce Street is to remain open to traffic, with the exception of limited periods when closure is necessary for crane assembly/disassembly, utility construction, and street construction
- Any necessary closure of Commerce Street for construction as listed above will be limited to Monday through Wednesday between the hours of 10:00 am and 2:00 pm.
- Large crane operations that require street closure will be scheduled to limit street closures to no more than three consecutive days, or before 11:00 am on any other day
- Construction hours will be limited to normal hours allowed by the Dallas City Code, but construction will cease on weekdays by 7:00 pm and Saturday by 5:00 pm. Limited exceptions to these hours may be approved by mutual consent and with reasonable advanced notice
- Reasonable advanced notice will be given of utility shut off, which will be limited to short periods between 7:00 am and 11:00 am.
- Developer will establish security measures such as fences and guards and will clear trash and debris during construction; Developer will promptly repair any damage caused to the surrounding streets by Project related construction activity
- Developer will locate dumpsters behind construction fencing on private property to minimize visibility

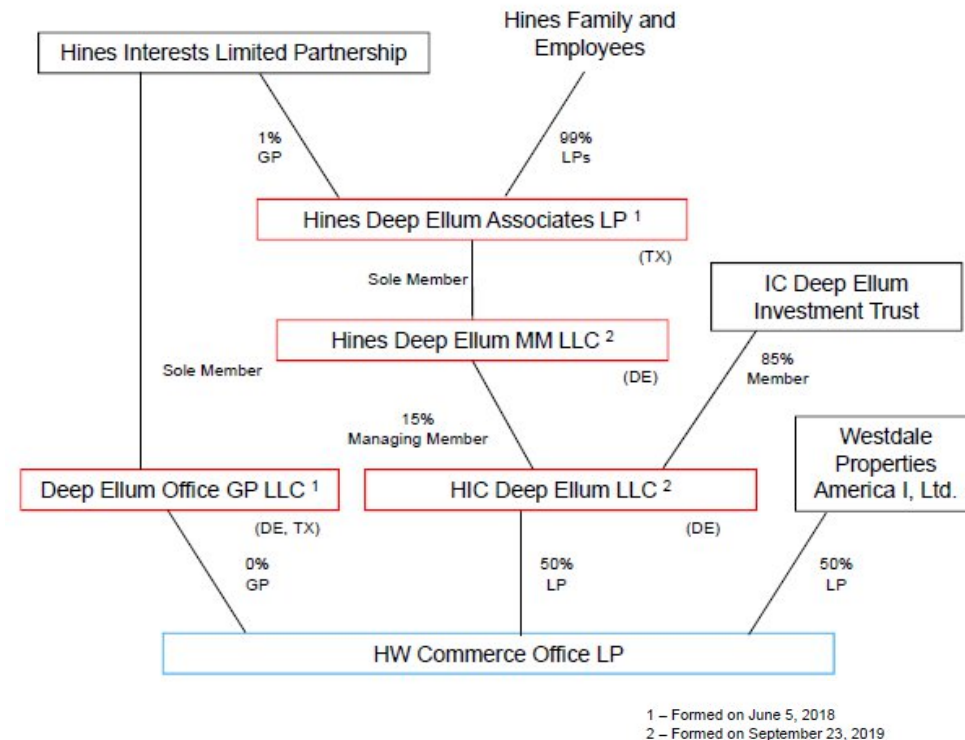
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Next Steps

- On December 3, 2019, the Deep Ellum TIF District Board of Directors reviewed and recommended for approval TIF funding for The Stack Deep Ellum Project in an amount not to exceed \$2,576,125
- An agenda item has been placed on the City Council voting agenda on January 22, 2020

Appendix: Ownership Structure

- HW Commerce Office LP is comprised of the following:
 - Hines (General Partner)
 - Westdale Properties (Limited Partner)
 - Caisse de depot et placement du Quebec/ Ivanhoé Cambridge (Limited Partner)
- Hines is a privately owned global real estate investment, development and management firm, founded in 1957, with a presence in 219 cities in 23 countries and \$124.3 billion of assets under management; Hines has 148 developments currently underway around the world, and historically, has developed, redeveloped or acquired 1,362 properties
- Westdale Properties, a Dallas based real estate investment company with more than 25 years of experience, controls approximately 200 commercial and multifamily properties located in 30 cities, representing a total capitalization of greater than \$5 billion



Appendix: Development Team

Role	Party Name
Developer Team	Hines
Architect	5G Studio Collaborative
Office Leasing	ALT + CO
Retail Leasing	SHoP Companies
Property Management	Hines

Appendix: Deep Ellum TIF District Budget

Deep Ellum TIF District Plan Budget Category	Deep Ellum TIF District Budget*	TIF Funds Allocated to Date	The Stack Deep Ellum TIF Eligible Costs	TIF Funds Remaining Balance
Water, Wastewater, Storm & Off-site Utility Replacement	\$2,331,094	\$1,388,183	\$425,000	\$517,911
Paving Streetscape & Lighting	\$27,104,398	\$1,804,134	\$505,625	\$24,794,639
Open Space & Trails	\$2,635,150	\$122,998	\$0	\$2,512,152
Façade Restoration/ Environmental/Remediation/Demolition	\$10,325,230	\$8,522,324	\$1,645,500	\$157,406
Latino Cultural Center Area Improvements	\$9,341,205	\$0	\$0	\$9,341,205
Administration & implementation	\$4,296,954	\$456,078	\$0	\$3,840,876
Total	\$56,034,031	\$12,293,717	\$2,576,125	\$41,164,189

