# JANUARY 22, 2020 CITY COUNCIL AGENDA CERTIFICATION

This certification is given pursuant to Chapter XI, Section 9 of the City Charter for the City Council Agenda dated January 22, 2020. We hereby certify, as to those contracts, agreements, or other obligations on this Agenda authorized by the City Council for which expenditures of money by the City are required, that all of the money required for those contracts, agreements, and other obligations is in the City treasury to the credit of the fund or funds from which the money is to be drawn, as required and permitted by the City Charter, and that the money is not appropriated for any other purpose.

T.C. Broadnax

City Manager

Elizabeth Reich

Chief Financial Officer

Date

Date

2020 JAN 17 PM 3: 25

CITY SECRETARY DALLAS, TEXAS

# **City of Dallas**

1500 Marilla Street Dallas, Texas 75201



# **COUNCIL AGENDA**

January 22, 2020 9:00 AM

(For General Information and Rules of Courtesy, Please See Opposite Side.)
(La Información General Y Reglas De Cortesía Que Deben Observarse
Durante Las Asambleas Del Consejo Municipal Aparecen En El Lado Opuesto, Favor De Leerlas.)

#### **General Information**

The Dallas City Council regularly meets on Wednesdays beginning at 9:00 a.m. in the Council Chambers, 6th floor, City Hall, 1500 Marilla. Council agenda meetings are broadcast live on WRR-FM radio (101.1 FM) and on Time Warner City Cable Channel 16. Briefing meetings are held the first and third Wednesdays of each month. Council agenda (voting) meetings are held on the second and fourth Wednesdays. Anyone wishing to speak at a meeting should sign up with the City Secretary's Office by calling (214) 670-3738 by 5:00 p.m. of the last regular business day preceding the meeting. Citizens can find out the name of their representative and their voting district by calling the City Secretary's Office.

Sign interpreters are available upon request with a 48-hour advance notice by calling (214) 670-5208 V/TDD. The City of Dallas is committed to compliance with the Americans with Disabilities Act. The Council agenda is available in alternative formats upon request.

If you have any questions about this agenda or comments or complaints about city services, call 311.

#### **Rules of Courtesy**

City Council meetings bring together citizens of many varied interests and ideas. To insure fairness and orderly meetings, the Council has adopted rules of courtesy which apply to all members of the Council, administrative staff, news media, citizens and visitors. These procedures provide:

- That no one shall delay or interrupt the proceedings, or refuse to obey the orders of the presiding officer.
- All persons should refrain from private conversation, eating, drinking and smoking while in the Council Chamber.
- Posters or placards must remain outside the Council Chamber.
- No cellular phones or audible beepers allowed in Council Chamber while City Council is in session.

"Citizens and other visitors attending City Council meetings shall observe the same rules of propriety, decorum and good conduct applicable to members of the City Council. Any person making personal, impertinent, profane or slanderous remarks or who becomes boisterous while addressing the City Council or while

#### Información General

El Ayuntamiento de la Ciudad de Dallas se reúne regularmente los miércoles en la Cámara del Ayuntamiento en el sexto piso de la Alcaldía, 1500 Marilla, a las 9 de la mañana. Las reuniones informativas se llevan a cabo el primer y tercer miércoles del mes. Estas audiencias se transmiten en vivo por la estación de radio WRR-FM 101.1 y por cablevisión en la estación Time Warner City Cable Canal 16. El Ayuntamiento Municipal se reúne en el segundo y cuarto miércoles del mes para tratar asuntos presentados de manera oficial en la agenda para su aprobación. Toda persona que desee hablar durante la asamblea del Ayuntamiento, debe inscribirse llamando a la Secretaría Municipal al teléfono (214) 670-3738, antes de las 5:00 pm del último día hábil anterior a la reunión. Para enterarse del nombre de su representante en el Ayuntamiento Municipal y el distrito donde usted puede votar, favor de llamar a la Secretaría Municipal.

Intérpretes para personas con impedimentos auditivos están disponibles si lo solicita con 48 horas de anticipación llamando al (214) 670-5208 (aparato auditivo V/TDD). La Ciudad de Dallas se esfuerza por cumplir con el decreto que protege a las personas con impedimentos, Americans with Disabilities Act. La agenda del Ayuntamiento está disponible en formatos alternos si lo solicita.

Si tiene preguntas sobre esta agenda, o si desea hacer comentarios o presentar quejas con respecto a servicios de la Ciudad, llame al 311.

# Reglas de Cortesía

Las asambleas del Ayuntamiento Municipal reúnen a ciudadanos de diversos intereses e ideologías. Para asegurar la imparcialidad y el orden durante las asambleas, el Ayuntamiento ha adoptado ciertas reglas de cortesía que aplican a todos los miembros del Ayuntamiento, al personal administrativo, personal de los medios de comunicación, a los ciudadanos, y a visitantes. Estos reglamentos establecen lo siguiente:

- Ninguna persona retrasara o interrumpirá los procedimientos, o se negara a obedecer las órdenes del oficial que preside la asamblea.
- Todas las personas deben abstenerse de entablar conversaciones, comer, beber y fumar dentro de la cámara del Ayuntamiento.
- Anuncios y pancartas deben permanecer fuera de la cámara del Ayuntamiento.
- No se permite usar teléfonos celulares o enlaces electrónicos (pagers) audibles en la cámara del Ayuntamiento durante audiencias del Ayuntamiento Municipal

"Los ciudadanos y visitantes presentes durante las

attending the City Council meeting shall be removed from the room if the sergeant-at-arms is so directed by the presiding officer, and the person shall be barred from further audience before the City Council during that session of the City Council. If the presiding officer fails to act, any member of the City Council may move to require enforcement of the rules, and the affirmative vote of a majority of the City Council shall require the presiding officer to act." Section 3.3(c) of the City Council Rules of Procedure.

asambleas del Ayuntamiento Municipal deben obedecer las mismas reglas de comportamiento, decoro y buena conducta que se aplican a los miembros del Ayuntamiento Municipal. Cualquier persona que haga comentarios impertinentes, utilice vocabulario obsceno o difamatorio, o que al dirigirse al Ayuntamiento lo haga en forma escandalosa, o si causa disturbio durante la asamblea del Ayuntamiento Municipal, será expulsada de la cámara si el oficial que este presidiendo la asamblea Además, se le prohibirá continuar así lo ordena. participando en la audiencia ante el Ayuntamiento Municipal. Si el oficial que preside la asamblea no toma acción, cualquier otro miembro del Ayuntamiento Municipal puede tomar medidas para hacer cumplir las reglas establecidas, y el voto afirmativo de la mayoría del Ayuntamiento Municipal precisara al oficial que este presidiendo la sesión a tomar acción." Según la sección 3.3 (c) de las reglas de procedimientos del Ayuntamiento.

# 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 pistol 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."

# AGENDA CITY COUNCIL MEETING WEDNESDAY, JANUARY 22, 2020 ORDER OF BUSINESS

Agenda items for which individuals have registered to speak will be considered no earlier than the time indicated below:

9:00 a.m. INVOCATION AND PLEDGE OF ALLEGIANCE

**OPEN MICROPHONE** 

	MINUTES	Item		1
	CONSENT AGENDA	Items	2-4	0
9:15 a.m.	ITEMS FOR INDIVIDUAL CONSIDERATION	Items	41-4	3
1:00 p.m.	ZONING	Items	Z1-Z	6
1:00 p.m.	PUBLIC HEARINGS AND RELATED ACTIONS	Items F	PH1-I	PH2

NOTE: A revised order of business may be posted prior to the date of the council meeting if necessary.

# PUBLIC NOTICE As to Item No. 2 on the Council Agenda

Pursuant to Section 2254.1036 of the Texas Government Code, as amended, the City of Dallas, Texas (the "City") hereby gives public notice of its intent to amend a contingent fee contract for legal services at its duly called meeting to be held on January 22, 2020 at 9:00 a.m. in the Council Chambers of the City at City Hall located at 1500 Marilla Street, Dallas, Texas 76201.

- The Council of the City intends to amend the existing bond counsel contract that
  the City entered into with the law firm of Norton Rose Fulbright US LLP, Dallas,
  Texas, effective as of September 15, 2015, to additionally provide the City with
  disclosure counsel legal services pertaining to the City's issuance of securities on
  the public or private market.
- 2. Accessing the public or private markets through the issuance of securities is governed by State and federal securities laws and federal tax laws and requires the advice of legal advisors that knowledgeable and experience in public finance legal matters, including the issuance of tax-exempt bonds. The in-house attorneys with the Dallas City Attorney's Office do not have the necessary training, qualifications, experience and expertise to fully represent the City in such public finance legal matters.
- Norton Rose Fulbright US LLP has demonstrated to the City its competence, qualifications, and experience as an industry and national leader in this area of the law.
- 4. Engaging an attorney in private practice to provide for the desired disclosure counsel services who has meaningful experience in public finance matters pursuant to an hourly fee arrangement would likely result in higher fees to be paid by the City, and such fees incurred would be payable by the City from the City's general revenues, whether or not the securities are issued.
- 5. Fees for legal services associated with the issuance of municipal securities, including disclosure counsel legal services, have traditionally been paid pursuant to a contingent fee arrangement, where such fees become payable only upon the successful issuance of the securities and are payable solely out of the proceeds of the securities.
- 6. Entering into a contract for disclosure counsel legal services with Norton Rose Fulbright US LLP payment of which is contingent on the City's successful issuance of securities and payable out of securities proceeds provides the City a superior level of disclosure counsel legal services without using operating revenues of the City to make such payment.
- For each of the reasons stated above, the execution of an engagement agreement with Norton Rose Fulbright US LLP is in the best interest of the residents of the City.

Invocation and Pledge of Allegiance (Council Chambers)

Agenda Item/Open Microphone Speakers

# **VOTING AGENDA**

1. 20-54 Approval of Minutes of the January 8, 2020 City Council Meeting

## **CONSENT AGENDA**

### City Attorney's Office

2. 20-34

Authorize an amendment to the bond counsel contract with Norton Rose Fulbright US LLP, to add disclosure counsel services, in accordance with the hourly rates and opinion fees as set forth in Attachment A of the resolution - Financing: Disclosure Counsel fees to be paid from bond proceeds, General Fund, Aviation Funds, Convention Center Funds, and/or Water Utilities Funds, contingent upon completion of each bond sale

<u>Attachments:</u> Resolution Attachment A

3. 20-94 Authorize Supplemental Agreement No. 1 to the professional services contract with Steinsberger Tight Gas Consulting for additional consulting services as an expert in the oil and gas industry in connection with the case styled <a href="Trinity East Energy">Trinity East Energy</a>, LLC v. City of Dallas, Texas, Cause No. DC-14-01443 - Not to exceed \$100,000.00, from \$50,000.00 to \$150,000.00 - Financing: Risk Funds

**Attachments:** Resolution

### **Department of Equipment and Fleet Management**

4. <u>20-56</u>

Authorize the (1) acceptance of a grant from the Texas Commission on Environmental Quality through the Texas Volkswagen Environmental (Contract No. 582-20-11995-VW) Mitigation Program to purchase replacement vehicles and equipment to reduce nitrogen oxides emissions in the amount of \$67,168 for the period January 22, 2020 through January 21, 2022; (2) establishment of appropriations in an amount not to exceed \$67,168 in the Volkswagen Environmental Mitigation Program Fund; (3) receipt and deposit of grant funds in an amount not to exceed \$67,168 in the Volkswagen Environmental Mitigation Program Fund; and (4) execution of the grant agreement and all terms, conditions, and documents required by the grant agreement - Not to exceed \$67,168 - Financing: Texas Commission on Environmental Quality Grant Funds

<u>Attachments:</u> Resolution

#### Department of Housing & Neighborhood Revitalization

5. 19-2039

Authorize the **(1)** sale of up to 99 of the Land Transfer lots included in and identified as Five Mile clusters 1-6 as shown in Exhibit A, to Notre Dame Place, Inc. and/or its affiliates (Developer), subject to restrictive covenants, a right of reverter, and execution of all necessary documents pursuant to the City's Land Transfer Program and the New Construction and Substantial Rehabilitation Program; **(2)** release of all non-tax City liens, notices, or orders that were filed on the 99 Land Transfer lots prior or subsequent to the deeds transferring the lots to the City of Dallas; and **(3)** execution of a loan agreement with Developer and/or its affiliates - Not to exceed \$1,600,000.00 - Financing: HOME Investment Partnerships Program Funds

Attachments: Map

Resolution Exhibit A

Authorize (1) the creation of a Residential Neighborhood Empowerment Zone (NEZ) Program as authorized under Chapter 378 of the Local Government Code to (a) create residential NEZ to support tax abatements for the construction and renovation of single-family homes, duplexes, and multifamily developments located within NEZ, including within tax increment financing (TIF) districts; and (b) provide development grants in amounts equal to development fees and certain development-related costs to support and renovation of single-family homes, duplexes, owner-occupied multifamily developments located within NEZ; (2) amendment to the City of Dallas Comprehensive Housing Policy, previously approved on May 9, 2018, by Resolution No. 18-0704, as amended, to add the Residential NEZ Program and delegate authority to the City Manager to modify certain elements outlined in the appendix; (3) the City Manager to (a) utilize tax abatements offered through the City's Residential NEZ Program authorized under Chapter 378 of the Local Government Code to support construction and renovation of single-family homes, duplexes, owner-occupied multifamily developments located within NEZ, including within TIF districts; and (b) utilize public funding under Chapter 380 of the Local Government Code to provide development grants in amounts equal to and certain development-related costs development fees renovation of single-family homes, construction duplexes, owner-occupied multifamily developments located within NEZ; (4) the City Manager to execute individual tax abatement agreements and other necessary documents up to \$50,000.00 in accordance with the Residential NEZ Program, including within TIF districts; (5) a one-time transfer of funds from the Dallas Housing Trust Fund to the NEZ Fund in an amount not to exceed \$1,000,000.00 to provide for development grants as authorized by Chapter 380; and (6) an increase in appropriations in an amount not to exceed \$1,000,000.00 from the Neighborhood Empowerment Zones Fund -Financing: Neighborhood Empowerment Zones Fund (\$1,000,000.00) and Estimated Revenue Foregone: General Fund (\$1,875,975.00 over ten-year period)

<u>Attachments:</u> Resolution

Exhibit A

Authorize a resolution (1) designating approximately 1,595 acres of property generally bounded by Lyndon B. Johnson (LBJ) Freeway, Abrams Road, Road, Forest Lane, Greenville Avenue, Royal Lane, Cottonwood Creek in the LBJ/Skillman area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 11 (NEZ No. 11), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declaring that projects located within NEZ No. 11, within the Skillman Corridor Tax Increment Financing District, and eligible for the City's Residential Neighborhood Empowerment Zone (NEZ) Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorizing the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program - Financing: This action has no cost consideration to the City (see Fiscal Information)

<u>Attachments:</u> Resolution

Exhibit A

8. 19-1802

Authorize a resolution (1) designating approximately 1,767 acres of property generally bounded by Jupiter Road, Northwest Highway, Garland Road, Shiloh Road, Maylee Boulevard, Gus Thomasson Road, and Peavy Road in the Casa View area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 12 (NEZ No. 12), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declaring that projects located within NEZ No. 12 and eligible for the City's Residential Neighborhood Empowerment Zone (NEZ) Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorizing the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program - Financing: This action has no cost consideration to the City (see Fiscal Information)

<u>Attachments:</u> Resolution

Exhibit A

Authorize a resolution (1) designating approximately 2,824 acres of property generally bounded by White Rock Creek, Northwest Highway, Mockingbird Lane, Skillman Avenue, and U.S. Highway 75 in the Vickery Midtown area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 13 (NEZ No. 13), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declaring that projects located within NEZ No. 13, within the Skillman Corridor Tax Increment Financing District, and eligible for the City's Residential Neighborhood Empowerment Zone (NEZ) Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorizing the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with Residential NEZ Program - Financing: This action has no cost consideration to the City (see Fiscal Information)

<u>Attachments:</u> Resolution Exhibit A

10. 19-1804

Authorize a resolution (1) designating approximately 1,365 acres of property generally bounded by Al Lipscomb Way, Malcolm X Boulevard, Robert B. Cullum Boulevard, Pine Street, Central Expressway, and Lamar Street in the Forest District area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 14 (NEZ No. 14), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declaring that projects located within NEZ No. 14, within the Grand Park South Tax Increment Financing District, and eligible for the City's Residential Neighborhood Empowerment Zone (NEZ) Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorizing the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program - Financing: This action has no cost consideration to the City (see Fiscal Information)

Attachments: Resolution Exhibit A

Authorize a resolution (1) designating approximately 297 acres of property generally bounded by the Trinity River, Corinth Street, 8th Street, Ewing Avenue, and R.L. Thornton Freeway in the Bottom/Tenth Street area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 15 (NEZ No. 15), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declaring that projects located within NEZ No. 15, within the Transit-Oriented Development Tax Increment Financing District, and eligible for the City's Residential Neighborhood Empowerment Zone (NEZ) Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorizing the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with Residential NEZ Program - Financing: This action has no cost consideration to the City (see Fiscal Information)

<u>Attachments:</u> Resolution Exhibit A

12. 19-1806

Authorize a resolution (1) designating approximately 2,294 acres of property generally bounded by Canada Drive, Fort Worth Avenue, Hampton Road, and Westmoreland Road in the West Dallas area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 16 (NEZ No. 16), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declaring that projects located within NEZ No. 16, within either the Fort Worth Avenue Tax Increment Financing (TIF) District or the Sports Arena TIF District, and eligible for the City's Residential Neighborhood Empowerment Zone (NEZ) Program, may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorizing the City Manager to execute individual tax agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program - Financing: This action has no cost consideration to the City (see Fiscal Information)

Attachments: Resolution Exhibit A

Authorize a resolution (1) designating approximately 1,807 acres of property generally bounded by Ledbetter Drive, Westmoreland Road, Red Bird Lane, Hampton Road, Camp Wisdom Road, and Cockrell Hill Road in the Red Bird North area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 17 (NEZ No. 17), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declaring that projects located within NEZ No. 17 and eligible for the City's Residential Neighborhood Empowerment Zone (NEZ) Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorizing the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program - Financing: This action has no cost consideration to the City (see Fiscal Information)

<u>Attachments:</u> Resolution

Exhibit A

## **Department of Public Works**

**14**. **20-49** 

Authorize a construction contract for the selected interior rehabilitation and site improvements at the Bath House Cultural Center located at 521 East Lawther Drive - Nedderman & Associates, Inc., best value proposer of two - Not to exceed \$1,194,400.00 - Financing: Cultural Arts (F) Fund (2017 General Obligation Bond Fund)

Attachments: Map

Resolution

#### **Department of Sustainable Development and Construction**

15. **20-23** 

Authorize moving expense and replacement housing payments for Daniel Davila and Debbie G. Davila as a result of an official written offer of just compensation to purchase real property at 2943 McGowan Street for the Cadillac Heights Phase II Project - Not to exceed \$67,050.00 - Financing: Land Acquisition in Cadillac Heights Fund (2006 Bond Funds)

Attachments: Map

Resolution

Authorize acquisition from David Celella and Lauri Celella, of approximately 114,094 square feet of land located in Kaufman County for the Lake Tawakoni 144-inch Transmission Pipeline Project - Not to exceed \$56,946.00 (\$53,946.00, plus closing costs and title expenses not to exceed \$3,000.00) - Financing: Water Construction Fund

Attachments: Map

Resolution Exhibit A Exhibit B

17. 19-1820

Authorize an increase in the amount for the acquisition of a wastewater easement from Feizy Properties Inc., of approximately 146 square feet of land located near the intersection of Turtle Creek Boulevard and Market Center Boulevard for the Lower Eastbank Interceptor Project - Not to exceed \$365.00, increased from \$8,475.00 (\$5,475.00, plus closing costs and title expenses not to exceed \$3,000.00) to \$8,840.00 (\$5,840.00, plus closing costs and title expenses not to exceed \$3,000.00) - Financing: Wastewater Capital Improvement D Fund

Attachments: Map

Resolution Exhibit A Exhibit B

18. 19-1944

Authorize an increase in the purchase amount for the acquisition of an access easement from Price London Park, L.P., of approximately 3,475 square feet of land located near the northwest side of an interior roadway of London Park Condominiums, north of Arapaho Road for the McKamy and Osage Branch Wastewater Interceptor Project - Not to exceed \$23,114.00, increased from \$22,460.00 to \$45,574.00 (\$42,074.00, plus closing costs and title expenses not to exceed \$3,500.00) - Financing: Sewer Construction Fund

<u>Attachments:</u> Map

Resolution Exhibit A Exhibit B

An ordinance granting a private license to Taylor Street 2111, L.P., for the use of a total of approximately 1,245 square feet of aerial space to install, occupy and maintain two blade signs, six awnings without a premise sign and one awning with a premise sign over portions of Taylor Street and Pearl Expressway rights-of-way near its intersection with Taylor Street - Revenue: General Fund \$3,000.00 annually and \$600.00 one-time fee, plus the \$20.00 ordinance publication fee

Attachments: Map

Ordinance Exhibit A Exhibit B

#### **Department of Transportation**

20. **20-7** 

Adopt a resolution authorizing the City Manager to execute an Interlocal Agreement between the City of Dallas and Dallas Area Rapid Transit (DART) for the prohibition of freight services on DART's Cotton Belt Line of approximately a three-mile section from the Dallas City Limit at the Dallas North Tollway to the Dallas City Limit west of Waterview Parkway - Financing: No cost consideration to the City

# **Attachments:** Resolution

21. 20-39

Authorize payment to the Texas Department of Transportation for cost overruns related to the intersection and traffic signal improvements at six off-system locations: Illinois Avenue and Kiest Boulevard, Mockingbird Lane and Williamson Road, Elam Road and Prairie Creek Road, Corinth Street and Illinois Avenue, Jefferson Boulevard and Westmoreland Road, and Martin Luther King Jr. Boulevard and Holmes Street; in the amount of \$206,967.09 - Financing: General Fund

Attachments: Resolution

TxDOT letter overage

22. <u>20-11</u>

Authorize a decrease in the construction services contract with Roadway Solutions, Inc. for traffic signal construction of Warranted Traffic Signal Installation Group 5, to remove the construction of the traffic signal located at North Prairie Creek Road at Forney Road from the contract - Not to exceed (\$312,035.00), from \$1,297,982.00 to \$985,947.00 - Financing: Street and Transportation (A) Fund (2017 General Obligation Bond Fund)

Attachments: Map

Resolution

23. **20-12** 

Authorize a decrease in the construction services contract with Roadway Solutions, Inc. for traffic signal construction of Warranted Traffic Signal Installation Group 6, to remove the construction of the traffic signal located at Interstate Highway 20 Eastbound/Westbound at Mountain Creek Parkway from the contract - Not to exceed (\$316,275.00), from \$1,337,393.00 to \$1,021,118.00 - Financing: Street and Transportation (A) Fund (2017 General Obligation Bond Fund)

Attachments: Map

Resolution

#### Office of Budget

24. 19-2044

Authorize (1) an extension through September 30, 2020 for Community Development Block Grant (CDBG) funded projects which have not met the twenty-four-month twelve-month obligation or requirement; (2) preliminary adoption of Reprogramming Budget No. 1 (Substantial Amendment No. 2) to the FY 2019-20 Action Plan to: (a) use unspent prior year CDBG Funds in the amount of \$2,098,680.00 for the Residential Development Acquisition Loan Program and \$400,000.00 to complete renovation of the Vickery Meadow Community Court; and (b) re-allocate funds in the Housing Opportunities for Persons with AIDS Grant/Program Administration category from the Office of Homeless Solutions to the Office of Budget in the amount of \$86,000.00; and (3) a public hearing to be held on February 26, 2020 to receive comments on the proposed use of funds for Reprogramming Budget No. 1 (Substantial Amendment No. 2) to the FY 2019-20 Action Plan - Financing: This action has no cost consideration to the City (see Fiscal Information)

Attachments: Resolution

Attachment A Attachment B

#### Office of Community Care

25. <u>19-1930</u>

Authorize the (1) acceptance of a grant from the Texas Department of Criminal Justice (TDCJ) (Contract No. 696-TC-20-21-L098) in the amount of \$500,000.00 (\$250,000.00 for FY 2019-2020 and \$250,000.00 for FY 2020-2021) for re-entry services to individuals being released from TDCJ who are returning to the City of Dallas area for the period September 1, 2019 through August 31, 2021; (2) establishment of appropriations in an amount not to exceed \$500,000.00 in the TDCJ Re-Entry Services Grant Program Fund; (3) receipt and deposit of grant funds from TDCJ in an amount not to exceed \$500,000.00 in the TDCJ Re-Entry Services Grant Program Fund; and (4) execution of the Interlocal Agreement with TDCJ and all terms, conditions, and documents required by the agreement - Not to exceed \$500,000.00 - Financing: Texas Department of Criminal Justice Grant Funds

**Attachments:** Resolution

#### Office of Procurement Services

26. <u>20-25</u> Authorize a one-year agreement for excess workers' compensation insurance through an Interlocal Agreement with the Texas Municipal

insurance through an Interlocal Agreement with the Texas Municipal League Intergovernmental Risk Pool, and subject to approval by the Executive Board of Texas Municipal League Intergovernmental Risk Pool effective February 1, 2020 through January 31, 2021 - Not to exceed \$800,000 - Financing: Workers' Compensation Fund

Attachments: Resolution

27. 19-1925

Authorize a one-year master agreement for traffic signal controller cabinets and ancillary equipment for the Department of Transportation with Consolidated Traffic Controls, Inc. through the Houston-Galveston Area Council of Governments cooperative agreement - Estimated amount of

\$840,000 - Financing: General Fund

**Attachments:** Resolution

28. <u>19-1403</u> Authorize a three-year master agreement for hydrogen peroxide for the Water Utilities Department - Evonik Corporation, lowest responsible bidder of five - Estimated amount of \$1,123,500 - Financing: Dallas Water Utilities

Fund

Attachments: Resolution

29. <u>20-41</u>

Authorize a three-year master agreement for liquid cationic polymer for the Water Utilities Department - Polydyne, Inc., only bidder - Estimated amount of \$3,663,600 - Financing: Dallas Water Utilities Fund

# <u>Attachments:</u> Resolution

30. **20-48** 

Authorize a three-year master agreement with, two one-year renewal options, for compressed natural gas for equipped fleet vehicles for the Department of Equipment and Fleet Management - Clean Energy, a California corporation, registered to do business in Texas as California Clean Energy, Inc., only bidder - Estimated amount of \$2,686,250.88 - Financing: Equipment and Fleet Management Fund

# **Attachments:** Resolution

31. **20-50** 

Authorize (1) a three-year master agreement with, two one-year renewal options, for the purchase of unleaded and diesel fuels based on Platts index rates for the Department of Equipment and Fleet Management - Truman Arnold Companies dba TAC Energy in an estimated \$25,287,062,43. World Fuel Services, Inc. in an estimated amount of \$21,046,330.39, Ports Petroleum Co., Inc. in an estimated amount of \$16,337,858.73, Martin Eagle Oil Company, Inc. in an estimated amount of \$16,188,561.78, and W. Douglass Distributing, LTD in an estimated amount of \$7,995,395.04, lowest responsible bidders of ten - Total estimated amount of \$86,855,208.37; and (2) an increase to the master agreement with Truman Arnold Companies dba TAC Energy in an amount not to exceed \$459,583.00, from \$40,909,089.75 to \$41,368,672.75 and Martin Eagle Oil Company, Inc. in an amount not to exceed \$212,018.00, from \$10,129,680.88 to \$10,341,698.88, for the purchase of unleaded and diesel fuels based on Platts index rates for the Department of Equipment and Fleet Management - Total amount not to exceed \$671,601.00, from \$51.038.770.63 to \$51,710,371.63 -Financing: Equipment Fleet Management Fund (\$87,526,809.37)

# Attachments: Resolution

32. **20-52** 

Authorize (1) Supplemental Agreement No. 2 to increase the service contract with National Waste Management Louisiana, Inc. dba NWMLA, Inc. for yard waste grinding services for the Department Sanitation Services in the amount of \$544,475, from \$2,177,900 to \$2,722,375; and (2) the ratification of \$700,000 to pay outstanding yard waste grinding service invoices associated with the October 20, 2019 tornado with National Waste Management Louisiana, Inc. dba NWMLA, Inc. - Total not to exceed \$1,244,475 - Financing: Sanitation Operation Fund (subject to appropriations)

<u>Attachments:</u> Resolution

33. 19-1999 Authorize Supplemental Agreement No. 2 to exercise the second of two, one-year renewal options to the service contract with Results Staffing, Inc. for temporary labor for the Department of Sanitation Services - Not to exceed \$9,000,306 - Financing: Sanitation Operation Fund (subject to appropriations)

**Attachments:** Resolution

34. 20-40

Authorize Supplemental Agreement No. 6 to the subscription contract with Workday, Inc. to amend the scope of services and decrease the contract amount - Not to exceed (\$366,454.79), from \$20,296,345.00 to \$19,929,890.21 - Financing: Data Services Fund

Attachments: Resolution

#### Office of Strategic Partnerships & Government Affairs

35. 20-45 Authorize the endorsement of Mayor Eric Johnson as the City of Dallas representative on the Texas Municipal League Board of Directors as a director-at-large - Financing: No cost consideration to the City

<u>Attachments:</u> Resolution

#### **Park & Recreation Department**

36. 20-2 Authorize an application for a Solid Waste Implementation Grant in the amount of \$200,000.00 from the North Central Texas Council of Governments for the Dallas Park and Recreation Department Treecycling Project - Financing: This action has no cost consideration to the City (see Fiscal Information)

**Attachments:** Resolution

37. 19-1848 Authorize a construction contract for site drainage improvements at the Trinity River Audubon Center located at 6500 Great Trinity Forest Way - Iron T Construction, Inc., lowest responsible bidder of three - Not to exceed \$85,000.00 - Financing: Capital Construction Fund

Attachments: Map

Resolution

#### **Water Utilities Department**

38. <u>19-1945</u>

Authorize a Facilities Extension Agreement between the City and Oncor Electric Delivery Company LLC to expand the West Electrical Substation at the Elm Fork Water Treatment Plant - Not to exceed \$1,312,051.00 - Financing: Water Construction Fund

Attachments:

<u>Map</u>

Resolution

39. 19-1926

Authorize a construction contract for the installation of water and wastewater mains at 6 locations (list attached to the Agenda Information Sheet) - SYB Construction Company, Inc., lowest responsible bidder of five - Not to exceed \$4,293,456.25 - Financing: Water (Drinking Water) - TWDB 2019 Fund (\$2,511,641.15) and Wastewater (Clean Water) - TWDB 2019 Fund (\$1,781,815.10)

Attachments:

List

Maps

Resolution

40. 19-1847

Authorize Supplemental Agreement No. 1 to the professional services contract with Garver, LLC to provide design and additional engineering services required for major maintenance and rehabilitation improvements at Dallas Water Utilities' raw water system facilities - Not to exceed \$4,949,190.00, from \$1,637,463.00 to \$6,586,653.00 - Financing: Water Capital Improvement E Fund

**Attachments:** 

<u>Maps</u>

Resolution

# ITEMS FOR INDIVIDUAL CONSIDERATION

# City Secretary's Office

41. **20-55** 

Consideration of appointments to boards and commissions and the evaluation and duties of board and commission members (List of nominees is available in the City Secretary's Office)

#### Office of Economic Development

42. **20-19** 

Authorize a business personal property tax abatement agreement with I-20 Distribution Park Phase I LLC and Zume, Inc. or an affiliate thereof ("Zume") for a period of five years in an amount equal to the City ad valorem taxes assessed as follows: 50% for year one; 40% for year two; 30% for year three; 20% for year four; and 10% for year five in connection with a biodegradable food package processing and manufacturing facility located at 9155 Southlink Drive in Dallas, Texas, in accordance with the City's Public/Private Partnership Program - Estimated Revenue Foregone: \$2,237,750.00 over a five-year period

Attachments: Map

Resolution Exhibit A Exhibit B

43. **20-20** 

Authorize (1) a development agreement with HW Commerce Office LP and/or its affiliates ("Developer") in an amount not to exceed \$2,576,125.00, payable from current and future Deep Ellum Tax Increment Financing ("TIF") District Funds, in consideration of The Stack Deep Ellum Project on property currently addressed at 2700, 2712, and 2718 Commerce Street in Tax Increment Financing Reinvestment Zone Number Twelve ("Deep Ellum TIF District"); and (2) an increase in appropriations in an amount not to exceed \$2,576,125.00 in the Deep Ellum TIF District Fund - Not to exceed \$2,576,125.00 - Financing: Deep Ellum TIF District Fund (subject to current and future appropriations from tax increments)

<u>Attachments:</u> Map

Resolution

Exhibit A

Exhibit B

Exhibit C

Exhibit D

Exhibit E

Exhibit F

# **ADDITIONS:**

Closed Session

Attorney Briefings (Sec. 551.071 T.O.M.A.)

- City of Dallas v. Delta Air Lines, et al., Cause No. 3:15-CV-2069-K.

# **PUBLIC HEARINGS AND RELATED ACTIONS**

## **Department of Sustainable Development and Construction**

# **ZONING CASES - CONSENT**

Z1. 20-35

A public hearing to receive comments regarding an application for and an ordinance granting an amendment to and the renewal of Specific Use Permit No. 2078 for an industrial (outside) potentially incompatible use limited to concrete and asphalt crushing on property zoned an IM Industrial Manufacturing District on the east line of Luna Road, north of Ryan Road Recommendation of Staff and CPC: Approval for a five-year period, subject to a revised site plan and conditions

Z189-263(PD)

Attachments: Case Report

#### **ZONING CASES - INDIVIDUAL**

Z2. 20-36

A public hearing to receive comments regarding an application for and an ordinance granting a Planned Development District for IR Industrial Research District uses and general merchandise or food store greater than 3,500 square feet use on property zoned an IR Industrial Research District on the west corner of Mockingbird Lane and Maple Avenue

Recommendation of Staff: Denial

Recommendation of CPC: Approval, subject to a conceptual plan, Phase I development plan and conditions

Z189-304(CY)

Attachments: Case Report

Z3. 20-37

A public hearing to receive comments regarding an application for and an ordinance granting an amendment to Planned Development Subdistrict No. 134 for O-2-D Office Subdistrict; retirement housing; and convalescent and nursing homes, hospice care, and related institutions uses within Planned Development District No. 193, the Oak Lawn Special Purpose District with a D Liquor Control Overlay, on the north line of Herschel Avenue, east of Throckmorton Street

<u>Recommendation of Staff</u>: <u>Approval</u>, subject to a revised development plan and staff's recommended conditions

Recommendation of CPC: Approval, subject to a revised development plan and conditions Z189-312(SM)

Attachments: Case Report

Z4. 20-106

A public hearing to receive comments regarding an application for and an ordinance granting a Planned Development Subdistrict for GR General Retail uses on property zoned a GR General Retail Subdistrict within Planned Development District No. 193, the Oak Lawn Special Purpose District, on the west corner of Lemmon Avenue and Oak Lawn Avenue

Recommendation of Staff: Denial

Recommendation of CPC: Approval, subject to a development plan, landscape plan, and conditions

Z189-316(PD)

Attachments: Case Report

#### **ZONING CASES - UNDER ADVISEMENT - INDIVIDUAL**

Z5. 19-1722

A public hearing to receive comments regarding an application for a Specific Use Permit for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less use on property zoned an RR-D-1 Regional Retail District with a D-1 Liquor Control Overlay on the south side of Samuell Boulevard, east of North Jim Miller Road

Recommendation of Staff: Approval for a two-year period with eligibility for automatic renewals for additional five-year periods, subject to a site plan and conditions

Recommendation of CPC: Denial without prejudice

Z189-235(PD)

Note: This item was deferred by the City Council before opening the public hearing on October 23, 2019, and is scheduled for consideration on January 22, 2020

Attachments: Case Report

Z6. 20-133

A public hearing to receive comments regarding an application for and an ordinance granting an MU-2 Mixed Use District on property zoned Planned Development District No. 85, on the northeast corner of Greenville Avenue and Pineland Drive, south of Walnut Hill Lane

Recommendation of Staff and CPC: Approval

Z189-323(AU)

Note: This item was deferred by the City Council before opening the public hearing on January 8, 2020, and is scheduled for consideration on January 22, 2020

Attachments: Case Report

# **MISCELLANEOUS HEARINGS**

# Department of Housing & Neighborhood Revitalization

PH1. 19-2035

A public hearing to receive comments on the proposed City of Dallas FY 2019-20 Urban Land Bank Demonstration Program Plan and upon the close of the public hearing, approval of the City of Dallas FY 2019-20 Urban Land Bank Demonstration Program Plan in accordance with Chapter 379C of the Texas Local Government Code - Financing: No cost consideration to the City

Attachments:

Resolution Exhibit A

#### Office of Economic Development

PH2. 20-21

A public hearing to receive comments on Substantial Amendment No. 1 to the FY 2019-20 Action Plan for the City of Dallas Community Development Block Grant (CDBG) Business Revolving Loan Program to terminate the CDBG Revolving Loan Fund Program from the FY 2019-20 Action Plan; and, at the close of the public hearing, authorize (1) the final adoption of Substantial Amendment No. 1 to the FY 2019-20 Action Plan for the CDBG Business Revolving Loan Program; (2) establish appropriations in the Revolving Loan Fund-Phase Out Fund in an estimated amount of \$2,971,174.00; (3) the receipt of \$2,243,549.30 in funds from PeopleFund and the deposit of an estimated \$914,518.82 into the CDBG Program Income Fund, an estimated \$473,995.57 into the Public Private Partnership Fund (PPP) and \$401,632.58 loan repayment from the Neighborhood Loan Program into the corresponding fund based on original source of funds (i.e. CDBG Housing and Urban Development (HUD) Funds or PPP Funds) to the eligible fund; (4) transfer from the Revolving Loan Fund - Phase Out Fund an estimated \$453,402.33 and any interest due to the HUD CDBG Program Income Fund (of the corresponding current balance of the Public Private Partnership Funds transferred from PeopleFund to the City) to close the HUD CDBG RLF Program; (5) the set-up of a Business Loan Receivable for an estimated principal amount of \$624,692.00 of the outstanding loan portfolio from PeopleFund; and (6) amendments to the management contract with PeopleFund, authorized by Resolution No. previously on September 26, 2018 and the Chapter Agreement with PeopleFund, authorized by Resolution No. 10-1238. previously on May 12, 2010, to allow PeopleFund to continue servicing the existing Business Revolving Loan Program and Small Business Loan Program portfolios on behalf of the City without originating any additional loans - Estimated Revenue: Revolving Loan Fund - Phase Out Fund (\$2,971,174.00); Estimated Cost Consideration: Not to exceed \$23,000.00

<u>Attachments:</u> Resolution

#### **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]

Agenda Date: January 22, 2020

, 19011	Agerida Date. Garidary 22, 2020						
ITEM#	DISTRICT	TYPE	DEPT	DOLLARS	DESCRIPTION		
1.	N/A	V	N/A	N/A	Approval of Minutes of the January 8, 2020 City Council Meeting		
2.	N/A	С	ATT	NC	Authorize an amendment to the bond counsel contract with Norton Rose Fulbright US LLP, to add disclosure counsel services, in accordance with the hourly rates and opinion fees as set forth in Attachment A of the resolution - Financing: Disclosure Counsel fees to be paid from bond proceeds, General Fund, Aviation Funds, Convention Center Funds, and/or Water Utilities Funds, contingent upon completion of each bond sale		
3.	N/A	С	ATT	\$100,000.00	Authorize Supplemental Agreement No. 1 to the professional services contract with Steinsberger Tight Gas Consulting for additional consulting services as an expert in the oil and gas industry in connection with the case styled Trinity East Energy, LLC v. City of Dallas, Texas, Cause No. DC-14-01443 - Not to exceed \$100,000.00, from \$50,000.00 to \$150,000.00 - Financing: Risk Funds		
4.	All	С	EFM	GT	Authorize the (1) acceptance of a grant from the Texas Commission on Environmental Quality through the Texas Volkswagen Environmental Mitigation Program (Contract No. 582-20-11995-VW) to purchase replacement vehicles and equipment to reduce nitrogen oxides emissions in the amount of \$67,168 for the period January 22, 2020 through January 21, 2022; (2) establishment of appropriations in an amount not to exceed \$67,168 in the Volkswagen Environmental Mitigation Program Fund; (3) receipt and deposit of grant funds in an amount not to exceed \$67,168 in the Volkswagen Environmental Mitigation Program Fund; and (4) execution of the grant agreement and all terms, conditions, and documents required by the grant agreement - Not to exceed \$67,168 - Financing: Texas Commission on Environmental Quality Grant Funds		
5.	8	С	HOU	GT	Authorize the (1) sale of up to 99 of the Land Transfer lots included in and identified as Five Mile clusters 1-6 as shown in Exhibit A, to Notre Dame Place, Inc. and/or its affiliates (Developer), subject to restrictive covenants, a right of reverter, and execution of all necessary documents pursuant to the City's Land Transfer Program and the New Construction and Substantial Rehabilitation Program; (2) release of all non-tax City liens, notices, or orders that were filed on the 99 Land Transfer lots prior or subsequent to the deeds transferring the lots to the City of Dallas; and (3) execution of a loan agreement with Developer and/or its affiliates - Not to exceed \$1,600,000.00 - Financing: HOME Investment Partnerships Program Funds		