**Budget shown above in current dollar; TIF Project Plan shows the budget in net present value.*

Appendix: Projected Tax Increment

- Current taxable value of the real property per DCAD: \$853,130 (\$6,635 annual City taxes)
- Post-completion taxable value (City staff estimate): \$58 million

Projected Tax Increment created by the Project through life of Deep Ellum TIF District

Tax Year	Property Value Estimate (DCAD)	Property Value Growth	Anticipated Captured Value	Tax Increment Revenue City (85%)	Tax Increment Revenue County (55%)	Total Annual TIF Increment Generated	Cumulative TIF Increment Generated
2018	\$853,130	0%	\$0	\$0	\$0	\$0	\$0
2019	\$853,130	0%	\$0	\$0	\$0	\$0	\$0
2020	\$853,130	0%	\$0	\$0	\$0	\$0	\$0
2021	\$29,095,485	3310%	\$28,242,355	\$186,431	\$39,315	\$225,745	\$225,745
2022	\$58,190,969	100%	\$57,337,839	\$378,493	\$79,817	\$458,310	\$684,055
2023	\$59,354,789	2%	\$58,501,659	\$386,175	\$81,437	\$467,613	\$1,151,668
2024	\$60,541,885	2%	\$59,688,755	\$394,011	\$83,090	\$477,101	\$1,628,769
2025	\$61,752,722	2%	\$60,899,592	\$402,004	\$84,775	\$486,780	\$2,115,549
2026	\$62,987,777	2%	\$62,134,647	\$410,157	\$86,495	\$496,652	\$2,612,200
2027	\$64,247,532	2%	\$63,394,402	\$418,473	\$88,248	\$506,721	\$3,118,921

Appendix: Underwriting

- Developer's incentive application requested \$11,131,000 in TIF funding
- National Development Council (NDC), under contract with the City, conducted independent underwriting of the incentive application.
- Conclusions of independent underwriting:
 - Development team: highly qualified; experienced
 - Equity investors: substantial capacity to provide required equity and handle unforeseen circumstances that might arise during construction
 - Permanent debt capacity of Project: maximized; Project does not have additional debt capacity beyond \$74.8 million assumed by Developer
 - Appraisal by CBRE and Market Study by Meyers Research: operating assumptions used in the projection of Project income are consistent with Appraisal and Market Study; Project is viable but risky
 - Cost estimates of Project: four contractors provided cost estimates; estimates appear reasonable (total hard and soft costs of \$491 per leasable square foot) and verified by Appraisal and Market Study
 - Rationale for TIF funding due to Specific Extraordinary Costs (e.g. extensive environmental remediation of site; burial of overhead utilities; double-stack manholes; enhanced brick façade; enhanced streetscape improvements): justified
 - Rational for TIF funding based on Returns: justified under 2 scenarios; returns (with TIF funding) are reasonable; no undue enrichment

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Appendix: Underwriting

Scenario 1 (sell upon completion and lease-up)	Without TIF Funding	With TIF Funding \$2,576,125 (recommended by staff)	With TIF Funding \$11,131,170 (requested by applicant)
Internal Rate of Return (IRR)	14.11%	15.38%	18.98%

Scenario 2 (sell after 20-year hold)	Without TIF Funding	With TIF Funding \$2,576,125 (recommended by staff)	With TIF Funding \$11,131,170 (requested by applicant)
Internal Rate of Return (IRR)	9.02%	9.45%	10.90%

- Independent underwriter concluded: TIF funding of \$11,131,170 is justified
- However, OED staff negotiated (and Developer has agreed to) TIF funding of \$2,576,125
- Leveraged private investment per TIF dollar: $\$106,175,580 \div \$2,576,125 = \$41$ (target: \$5 and above)

Appendix: Parking

- Existing surface parking lot has 120 spaces available to short-term users (i.e. public parking)
- Upon completion, the Project will improve the supply of unreserved spaces available to short-term users

$$\begin{array}{rcl} & 439 & \text{required parking spaces for the office use} \\ & 50 & \text{required parking spaces for the retail use} \\ & \underline{120} & \text{obligated parking spaces for the nearby Bomb Factory} \\ = & 609 & \text{required parking spaces} \\ + & \underline{29} & \text{"extra" spaces (i.e. not required)} \\ = & 638 & \textbf{Total Parking Spaces to be Built} \end{array}$$

- Weekday, Daytime Parking: For the most part, the 120 Bomb Factory spaces will be available for short-term public parking during the weekday; therefore, $50+120+29=199$ daytime unreserved short-term parking spaces will be available to the public
- Weeknight and Weekend Parking: In addition to the retail and "extra" parking spaces, Developer will maximize public parking opportunities on evenings and weekends by minimizing monthly reserved office parking

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City of Dallas

1500 Marilla Street
Dallas, Texas 75201

Agenda Information Sheet

File #: 20-28

Item #: B.

Deliberate the offer of a financial or other incentive to a business prospect ("Project Vega") that the City seeks to locate/relocate within the City and with which the city is conducting economic development negotiation (Sec. 551.087 T.O.M.A.)

[Robin Bentley, Assistant Director, Office of Economic Development]



City of Dallas

1500 Marilla Street
Dallas, Texas 75201

Agenda Information Sheet

File #: 20-27

Item #: C.

Red Bird Mall redevelopment (New Markets Tax Credit Transaction and Amendment to TIF/ Chapter 380 Agreement)

[Kevin Spath, Assistant Director, Office of Economic Development]

Memorandum



DATE January 6, 2020

TO The Honorable Members of the Economic Development Committee: Tennell Atkins (Chair), David Blewett (Vice-Chair), Jennifer Staubach Gates, Adam McGough, Omar Narvaez, Jaime Resendez, Chad West

SUBJECT **Red Bird Mall Redevelopment (New Markets Tax Credit Transaction and Amendment to TIF/Chapter 380 Agreement)**

On January 8, 2020, City Council will be asked to authorize the following:

- (1) a New Markets Tax Credit transaction (“NMTC Transaction”) between the Dallas Development Fund and its subsidiaries, Capital One N.A. and its subsidiaries (“Capital One”), and 3662 Investors, LP and/or its affiliates or subsidiaries for improvements within the Red Bird Mall Redevelopment Project (“Project”) located at 3662 West Camp Wisdom Road; and
- (2) a second amendment to the Chapter 380 Grant Agreement with WCWRD Inc and its affiliates or subsidiaries (“Developer”), a first amendment to the Tax Increment Development, Chapter 380 Grant, and Chapter 380 Loan Agreement (“TIF/Chapter 380 Agreement”) with Developer, and to amend or execute any other documents necessary to:
 - (a) release the property owned by OMRB LLC (being the Foot Locker) and the property owned by OMRB II LLC (being the Lawn) from the lien Deed of Trust and the indebtedness evidenced by the City’s 15-year interest only loan;
 - (b) specifically remove the condition of the disbursement of the second loan installment that all 2017 General Obligation Bond Funds be fully disbursed and expended by Developer and allow the second loan installment to be disbursed on or before January 31, 2020;
 - (c) increase the Developer’s required total minimum investment for the Project by \$1,000,000 from \$115,000,000 to \$116,000,000 as consideration for (a) and (b); and
 - (d) make such other modifications which may be necessary to effectuate the foregoing amendments.

NEW MARKETS TAX CREDITS TRANSACTION

The City of Dallas authorized the creation of the Dallas Development Fund (“DDF”), a non-profit Community Development Entity (“CDE”), by Resolution No. 09-0461 on February 11, 2009, to apply for a New Markets Tax Credit (“NMTC”) allocation from the U.S. Department of Treasury’s Community Development Financial Institutions Fund in its 2009 funding cycle. DDF was awarded \$55 million in the 2017 allocation

cycle and was previously awarded \$130 million in allocation from the 2009, 2012 and 2014 cycles. DDF has closed \$157 million in allocation to date.

The NMTC Program permits taxpayers to receive a credit against federal income taxes for making qualified equity investments in designated CDEs. These investments must be used by the CDE for projects and investments in low-income communities, as defined by the NMTC Program. The credit provided to the investor totals 39% of the cost of the investment and is claimed over a seven-year credit allowance period.

For over a year, staff has been coordinating with Peter Brodsky, owner/developer of Red Bird Mall, on his efforts to secure other sources of funding (specifically including New Markets Tax Credits) for the Red Bird Mall Redevelopment Project. On November 5, 2019, DDF considered and approved a NMTC transaction between DDF, Capital One, and 3662 Investors, LP (entity controlled by Peter Brodsky). This NMTC allocation will use up to \$10 million of DDF's \$55 million NMTC allocation. Capital One will invest up to \$10 million in NMTC allocation from DDF which will in turn generate approximately \$2.76 million in gross NMTC equity for the benefit of the Project. Capital One Community Renewal Fund also intends to provide \$3 million in NMTC allocation, for a total allocation amount to the Project of \$13 million.

Over the last two decades, the mall—which was built in 1975 and initially known as Red Bird Mall before being renamed to Southwest Center Mall—lost all four major retail anchors, leaving large vacancies and making it difficult to attract new smaller tenants without a fundamental rethinking of the mall's function. By the 2010s, the mall was a shell of its former self and any redevelopment was made challenging because of fragmented ownership, lack of a master plan, and weak market conditions.