ITEM#	DISTRICT	TYPE	DEPT	DOLLARS	DESCRIPTION
6.	All	C	HOU	REV- \$1,875,975.00 \$1,000,000.00	Authorize (1) the creation of a Residential Neighborhood Empowerment Zone (NEZ) Program as authorized under Chapter 378 of the Local Government Code to (a) create residential NEZ to support tax abatements for the construction and renovation of single-family homes, duplexes, and multifamily developments located within NEZ, including within tax increment financing (TIF) districts; and (b) provide development grants in amounts equal to development fees and certain development-related costs to support construction and renovation of single-family homes, duplexes, and owner-occupied multifamily developments located within NEZ; (2) an amendment to the City of Dallas Comprehensive Housing Policy, previously approved on May 9, 2018, by Resolution No. 18-0704, as amended, to add the Residential NEZ Program and delegate authority to the City Manager to modify certain elements outlined in the appendix; (3) the City Manager to (a) utilize tax abatements offered through the City's Residential NEZ Program authorized under Chapter 378 of the Local Government Code to support construction and renovation of single-family homes, duplexes, and owner-occupied multifamily developments located within NEZ, including within TIF districts; and (b) utilize public funding under Chapter 380 of the Local Government Code to provide development-related costs to support construction and renovation of single-family homes, duplexes, and owner-occupied multifamily developments located within NEZ; (4) the City Manager to execute individual tax abatement agreements and other necessary documents up to \$50,000.00 in accordance with the Residential NEZ Program, including within TIF districts; (5) a one-time transfer of funds from the Dallas Housing Trust Fund to the NEZ Fund in an amount not to exceed \$1,000,000.00 to provide for development grants as authorized by Chapter 380; and (6) an increase in appropriations in an amount cot to exceed \$1,000,000.00 from the Neighborhood Empowerment Zones Fund -Financing: Neighborhood Empowerment Zones Fund -Fina
7.	10	С	HOU	NC	Authorize a resolution (1) designating approximately 1,595 acres of property generally bounded by Lyndon B. Johnson (LBJ) Freeway, Abrams Road, Audelia Road, Forest Lane, Greenville Avenue, Royal Lane, and Cottonwood Creek in the LBJ/Skillman area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 11 (NEZ No. 11), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the

ITEM#	DISTRICT	TYPE	DEPT	DOLLARS	DESCRIPTION
					zone, and provide for an effective date; (2) declaring that projects located within NEZ No. 11, within the Skillman Corridor Tax Increment Financing District, and eligible for the City's Residential Neighborhood Empowerment Zone (NEZ) Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorizing the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program - Financing: This action has no cost consideration to the City (see Fiscal Information)
8.	9, 13, 14	С	HOU	NC	Authorize a resolution (1) designating approximately 1,767 acres of property generally bounded by Jupiter Road, Northwest Highway, Garland Road, Shiloh Road, Maylee Boulevard, Gus Thomasson Road, and Peavy Road in the Casa View area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 12 (NEZ No. 12), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declaring that projects located within NEZ No. 12 and eligible for the City's Residential Neighborhood Empowerment Zone (NEZ) Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorizing the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program - Financing: This action has no cost consideration to the City (see Fiscal Information)
9.	9	С	HOU	NC	Authorize a resolution (1) designating approximately 2,824 acres of property generally bounded by White Rock Creek, Northwest Highway, Mockingbird Lane, Skillman Avenue, and U.S. Highway 75 in the Vickery Midtown area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 13 (NEZ No. 13), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declaring that projects located within NEZ No. 13, within the Skillman Corridor Tax Increment Financing District, and eligible for the City's Residential Neighborhood Empowerment Zone (NEZ) Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorizing the City Manager to execute individual tax abatement agreements and development

ITEM#	DISTRICT	TYPE	DEPT	DOLLARS	DESCRIPTION
					grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program - Financing: This action has no cost consideration to the City (see Fiscal Information)
10.	7	С	HOU	NC	Authorize a resolution (1) designating approximately 1,365 acres of property generally bounded by Al Lipscomb Way, Malcolm X Boulevard, Robert B. Cullum Boulevard, Pine Street, Central Expressway, and Lamar Street in the Forest District area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 14 (NEZ No. 14), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declaring that projects located within NEZ No. 14, within the Grand Park South Tax Increment Financing District, and eligible for the City's Residential Neighborhood Empowerment Zone (NEZ) Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorizing the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program - Financing: This action has no cost consideration to the City (see Fiscal Information)
11.	4	C	HOU	NC	Authorize a resolution (1) designating approximately 297 acres of property generally bounded by the Trinity River, Corinth Street, 8th Street, Ewing Avenue, and R.L. Thornton Freeway in the Bottom/Tenth Street area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 15 (NEZ No. 15), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declaring that projects located within NEZ No. 15, within the Transit-Oriented Development Tax Increment Financing District, and eligible for the City's Residential Neighborhood Empowerment Zone (NEZ) Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorizing the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program - Financing: This action has no cost consideration to the City (see Fiscal Information)

ITEM#	DISTRICT	TYPE	DEPT	DOLLARS	DESCRIPTION
12.	6	С	HOU	NC	Authorize a resolution (1) designating approximately 2,294 acres of property generally bounded by Canada Drive, Fort Worth Avenue, Hampton Road, and Westmoreland Road in the West Dallas area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 16 (NEZ No. 16), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declaring that projects located within NEZ No. 16, within either the Fort Worth Avenue Tax Increment Financing (TIF) District or the Sports Arena TIF District, and eligible for the City's Residential Neighborhood Empowerment Zone (NEZ) Program, may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorizing the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program - Financing: This action has no cost consideration to the City (see Fiscal Information)
13.	3, 8	С	HOU	NC	Authorize a resolution (1) designating approximately 1,807 acres of property generally bounded by Ledbetter Drive, Westmoreland Road, Red Bird Lane, Hampton Road, Camp Wisdom Road, and Cockrell Hill Road in the Red Bird North area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 17 (NEZ No. 17), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declaring that projects located within NEZ No. 17 and eligible for the City's Residential Neighborhood Empowerment Zone (NEZ) Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorizing the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program - Financing: This action has no cost consideration to the City (see Fiscal Information)
14.	9	С	PBW	\$1,194,400.00	Authorize a construction contract for the selected interior rehabilitation and site improvements at the Bath House Cultural Center located at 521 East Lawther Drive - Nedderman & Associates, Inc., best value proposer of two - Not to exceed \$1,194,400.00 - Financing: Cultural Arts (F) Fund (2017 General Obligation Bond Fund)

ITEM#	DISTRICT	TYPE	DEPT	DOLLARS	DESCRIPTION
15.	4	С	DEV	\$67,050.00	Authorize moving expense and replacement housing payments for Daniel Davila and Debbie G. Davila as a result of an official written offer of just compensation to purchase real property at 2943 McGowan Street for the Cadillac Heights Phase II Project - Not to exceed \$67,050.00 - Financing: Land Acquisition in Cadillac Heights Fund (2006 Bond Funds)
16.	Outside	С	DEV	\$56,946.00	Authorize acquisition from David Celella and Lauri Celella, of approximately 114,094 square feet of land located in Kaufman County for the Lake Tawakoni 144-inch Transmission Pipeline Project - Not to exceed \$56,946.00 (\$53,946.00, plus closing costs and title expenses not to exceed \$3,000.00) - Financing: Water Construction Fund
17.	6	С	DEV	\$365.00	Authorize an increase in the amount for the acquisition of a wastewater easement from Feizy Properties Inc., of approximately 146 square feet of land located near the intersection of Turtle Creek Boulevard and Market Center Boulevard for the Lower Eastbank Interceptor Project - Not to exceed \$365.00, increased from \$8,475.00 (\$5,475.00, plus closing costs and title expenses not to exceed \$3,000.00) to \$8,840.00 (\$5,840.00, plus closing costs and title expenses not to exceed \$3,000.00) - Financing: Wastewater Capital Improvement D Fund
18.	11	С	DEV	\$23,114.00	Authorize an increase in the purchase amount for the acquisition of an access easement from Price London Park, L.P., of approximately 3,475 square feet of land located near the northwest side of an interior roadway of London Park Condominiums, north of Arapaho Road for the McKamy and Osage Branch Wastewater Interceptor Project - Not to exceed \$23,114.00, increased from \$22,460.00 to \$45,574.00 (\$42,074.00, plus closing costs and title expenses not to exceed \$3,500.00) - Financing: Sewer Construction Fund
19.	2	С	DEV	REV \$3,600.00	An ordinance granting a private license to Taylor Street 2111, L.P., for the use of a total of approximately 1,245 square feet of aerial space to install, occupy and maintain two blade signs, six awnings without a premise sign and one awning with a premise sign over portions of Taylor Street and Pearl Expressway rights-of-way near its intersection with Taylor Street - Revenue: General Fund \$3,000.00 annually and \$600.00 one-time fee, plus the \$20.00 ordinance publication fee
20.	11, 12	С	TRN	NC	Adopt a resolution authorizing the City Manager to execute an Interlocal Agreement between the City of Dallas and Dallas Area Rapid Transit (DART) for the prohibition of freight services on DART's Cotton Belt Line of approximately a three-mile section from the Dallas City Limit at the Dallas North Tollway to the Dallas City Limit west of Waterview Parkway - Financing:

ITEM#	DISTRICT	TYPE	DEPT	DOLLARS	DESCRIPTION
					No cost consideration to the City
21.	1, 4, 5, 7, 9	С	TRN	\$206,967.09	Authorize payment to the Texas Department of Transportation for cost overruns related to the intersection and traffic signal improvements at six off-system locations: Illinois Avenue and Kiest Boulevard, Mockingbird Lane and Williamson Road, Elam Road and Prairie Creek Road, Corinth Street and Illinois Avenue, Jefferson Boulevard and Westmoreland Road, and Martin Luther King Jr. Boulevard and Holmes Street; in the amount of \$206,967.09 - Financing: General Fund
22.	7	С	TRN	(\$312,035.00)	Authorize a decrease in the construction services contract with Roadway Solutions, Inc. for traffic signal construction of Warranted Traffic Signal Installation Group 5, to remove the construction of the traffic signal located at North Prairie Creek Road at Forney Road from the contract - Not to exceed (\$312,035.00), from \$1,297,982.00 to \$985,947.00 - Financing: Street and Transportation (A) Fund (2017 General Obligation Bond Fund)
23.	3	С	TRN	(\$316,275.00)	Authorize a decrease in the construction services contract with Roadway Solutions, Inc. for traffic signal construction of Warranted Traffic Signal Installation Group 6, to remove the construction of the traffic signal located at Interstate Highway 20 Eastbound/Westbound at Mountain Creek Parkway from the contract - Not to exceed (\$316,275.00), from \$1,337,393.00 to \$1,021,118.00 - Financing: Street and Transportation (A) Fund (2017 General Obligation Bond Fund)
24.	N/A	С	BMS	NC	Authorize (1) an extension through September 30, 2020 for Community Development Block Grant (CDBG) funded projects which have not met the City's twelve-month obligation or twenty-four-month expenditure requirement; (2) preliminary adoption of Reprogramming Budget No. 1 (Substantial Amendment No. 2) to the FY 2019-20 Action Plan to: (a) use unspent prior year CDBG Funds in the amount of \$2,098,680.00 for the Residential Development Acquisition Loan Program and \$400,000.00 to complete renovation of the Vickery Meadow Community Court; and (b) re-allocate funds in the Housing Opportunities for Persons with AIDS Grant/Program Administration category from the Office of Homeless Solutions to the Office of Budget in the amount of \$86,000.00; and (3) a public hearing to be held on February 26, 2020 to receive comments on the proposed use of funds for Reprogramming Budget No. 1 (Substantial Amendment No. 2) to the FY 2019-20 Action Plan - Financing: This action has no cost consideration to the City (see Fiscal Information)
25.	All	С	occ	GT	Authorize the (1) acceptance of a grant from the Texas Department of Criminal Justice (TDCJ) (Contract No. 696-TC-20-21-L098) in the amount of

ITEM#	DISTRICT	TYPE	DEPT	DOLLARS	DESCRIPTION
					\$500,000.00 (\$250,000.00 for FY 2019-2020 and \$250,000.00 for FY 2020-2021) for re-entry services to individuals being released from TDCJ who are returning to the City of Dallas area for the period September 1, 2019 through August 31, 2021; (2) establishment of appropriations in an amount not to exceed \$500,000.00 in the TDCJ Re-Entry Services Grant Program Fund; (3) receipt and deposit of grant funds from TDCJ in an amount not to exceed \$500,000.00 in the TDCJ Re-Entry Services Grant Program Fund; and (4) execution of the Interlocal Agreement with TDCJ and all terms, conditions, and documents required by the agreement - Not to exceed \$500,000.00 - Financing: Texas Department of Criminal Justice Grant Funds
26.	All	С	POM	\$800,000.00	Authorize a one-year agreement for excess workers' compensation insurance through an Interlocal Agreement with the Texas Municipal League Intergovernmental Risk Pool, and subject to approval by the Executive Board of Texas Municipal League Intergovernmental Risk Pool effective February 1, 2020 through January 31, 2021 - Not to exceed \$800,000 - Financing: Workers' Compensation Fund
27.	All	С	POM	\$840,000.00	Authorize a one-year master agreement for traffic signal controller cabinets and ancillary equipment for the Department of Transportation with Consolidated Traffic Controls, Inc. through the Houston-Galveston Area Council of Governments cooperative agreement - Estimated amount of \$840,000 - Financing: General Fund
28.	6, Outside	С	POM	\$1,123,500.00	Authorize a three-year master agreement for hydrogen peroxide for the Water Utilities Department - Evonik Corporation, lowest responsible bidder of five - Estimated amount of \$1,123,500 - Financing: Dallas Water Utilities Fund
29.	All	С	POM	\$3,663,600.00	Authorize a three-year master agreement for liquid cationic polymer for the Water Utilities Department - Polydyne, Inc., only bidder - Estimated amount of \$3,663,600 - Financing: Dallas Water Utilities Fund
30.	All	С	POM	\$2,686,250.88	Authorize a three-year master agreement with, two one-year renewal options, for compressed natural gas for equipped fleet vehicles for the Department of Equipment and Fleet Management - Clean Energy, a California corporation, registered to do business in Texas as California Clean Energy, Inc., only bidder - Estimated amount of \$2,686,250.88 - Financing: Equipment and Fleet Management Fund
31.	All	С	POM	\$87,526,809.37	Authorize (1) a three-year master agreement with, two one-year renewal options, for the purchase of unleaded and diesel fuels based on Platts index rates for the Department of Equipment and Fleet Management - Truman Arnold Companies dba TAC Energy in an estimated amount of

ITEM#	DISTRICT	TYPE	DEPT	DOLLARS	DESCRIPTION
					\$25,287,062.43, World Fuel Services, Inc. in an estimated amount of \$21,046,330.39, Ports Petroleum Co., Inc. in an estimated amount of \$16,337,858.73, Martin Eagle Oil Company, Inc. in an estimated amount of \$16,188,561.78, and W. Douglass Distributing, LTD in an estimated amount of \$7,995,395.04, lowest responsible bidders of ten - Total estimated amount of \$86,855,208.37; and (2) an increase to the master agreement with Truman Arnold Companies dba TAC Energy in an amount not to exceed \$459,583.00, from \$40,909,089.75 to \$41,368,672.75 and Martin Eagle Oil Company, Inc. in an amount not to exceed \$212,018.00, from \$10,129,680.88 to \$10,341,698.88, for the purchase of unleaded and diesel fuels based on Platts index rates for the Department of Equipment and Fleet Management - Total amount not to exceed \$671,601.00, from \$51,038,770.63 to \$51,710,371.63 - Financing: Equipment and Fleet Management Fund (\$87,526,809.37)
32.	All	С	POM	\$1,244,475.00	Authorize (1) Supplemental Agreement No. 2 to increase the service contract with National Waste Management Louisiana, Inc. dba NWMLA, Inc. for yard waste grinding services for the Department Sanitation Services in the amount of \$544,475, from \$2,177,900 to \$2,722,375; and (2) the ratification of \$700,000 to pay outstanding yard waste grinding service invoices associated with the October 20, 2019 tornado with National Waste Management Louisiana, Inc. dba NWMLA, Inc Total not to exceed \$1,244,475 - Financing: Sanitation Operation Fund (subject to appropriations)
33.	All	С	POM	\$9,000,306.00	Authorize Supplemental Agreement No. 2 to exercise the second of two, one-year renewal options to the service contract with Results Staffing, Inc. for temporary labor for the Department of Sanitation Services - Not to exceed \$9,000,306 - Financing: Sanitation Operation Fund (subject to appropriations)
34.	All	С	POM	(\$366,454.79)	Authorize Supplemental Agreement No. 6 to the subscription contract with Workday, Inc. to amend the scope of services and decrease the contract amount - Not to exceed (\$366,454.79), from \$20,296,345.00 to \$19,929,890.21 - Financing: Data Services Fund
35.	N/A	O	OSP	NC	Authorize the endorsement of Mayor Eric Johnson as the City of Dallas representative on the Texas Municipal League Board of Directors as a director-at-large - Financing: No cost consideration to the City
36.	All	С	PKR	NC	Authorize an application for a Solid Waste Implementation Grant in the amount of \$200,000.00 from the North Central Texas Council of Governments for the Dallas Park and Recreation Department Treecycling Project -

ITEM#	DISTRICT	TYPE	DEPT	DOLLARS	DESCRIPTION
					Financing: This action has no cost consideration to the City (see Fiscal Information)
37.	8	С	PKR	\$85,000.00	Authorize a construction contract for site drainage improvements at the Trinity River Audubon Center located at 6500 Great Trinity Forest Way - Iron T Construction, Inc., lowest responsible bidder of three - Not to exceed \$85,000.00 - Financing: Capital Construction Fund
38.	Outside	С	DWU	\$1,312,051.00	Authorize a Facilities Extension Agreement between the City and Oncor Electric Delivery Company LLC to expand the West Electrical Substation at the Elm Fork Water Treatment Plant - Not to exceed \$1,312,051.00 - Financing: Water Construction Fund
39.	2, 9, 13, 14	С	DWU	\$4,293,456.25	Authorize a construction contract for the installation of water and wastewater mains at 6 locations (list attached to the Agenda Information Sheet) - SYB Construction Company, Inc., lowest responsible bidder of five - Not to exceed \$4,293,456.25 - Financing: Water (Drinking Water) - TWDB 2019 Fund (\$2,511,641.15) and Wastewater (Clean Water) - TWDB 2019 Fund (\$1,781,815.10)
40.	9, Outside	С	DWU	\$4,949,190.00	Authorize Supplemental Agreement No. 1 to the professional services contract with Garver, LLC to provide design and additional engineering services required for major maintenance and rehabilitation improvements at Dallas Water Utilities' raw water system facilities - Not to exceed \$4,949,190.00, from \$1,637,463.00 to \$6,586,653.00 - Financing: Water Capital Improvement E Fund
41.	N/A	I	SEC	NC	Consideration of appointments to boards and commissions and the evaluation and duties of board and commission members (List of nominees is available in the City Secretary's Office)
42.	8	I	ECO	REV- \$2,237,750.00	Authorize a business personal property tax abatement agreement with I-20 Distribution Park Phase I LLC and Zume, Inc. or an affiliate thereof ("Zume") for a period of five years in an amount equal to the City ad valorem taxes assessed as follows: 50% for year one; 40% for year two; 30% for year three; 20% for year four; and 10% for year five in connection with a biodegradable food package processing and manufacturing facility located at 9155 Southlink Drive in Dallas, Texas, in accordance with the City's Public/Private Partnership Program - Estimated Revenue Foregone: \$2,237,750.00 over a five-year period
43.	2	l	ECO	\$2,576,125.00	Authorize (1) a development agreement with HW Commerce Office LP and/or its affiliates ("Developer") in an amount not to exceed \$2,576,125.00, payable from current and future Deep Ellum Tax Increment Financing ("TIF")