Now underway, Red Bird Mall Redevelopment Project is a multi-phase, multi-year transformation of a long-declining mall into a multi-purpose mixed-use campus where southern Dallas residents can live, shop, work, and dine. This \$157+ million redevelopment is being led by 3662 Investors, LP, a joint venture between Peter Brodsky and other investors. First phase deliverables began this year with the opening of a Starbucks community store, which is exceeding projections and proving that the neighborhood can support new shops and restaurants at the site. The Dallas Entrepreneurial Center (DEC) and an extension campus of Jarvis Christian College have also opened, laying the groundwork for a diverse mix of tenants expected to locate at the Project in the coming years. These include a comprehensive primary care clinic, a 300-unit apartment complex, a Marriott Courtyard hotel, a Foot Locker Power Store, and an Urban Air Adventure Park.

NMTC is a key funding source to ensure the viability of the entire Red Bird Mall Redevelopment Project. DDF's proposed allocation is for the initial phases of Redbird to help stabilize the Project and attract new tenants and private development that can support market rate financing sources. The NMTC Transaction will support

two key components in the initial phase of the Project: tenant improvements for a 51,000 square foot business operations center for Chime Solutions, Inc and development of a 1.1 acre open space (“The Lawn”) including related infrastructure. The Lawn will be the centerpiece of the redevelopment and a vital part of the overall vision but is challenging to finance, given the limited revenue to be generated by the Lawn. Flanked by a Foot Locker Power Store and several restaurants, the Lawn will incorporate a mix of active and passive spaces including a children’s park, games area, urban dog park, garden, and flexible performance stage. These spaces will allow for both informal neighborhood gatherings and free daily community programming like yoga classes, lecture series, outdoor concerts, and movie screenings.

The Project site is located at 3662 West Camp Wisdom Road in southern Dallas’ Redbird community. The site qualifies as severely distressed based on a median family income of 35.6% of the metro median and a poverty rate of 34.6%.

Additional information regarding the NMTC transaction and its proposed role in the Project can be found in Attachment A to the Resolution.

AMENDMENT TO TIF/CHAPTER 380 AGREEMENT

On June 13, 2018, City Council authorized entering into a Tax Increment Development, Chapter 380 Grant, and Chapter 380 Loan Agreement (“TIF/Chapter 380 Agreement”) with Developer in consideration of the Red Bird Mall Redevelopment Project by Resolution No. 18-0850, providing an incentive package including: (1) a conditional grant in an amount not to exceed \$10,000,000; (2) a 15-year interest only loan in an amount not to exceed \$12,000,000 (“Loan”); (3) a development agreement awarding an amount not to exceed \$15,600,000 in tax increment funding from the Mall Area Redevelopment Tax Increment Financing District; and (4) an assignment of all increment payable under the TIF/Chapter 380 Agreement to the City, the Loan and performance obligations which are secured by the Deed of Trust and a guaranty provided by 3662 Investors, LP.

To address NMTC Transaction structuring issues as identified by NMTC tax counsel, the Developer has requested City Council authorization to execute a second amendment to the Chapter 380 Grant Agreement (“Chapter 380 Grant Agreement”) with Developer, a first amendment to the Tax Increment Development, Chapter 380 Grant, and Chapter 380 Loan Agreement (“TIF/Chapter 380 Agreement”) with Developer, and amend or execute any other documents necessary to (i) release the property owned by OMRB LLC (being the Foot Locker) and the property owned by OMRB II LLC (being the Lawn) from the lien Deed of Trust and the indebtedness evidenced by the City’s Loan as shown in Attachment B.

Additionally, the Developer has requested an additional modification to the existing TIF/Chapter 380 Agreement. Currently, in the TIF/Chapter 380 Agreement, it states “the City will make disbursements of the Loan to Developer in two equal installments of \$6,000,000, subject to the conditions set forth in Section 5.C. The first

disbursement shall be eligible for disbursement to the Developer any time on or after January 1, 2019; the second disbursement shall be eligible for payment to the Developer any time on or after January 1, 2020 and after all 2017 General Obligation Bond Funds have been fully disbursed and expended by Developer.”

The Developer received the first disbursement of the Loan in June 2019. With this agenda item, the Developer is now requesting to specifically remove the condition of the second disbursement of the Loan that all 2017 General Obligation Bond Funds be fully disbursed and expended by Developer and to allow the second loan installment to be disbursed on or before January 31, 2020. In other words, the Developer is requesting the second loan installment to be disbursed on or before January 31, 2020, rather than at the later of January 2020 or drawing down on all of the 2017 Bond Funds.

The Developer’s reasons for this requested modification are as follows:

- Even with the City’s commitment to review and process grant payment applications as quickly as possible, the Developer is finding that the process of compiling all documentation needed for the City to approve grant payment applications is very time-consuming. This means that the “lag” (i.e. period between the Developer’s actual expenditure of funds and the receipt of reimbursement funds from City) is longer than the Developer originally expected. The longer lag results in the Developer’s need for more days cash on hand.
- To date, the Developer has spent approximately \$6 million on infrastructure work. The Developer expects to complete the infrastructure work by mid-to late 2020 and, in doing so, will be spending an additional \$20+ million. With the pace of spending accelerating so significantly, the Developer needs more days cash on hand.
- The \$22 million of grant and loan funds from the City will not fully cover the Developer’s actual infrastructure spending. The Developer’s infrastructure costs are estimated at approximately \$28 million (including value engineering of work that is not required now but will be required to be done with later phases of the project). Therefore, the Developer is pursuing NMTC funds to use for some infrastructure costs. Since the NMTC project is mostly infrastructure-related, the Developer will be escrowing some of the infrastructure funds (i.e. City’s loan and grant funds) with DDF and only accessing them as the Developer completes expenditures on particular portions of the infrastructure work associated with the NMTC Transaction. This also reduces the Developer’s cash on hand.

As consideration for making the above amendments, Developer has agreed to increase the Developer’s required total minimum investment for the Project by \$1,000,000 from \$115,000,000 to \$116,000,000.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On January 13, 2016, City Council authorized entering into a Chapter 380 Grant Agreement providing Developer with a \$2,400,000 grant for the Project by Resolution No. 16-0103.

On June 13, 2018, City Council authorized an amendment to the Chapter 380 Grant Agreement by Resolution No. 18-0850 to extend all dates in the Chapter 380 Grant Agreement by 18 months.

On June 13, 2018, City Council authorized entering into a Tax Increment Development, Chapter 380 Grant, and Chapter 380 Loan Agreement ("TIF/Chapter 380 Agreement") with Developer in consideration of the Red Bird Mall Redevelopment Project by Resolution No. 18-0850, providing: (1) a conditional grant in an amount not to exceed \$10,000,000; (2) a 15-year interest only loan in an amount not to exceed \$12,000,000 ("Loan"); (3) a development agreement awarding an amount not to exceed \$15,600,000 in tax increment funding from the Mall Area Redevelopment Tax Increment Financing District; and (4) an assignment of all increment payable under the TIF/Chapter 380 Agreement to the City.

On November 5, 2019, the Dallas Development Fund was briefed on the Red Bird Mall Redevelopment Project and approved the NMTC Transaction.

On January 6, 2020, the Mall Area Redevelopment TIF District Board of Directors reviewed and recommended approval of (1) Developer's requested amendments to the Chapter 380 Grant Agreement and TIF/Chapter 380 Agreement and (2) as consideration for the requested amendments, an increase in the total minimum investment for the Project by \$1,000,000 from \$115,000,000 to \$116,000,000.

FISCAL INFORMATION

No cost consideration to the City.

OWNER/DEVELOPER

3662 Investors, LP

Peter Brodsky, Manager of General Partnership

WCWRD Inc

Peter Brodsky, President and Director

Should you have any questions, please contact Kevin Spath, Assistant Director, Office of Economic Development at (214) 670-1691.



Michael Mendoza
Chief of Economic Development and Neighborhood Services

c: T.C Broadnax, City Manager
Chris Caso, City Attorney (Interim)
Mark Swann, City Auditor
Billerae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizar Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager
Jon Fortune, Assistant City Manager

Joey Zapata, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager
M. Elizabeth Reich, Chief Financial Officer
Laila Alequresh, Chief Innovation Officer
M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion
Directors and Assistant Directors

DATE: November 5, 2019
SUBJECT: Red Bird Phase 1
FROM: City of Dallas Office of Economic Development

Project Overview

Overall Project

Red Bird Mall Redevelopment Project is a multi-phase, multi-year transformation of a long-declining mall into a multi-purpose campus where Dallas residents can live, shop, work, and dine. Over the last two decades, the Mall—built in 1975 and initially known as Red Bird Mall before being renamed to Southwest Center Mall—lost all four major retail anchors, leaving large vacancies and making it difficult to attract new smaller tenants without a fundamental rethinking of the mall’s function. By the 2010s, the mall was a shell of its former self and any redevelopment was made challenging because of fragmented ownership, lack of a master plan, and weak market conditions.

This \$157 million redevelopment is being led by 3662 Investors LP, a joint venture between Peter Brodsky and other investors. First phase deliverables began this year with the opening of a Starbucks community store, which is exceeding projections and proving that the neighborhood can support new shops and restaurants at the site. The Dallas Entrepreneurial Center and an extension campus of Jarvis Christian College have also opened, laying the groundwork for a diverse mix of tenants expected to locate at the project in the coming years. These include a comprehensive primary care clinic, a 300-unit apartment complex, a Marriott Courtyard hotel, a Foot Locker Power Store, and an Urban Air Adventures Park.

Beyond NMTC, the City is providing support for the redevelopment to finance infrastructure improvements and workforce development training at the site. This support includes \$10 million of City Bond funding awarded as a conditional grant and \$12 million of PPP funds awarded as interest-only Chapter 380 loans with 15-year term. TIF proceeds will be used to repay the PPP loan.

NMTC Project Description

DDF’s financing will support two key components in the initial phase of the project development: a 51,000 SF call/business operations center and a 1.1 acre outdoor gathering space (“The Lawn”). Please find a site plan for the mall in Exhibit 1.