					District Funds, in consideration of The Stack Deep Ellum Project on property currently addressed at 2700, 2712, and 2718 Commerce Street in Tax Increment Financing Reinvestment Zone Number Twelve ("Deep Ellum TIF District"); and (2) an increase in appropriations in an amount not to exceed \$2,576,125.00 in the Deep Ellum TIF District Fund - Not to exceed \$2,576,125.00 - Financing: Deep Ellum TIF District Fund (subject to current and future appropriations from tax increments)
Z1.	6	PH	DEV	NC	A public hearing to receive comments regarding an application for and an ordinance granting an amendment to and the renewal of Specific Use Permit No. 2078 for an industrial (outside) potentially incompatible use limited to concrete and asphalt crushing on property zoned an IM Industrial Manufacturing District on the east line of Luna Road, north of Ryan Road Recommendation of Staff and CPC: Approval for a five-year period, subject to a revised site plan and revised conditions Z189-263(PD)
Z2.	2	PH	DEV	NC	A public hearing to receive comments regarding an application for and an ordinance granting a Planned Development District for IR Industrial Research District uses and general merchandise or food store greater than 3,500 square feet use on property zoned an IR Industrial Research District on the west corner of Mockingbird Lane and Maple Avenue Recommendation of Staff: Denial Recommendation of CPC: Approval, subject to a conceptual plan, Phase I development plan and conditions Z189-304(CY)
Z3.	14	PH	DEV	NC	A public hearing to receive comments regarding an application for and an ordinance granting an amendment to Planned Development Subdistrict No. 134 for O-2-D Office Subdistrict; retirement housing; and convalescent and nursing homes, hospice care, and related institutions uses within Planned Development District No. 193, the Oak Lawn Special Purpose District with a D Liquor Control Overlay, on the north line of Herschel Avenue, east of Throckmorton Street Recommendation of Staff: Approval, subject to a revised development plan and staff's recommended conditions Recommendation of CPC: Approval, subject to a revised development plan and conditions Z189-312(SM)
Z4.	14	PH	DEV	NC	A public hearing to receive comments regarding an application for and an ordinance granting a Planned Development Subdistrict for GR General Retail

**DESCRIPTION** 

ITEM#

DISTRICT

**TYPE** 

DEPT

**DOLLARS** 

					Recommendation of Staff: Denial Recommendation of CPC: Approval, subject to a development plan, landscape plan, and conditions Z189-316(PD)
<b>Z</b> 5.	7	PH	DEV	NC	A public hearing to receive comments regarding an application for a Specific Use Permit for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less use on property zoned an RR-D-1 Regional Retail District with a D-1 Liquor Control Overlay on the south side of Samuell Boulevard, east of North Jim Miller Road Recommendation of Staff: Approval for a two-year period with eligibility for automatic renewals for additional five-year periods, subject to a site plan and conditions Recommendation of CPC: Denial without prejudice Z189-235(PD)  Note: This item was deferred by the City Council before opening the public hearing on October 23, 2019, and is scheduled for consideration on January 22, 2020
<b>Z</b> 6.	13	PH	DEV	NC	A public hearing to receive comments regarding an application for and an ordinance granting an MU-2 Mixed Use District on property zoned Planned Development District No. 85, on the northeast corner of Greenville Avenue and Pineland Drive, south of Walnut Hill Lane Recommendation of Staff and CPC: Approval Z189-323(AU)  Note: This item was deferred by the City Council before opening the public hearing on January 8, 2020, and is scheduled for consideration on January 22, 2020
PH1.	All	PH	HOU	NC	A public hearing to receive comments on the proposed City of Dallas FY 2019-20 Urban Land Bank Demonstration Program Plan and upon the close of the public hearing, approval of the City of Dallas FY 2019-20 Urban Land Bank Demonstration Program Plan in accordance with Chapter 379C of the Texas Local Government Code - Financing: No cost consideration to the City
PH2.	All	PH	ECO	NC	A public hearing to receive comments on Substantial Amendment No. 1 to the FY 2019-20 Action Plan for the City of Dallas Community Development Block Grant (CDBG) Business Revolving Loan Program to terminate the CDBG Revolving Loan Fund Program from the FY 2019-20 Action Plan; and,

uses on property zoned a GR General Retail Subdistrict within Planned Development District No. 193, the Oak Lawn Special Purpose District, on the

west corner of Lemmon Avenue and Oak Lawn Avenue

**DISTRICT** 

ITEM#

**TYPE** 

**DEPT** 

**DOLLARS** 

DISTRICT	TYPE	DEPT	DOLLARS	DESCRIPTION
				at the close of the public hearing, authorize (1) the final adoption of
				Substantial Amendment No. 1 to the FY 2019-20 Action Plan for the CDBG
				Business Revolving Loan Program; (2) establish appropriations in the
				Revolving Loan Fund-Phase Out Fund in an estimated amount of
				\$2,971,174.00; (3) the receipt of \$2,243,549.30 in funds from PeopleFund
				and the deposit of an estimated \$914,518.82 into the CDBG Program
				Income Fund, an estimated \$473,995.57 into the Public Private Partnership
				Fund (PPP) and \$401,632.58 loan repayment from the Neighborhood Loan
				Program into the corresponding fund based on original source of funds (i.e.
				CDBG Housing and Urban Development (HUD) Funds or PPP Funds) to the
				eligible fund; (4) transfer from the Revolving Loan Fund - Phase Out Fund an
				estimated \$453,402.33 and any interest due to the HUD CDBG Program
				Income Fund (of the corresponding current balance of the Public Private
				Partnership Funds transferred from PeopleFund to the City) to close the HUD
				CDBG RLF Program; (5) the set-up of a Business Loan Receivable for an
				estimated principal amount of \$624,692.00 of the outstanding loan portfolio
				from PeopleFund; and (6) amendments to the management contract with
				PeopleFund, authorized by Resolution No. 18-1374, previously on
				September 26, 2018 and the Chapter 380 Agreement with PeopleFund,
				authorized by Resolution No. 10-1238, previously on May 12, 2010, to allow
				PeopleFund to continue servicing the existing Business Revolving Loan
				Program and Small Business Loan Program portfolios on behalf of the City
				without originating any additional loans - Estimated Revenue: Revolving Loan
				Fund - Phase Out Fund (\$2,971,174.00); Estimated Cost Consideration: Not
				to exceed \$23,000.00
	DISTRICT	DISTRICT TYPE	DISTRICT TYPE DEPT	DISTRICT TYPE DEPT DOLLARS

TOTAL \$121,749,605.59



# City of Dallas

# Agenda Information Sheet

File #: 20-54 Item #: 1.

## **SUBJECT**

Approval of Minutes of the January 8, 2020 City Council Meeting





# City of Dallas

## Agenda Information Sheet

File #: 20-34 Item #: 2.

**STRATEGIC PRIORITY:** Government Performance and Financial Management

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): N/A

**DEPARTMENT:** City Attorney's Office

**EXECUTIVE:** Christopher J. Caso

#### **SUBJECT**

Authorize an amendment to the bond counsel contract with Norton Rose Fulbright US LLP, to add disclosure counsel services, in accordance with the hourly rates and opinion fees as set forth in Attachment A of the resolution - Financing: Disclosure Counsel fees to be paid from bond proceeds, General Fund, Aviation Funds, Convention Center Funds, and/or Water Utilities Funds, contingent upon completion of each bond sale

#### **BACKGROUND**

The scope of services for this contract includes assisting City staff together with the financial advisor and bond counsel with disclosure services in connection with the issuance, sale and delivery of City obligations. One of the obligations that the City has as a municipal securities issuer is compliance with disclosure requirements under federal security laws and Securities and Exchange Commission (SEC) rules. Issuers of municipal bonds are obligated to ensure that the offering documents used in the offering of municipal bonds meet those requirements and are required to report annual financial information as well as notices of certain events that may affect their ability to repay the bonds. The City must file disclosure filings for all outstanding bond issues with the Municipal Securities Rulemaking Board (MSRB) through Electronic Municipal Market Access (EMMA). Substantially, all of the responsibilities under this contract will be performed by attorneys.

In 2014, through a competitive procurement process, the City of Dallas hired the Andrews Kurth Kenyon law firm to represent the City as disclosure counsel. In 2018, Orrick Herrington & Sutcliffe LLP ("Orrick Herrington"), was hired to serve as the City's interim disclosure counsel after all of the Andrews Kurth Kenyon LLP attorneys who were working on the City of Dallas matters were all included in the group of attorneys who left Andrews Kurth for Orrick Herrington. By its terms, the Orrick Herrington interim disclosure counsel contract expired on November 19, 2019.

File #: 20-34 Item #: 2.

In 2015, the City, through a competitive procurement process, hired Norton Rose Fulbright US LLP ("Norton Rose") as one of its bond counsels. In 2018-2019, Norton Rose served as the City's bond counsel on the sale of City bonds to resolve the City's pay referendum litigation. The Norton Rose bond counsel contract expires on August 31, 2020.

At the December 10, 2019, meeting of the Government Performance & Financial Management Committee, the City Attorney recommended that the City amend the Norton Rose bond counsel contract in order to have the firm serve as the City's interim disclosure counsel until August 31, 2020; said expiration date to coincide with the City's current bond counsel contracts. In the second quarter of 2020, the City, seeing efficiencies in the procurement solicitation process, will begin the procurement process of seeking proposals for both bond counsel and disclosure counsel for a new five-year period. If approved by the City Council to be the City's interim disclosure counsel, Norton Rose will not perform any further bond counsel work during the remaining term of its bond counsel contract with the City.

Pursuant to House Bill 2826, effective September 1, 2019, a special public notice needs to be added to the council agenda that contains City Council consideration of a contingency fee contract.

#### PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 26, 2015, City Council authorized a co-bond counsel contract with Norton Rose Fulbright, LLP and Mahomes Bolden, PC, by Resolution No. 15-1610.

The Government Performance and Financial Management Committee was briefed regarding this item on December 10, 2019.

### FISCAL INFORMATION

The fees for legal services provided by the disclosure counsel firm in connection with the issuance, sale and delivery of the City's bonds are contingent upon the sale and delivery of the bonds and are payable from bond proceeds, General Fund, Aviation Funds, Convention Center Funds, and/or Water Utilities Funds, as applicable as follows:

<u>FIRM</u> <u>FEE</u>

Norton Rose Fulbright US LLP Disclosure Counsel

Hourly rate fee for services rendered, plus an opinion fee of \$0.20 per \$1,000.00 of increment of bonds issued. See Attachment A to council resolution.

#### **OWNER**

#### Norton Rose Fulbright US LLP

Daryl Lansdale, Managing Partner

**WHEREAS,** on November 19, 2019, the disclosure counsel legal services contract that the City of Dallas ("City") entered into with Orrick, Herrington Sutcliffe LLP expired on its terms; and

**WHEREAS**, the City has need of the legal services of an interim disclosure counsel for the first three quarters of 2020 until the City completes a competitive solicitation process for disclosure and bond counsel in the third calendar quarter of 2020; and

**WHEREAS**, the City requires legal counsel which specializes in public finance matter and is well versed in Texas and federal securities and federal tax laws and applicable administrative procedures to provide the disclosure counsel legal services pertaining to the City's issuance of securities; and

**WHEREAS,** on August 18, 2015, pursuant to Council Resolution No. 15-1610. The City, through a competitive solicitation process, hired Norton Rose Fulbright US LLP ("Norton Rose") as one of the City's bond counsels and Norton Rose continues to perform bond counsel legal services pursuant to its contract with the City (the "Norton Rose Bond Counsel Contract"); and

**WHEREAS**, the City now desires to amend the Norton Rose Bond Counsel Contract to add disclosure counsel legal services until the City completes its competitive solicitation process for both disclosure and bond counsel in the third calendar quarter of 2020; and

WHEREAS, Subchapter C of Chapter 2254 of the Texas Government Code (Chapter 2254") requires that a political subdivision of the State of Texas, including the City, enter into a contingent fee contract for legal services only after: (i) the governing body of the political subdivision has provided written notice to the public stating certain provisions enumerated within Chapter 2254; (ii) the governing body of the political approved such contract in an open meeting called for the purposes of considering such contract; (iii) the governing body of the political subdivision has stated in writing certain findings made by the governing body upon the approval of such contract; and (iv) the Texas Attorney General need not approve the contingency fee contract pursuant to the exception provided by Section 2254.102 (c) of the Texas Government Code; and

**WHEREAS,** the City has caused notice of this resolution, this meeting, and certain provisions enumerated within Chapter 2254 to be provided to the public in accordance with the Texas Open Meetings Act and Chapter 2254; and

WHEREAS, the meeting at which this resolution is being considered is an open meeting called, in part, for the purpose of considering: (i) the City's need for amending the Norton Rose Bond Counsel Contract to obtain the disclosure counsel legal services; (ii) terms of the amended Norton Rose Bond Counsel Contract that adds the disclosure counsel legal services; (iii) the competence, qualifications, and experience of Norton Rose; and (iv) the reasons that the amendment to the Norton Rose Bond Counsel Contract is in the best interest of the City and is compliance with Chapter 2254; and

**WHEREAS,** Norton Rose has agreed to sub-contract with a qualified local minority law firm on a basis acceptable to the City; and

**WHEREAS**, the City Council hereby finds and determines that the adoption of this resolution is in the best interests of the residents of the City.

Now, Therefore,

#### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That the recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this resolution for all purposes and are adopted as a part of the judgment and findings of the City Council.

**SECTION 2.** That the City Council hereby finds that: (i) there is a substantial need for the disclosure counsel legal services; (ii) the City does not currently employ attorneys and supporting personnel qualified to provide disclosure counsel legal services; (ii) the disclosure counsel legal services cannot reasonably be obtained from attorneys in private practice under a contract providing only for the payment of hourly fees, without regard to the outcome of the matter, because of the nature of the matter for which the disclosure counsel legal services will be obtained and without imposing an unnecessary cost and burden on the City's finances; and (iv) the relationship between the City or the City Council and Norton Rose is not improper and would not appear improper to a reasonable person.

**SECTION 3.** That based on the findings by the City Council described above, the City Council hereby authorizes the City Manager to execute an amendment to the Norton Rose Bond Counsel Contract (VC0000006239) to add the law firm's provision of disclosure counsel legal services to the City, such amendment approved as to form by the City Attorney.

**SECTION 4.** That the Chief Financial Officer is hereby authorized to pay Norton Rose disclosure counsel fees in accordance with the rates in Attachment A to this resolution from bond proceeds, General Fund, Aviation Funds, Convention Center Funds, and/or Water Utilities Funds, contingent upon completion of each bond sale.

**SECTION 5.** That this amendment to the Norton Rose Bond Counsel Contract is designated as Contract No. ATT-2020-00012505.

**SECTION 6.** That it is officially found, determined, and declared that the meeting at which this resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this resolution, was given, all as required by Chapter 551 as amended, Texas Government Code

**SECTION 7.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

#### ATTACHMENT A

- A. Contingent fees for disclosure counsel services in connection with a proposed issuance of City bonds shall be:
  - 1. Payable at an hourly rate not to exceed \$475.00 per hour for partners with hourly fees scaled down from \$475.00 for Junior Partners, Senior Associates, Associates and paralegals for disclosure counsel services rendered in connection with the issuance, sale, and delivery of the City bonds, plus
  - 2. An additional fee of \$0.20 per \$1,000\* in aggregate principal amount of each series of obligations actually delivered shall be payable upon provision at closing of a negative assurance letter regarding the City's disclosure in customary form reasonably satisfactory to the City. Such fee shall not exceed 70% of the additional fee charged by bond counsel or \$0.315 per \$1,000 of increment of bonds when disclosure counsel fees are aggregated.
- B. Under limited circumstances as described in the Norton Rose contract, the City shall consider hourly fees for disclosure counsel services work not associated with the issuance of public securities. An estimated budget submitted by the law firm, an established means to pay for the work and specific City Attorney approval must be given before the commencement of such work.



## City of Dallas

## Agenda Information Sheet

File #: 20-94 Item #: 3.

**STRATEGIC PRIORITY:** Government Performance and Financial Management

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): N/A

**DEPARTMENT:** City Attorney's Office

**EXECUTIVE:** Christopher J. Caso

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#### **SUBJECT**

Authorize Supplemental Agreement No. 1 to the professional services contract with Steinsberger Tight Gas Consulting for additional consulting services as an expert in the oil and gas industry in connection with the case styled <u>Trinity East Energy, LLC v. City of Dallas, Texas</u>, Cause No. DC-14-01443 - Not to exceed \$100,000.00, from \$50,000.00 to \$150,000.00 - Financing: Risk Funds

## **BACKGROUND**

Supplemental Agreement No. 1 with Steinsberger Tight Gas Consulting will provide additional consulting services as an expert in the oil and gas industry in connection with the case styled <u>Trinity</u> East Energy, LLC v. City of Dallas, Texas, Cause No. DC-14-01443.

## PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

City Council will be briefed by memorandum regarding this matter on January 17, 2020.

#### FISCAL INFORMATION

Funding for this item is budgeted in the current fiscal year.

Risk Funds - \$100,000.00

Original Contract \$ 50,000.00 Supplemental Agreement No. 1 (this action) \$ 100,000.00

Total \$150,000.00

WHEREAS, the City of Dallas has engaged Steinsberger Tight Gas Consulting for consulting services as an expert in the oil and gas industry; and

**WHEREAS,** on October 28, 2018, Administrative Action No. 18-6692, authorized a professional services contract with Steinsberger Tight Gas Consulting to provide consulting services as an expert in the oil and gas industry in connection with the case styled <u>Trinity East Energy, LLC v. City of Dallas, Texas</u>, Cause No. DC-14-01443, in an amount not to exceed \$50,000.00; and

**WHEREAS**, the consulting services of Steinsberger Tight Gas Consulting, continue to be necessary.

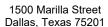
Now, Therefore,

#### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That the City Manager is hereby authorized to execute Supplemental Agreement No. 1 to the professional services contract with Steinsberger Tight Gas Consulting, approved as to form by the City Attorney, for additional consulting services as an expert in the oil and gas industry in connection with the case styled <u>Trinity East Energy, LLC v. City of Dallas, Texas</u>, Cause No. DC-14-01443, in an amount not to exceed \$100,000.00, increasing the contract amount from \$50,000.00 to \$150,000.00.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$100,000.00, in periodic payments to Steinsberger Tight Gas Consulting from Fund 0192, Department ORM, Unit 3890, Object 3047, Encumbrance/Contract No. ATT-2019-00008425, Vendor VC19381.

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.





# City of Dallas

## Agenda Information Sheet

File #: 20-56 Item #: 4.

**STRATEGIC PRIORITY:** Government Performance and Financial Management

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): All

**DEPARTMENT:** Department of Equipment and Fleet Management

**EXECUTIVE:** Elizabeth Reich

#### **SUBJECT**

Authorize the **(1)** acceptance of a grant from the Texas Commission on Environmental Quality through the Texas Volkswagen Environmental Mitigation Program (Contract No. 582-20-11995-VW) to purchase replacement vehicles and equipment to reduce nitrogen oxides emissions in the amount of \$67,168 for the period January 22, 2020 through January 21, 2022; **(2)** establishment of appropriations in an amount not to exceed \$67,168 in the Volkswagen Environmental Mitigation Program Fund; **(3)** receipt and deposit of grant funds in an amount not to exceed \$67,168 in the Volkswagen Environmental Mitigation Program Fund; and **(4)** execution of the grant agreement and all terms, conditions, and documents required by the grant agreement - Not to exceed \$67,168 - Financing: Texas Commission on Environmental Quality Grant Funds

#### BACKGROUND

The Department of Equipment and Fleet Management applied for funding under two separate applications from the Texas Volkswagen Environmental Mitigation Program. This \$67,168 grant award represents the final review and approval for one of the two applications submitted by the City of Dallas and will support the replacement of one sweeper truck in the Department of Public Works.

The City has been notified by the Texas Commission on Environmental Quality (TCEQ) that its remaining application for \$726,654 (11 replacement vehicles) is still under consideration with anticipated award notifications in mid-late 2020. The total combined application funding request was \$793,822 for 12 replacement vehicle projects.

The grant funds derive from a settlement agreement in the litigation between the United States Environmental Protection Agency (EPA), the State of California, and Volkswagen (VW) and its related entities. The EPA and the State of California filed suit in the U.S. District Court for the Northern District of California against VW alleging that VW violated provisions of the federal Clean Air Act. The suit alleged that approximately 590,000 light-duty 2.0-liter and 3.0-liter diesel vehicles manufactured by VW and its subsidiaries contain emission defeat devices. These devices cause the emissions control system of those vehicles to perform differently during emissions testing compared to

File #: 20-56 Item #: 4.

performance during normal vehicle operation and use. The subject vehicles emit nitrogen oxides (NOx) at a level above required standards during normal vehicle operation and use.

The grants are being awarded in three distinct groups: (1) school-shuttle-transit buses, (2) refuse vehicles, and (3) the anticipated third group is light-medium duty vehicles. The application period for the first two groups is already open and the third group is pending announcement of the application period.

#### PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

#### **FISCAL INFORMATION**

Fund	FY 2020	Future Years
Texas Commission on Environmental Quality Grant Funds	\$67,168.00	\$0.00

**WHEREAS**, the Texas Commission on Environmental Quality offered grant awards for the replacement of older and less environmentally friendly diesel vehicles and equipment through the Texas Volkswagen Environmental Mitigation Program; and

**WHEREAS**, the City desires to lower its production of Nitrogen Oxides emissions and develop "greener" policies, practices and action plans.

Now, Therefore,

#### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That the City Manager is hereby authorized to accept a grant from the Texas Commission on Environmental Quality (TCEQ) through the Texas Volkswagen Environmental Mitigation Program (Contract No. 582-20-11995-VW) to purchase replacement vehicles and equipment to reduce nitrogen oxides emissions in the amount of \$67,168 for the period January 22, 2020 through January 21, 2022; and execute the grant agreement and all terms, conditions, and documents required by the grant agreement, approved as to form by the City Attorney.

**SECTION 2.** That the City Manager is hereby authorized to establish appropriations in an amount not to exceed \$67,168 in the Volkswagen Environmental Mitigation Program Fund, Fund S349, Department EFM, Unit 5048, Object 4740.

**SECTION 3.** That the Chief Financial Officer is hereby authorized to receive and deposit grant funds in an amount not to exceed \$67,168 in the Volkswagen Environmental Mitigation Program Fund, Fund S349, Department EFM, Unit 5048, Revenue Code 6516.

**SECTION 4.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$67,168 from the Volkswagen Environmental Mitigation Program Fund, Fund S349, Department EFM, Unit 5048, Object 4740.

**SECTION 5.** That the City Manager is hereby authorized to reimburse to the granting agency any expenditure identified as ineligible. The City Manager shall notify the appropriate City Council Committee of expenditures identified as ineligible not later than 30 days after the reimbursement.

**SECTION 6.** That the City Manager shall keep the appropriate City Council Committee informed of all final Texas Commission on Environmental Quality monitoring reports not later than 30 days after the receipt of the report.

**SECTION 7.** That this contract is designated as Contract No. EFM-2020-00012520.

**SECTION 8.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.





# City of Dallas

## Agenda Information Sheet

File #: 19-2039 Item #: 5.

**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): 8

**DEPARTMENT:** Department of Housing & Neighborhood Revitalization

**EXECUTIVE:** Michael Mendoza

\_\_\_\_\_\_

#### **SUBJECT**

Authorize the **(1)** sale of up to 99 of the Land Transfer lots included in and identified as Five Mile clusters 1-6 as shown in Exhibit A, to Notre Dame Place, Inc. and/or its affiliates (Developer), subject to restrictive covenants, a right of reverter, and execution of all necessary documents pursuant to the City's Land Transfer Program and the New Construction and Substantial Rehabilitation Program; **(2)** release of all non-tax City liens, notices, or orders that were filed on the 99 Land Transfer lots prior or subsequent to the deeds transferring the lots to the City of Dallas; and **(3)** execution of a loan agreement with Developer and/or its affiliates - Not to exceed \$1,600,000.00 - Financing: HOME Investment Partnerships Program Funds

#### **BACKGROUND**

The Department of Housing and Neighborhood Revitalization (Housing) administers two related programs that seek to appropriately incentivize private investment for the development of quality, sustainable housing that is affordable to the residents of the City: (1) the New Construction and Substantial Rehabilitation Program, which seeks to provide financial assistance to new developments or substantial rehabilitation developments, where such assistance is necessary; and (2) the Land Transfer Program, which allows Housing to sell qualifying City-owned real property and resell tax-foreclosed real property to for-profit, non-profit and/or religious organizations in a direct sale at less than fair market value of the land, consistent with the authorizing statute or ordinance.

On May 9, 2019, Housing released a Notice of Funding Availability (NOFA) for single-family housing development, pursuant to both the New Construction and Substantial Rehabilitation Program and the Land Transfer Program. The primary purpose of the NOFA was to provide gap financing in the form of a repayable loan or grant to support new development and single family for-sale, lease-purchase or rental housing units or substantial rehabilitation of existing single-family housing units located within the City limits. Additionally, the NOFA served as the means by which proposers could apply to purchase land at a below-market price via the Land Transfer Program. Eligible land was offered in "clusters" of approximately 5 to 24 geographically proximate parcels.

Various sources of funding were made available through the NOFA, including:

- \$2,454,933.00 in HOME Investment Partnerships Program (HOME) Funds;
- \$2,585,000.00 in HOME Community Housing Development Organization (CHDO) set aside;
- up to \$8,000,000.00 in General Obligation (GO) Bonds reserved for housing activities in District 4; and
- up to \$8,000,000.00 in GO Bonds reserved for housing activities in District 7.

Through its scoring criteria, the NOFA prioritized proposals that: (1) based on feasibility and consistency of the proposed development scheduled, could expeditiously assist the City with meeting its annual production goals; (2) proposed a comprehensive, data-driven approach to solving a housing issue identified in the Comprehensive Housing Policy (CHP); (3) proposed to develop housing units on parcels of real property offered through the Land Transfer Program as well as on parcels of land owned by the proposer; (4) served a range of income bands from 30-120% of Dallas Area Median Income (AMI), based on market, development type and funding source; (5) are mixed income and include both affordable and market rate units; (6) are located near amenities such as full-scale grocery stores, major employment centers, and public parks; and (7) will be developed and managed by individuals or entities who have significant experience in successfully developing and managing projects that include an affordable housing component.

A five-member committee from the following departments reviewed and evaluated the proposals:

- Department of Housing and Neighborhood Revitalization;
- Department of Planning and Urban Design;
- Department of Sustainable Development and Construction;
- Office of Economic Development; and
- Office of Homeless Solutions

Proposals were evaluated in two stages: (1) threshold review and (2) technical scoring. During threshold review, Housing staff evaluated whether the proposal included the required elements, eligible activities, eligible end users, and whether the composition of the development team was eligible to enter into a contract with the City. Proposals that passed threshold review moved to technical scoring. Technical scoring included an interview with each development team to clarify elements of their proposal. Following the interviews, Housing staff drafted development summaries and made presentations to the evaluation committee. Each committee member scored the proposals based on the evaluation criteria set forth in the NOFA. All proposals that scored at or above the minimum score of 100 out of 140 points were considered eligible for underwriting.

During the underwriting phase, proposals were evaluated for overall feasibility and readiness of the proposed project; management's capacity to start and complete the project; the proposer borrower's experience, financial capacity and creditworthiness; and to identify the risks involved in lending City funds and/or selling City-owned land to the proposer.

In response to the NOFA, Developer submitted a proposal to purchase up to 113 single family homes and 35 rental units on Land Transfer lots in support of the Five Mile Single-Family Infill Development Project. Developer also requested \$1,600,000.00 in HOME funding for eligible construction costs related to the development of the Project. The proposal included the development of 113 units of forsale affordable housing. The proposal received a score of 106.00 from the evaluation committee.

#### The Project

The Project will consist of up to 99 new construction single-family homes, all of which will be built on Land Transfer lots (Project). Of such homes in the Project, all homes are to be sold to households at 60-120% of the AMI. The Project will include 40 HOME-assisted units. HOME-assisted units are to be sold to households at 60-80% of the AMI. Each home will range from 1,400 square feet to 2,336 square feet. Price points will range between \$175,000.00 and \$220,000.00 with an average sales price of \$190,664.00. All units will remain affordable for a minimum of five years. Affordability periods for HOME-assisted units will conform to HOME rules based on the amount of subsidy included in the Unit. The construction phase of the Project will occur in five phases with the Developer receiving an option to purchase up to 20 Land Transfer lots at a time in each successive building phase following successful completion of the preceding phase.

The proposed financing structure for the Project is as follows:

Financing Sources	<u>Amount</u>
City of Dallas NOFA - HOME Funds	\$ 1,600,000.00
Notre Dame Place, Inc Equity	\$ 3,882,000.00
St. Margaret - Debt Line of Credit	\$ 2,384,000.00
Construction Period Financing	<u>\$13,099,000.00</u>
Total	\$20,965,000.00

Investment in the Project is estimated to exceed \$20,000,000.00 with each City dollar leveraging a minimum of \$12.10 in private investment. Approval of this project will help the City meet its affordable housing production goals under the Comprehensive Housing Policy.

The project will occur in five distinct phases:

#### Phase I: 120-Day Due Diligence Period: (Due Diligence Period)

During Phase I, Developer will have authorization to access the Land Transfer lots to perform necessary due diligence. During the Due Diligence Period, Developer will identify lots with significant development challenges that may be undevelopable or may require significant remediation. Following the 120-day Due Diligence period, Developer will submit a revised list of requested lots and the City will adjust the amount of subsidy in the final development and loan agreement, if applicable.

#### Phase II: Acquisition (45 days)

During Phase II, the City will work internally to release existing liens on the requested Land Transfer lots and will subsequently transfer deeds without warranty to Developer.

#### Phase III: Construction & Reimbursement:

During Phase III, City will reimburse Developer up to \$1,600,000.00 for actual expenditures incurred for eligible expenses related to the development of the Project. City shall not reimburse the Developer for costs related to acquisition of the Land Transfer lots. Funds may be shifted from one eligible category in the development budget to another so long as the total amount of reimbursement funding does not exceed \$1,600,000.00.

City Council's approval of this item will authorize the City Manager to execute the loan agreement and any other necessary documents.

#### **ESTIMATED SCHEDULE OF PROJECT**

Due Diligence Period January 22, 2020 - May 21, 2020

Phase II May 22, 2020 - July 6, 2020

Begin Construction July 7, 2020

Complete Construction Twenty-four months upon sale of each Land Transfer lot to Developer

(with up to one one-year extension of the loan agreement if delays are related to installation or improvement of infrastructure or zoning/platting issues), subject to City Manager approval. City will give the Developer an option to purchase 20 lots at a time. Once the Developer is under contract for 60% of the homes, Developer is eligible to purchase the lots in the

subsequent phase. This will occur through completion.

#### PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 9, 2018, City Council adopted the CHP that set citywide production goals for homeownership and rental units for the next three years along with respective income bands that will be prioritized within the production goals and also set forth various programs, tools and strategies to be used to meet the production goals while also overcoming concentrations of poverty and racial segregation by Resolution No. 18-0704.

On November 28, 2018, City Council authorized amendments to the CHP to make technical changes to the Home Improvement and Preservation Program, the Dallas Homebuyer Assistance Program, and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680.

On May 22, 2019, City Council authorized amendments to the City of Dallas CHP to establish a Land Transfer Program by Resolution No. 19-0824.

The Housing and Homelessness Solutions Committee will be briefed regarding this item on January 14, 2020.

#### FISCAL INFORMATION

HOME Investment Partnerships Program Funds - \$1,600,000.00

## **M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$1,600,000.00	Construction	25.00%	50.00%	\$800,000.00
<ul> <li>This contract exce</li> </ul>				

#### **OWNER**

Notre Dame Place, Inc.

Bill Hall, Executive Director

### **MAP**

Attached

Notre Dame Place - 2019 Single Family NOFA - Proposed Five Mile Lots

**WHEREAS,** on May 9, 2018, City Council adopted a Comprehensive Housing Policy (CHP) that set citywide production goals for homeownership and rental units for the next three years along with respective income bands that will be prioritized within the production goals and also set forth various programs, tools and strategies to be used to meet the production goals while also overcoming concentrations of poverty and racial segregation by Resolution No. 18-0704; and

**WHEREAS**, on November 28, 2018, City Council authorized amendments to the CHP to make technical changes to the Home Improvement and Preservation Program, the Dallas Homebuyer Assistance Program, and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680; and

**WHEREAS,** on May 9, 2019, the City issued a Notice of Funding Availability in accordance with the CHP and Notre Dame Place, Inc. submitted an application that received a fundable score and passed a preliminary underwriting review for the Five Mile Single-Family Infill Development Project (Project); and

**WHEREAS**, on May 22, 2019, City Council authorized amendments to the City of Dallas CHP to establish a Land Transfer Program by Resolution No. 19-0824; and

**WHEREAS**, the Project is located in the Five Mile area on 99 vacant Land Transfer lots and is an affordable single-family residential development providing up to 100 affordable homeownership units to households earning between 60-120% of the Area Median Income (AMI); and

WHEREAS, the Project has a funding gap of approximately \$1,600,000.00; and

**WHEREAS**, the tax-foreclosed lots are being sold pursuant to Section 34.051 of the Texas Tax Property Code; and

**WHEREAS**, to assist in the affordable housing production goals established in the CHP, the City desires to enter into a loan agreement with Notre Dame Place, Inc. and/or its affiliates in an amount not to exceed \$1,600,000.00 in consideration of the development of the Five Mile Single-Family Infill Development Project on Land Transfer lots identified as Five Mile clusters 1 through 6.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That the City Manager is hereby authorized to execute all documents, including, but not limited to deed without warranty (subject to right of redemption for tax lots), restrictive covenants, sales contract, and any necessary documents to effectuate the sale with Notre Dame Place, Inc. and/or its affiliates (Developer) for the sale of up to 99 Land Transfer lots shown in Exhibit A; and a loan agreement with Developer in an amount not to exceed \$1,600,000.00 in HOME Investment Partnership Program (HOME) Funds, approved as to form by the City Attorney. An "affiliate" shall be an individual or entity that is either a parent company to the Developer or a subsidiary of the Developer. The loan amount shall be fully repayable upon the sale, refinancing, or transfer of the property or upon maturity, except that repayment will be limited to the net proceeds of the City approved sale to income qualified buyers with an interest rate of 0%. Net sales proceeds will exclude any portion of the sales proceeds used to repay senior construction debt, return of City of Dallas-recognized developer equity, approved-sales costs, and any HOME-assistance transferred to the buyer(s) at closing as direct homebuyer assistance.

**SECTION 2.** That all lots may revert to the City if the City Manager or his/her designee determines that the Developer has:

- 1. failed to take possession of the land within 90 calendar days after receiving the deed to the parcels of real property;
- failed to complete construction of all required housing units or other required development on the real property, or failed to ensure occupancy by eligible households within the development timeframe set forth in the development agreement;
- 3. incurred a lien on the property because of violations of city ordinances and failed to fully pay off the lien within 180 days of the City's recording of the lien; or
- 4. sold, conveyed, or transferred the land without the consent of the City.

Upon determination by the City Manager that a condition described above has occurred, the City Manager is authorized to execute an instrument, approved as to form by the City Attorney, exercising against the parcel of real property the City's possibility of reverter with right to reentry. The City shall file notice of the reverter and reentry of the land by the City in the real property records of the county in which the parcel of real property is located, which notice must specify the reason for the reverter and reentry. The City shall provide a copy of the notice to the Developer in person or by mailing the notice to the developer's post office address as shown on the tax rolls of the City or of the county in which the land is located.

**SECTION 3.** That each tax-foreclosed lot shall be sold to the Developer for a fixed price of \$1,000.00 for up to 7,500 square feet of land purchased under a single proposal, plus \$0.133 for each additional square foot of land purchased under the proposal, as detailed in Exhibit A. City will give the Developer an option to purchase 20 lots at a time. Once the Developer is under contract for 60% of the homes, Developer is eligible to purchase the lots in the subsequent phase. This will occur through completion.

**SECTION 4.** That upon receipt of the consideration from the Sale, the Chief Financial Officer is hereby authorized to disburse the proceeds in accordance with Chapter 34, Section 34.06 of the Texas Property Tax Code. Calculations for disbursement shall be provided by the Director of the Department of Sustainable Development and Construction to the City of Dallas Land Based Receivables, the Dallas County District Clerk, and the Dallas County Tax Office from the account specified in Section 3, above.

**SECTION 5.** That the City will provide Developer with a 120-day right of entry and due diligence period. During this period, the Developer will identify lots with significant development challenges that may be undevelopable or may require significant remediation. Following the 120-day period, Developer must submit a final list of requested lots to the City.

**SECTION 6.** That the City Manager is hereby authorized to release all non-tax City liens, notices, and orders that were filed on the lots sold to Developer, shown in Exhibit A, prior or subsequent to the deed transferring the lots to the City of Dallas, approved as to form by the City Attorney.

**SECTION 7.** That the Chief Financial Officer is hereby authorized to encumber and disburse funds to Notre Dame Place, Inc. (VS0000068164), as the City receives and reviews reimbursement requests and related supporting documentation submitted by Developer, for eligible expenditures and accepts supporting evidence as defined in the agreements for the total amount not to exceed \$1,600,000.00 from the funding sources listed and described below:

<u>Fund</u>	<u>Department</u>	<u>Unit</u>	<u>Object</u>	<u>Amount</u>	Encumbrance/Contract No.
HM15 HM16 HM17	HOU HOU HOU	541A	3015 3015 3015	\$1,000,000.00	HOU-2020-00012425 HOU-2020-00012425 HOU-2020-00012425

**SECTION 8.** That the City Controller is hereby authorized to set up receivable Balance Sheet Accounts (033F) and deferred revenue - HOME loans in (0859), in Fund HM15, HM16, and HM17 for the amount of the loan.

**SECTION 9.** That the Developer shall design, fund, and construct up to 99 single-family homes on the Land Transfer lots identified as the Five Mile clusters 1 through 6 in the Five Mile area as described herein.

**SECTION 10.** That the terms of the loan agreement shall include, but is not limited to the following terms:

- A. Developer shall submit a development plan and the development plan must be approved by the City.
- B. Upon transfer of ownership of each Land Transfer lot from the City to the Developer, Developer must maintain all vacant lots in compliance with all applicable city, state and federal regulations including maintaining the lots free of high weeds and litter.
- C. No liens shall exist on the lots, except for liens related to the development of each lot, as detailed herein. However, Developer shall ensure that each lot is free from liens or other encumbrances at the time of sale to each income-eligible homebuyer.
- D. Developer shall ensure that all single-family homes (Units) have access to public sewer, public water, public road, and any other necessary utilities.
- E. All Project costs must be reasonable and customary and conform with the CHP, and any other applicable City regulations.
- F. City funding must be used for eligible project costs and cannot be used for land acquisition through the Land Transfer Program.
- G. All hard costs associated with the Project should be certified and result from a competitive bidding process.
- H. In general, all HOME-assisted units shall have an affordability period congruent with HOME regulations based on the amount of HOME subsidy invested in the unit (5 years for \$15,000.00, 10 years for \$15,000.00-\$40,000.00, and 15 years if over \$40,000.00). Developer shall be responsible for informing the buyer and ensuring that the appropriate affordability term is included in their sales contract. The affordability period shall be enforced by restrictive covenants filed against each property. Additionally, Developer shall only sell to homebuyers who meet the eligibility criteria set forth in the City of Dallas Homebuyer Assistance Program, or a successor program.

#### **SECTION 10.** (continued)

- I. The Project will consist of up to 99 new construction single-family homes, all of which will be built on Land Transfer lots. All homes are to be sold to households at 60-120% of the AMI. Of the 99 units, the Project will include 40 HOME-assisted units. All HOME-assisted units are to be sold to households at 60-80% of the AMI. Each home will range from 1,400 square feet to 2,336 square feet of living space with a garage. Developer may sell each Unit for a price between \$175,000.00 and \$220,000.00. The sales price of each HOME-assisted Unit shall comply with the requirements outlined in the CHP and the HOME regulations. All units will remain affordable for a minimum of five years. Affordability periods for HOME-assisted units will conform to HOME rules based on the amount of subsidy included in the Unit, as detailed above.
- J. Units shall be equipped with the following Energy Star-rated appliances in conformity with the development standards outlined in the CHP: refrigerator, range/oven, dishwasher, and garbage disposal.
- K. Units shall meet applicable Section 504 Rehabilitation Act and Uniform Federal Accessibility Standards requirements. If Units are presold, Developer must make the unit accessible upon the request of the prospective buyer.
- L. Upon completion of construction of each Unit or prior to construction, Developer shall present a marketing plan to the City of Dallas identifying the steps it is taking to market the homes to income-eligible renters or homebuyers.
- M. The City Manager may authorize minor modifications to the Project to reduce the amount of lots sold to Developer and to modify the sales price, so long as such modification complies with the CHP.
- N. Developer shall construct and rent or sell each Unit to eligible homebuyers within two years from the date of sale of the lot by the City to Developer. Developer may receive one one-year extension of the loan agreement if delays are related to installation or improvement of infrastructure or zoning/platting issues. However, each HOME funded Unit must be sold within nine months of completion of construction or the Units must be converted to rental housing or the project will be deemed ineligible and all HOME Funds paid to Developer for such unit(s) must be repaid to the City.
- O. Developer shall obtain a building permit for at least one Unit within 30 days from the date of sale to Developer from City.