The call center will be operated by Chime Solutions. Chime Solutions was founded in 2015 and provides U.S.-based customer contact services for its clients in a wide range of industries, including financial services, insurance, health care, and telecommunications. The RedBird call center, modeled off Chime’s successful call center at a redeveloping Atlanta-area mall, will convert vacant inline retail space into a major job generator for the community. The company prioritizes employee development through its innovative online Chime University training program and “10K by 2020” initiative to create 10,000 jobs in 10 cities by 2020.

The Lawn will be the centerpiece of the project. Flanked by a Power Store Foot Locker and several restaurants, the Lawn will incorporate a mix of active and passive spaces including a children's park, games area, urban dog park, garden, and flexible performance stage. These spaces will allow for both informal neighborhood gatherings and free daily community programming like yoga classes, lecture series, outdoor concerts, and movie screenings.

The project site is located at 3662 W Camp Wisdom Road in Southern Dallas' Red Bird community. The site qualifies as severely distressed based on a median family income of 35.6% of the metro median and a poverty rate of 34.6%. Project renderings are included in Exhibit 1.

Related/Sponsoring Entities

The Leverage Lender and NMTC Borrower are expected to be special purpose entities affiliated with 3662 Investors, LP. The NMTC Borrower will meet the requirements of a Qualified Active Low-income Community Business ("QALICB").

Financing Terms

NMTC Allocation

Up to \$10 million in allocation from DDF and up to \$3 million in allocation from Capital One Community Renewal Fund ("COCRF").

NMTC Investor

Capital One, N.A. ("Capital One")

Anticipated Closing Costs and Fees

DDF will charge upfront fees totaling 4% of the Qualified Equity Investment ("QEI") (estimated at \$400,000). In addition, DDF will charge an annual Asset Management Fee of \$35,000 per year.

DDF will separately secure reimbursement for costs associated with closing this transaction, as well as audit and tax return preparation costs associated with maintaining the financing structure during the 7-year NMTC compliance period.

Financing Structure

As NMTC Equity investor, Capital One is anticipated to provide a total of approximately \$4.1 million in NMTC Equity (\$0.81 pricing) to support the \$13 million in total allocation from DDF and Capital One. RB Leverage Lender is expected to provide approximately \$9.1 million in the form of a "Leverage Loan" for the transaction. The underlying sources for the Leverage Loan are eligible expenditures incurred by sponsor within the prior 24 months, along with cash equity and potentially City funds.

Capital One will form a special purpose investment fund entity and will be responsible for management of this fund. The equity and leverage debt will be combined to capitalize the investment fund (a subsidiary of Capital One), which in turn will make a QEI of up to \$10 million into a subsidiary of Dallas Development Fund ("DDF Sub-CDE") and pay a 2% CDE Fee to DDF. This fund is also anticipated to make a QEI of up to \$3 million into a subsidiary of COCRF.

DDF, through the aforementioned Sub-CDE, will make a Qualified Low-Income Community Investment (QLICI) loan to the QALICB. Pursuant to DDF's Allocation Agreement, DDF will take a fee of 2% of the QEI to finance its activities. The total QLICI loans to the QALICB will be up to approximately \$12.8 million. Please refer to Exhibit 3 and Exhibit 4 for budget and structure chart.

Closing Timeline

This project financing is expected to close by December 2019.

Community Benefits and Need for Assistance

Community Benefits

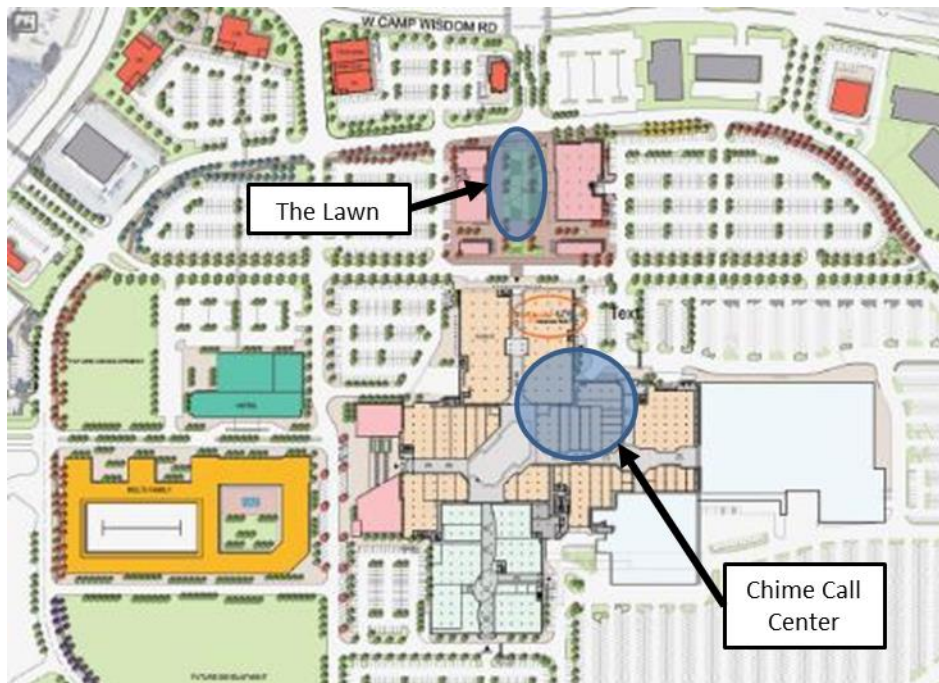
Quality Accessible Jobs. Chime's call center is expected to create 625 full-time jobs, at least 90% of which will be accessible to individuals with less than a 4-year degree. The minimum starting wage will be \$14/hour, and all employees are eligible for benefits including health, vision, life, and disability insurance. Chime will partner with Workforce Solutions of Greater Dallas to ensure local residents can access these jobs. The City of Dallas has offered up to \$2 million in PPP Program funding to support job creation and workforce training, comprised of 4-6 weeks of paid employee training. To receive the \$2 M, Chime must create 1000 jobs, with 35% being filled by Dallas residents. In addition to this City-supported job training, all employees will have access to Chime University, a 17-course training program that encourages advancement through topics such as "Building Leadership" and "Supervisory Skills".

Catalytic Redevelopment. The conversion of vacant retail space into a call center with 625 full-time jobs will help bring "critical mass" and purchasing power to the site to attract additional investment. After Phase 1, plans call for approximately 360,000 SF of new restaurant, retail, office, and medical office space. Additionally, as the site's superblock is divided into smaller, pedestrian-scale blocks that will be sold to third-party developers, plans call for 300 units of mixed-income housing, a 40,000 SF grocery store, and a 124-room hotel and conference center.

Community Programming. The Lawn component is designed to be a new year-round, outdoor public space that will be the anchor for the entire project. Reimagine RedBird will manage The Lawn and will offer daily free programming for the public ranging from yoga to lecture series to outdoor concerts and films.

Need For NMTC Assistance

NMTC is a key funding source to ensure the viability of the entire redevelopment. DDF's funding is for the initial phases of Redbird to stabilize the project and attract new tenants and private development that can support market rate financing sources. In particular, the subsidy generated from DDF's NMTC is linked to The Lawn component, which is a vital part of the overall project vision, but challenging to finance given the limited cash flows that will be generated.

Exhibit 1: Site Plan**Exhibit 2: Project Images**

Aerial rendering of the redeveloped Redbird mall complex



Rendering of the 1.1-acre public lawn

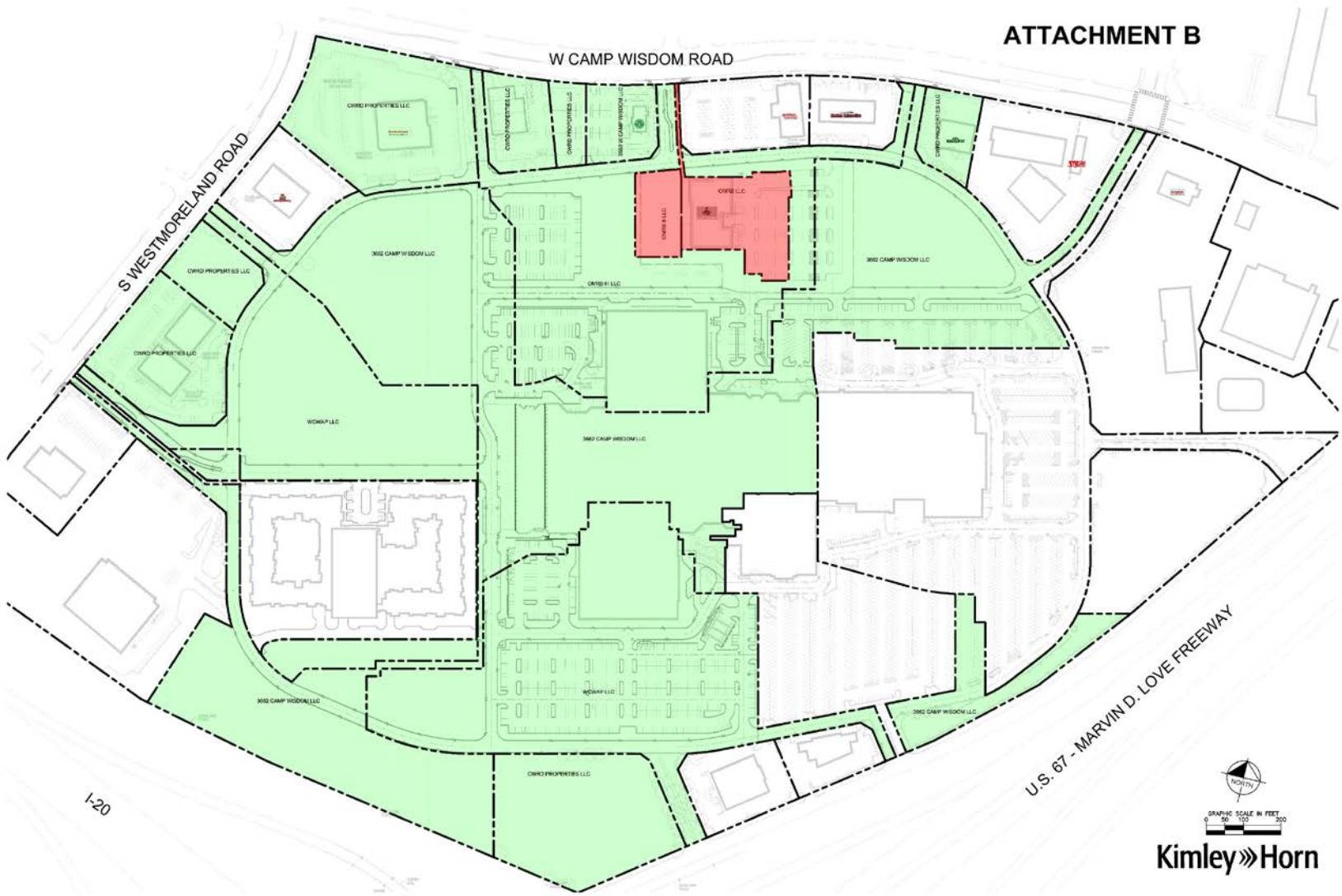


Rendering of potential building facades

Exhibit 3: Preliminary Sources and Uses

Overall Sources	
DDF B Note ("NMTC Gross Subsidy")	\$2,759,000
Capital One B Note ("NMTC Gross Subsidy")	\$947,700
Texas Capital - Foot Locker Loan	\$5,120,000
Sponsor Equity - Cash and Prior Spend (includes City funding)	\$10,861,556
Total Sources	\$19,688,256
Overall Uses	
Foot Locker Acquisition	\$888,624
Foot Locker Hard Costs	\$4,179,866
Foot Locker Soft Costs	\$1,149,875
Foot Locker Infrastructure	\$985,423
Lawn Acquisition	\$252,615
Lawn Hard Costs	\$2,921,598
Lawn Soft Costs	\$423,953
Lawn Infrastructure	\$547,946
Chime Hard Costs	\$7,240,883
Chime Soft Costs	\$152,153
Chime CM Fee	\$54,320
<u>Estimated Base Project Costs</u>	<u>\$18,797,256</u>
Estimated Total Closing Costs	\$550,000
Reserve for DDF Ongoing Fees	\$341,000
Total Uses	\$19,688,256

ATTACHMENT B



Property included in Deed of Trust securing performance of Developer's secured obligations in TIF/Chapter 380 Agreement



Property requested by Developer to be released from Deed of Trust to facilitate New Markets Tax Credits transaction



City of Dallas

1500 Marilla Street
Dallas, Texas 75201