#### **SECTION 10.** (continued)

- P. Developer shall comply with Chapter 20A of the Dallas City Code including, but not limited to, Developer shall not discriminate against holders of any housing vouchers, including vouchers directly or indirectly funded by the federal government.
- Q. The loan shall be secured by a first or second lien on all lots sold to Developer and a note. The lien shall be subordinate only to a private financial institution's superior lien for a loan in a greater amount. The lien will be released upon satisfaction of the obligations detailed herein and in the contract.
- R. Developer shall adhere to the requirements of the CHP, including but not limited to the Land Transfer Program, the New Construction and Substantial Rehabilitation Program and the Appendix 1 - Single Family Development Underwriting (including but not limited to Ongoing Project Requirements, Reporting and Record Keeping, and Structure of Transaction), authorized by Resolution No. 19-1498.

**SECTION 11.** That this resolution does not constitute a binding agreement upon the City or subject the City to any liability or obligation with respect to this transaction, until such a time as the documents are duly approved by all parties and executed.

**SECTION 12.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

# Exhibit A Notre Dame Place - 2019 NOFA

Number	Ctus of Name	Cffix	Turne	Christian	AREA	Purchase
Number	Street_Nam	Suffix	Туре	Cluster	(Sq. Ft.)	Price
6321	Leana	Ave	Tax Foreclosure	Five Mile 1	7472	\$ 1,000.00
6403	Leana	Ave	Tax Foreclosure	Five Mile 1	7339	\$ 1,000.00
6406	S Lanchaster	Rd	Tax Foreclosure	Five Mile 1	12363	\$ 1,644.28
2711	Lebrock	St	Tax Foreclosure	Five Mile 1	6420	1,000.00
6419	Teague	Dr	Tax Foreclosure	Five Mile 1	6565	1,000.00
2728	Lebrock	St	Tax Foreclosure	Five Mile 1	6432	\$ 1,000.00
6502	Leana	Ave	Tax Foreclosure	Five Mile 1	8361	\$ 1,112.01
2831	Kavasar	Dr	Tax Foreclosure	Five Mile 1	6246	1,000.00
	Kemrock	Dr	Tax Foreclosure	Five Mile 1	5992	\$ 1,000.00
6308	Teague	Dr	Tax Foreclosure	Five Mile 1	4854	1,000.00
6454	Kemrock	Dr	Tax Foreclosure	Five Mile 1	11071	\$ 1,472.44
2506	Naoma	St	Tax Foreclosure	Five Mile 1	7016	\$ 1,000.00
2457	Kemp	St	Tax Foreclosure	Five Mile 1	7204	\$ 1,000.00
2736	Kavasar	Dr	Tax Foreclosure	Five Mile 1	6109	\$ 1,000.00
2818	Kavasar	Dr	Tax Foreclosure	Five Mile 1	6238	\$ 1,000.00
2807	Kavasar	Dr	Tax Foreclosure	Five Mile 1	6053	\$ 1,000.00
2517	Sylvia	St	Tax Foreclosure	Five Mile 1	7295	1,000.00
2416	Kemp	St	Tax Foreclosure	Five Mile 1	7307	\$ 1,000.00
6038	Blunter	St	Tax Foreclosure	Five Mile 2	12494	\$ 1,661.70
2962	Kavasar	Dr	Tax Foreclosure	Five Mile 2	6509	\$ 1,000.00
6222	Kemrock	Dr	Tax Foreclosure	Five Mile 2	6150	\$ 1,000.00
2952	Kavasar	Dr	Tax Foreclosure	Five Mile 2	12228	\$ 1,626.32
2843	Lebrock	St	Tax Foreclosure	Five Mile 2	6061	\$ 1,000.00
2919	Kavasar	Dr	Tax Foreclosure	Five Mile 2	6011	\$ 1,000.00
2726	Lyola	St	Tax Foreclosure	Five Mile 2	6078	\$ 1,000.00
6334	Tracy	Rd	Tax Foreclosure	Five Mile 2	12093	\$ 1,608.37
6216	Kemrock	Dr	Tax Foreclosure	Five Mile 2	6519	\$ 1,000.00
2963	Benrock	St	Tax Foreclosure	Five Mile 2	12574	\$ 1,672.34
2939	Kavasar	Dr	Tax Foreclosure	Five Mile 2	6014	1,000.00
2933	Kavasar	Dr	Tax Foreclosure	Five Mile 2	6042	\$ 1,000.00
2319	Fatima	Ave	Tax Foreclosure	Five Mile 3	9624	\$ 1,279.99
2339	Fatima	Ave	Tax Foreclosure	Five Mile 3	10458	\$ 1,390.91
2503	Gooch	St	Tax Foreclosure	Five Mile 3	8674	\$ 1,153.64
2318	Pall Mall	Ave	Tax Foreclosure	Five Mile 3	8440	\$ 1,122.52
	Fatima	Ave	Tax Foreclosure	Five Mile 3	7566	1,006.28
	Gooch	St	Tax Foreclosure	Five Mile 3	8792	1,169.34
2367	Fatima	Ave	Tax Foreclosure	Five Mile 3	7583	\$ 1,008.54
2363	Fatima	Ave	Tax Foreclosure	Five Mile 3	7657	\$ 1,018.38
2366	Fatima	Ave	Tax Foreclosure	Five Mile 3	7516	\$ 1,000.00

# Exhibit A Notre Dame Place - 2019 NOFA

Nermalaan	Ctus of Name	Cff:v	Turne	Cluster	AREA		Purchase
Number	Street_Nam	Suffix	Туре	Cluster	(Sq. Ft.)		Price
2403	Fatima	Ave	Tax Foreclosure	Five Mile 3	9124	\$	1,213.49
2328	Fatima	Ave	Tax Foreclosure	Five Mile 3	7549	\$	1,004.02
2333	Gooch	St	Tax Foreclosure	Five Mile 3	8223	\$	1,093.66
2371	Fatima	Ave	Tax Foreclosure	Five Mile 3	7405	\$	1,000.00
2433	Gooch	St	Tax Foreclosure	Five Mile 3	8536		1,135.29
	Fatima	Ave	Tax Foreclosure	Five Mile 3	9453	\$	1,257.25
2339	Gooch	St	Tax Foreclosure	Five Mile 3	8448		1,123.58
2420	Gooch	St	Tax Foreclosure	Five Mile 3	8393		1,116.27
2336	Fatima	Ave	Tax Foreclosure	Five Mile 3	8123	\$	1,080.36
	Kahn	St	Tax Foreclosure	Five Mile 3	7225		1,000.00
6055	Plumb Dale	Rd	Tax Foreclosure	Five Mile 4	6434		1,000.00
6107	Kemrock	Dr	Tax Foreclosure	Five Mile 4	5375	\$	1,000.00
6063	Plumb Dale	Rd	Tax Foreclosure	Five Mile 4	6365		1,000.00
6206	Teague	Dr	Tax Foreclosure	Five Mile 4	9025	\$	1,200.33
6067	Plumb Dale	Rd	Tax Foreclosure	Five Mile 4	5972	\$	1,000.00
6015	Kemrock	Dr	Tax Foreclosure	Five Mile 4	5798	\$	1,000.00
6109	Kemrock	Dr	Tax Foreclosure	Five Mile 4	5822	\$	1,000.00
	Plumb Dale	Rd	Tax Foreclosure	Five Mile 4	6806		1,000.00
6026	Plumb Dale	Rd	Tax Foreclosure	Five Mile 4	6229	\$	1,000.00
6043	Kemrock	Dr	Tax Foreclosure	Five Mile 4	5731	\$	1,000.00
	Plumb Dale	Rd	Tax Foreclosure	Five Mile 4	6022	\$	1,000.00
6051	Plumb Dale	Rd	Tax Foreclosure	Five Mile 4	6299	\$	1,000.00
6018	Plumb Dale	Rd	Tax Foreclosure	Five Mile 4	5084	\$	1,000.00
6121	Kemrock	Dr	Tax Foreclosure	Five Mile 4	13551	\$	1,802.28
6023	Plumb Dale	Rd	Tax Foreclosure	Five Mile 4	8298	\$	1,103.63
	Kemrock	Dr	Tax Foreclosure	Five Mile 4	11889		1,581.24
	Plumb Dale	Rd	Tax Foreclosure	Five Mile 4	7382	\$	1,000.00
	Kemrock	Dr	Tax Foreclosure	Five Mile 4	12219		1,625.13
	Plumb Dale	Rd	Tax Foreclosure	Five Mile 4	7581	\$	1,008.27
	Plumb Dale	Rd	Tax Foreclosure	Five Mile 4	6389		1,000.00
	Kemrock	Dr	Tax Foreclosure	Five Mile 4	6298		1,000.00
	Camel	Ct	Tax Foreclosure	Five Mile 5	6416	_	1,000.00
2614	Camel	Ct	Tax Foreclosure	Five Mile 5	6311	\$	1,000.00
5908	Plum Dale	Rd	Tax Foreclosure	Five Mile 5	9333	\$	1,241.29
	Plum Dale	Rd	Tax Foreclosure	Five Mile 5	8094		1,076.50
	Plum Dale	Rd	Tax Foreclosure	Five Mile 5	8591	\$	1,142.60
	Plum Dale	Rd	Tax Foreclosure	Five Mile 5	8189		1,089.14
2648	Pall Mall	Ave	Tax Foreclosure	Five Mile 5	6175		1,000.00
2715	Pall Mall	Ave	Tax Foreclosure	Five Mile 5	6160	\$	1,000.00

Exhibit A
Notre Dame Place - 2019 NOFA

Number	Street_Nam	Suffix	Туре	Cluster	AREA (Sq. Ft.)	Purchase Price
2634	Camel	Ct	Tax Foreclosure	Five Mile 5	6501	\$ 1,000.00
5801	Plum Dale	Rd	Tax Foreclosure	Five Mile 5	10018	\$ 1,332.39
2724	Pall Mall	Ave	Tax Foreclosure	Five Mile 5	6278	\$ 1,000.00
2631	Camel	Ct	Tax Foreclosure	Five Mile 5	6203	\$ 1,000.00
2612	Camel	Ct	Tax Foreclosure	Five Mile 5	6393	\$ 1,000.00
5918	Plum Dale	Rd	Tax Foreclosure	Five Mile 5	7908	\$ 1,051.76
2717	Fatima	Ave	Tax Foreclosure	Five Mile 6	3375	\$ 1,000.00
2740	Kool	Ave	Tax Foreclosure	Five Mile 6	6726	\$ 1,000.00
2719	Fatima	Ave	Tax Foreclosure	Five Mile 6	3238	\$ 1,000.00
2717	Kool	Ave	Tax Foreclosure	Five Mile 6	3275	\$ 1,000.00
2510	Oakdale	Ave	Tax Foreclosure	Five Mile 6	6257	\$ 1,000.00
2737	Fatima	Ave	Tax Foreclosure	Five Mile 6	6726	\$ 1,000.00
2820	Gooch	St	Tax Foreclosure	Five Mile 6	6554	\$ 1,000.00
2708	Kool	Ave	Tax Foreclosure	Five Mile 6	6418	\$ 1,000.00
2723	Fatima	Ave	Tax Foreclosure	Five Mile 6	6723	\$ 1,000.00
2514	Oakdale	Ave	Tax Foreclosure	Five Mile 6	6177	\$ 1,000.00
2631	Ripple	Rd	Tax Foreclosure	Five Mile 6	6167	\$ 1,000.00
2714	Fatima	Ave	Tax Foreclosure	Five Mile 6	6480	\$ 1,000.00
2814	Gooch	St	Tax Foreclosure	Five Mile 6	6429	1,000.00
2808	Pall Mall	Ave	Tax Foreclosure	Five Mile 6	6324	\$ 1,000.00
2542	Oakdale	Ave	Tax Foreclosure	Five Mile 6	6191	\$ 1,000.00
						\$ 108,225.56





# City of Dallas

## Agenda Information Sheet

File #: 19-1808 Item #: 6.

**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): All

**DEPARTMENT:** Department of Housing & Neighborhood Revitalization

**EXECUTIVE:** Michael Mendoza

\_\_\_\_\_\_

#### **SUBJECT**

Authorize (1) the creation of a Residential Neighborhood Empowerment Zone (NEZ) Program as authorized under Chapter 378 of the Local Government Code to (a) create residential NEZ to support tax abatements for the construction and renovation of single-family homes, duplexes, and multifamily developments located within NEZ, including within tax increment financing (TIF) districts; and (b) provide development grants in amounts equal to development fees and certain development-related costs to support construction and renovation of single-family homes, duplexes, and owner-occupied multifamily developments located within NEZ; (2) an amendment to the City of Dallas Comprehensive Housing Policy, previously approved on May 9, 2018, by Resolution No. 18-0704, as amended, to add the Residential NEZ Program and delegate authority to the City Manager to modify certain elements outlined in the appendix; (3) the City Manager to (a) utilize tax abatements offered through the City's Residential NEZ Program authorized under Chapter 378 of the Local Government Code to support construction and renovation of single-family homes, duplexes, and owner-occupied multifamily developments located within NEZ, including within TIF districts; and (b) utilize public funding under Chapter 380 of the Local Government Code to provide development grants in amounts equal to development fees and certain development-related costs to support construction and renovation of single-family homes, duplexes, and owner-occupied multifamily developments located within NEZ; (4) the City Manager to execute individual tax abatement agreements and other necessary documents up to \$50,000.00 in accordance with the Residential NEZ Program, including within TIF districts; (5) a one-time transfer of funds from the Dallas Housing Trust Fund to the NEZ Fund in an amount not to exceed \$1,000,000.00 to provide for development grants as authorized by Chapter 380; and (6) an increase in appropriations in an amount not to exceed \$1,000,000.00 from the Neighborhood Empowerment Zones Fund - Financing: Neighborhood Empowerment Zones Fund (\$1,000,000.00) and Estimated Revenue Foregone: General Fund (\$1,875,975.00 over a ten-year period)

## **BACKGROUND**

The Comprehensive Housing Policy (CHP) has three main goals: (1) create and maintain available and affordable housing throughout Dallas; (2) promote greater fair housing choices; and (3)

overcome patterns of segregation and concentrations of poverty through incentives and requirements.

To further these ends, the CHP created stabilization areas as one form of reinvestment strategy area. Stabilization areas are characterized as areas with Market Value Analysis (MVA) categories G, H, and I that are surrounded by MVA categories A-E and, as such, are areas where residents are at risk of displacement based on known market conditions.

As an additional tool to reduce displacement and incentivize both new and renovated housing for a broad range of income levels, the CHP prioritized the creation of NEZ in stabilization areas to help the City encourage economic development while preserving affordability and deconcentrating racially and ethnically concentrated areas of poverty (RECAP).

Families and individuals in each of the stabilization areas recommended for these NEZs struggle with the effects of long-term disinvestment. They often balance their daily needs against the cost of needed maintenance of their homes. In addition, vacant lots become magnets for illegal activity and dumping, requiring the City's Code Compliance Department to expend City resources. As a result, both code and tax liens accumulate, pushing away new housing and economic development.

The proposed NEZ Program is designed to work in conjunction with other Housing & Neighborhood Revitalization Programs, other City initiatives, and philanthropic efforts to permanently address these issues while using tax abatements to incentivize middle- and lower-income property owners to invest in their properties and residential developers to create additional housing in these underinvested areas.

The Program would provide for 1) grants in amounts equal to eligible development fees and certain development-related costs and 2) tax abatements for:

- new construction of single-family homes or duplexes that are sold or rented to eligible households, or new construction of multifamily dwelling units that are sold to eligible households, on lots that are either currently vacant, subject to an order of demolition under Chapter 27, or purchased through the City's Land Bank or Land Transfer Programs;
- 2) **renovation** of owner-occupied single-family homes, duplexes, and multifamily developments for income-qualified owners; and
- 3) **renovation**, **code compliance**, **and guaranteed affordability** for single-family rental and duplex rental housing units.

Within the Program, the term "Eligible Household" means, at the time of rental or purchase, 1) for rental, a family with a gross annual household income at or below 80% of Area Median Income (AMI); 2) for home ownership or purchase, a family with a gross annual household income at or below 120% AMI at the time of purchase; 3) for buyers of Land Bank Program homes, a Family who also meets all of the homebuyer eligibility criteria for the Land Bank Program; or 4) for home ownership or purchase, school teachers and first responders, including police officers, emergency medical technicians, and fire fighters.

Enabled under Chapter 378 of the Texas Local Government Code (Chapter 378), a NEZ is a flexible tool that cities can use to implement an Economic Development Program; to create or rehabilitate affordable housing in the zone; and to increase the quality of social services, education or public

safety provided to the residents of the zone. Chapter 378 authorizes municipalities to, among other things, (1) waive or adopt fees related to the construction of buildings in the zone, including fees related to the inspection of buildings and impact fees; (2) enter into agreements, for a period of not more than 10 years, for the purpose of benefiting the zone, for refunds of municipal sales tax on sales made in the zone; and (3) enter into agreements abating municipal property taxes on property in the zone subject to the duration limits of Section 312.204, Tax Code.

Over the past two years, staff has met with individual council members, staff from other City departments and offices, community members, and members of the housing policy task force, including the housing policy task force steering committee, to receive feedback and refine the eligibility criteria, program elements, and boundaries of the proposed NEZs.

Exhibit A, the proposed amendment to the CHP, outlines the policy guidance and states the broad program requirements. The proposed amendment to the CHP also includes a new appendix which delegates to the City Manager - with notice to the Council, the housing policy task force steering committee, and the city secretary - the authority to modify or correct elements in the appendix, including implementation procedures and minor program details.

#### Development fees and development-related costs - Chapter 380 of the Local Government Code

Although Chapter 378 allows for development fee *waivers*, staff recommends using economic development *grants* under Chapter 380 of the Local Government Code. The grants are proposed to be paid in amounts equal to a portion of the development fees and certain development-related costs for each project only *after* all requirements of the development grant agreement have been met. Staff recommends that the Residential NEZ Program remain separate from the City's Public/Private Partnership Program.

Although the proposed Residential NEZ districts are designed to support additional affordable housing, they are also an economic development tool designed to generate new construction spending in and near the City's stabilization areas.

A report authored by the National Association of Home Builders (NAHB), called The Metro Area Impact of Home Building in Dallas, Texas, reported the results of an NAHB economic model that studied the effect of single family and multifamily home construction on the Dallas Metropolitan Statistical Area (MSA), including Collin, Dallas, Denton, Ellis, Hunt, Kaufman, and Rockwall counties. The report studied the economic impact of 17,000 new single family and 14,000 new multifamily homes valued at approximately \$244,113.00 for single family and \$139,728.00 for multifamily on average. The total first-year direct, indirect, and induced impact on the Dallas MSA of these 31,000 homes was \$4.5 billion in both income and government revenue. The annual, ongoing impact was \$1.0 billion.

This translates to an additional direct, indirect, and induced economic impact of \$0.85 in the first year for each dollar spent in residential single-family construction, and an additional \$0.21 for each year afterward. Although the NAHB study was region-wide, a significant portion of the economic benefits of these districts is expected to remain within the city's boundaries.

This program is also anticipated to reduce code compliance expenses and return vacant property to productive use. Each City-owned, medium-sized lot costs on average \$50.00 every three weeks to

mow and weed, for a total of \$866.00 for the year. Privately-owned lots can be more complex and cost \$109.00 on average each time the City comes to mow and clean the property. Further, these unkempt properties dissuade investment in nearby properties, bringing down the property value of the nearby homes.

Specific development fees and costs associated with development that are proposed to be eligible for development grants once all program obligations are met are listed in the *Residential NEZ Implementation Guidelines* appendix of the CHP. Eligible items include:

- Fees found in Section 52.300 of the Dallas City Code, with certain exceptions
- Zoning and platting fees found in Chapter 51A-1.105 of the Dallas Development Code
- Dallas Water Utility fees related to water and sewer service required for the development
- Costs associated with completing a tree survey as required in Chapter 51A-10 (Article X) of the Dallas Development Code
- Additional professional services related to tree preservation at the discretion of the Director
- Waiver of parkland dedication requirements per Sec. 51A-4.1002(c) of the Dallas Development Code

The appendix provides for a cap of \$15,000.00 per reserved dwelling unit, with an additional \$5,000.00 allowed at the discretion of the Director. Additional grant amounts are allowable subject to separate Council approval. The staff recommendation related to Article X acknowledges the effort expended over several years in developing Article X, the Landscape and Tree Conservation Regulations.

Staff proposes that the funding for these reimbursement grants be dedicated from the Dallas Housing Trust Fund, currently controlled by the Office of Economic Development. Staff proposes a one-time transfer of up to \$1,000,000.00 from the Dallas Housing Trust Fund within the Office of Economic Development to the NEZ Fund within the Department of Housing & Neighborhood Revitalization. The NEZ Funds will be used under the guidance laid out in the CHP for housing trust fund monies.

It is anticipated that each new reserved dwelling unit will incur approximately \$10,000.00 to \$15,000.00 in eligible development fees and development-related costs. This amount of funding is anticipated to generate 65-100 new homes affordable to families making less than 120% of AMI and spur an undetermined number of home renovation projects with much lower development fee expenses.

## Tax abatements - Chapter 378 of the Local Government Code

In addition to development fee reimbursements, staff proposes tax abatement agreements under Chapter 378 for qualified projects.

Homes in these proposed NEZ districts are vulnerable to the negative economic impacts of deteriorating structures while also being in the path of new high-income development and experiencing escalating taxable values. Concern about increased taxable value can deter a property owner from investing in a property and can create affordability issues for families. The proposed tax abatement provides needed relief for these vulnerable families while encouraging additional investment.

However, portions of the proposed NEZ boundaries lie within the tax TIF districts. Section 311.0125 of the Texas Tax Code (Chapter 311) requires that tax abatements within TIF districts be approved by the board of directors of the TIF district and the governing body of each participating taxing jurisdiction. Staff recommends Council authorized the City Manager to execute future proposed tax abatement agreements for projects that comply with the Residential NEZ Program, within proposed NEZ Nos. 11 through 17, and are within a TIF district.

Proposed approvals from the related TIF Boards, including any necessary amendment to the TIF districts' allocation policies, and proposed approvals from the Dallas County Commissioners Court of such tax abatement agreements are currently planned.

#### Fiscal Impact

Staff developed scenarios to determine the fiscal impact of this program. Under a moderate growth scenario, staff estimated 75 new homes and 125 renovated homes at an annual taxable property value inflation rate of 5%. Under this scenario, \$1,000,000.00 in housing trust fund money supports the development fee reimbursements, and another \$1,875,975.00 is tax revenue foregone. Based on the stabilization of these properties alone, the development fee reimbursement funding and the revenue foregone is recouped within seven years.

## Companion resolutions

The current Council agenda includes companion resolutions to create seven NEZs in various stabilization areas, including Lyndon B. Johnson Freeway (LBJ)/Skillman, Vickery Midtown (formerly Vickery Meadow), Casa View, Forest District (formerly Forest Heights/Cornerstone Heights), The Bottom/Tenth Street, West Dallas, and Red Bird North. Several of these proposed NEZ boundaries overlap with one or more TIF districts, and the request for authorization for tax abatement agreements within the individual TIF districts is contained in these companion resolutions.

#### City Council approval of this item will:

- Create a Residential NEZ Program
- Approve an amendment to the CHP to add the Residential NEZ Program and delegate authority to the City Manager to modify certain implementation elements outlined in the appendix
- Delegate authority the City Manager to provide development grants under Chapter 380 and tax abatements under Chapter 378 to support construction and renovation of single-family homes, duplexes, and owner-occupied multifamily dwelling units located within NEZ including within tax increment financing districts
- Delegate authority to the City Manager to execute tax abatement agreements up to \$50,000.00, including within TIF districts
- Authorize a one-time transfer of funds to the Department of Housing and Neighborhood Revitalization in an amount not to exceed \$1,000,000.00 from the Dallas Housing Trust Fund to provide for development grants as authorized by Chapter 380

File #: 19-1808 Item #: 6.

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 9, 2018, City Council adopted the CHP and created the Dallas Housing Policy Task Force by Resolution No. 18-0704, as amended.

On November 28, 2018, City Council authorized amendments to the CHP, to make technical changes to the Home Improvement Preservation Program (HIPP), the Dallas Homebuyer Assistance Program (DHAP), and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680.

On December 12, 2018, City Council elected to continue its participation in economic development incentives and re-adopted its Public/Private Partnership Program - Guidelines and Criteria, by Resolution No. 18-1861.

On December 12, 2018, City Council authorized five resolutions to transfer funds from the Public/Private Partnership fund and various TIF districts funds to the Dallas Housing Trust fund in the Office of Economic Development by Resolutions No. 18-1789, 18-1791, 18-1792, 18-1793, and 18-1795.

On May 22, 2019, City Council authorized a resolution in furtherance of the City of Dallas' efforts to support diverse racial, ethnic, cultural, and socio-economic backgrounds and to promote equity in the Dallas community by Resolution No. 19-0804.

On May 22, 2019, City Council authorized an amendment to the CHP to add a Land Transfer Program to incentivize the development of quality, sustainable housing that is affordable to the residents of the City and the development of other uses that complement the City's CHP, economic development policy, or redevelopment policy by Resolution No. 19-0824.

On June 12, 2019, City Council authorized amendments to the CHP to amend and restate the low-income Housing Tax Credit policy by Resolution No. 19-0884.

On June 26, 2019, City Council authorized amendments to the CHP to amend the DHAP, the HIPP, and the HIPP Landlord Program by Resolution No. 19-1041.

On September 25, 2019, City Council authorized amendments to the CHP to create the Title Clearing and Clouded Title Prevention Pilot Program by Resolution No. 19-1498.

The steering committee of the housing policy task force was briefed on this item on September 18, 2019 and October 29, 2019. Additionally, staff sent a meeting invitation to more than 400 members of the broader task force and met with more than 50 members of the task force on September 24, 2019 to discuss the proposal.

City Council will be briefed regarding this matter on January 15, 2020.

# **FISCAL INFORMATION**

Cost consideration to the City: Neighborhood Empowerment Zones Fund - 1,000,000.00

Estimated Revenue Foregone: General Fund (\$1,875,975.00 over a ten-year period) beginning in FY 2019-20

**WHEREAS**, the City of Dallas ("City") recognizes the importance of its role in local economic development; and

**WHEREAS**, on May 9, 2018, City Council adopted the City of Dallas CHP and created the Dallas Housing Policy Task Force to (1) create and maintain available and affordable housing throughout Dallas; (2) promote greater fair housing choices; and (3) overcome patterns of segregation and concentrations of poverty through incentives and requirements by Resolution No. 18- 0704; and

WHEREAS, the CHP designates various areas as stabilization areas and prioritizes the creation of Neighborhood Empowerment Zones (NEZ) in stabilization areas; and

**WHEREAS,** on November 28, 2018, City Council authorized amendments to the CHP to make technical changes to the Home Improvement and Preservation Program (HIPP), the Dallas Homebuyer Assistance Program (DHAP), and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680; and

WHEREAS, on December 12, 2018, City Council elected to continue its participation in economic development incentives and re-adopted its Public/Private Partnership Program - Guidelines and Criteria, which established certain guidelines and criteria for the use of City incentive programs for private development projects; established programs for making loans and grants of public money to promote local economic development and to stimulate business and commercial activity in the City pursuant to the Economic Development Programs provisions under Chapter 380 of the Texas Local Government Code ("Economic Development Act"); and established appropriate guidelines and criteria governing tax abatement agreements to be entered into by City as required by the Property Redevelopment and Tax Abatement Act, as amended, (V.T.C.A. Tax Code, Chapter 312) ("Tax Abatement Act") by Resolution No. 18-1861; and

**WHEREAS,** on December 12, 2018, City Council authorized five resolutions to transfer funds from the Public/Private Partnership fund and various tax increment financing (TIF) districts funds to the Dallas Housing Trust Fund in the Office of Economic Development by Resolutions No. 18-1789, 18-1791, 18-1792, 18-1793, and 18-1795; and

**WHEREAS,** on May 22, 2019, City Council authorized a resolution in furtherance of the City of Dallas' efforts to support diverse racial, ethnic, cultural, and socio-economic backgrounds and to promote equity in the Dallas community, and Section 5 of that resolution declared the City's intent to promote equity in budgeting by Resolution No. 19-0804; and

WHEREAS, on May 22, 2019, City Council authorized an amendment to the Comprehensive Housing Policy (CHP) to add a Land Transfer Program to incentivize the development of quality, sustainable housing that is affordable to the residents of the City and the development of other uses that complement the City's CHP, economic development policy, or redevelopment policy by Resolution No. 19-0824; and

**WHEREAS,** on June 12, 2019, City Council authorized amendments to the CHP to amend and restate the low-income Housing Tax Credit policy by Resolution No. 19-0884; and

**WHEREAS,** on June 26, 2019, City Council authorized amendments to the CHP to amend the DHAP, the HIPP Homeowner Program, and the HIPP Landlord Program by Resolution No. 19-1041; and

**WHEREAS,** on September 25, 2019, City Council authorized amendments to the CHP to create the Title Clearing and Clouded Title Prevention Pilot Program by Resolution No. 19-1498; and

**WHEREAS,** City Council must approve any addition to, alteration of, or deletion of a strategy, tool, or program in the CHP; and

**WHEREAS**, the City desires to maintain affordable housing, to provide greater fair housing choices, and to overcome patterns of segregation and concentrations of poverty; and therefore, it is in the best interest of the City to adopt certain amendments to the CHP; and

**WHEREAS**, the City finds that City support for the development and renovation of affordable housing, including new construction on currently vacant property, new construction on property with multiple municipal code violations, and renovation activity on existing homes promotes state and local economic development, stimulates business and commercial activity in the city, and eliminates unemployment and underemployment; and

**WHEREAS,** Title 12 of the Local Government Code, Section 378.002, requires that the creation of the City of Dallas NEZ promote: (1) the creation or rehabilitation of affordable housing in the zone, or (2) an increase in economic development in the zone, or (3) an increase in the quality of social services, education or public safety provided to the residents of the zone; and

**WHEREAS**, the City finds that the Residential NEZ Program will promote the creation or rehabilitation of affordable housing in NEZ; and

**WHEREAS**, the City finds that the creation of the Residential NEZ Program benefits the public and is for the public purpose of increasing the public health, safety, and welfare of the persons in the municipality; and

**WHEREAS**, the City finds that the creation of the Residential NEZ Program satisfies the requirements of the Property Redevelopment and Tax Abatement Act Section 312.202 in that zones created under the program will fulfill the stated requirements; and

**WHEREAS**, the City finds that the Residential NEZ program promotes the construction or rehabilitation of housing which in turn promotes local economic development and stimulates business and commercial activity and therefore qualifies as a program to allow grants of public money to promote local economic development in the City under Chapter 380 of the Texas Local Government Code; and

WHEREAS, it is in the best interest of the City of Dallas to authorize (1) the creation of a Residential NEZ Program as authorized under Chapter 378 of the Local Government Code (a) to create residential NEZ to support tax abatements for the construction and renovation of single-family homes, duplexes, and multifamily developments located within NEZ, including within TIF districts, and (b) as authorized under Chapter 380 of the Local Government Code to provide development grants in amounts equal to development fees and certain development-related costs to support construction and renovation of singlefamily homes, duplexes, and owner-occupied multifamily developments located within NEZ; (2) an amendment to the City of Dallas CHP, previously approved on May 9, 2018, by Resolution No. 18-0704, as amended, to add the Residential NEZ Program and delegate authority to the City Manager to modify certain elements outlined in the appendix; (3) the City Manager to (a) utilize tax abatements offered through the City's Residential NEZ Program authorized under Chapter 378 of the Local Government Code to support construction and renovation of single-family homes, duplexes, and owneroccupied multifamily developments located within NEZ, including within TIF districts and (b) utilize public funding under Chapter 380 of the Local Government Code to provide development grants in amounts equal to development fees and certain developmentrelated costs to support construction and renovation of single-family homes, duplexes, and owner-occupied multifamily developments located within NEZ; (4) the City Manager to execute individual tax abatement agreements and other necessary documents up to \$50,000.00 in accordance with the Residential NEZ Program, including within TIF districts; (5) a one-time transfer of funds to the Department of Housing and Neighborhood Revitalization an amount not to exceed \$1,000,000.00 from the Dallas Housing Trust Fund to provide for development grants as authorized by Chapter 380; and (6) an increase in appropriations in an amount not to exceed \$1,000,000.00 from the NEZ Fund.

Now, Therefore,

#### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1**. That the City Council hereby authorizes the creation of a Residential NEZ Program as authorized under Chapter 378 of the Local Government Code to (a) create residential NEZ to support tax abatements for the construction and renovation of single-family homes, duplexes, and multifamily developments located within NEZ, including within TIF districts; and (b) provide development grants in amounts equal to development fees and certain development-related costs to support construction and renovation of single-family homes, duplexes, and owner-occupied multifamily developments located within NEZ.

**SECTION 2.** That the City Council hereby authorizes and adopts the amendment to the City of Dallas CHP, previously approved on May 9, 2018, by Resolution No. 18-0704, as amended, to add the Residential NEZ Program and delegate authority to the city manager to modify certain elements outlined in the appendix.

**SECTION 3.** That the City Council hereby authorizes the City manager to (a) utilize tax abatements offered through the City's Residential NEZ Program authorized under Chapter 378 of the Local Government Code to support construction and renovation of single-family homes, duplexes, and owner-occupied multifamily developments located within NEZ, including within TIF districts and (b) utilize public funding under Chapter 380 of the Local Government Code to provide development grants in amounts equal to development fees and certain development-related costs to support construction and renovation of single-family homes, duplexes, and owner-occupied multifamily developments located within NEZ.

**SECTION 4.** That the City Manager is hereby authorized to execute individual tax abatement agreements and other necessary documents up to \$50,000.00 in accordance with the Residential NEZ Program including within TIF districts.

**SECTION 5**. That pursuant to Sections 3 and 4 of this resolution, the Chief Financial Officer is hereby authorized to make a one-time transfer of funds from the Dallas Housing Trust Fund, Fund 9P16, Department ECO, Unit 1870, Object Code 3690 in an amount not to exceed \$1,000,000.00 to the NEZ Fund, Fund 0763, Department HOU, Unit 5548, Revenue Code 9201.

**SECTION 6.** That the City Manager is hereby authorized to increase appropriations in an amount not to exceed \$1,000,000.00 for the City of Dallas Residential NEZ Program, NEZ Fund, Fund 0763, Department HOU, Unit 5548, various Object Codes, for the Residential NEZ Program and as specified in Sections 3 and 4 of this resolution.

**SECTION 7**. That pursuant to Sections 3 and 4 of this resolution, the Chief Financial Officer is hereby authorized to disburse funds in the future in amounts authorized by administrative action or authorization by City Council for amounts higher than those allowed by administrative action in a total amount not to exceed \$1,000,000.00 to vendors to be determined in the future from the Neighborhood Empowerment Zones Fund, Fund 0763, Department HOU, Unit 5548, various Object Codes.

**SECTION 8.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

# **EXHIBIT A**









# **Comprehensive Housing Policy**

City of Dallas Department of Housing and Neighborhood Revitalization

Adopted by the Dallas City Council May 9, 2018

Previously amended December 11, 2019

# **Table of Contents**

BACKGROUND ON DEVELOPMENT OF THE POLICY	1
Policy Goals	1
Market Value Analysis	1
CITY OF DALLAS PLANS	2
forwardDallas! Comprehensive Plan	2
Neighborhood Plus Plan	2
Consolidated Plan Strategies	3
REINVESTMENT STRATEGY AREAS	4
Redevelopment Areas:	4
Stabilization Areas:	4
Emerging Market Areas:	4
PRODUCTION GOALS AND INCOME BANDS TO BE SERVED	£
HOUSING POLICY TASK FORCE	8
HOMEOWNER PROGRAMS	9
Rehabilitation, Repair & Reconstruction of Owner-Occupied Homes	9
Dallas Homebuyer Assistance Program	20
Accessory Dwelling Units	23
Homebuyer Incentive Program	23
LANDLORD PROGRAMS	24
Rental Rehabilitation	24
TENANT PROGRAMS	30
Tenant Based Rental Assistance	30
DEVELOPER PROGRAMS	32
New Construction and Substantial Rehabilitation Program	32
Mixed Income Housing Development Bonus	41
Land Transfer Program	43
PRESERVING AFFORDABILITY	48
Title Clearing and Clouded Title Prevention Program	
Community Land Trust Program	
NEIGHBORHOOD INVESTMENT	54
Neighborhood Empowerment Zones	
FUNDING AND SUPPORTING ACTIONS	60
Federal Funding Sources	60
State and Local Funding Sources	60
City of Dallas Policy for Supporting Housing Developments Seeking Housing Tax Credits	62
Community Housing Development Organizations (CHDOs)	
Strategies, Tools, and Programs that Will Require Additional Action	
Housing Trust Fund	71
Tax Increment Financing	71

Neighborhood Empowerment Zones	71
Sublease Program	71
APPENDICES	73
APPENDIX 1	74
Housing Policy Task Force Structure and Leadership	74
APPENDIX 2	76
Single Family Development Underwriting	76
APPENDIX 3	85
Rental Development Underwriting	85
APPENDIX 4	96
UNIVERSAL DESIGN GUIDELINES	96
APPENDIX 5	98
City of Dallas Income Limits and Part 5 Requirements	98
APPENDIX 6	99
Community Housing Development Organization Policy, Procedure, and Standards	99
APPENDIX 7	106
Recapture/Resale Requirements for Homebuyer Activities	106
APPENDIX 8	109
City of Dallas Affirmative Fair Housing Marketing Policy	109
APPENDIX 9	112
Residential Anti-Displacement and Relocation Assistance Plan (RARAP)	112
APPENDIX 10	114
Other Federal Requirements	114
APPENDIX 11	116
Lead-Based Paint Requirements	116
APPENDIX 12	120
Environmental Review Policy, Procedures, and Standards	120
APPENDIX 13	121
SECTION 3	121
APPENDIX 14	122
Minority/Women Business Enterprise	122
APPENDIX 15	123
Regulatory References	123
APPENDIX 16	127
Community Land Trust Designation Implementation Guidelines	127
APPENDIX 17	130
Residential Neighborhood Empowerment Zone Implementation Guidelines	130
APPENDIX 18	133
Interventions by Strategy Area	133

# **BACKGROUND ON DEVELOPMENT OF THE POLICY**

# **Policy Goals**

On March 12, 2017, the Dallas City Council Housing Committee established three goals for the development of a comprehensive strategy for housing: 1) Create and maintain available and affordable housing throughout Dallas, 2) Promote greater fair housing choices, and 3) Overcome patterns of segregation and concentrations of poverty through incentives and requirements.

# **Market Value Analysis**

In August 2017, the City of Dallas engaged The Reinvestment Fund to conduct a Market Value Analysis (MVA), which is an analytical tool used to assess the residential real estate market throughout the entire city to determine with granular detail where market strength, transition and stress exists. After briefing the City Council on the results of the MVA on January 17, 2018, eight public town hall meetings were held to develop the recommendations presented here. The town hall topics were:

- How Residential Development Gets Financed,
- How to Reduce Development and Rehabilitation Costs,
- How to Increase Access to Capital and Reduce Cost of Capital, and
- Programs, Tools and Strategies for Increasing Housing Production.

Each town hall provided stakeholders an opportunity to understand the housing challenges from the perspective of the major stakeholders, including lenders, foundations and government sources of finance; consumers and neighbors; developers, builders, and contractors; and regulatory officials, such as zoning, building inspections, and code enforcement. The town halls were held both in person and through virtual telephone communications that aired on Spectrum Channel 95 and streamed online. The in-person town halls had a combined participation of 94 individuals, many of whom also participated in the virtual town hall meetings. The virtual telephone town halls had a total of 38,690 participants for all four meetings, of which 10,000 participated in more than one town hall.

The outcome of public input helped shape the ten policy recommendations presented to the Economic Development and Housing Committee (Committee) on March 19, 2018 and the strategies, tools and programs included in the Comprehensive Housing Policy.