Agenda Information Sheet

File #: 20-42

Item #: D.

Follow Up to the December 18, 2019 Economic Development Strategic Plan - Next Steps
[Courtney Pogue, Director, Office of Economic Development]

Memorandum



CITY OF DALLAS

DATE January 6, 2020

TO Honorable Members of the City Council

SUBJECT **Economic Development Strategic Plan – Next Steps**

Colleagues,

On Monday, December 18, 2019, I provided a memorandum outlining the next steps for the Economic Development Strategic Plan. As a follow-up, I would like to remind the Economic Development Committee and the City Council of the following activities:

Activity	Dates
Economic Development Committee Briefing	December 2, 2019
Council review teams to review draft Strategic Plan	December 13, 2019 – January 31, 2020
Council deadline to appoint Committee Review Panel member	December 31, 2019
City Manager's Office deadline to finalize and announce Committee Review Panel membership	January 10, 2020
Staff to meet with Council review teams to discuss draft plan and receive feedback	February 2020
Economic Development Committee Briefing to update committee on all feedback received	April 6, 2020
City Council Briefing on final draft of Strategic Plan	April 15, 2020
City Council Agenda to approve Strategic Plan	April 22, 2020

Additionally, I strongly encourage my fellow council members to meet with their respective teammate immediately to review the plan by January 31, 2020. As a reminder, here is the list of the teams that will review the plan:

Pair #	Economic Development Committee Member	Council Member
1	Tennell Atkins	Lee Kleinman
2	David Blewett	Carolyn King Arnold
3	Jennifer Gates	Casey Thomas
4	Adam McGough	Adam Bazaldua
5	Omar Narvaez	Paula Blackmon
6	Jaime Resendez	Adam Medrano
7	Chad West	Cara Mendelsohn

DATE January 6, 2020
SUBJECT **Economic Development Strategic Plan – Next Steps**

Other Activities:

City staff has initiated conversations with the 5-member economic development policy advisory committee members. Additionally, City staff is currently assembling the new community review panel per your recommendations along with the city's manager's office filling six (6) slots. All 21 members for community review panel will be announced on January 10, 2020. City staff is also working to identify a facilitator for the panel meetings that will take place between January 31, 2020 and March 6, 2020.

If you have questions, please contact my office at (214) 670-4066.



Tennell Atkins
Chair, Economic Development Committee

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney (Interim)
Mark Swann, City Auditor
Billerae Johnson, City Secretary
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Directors and Assistant Directors