# CITY OF DALLAS PLANS

# forwardDallas! Comprehensive Plan

The forwardDallas! Plan is Dallas' first citywide comprehensive plan to serve as the policy basis for land development decisions in the City, through reference in the Dallas Development Code. The plan contains eight policy elements: Land Use, Economics, Housing, Transportation, Urban Design, Environment, and Neighborhoods. It provides guidance on important land development considerations related to land use, transportation and economic development. Shaped by extensive community engagement and adopted by City Council in 2006, it envisions a future Dallas built around the core values of:

- Access to good education
- A safe city
- A healthy environment
- Job growth through investment in Southern Dallas
- Convenient transportation through choices in how to get around
- Quality of life through diverse housing, recreational, cultural and educational opportunities

A key initiative of the forwardDallas! Plan was a focus on making high quality housing more accessible. The plan acknowledged that, within the regional context, Dallas has the greatest range of housing needs and problems. It recommended development of a housing strategy aimed at increasing home ownership, diversifying housing stock and providing more opportunities for affordable housing, while sustaining existing neighborhoods.

The forwardDallas! Comprehensive Plan can be found at <a href="http://dallascityhall.com/departments/pnv/strategic-planning/Pages/comprehensive-plan.aspx">http://dallascityhall.com/departments/pnv/strategic-planning/Pages/comprehensive-plan.aspx</a>.

# **Neighborhood Plus Plan**

Adopted in 2015, the Neighborhood Plus Plan is a citywide neighborhood revitalization plan intended to update the forwardDallas Housing and Neighborhood elements. The Neighborhood Plus plan focused on the six strategic goals of:

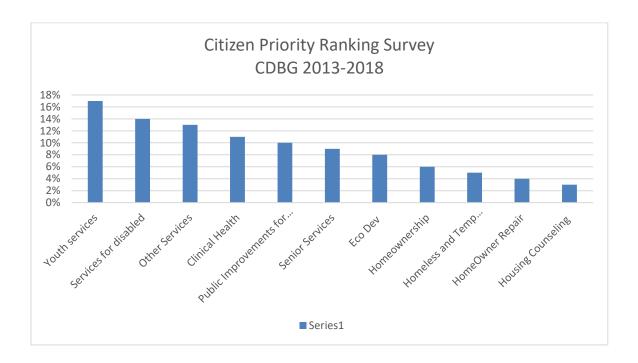
- Creating a Collective Impact Framework
- Alleviating Poverty
- Fighting Blight
- Attracting and Retaining the Middle Class
- Increasing Home Ownership
- Enhancing Rental Options.

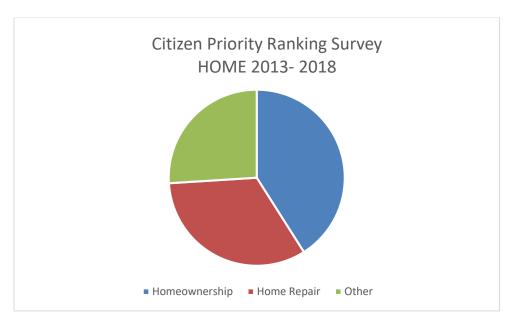
The Neighborhood Plus recommended a holistic approach to neighborhood revitalization and community building that goes beyond production of a limited number of publicly subsidized housing units, to encompass neighborhood quality, safety, mobility and access to education, jobs and health care. The Neighborhood Plus Plan also called for a neighborhood by neighborhood approach to improving quality of life and established the basis for identifying target areas to focus neighborhood revitalization efforts.

The Neighborhood Plus Plan can be found at <a href="http://dallascityhall.com/departments/pnv/strategic-planning/DCH%20Documents/Web%20-%20Neighborhood%20Plus%20Plan%20-%20Neighborhood%20Plus%20Plan%20-%20Adopted%2010-07-2015.pdf">http://dallascityhall.com/departments/pnv/strategic-planning/DCH%20Documents/Web%20-%20Neighborhood%20Plus%20Plan%20-%20Neighborhood%20Plus%20Plus%20-%20Neighborhood%20Plus%20-%20Neighborhood%20Plus%20-%20Neighborhood%20Plus%20-%20Neighborhood%20Plus%20-%20Neighborhood%20Plus%20-%20Neighborhood%20Plus%20-%20Neighborhood%20Plus%20-%20Neighborhood%20Plus%20-%20Neighborhood%20Plus%20-%20Neighborhood%20Plus%20-%20Neighborhood%20Plus%20-%20Neighborhood%20Plus%20-%20Neighborhood%20Plus%20-%20Neighborhood%20Plus%20-%20Neighborhood%20Plus%20-%20Neighborhood%20Plus%20-%20Neighborhood%20Plus%20-%20Neighborhood%20-%20Neighborhood%20Plus%20-%20Neighborhood%20-%

# **Consolidated Plan Strategies**

The Consolidated Plan is a five-year planning document required by HUD to carry out affordable housing and community development activities. The City identified its priorities as follows:





# REINVESTMENT STRATEGY AREAS

The Housing Policy provides for tiered Reinvestment Strategy Areas to address three market types in need of City investment:

## **Redevelopment Areas:**

A redevelopment area is characterized by a known catalytic project that has submitted a request for funding that shows preliminary viability and will begin within the next 12 months. The project as proposed must contain a housing component and must address the existing market conditions as identified in the MVA and must demonstrate a level of housing production supported through a third-party independent market analysis and show affordability to a mix of income bands.

Redevelopment Areas: Midtown, High Speed Rail, Wynnewood, and Red Bird.

#### Stabilization Areas:

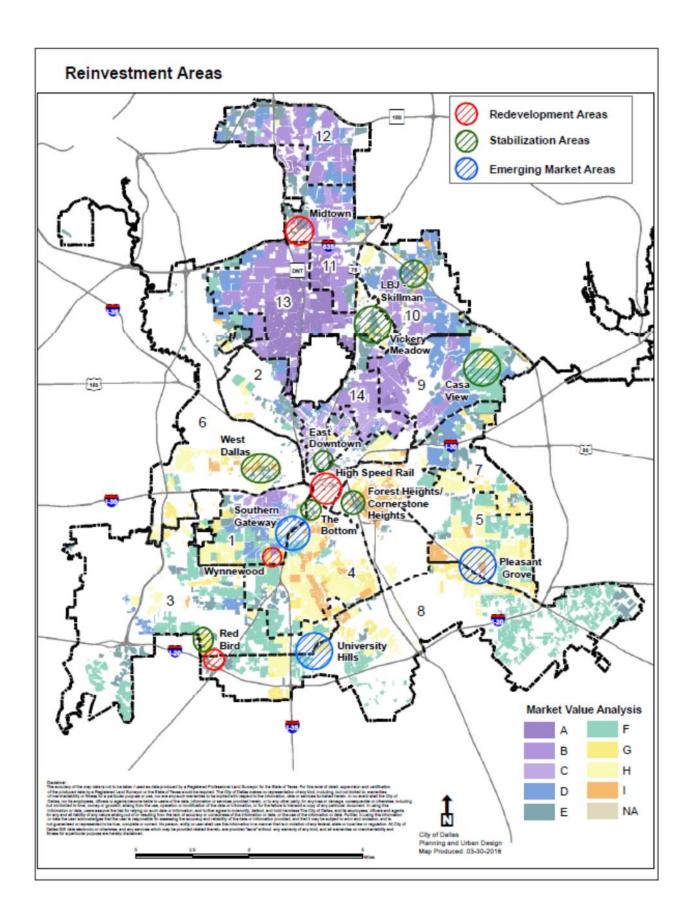
Stabilization areas are characterized as G, H, and I markets that are surrounded by A-E markets and as such are at risk of displacement based on known market conditions including upcoming redevelopment projects. These areas are also where accessory dwelling units should be focused to allow for increased density.

Stabilization Areas: LBJ Skillman, Vickery Midtown, Casa View, Forest District, East Downtown, The Bottom/Tenth Street, West Dallas, and Red Bird North.

# **Emerging Market Areas:**

These markets are characterized as areas in need of intensive environmental enhancements, master planning, and formalized neighborhood organization. In order to facilitate the creation of mixed income developments, the City recommends seeking designation as Neighborhood Revitalization Strategy Areas (NRSA's) through HUD in order to prepare the area for real estate investments in a 3 to 5-year time frame and provide flexibility of use of funds without income qualifications.

Emerging Market Areas: Southern Gateway, Pleasant Grove, and University Hills.



# PRODUCTION GOALS AND INCOME BANDS TO BE SERVED

Dallas has a housing shortage of approximately 20,000 units. This shortage is driven by the cost of land and land development, labor and materials shortages, federal, state and local constraints, as well as the single-family rental market which prevents equilibrium in the homeownership market. It is difficult to convert rental homes to homeownership because of the perception of the neighborhood, the condition of the housing stock once it's been in the rental market for a period of time and because income-producing property in a tight market will not be released by landlords until returns are diminished. This shortage is consistent with the overall national trend following the 2009 housing bust. While the housing market has seen a steady but slow recovery, job growth in the Dallas metro area attracted a population growth of about 2.9% that outpaced the growth in the supply of housing. Much of the single-family housing inventory converted to rental following the 2009 bust while 60% or more of the home sales in the three years following were in the price range below \$249,999. In 2014 the housing market was in transition - the number of home sales priced under \$249,999 decreased to less than 40% of the market and by 2017 nearly 58% of home sales were priced between \$300,000 and \$1 million. According to the Real Estate Center at Texas A&M University, while the volume of homes in Dallas only grew by 3.6%, the median sales price in Dallas grew by 9.1% in 2017.

These market conditions have led to an increase in both rental rates and sales prices in the overall market, and 6 out of 10 families in Dallas are housing cost burdened, meaning they spend more than 30% of their income on housing due in part to wages not keeping pace with housing costs. Undoubtedly, families at lower income bands are more financially strained by these market conditions. Therefore, increasing production over a 3-year period and minimizing the regulatory barriers to overall market production is equally important. Furthermore, because this has made even deteriorated housing stock unaffordable, it makes the need for home repair programs more important than ever. Table 1 below shows annual production goals of 3,733 for homeownership units and 2,933 for rental units while still maintaining the 3-year historic average ratio of homeownership and rental percentages.

Beyond unit production, the City supports creating increased availability of housing for people at incomes ranging from 30% to 120% of the HUD Area Median Income by incentivizing homeownership developments for families at 60% or higher AMI and rental developments that include rent restricted units for families at the full range of 30% to 120% of AMI. These targets are also outlined in Table 1 below.

Table 1

Production Goals						
Percentage of HUD Area Median Income Dallas Metro		Homeownership		Rental		
		Production Goals	%	Production Goals	%	
Market Rate	101-120%	933	55%	587	40%	
Warket Nate	81-100%	1,120		587	40%	
	61-80%	1,307	45%	733		
Extremely Low, Very Low, and Low	<u>51</u> -60%	373		440	60%	
Income	31-50%	n/a	4370	293	0070	
	30%	n/a		293		
Total		3,733		2,933		

# HOUSING POLICY TASK FORCE

Added December 11, 2019

# Summary

The Housing Policy Task Force (task force) was established with the adoption of the comprehensive housing policy to solicit input from the general public and industry experts on the city's housing priorities and goals. It creates a forum for open dialogue and education on housing issues and progress updates on how the city is addressing the issues. Through task force activities, the comprehensive housing policy will be tested, implemented and changed all in the interest of serving the residents of Dallas.

#### Structure

The housing policy task force is led by a steering committee with a chairperson, five focus area facilitators with industry expertise, and five focus area City staff representatives.

The task force itself is open to any member of the public who chooses to attend the meetings and/or submit feedback electronically. This open form of membership is a deliberate design component of the task force so that the City continues to build upon the significant public participation that occurred during the initial development of the comprehensive housing policy

Within the direction provided by City Council, the task force and its steering committee contribute stakeholder input and subject-matter expertise in the following focus areas and to further the following purposes:

- Multifamily development: Develop and refine policy, programs, strategies, and tools, and recommend amendments to the development code that maximize the production of new mixed-income multifamily and rental units by providing incentives for mixed income development.
- **Single family and ownership development:** Develop and refine policy, programs, strategies, and tools, and recommend amendments to the development code that maximize production of new mixed-income single family and ownership units from 60% to 120% AMI by providing incentives for mixed income development.
- Affordability preservation: Develop and refine policy, programs, strategies, and tools, that encourage rehabilitation and preservation of, and improve access to, existing affordable rental and homeownership housing units
- **Neighborhood investment:** Develop programs, strategies, and tools to invest funds and city support in neighborhoods in need of investment in preparation for future market-based investment in Reinvestment Strategy Areas while ensuring sustainable, equitable growth and promoting greater fair housing choices.
- Support and funding: Identify and secure new funding sources, maintain and support
  existing funding sources, minimize regulatory barriers, and review all state and federal
  policy recommendations related to housing while ensuring transparency and affirmatively
  furthering fair housing

The steering committee members will regularly communicate with each other, and the task force will engage a broad segment of the public in guiding the implementation of the CHP. See Appendix 1 for the housing policy task force structure and leadership.

# **HOMEOWNER PROGRAMS**

# Rehabilitation, Repair & Reconstruction of Owner-Occupied Homes

(added/amended June 26, 2019 by Resolution No. 19-1041)

The Home Improvement and Preservation Program (HIPP) provides an all-inclusive repair and rehabilitation program for single-family owner-occupied housing units. HIPP is a comprehensive program with three components for the purpose of making needed improvements and preserving affordable housing: a Minor Home Repair grant program for low and moderate-income homeowners needing minor repairs not exceeding \$10,000 (\$5,000 from the City and \$5,000 from the participating nonprofit); a Rehabilitation Loan program for low- and moderate-income homeowners needing up to \$40,000 in rehabilitation; and a reconstruction loan program for low- and moderate-income homeowners needing up to \$160,000 to reconstruct their homes. The terms of assistance for the loans vary based on the borrower's income, need, and debt capacity.

#### 1. MINOR HOME REPAIR GRANT PROGRAM

The Minor Home Repair Grant Program provides grant assistance to non-profit organizations for the preservation of decent safe and sanitary housing, to eligible homeowners, for minor home repairs as described below. Funding for this program is provided by the United States Housing and Urban Development (HUD) Community Development Block Grant (CDBG) funds and/or non-federal funding; and funds from partnering non-profits, provided on a minimum 1:1 match basis. Not to exceed \$10,000 per household.

# **Applicant Eligibility**

Applicants for the Minor Home Repair Grant Program ("MHRGP") must meet all of the following requirements to be eligible to participate.

- Applicants must be the owner of the dwelling to be repaired and must submit a deed showing the conveyance, or similar documentation acceptable to the City in its sole discretion, that proves ownership in fee simple.
- Applicants must be a U.S. Citizen or lawful Permanent Resident, and they must hold a current Texas State issued identification card or Driver License.
- Applicants must be current on mortgage payments and shall not be in default under the mortgage documents associated with the property or in default under any lien on the property.
- Applicants must have a gross annual household income at or below the applicable lowand moderate-income limits. Applicants must be at or below 80% AMI when CDBG funds are used or at or below 120% of AMI when non-federal funds are used. as established by HUD for the jurisdiction of Dallas, Texas. Income shall be calculated using the Part 5 method as outlined in 24 CFR 5.609. Income eligibility shall be determined at the time of the application. Applicant household income eligibility is only valid for six months from the date of the last application.
- City Council members, Department of Housing and Neighborhood Revitalization employees and any employee, official or agent of the City who exercises any policy or program decision-making function in connection with the Program are ineligible for assistance under the Program.
- Priority shall be given to applicants who have not participated in any City repair, rehabilitation, or reconstruction program previously.

# Property Eligibility Requirements

- The property must be a single-family home.
- The property must be located within the Dallas, Texas city limits and applicant must have occupied the dwelling for at least six months from date of application.
- The property must obtain environmental clearance under 24 CFR Part 58.5 prior to committing repair funds.
- The property must be in need of repairs designated as eligible improvements under MHRGP.
- The home must not have been reconstructed under any City program.

# Eligible Repair Improvements

Eligible improvements under MHRGP include the following:

- Roofing repair (for leaking roofs) (patching only on houses)
- Exterior entry doors (repair only)
- Exterior windows (for broken windows) (replacement or repair)
- Accessibility repairs and installation such as ramps, handrails or repairing walkways
- Water heaters (replacement or repair)
- Heating systems/cooling systems (repair, replacement (small units only, i.e. window units), or purchase of wall heaters or wall air conditioning units)
- Plumbing interior (water lines, sewer lines, toilet repairs, etc.)
- Electrical (repair of breakers, panels or wiring)
- Gas lines
- Floors (repair only)
- Interior and exterior repairs (as needed)
- Any item determined eligible by the Director

#### Terms of Assistance

Assistance under MHRGP is provided in the form of a grant to the non-profit partner, who will provide a 1:1 match and contract with the applicant for repairs directly.

# **Assistance Limits**

The maximum assistance amount provided under MHRGP is \$10,000, which includes up to \$5,000 provided by the City, and up to \$5,000 in matching grant funding provided by the non-profit partner. \*City will match 1:1; the non-profit organization will be responsible for any repairs that exceed \$10,000 per home.

#### Administration

Activities under the MHRGP will be outsourced to a non-profit partner(s) that has experience providing rehabilitation services and has committed to providing a 1:1 match to City program funds. The non-profit partner(s) shall be procured by the City. The City will refer approved applicants to the subrecipient non-profit partner.

The administration of MHRGP shall be performed by the non-profit partner(s). To ensure that the correct program has been selected for the applicant, referrals shall be provided by the City. City administration of the program includes income eligibility referrals, application evaluation procedures, repair assessments, ongoing compliance and other duties as established in the contract, the program guidelines, and the policies and procedures.

#### 2. REHABILITATION PROGRAM

The Rehabilitation Program (Rehab) is a repayment loan program to low- and moderate-income homeowners for the purpose of making needed improvements and preserving affordable housing. Rehab is designed to finance home improvements and to address health, safety, accessibility modification, reconstruction and structural/deferred maintenance deficiencies. Rehab will enable homeowners to improve their housing while creating a positive effect in the community. Funding for this program is provided by HUD CDBG funds (limited to assistance provided to 80% area median family income (AMFI) households or below); and potentially non-federal funds at 120% AMI households or below. Not to exceed \$40,000.

# **Applicant Eligibility**

- Applicants must be the owner of the property (herein referred to as "Applicants", this
  definition applies to the HIPP programs and the HIPP rental program) to be repaired and
  must submit a deed showing the conveyance, or similar documentation acceptable to the
  City in its sole discretion, that proves ownership in fee simple.
- Applicants must be a U.S. Citizen or lawful Permanent Resident, and they must hold a current Texas state-issued identification card or driver license.
- Applicants must have a gross annual household income at or below the applicable lowand moderate-income limits. Applicants must be at or below 80% AMI when CDBG funds are used or at or below 120% of AMI when non-federal funds are used as established by HUD for the jurisdiction of Dallas, Texas. Income shall be calculated using the Part 5 method as outlined in 24 CFR 5.609. Income eligibility shall be determined at the time of the application. Applicant household income eligibility is only valid for six months from the date of the last application.
- Applicants must be willing to correct all code violations that currently exist on the property.
- City Council members, Department of Housing and Neighborhood Revitalization employees and any employee, official or agent of the City who exercises any policy or program decision-making function in connection with the program are ineligible for assistance under the program.
- Applicants must be current on mortgage payments and shall not be in default under the mortgage documents associated with the property.
- Priority shall be given to Applicants who have not participated in any City repair, rehabilitation, or reconstruction program previously.
- Applicants must be willing to voluntarily relocate at the homeowner's expense, if necessary.

#### Property Eligibility Requirements

- Must be a single-family dwelling, owner-occupied, and must be located within the City of Dallas, Texas city limits.
- Must obtain environmental clearance under 24 CFR Part 58.5, as amended, prior to committing rehabilitation funds.
- Property taxes must be current. Property taxes must not be delinquent for any tax year unless the Applicant has entered into a written agreement with the taxing authority outlining a payment plan for delinquent taxes and is abiding to the written agreement.
- Standard property insurance, satisfactory to the City, must be maintained on the property (with coverage adequate to insure the City's lien position). If a property is located in a floodplain, as determined by the City of Dallas, in its sole discretion, flood insurance must

also be maintained with coverage adequate to insure the City's lien position. Insurance will be monitored during the length of the compliance period, which will be until the loan is repaid in full.

- Applicant must certify that the home is not for sale and is the primary residence of Applicant.
- If the property was previously assisted with City funds and the property is still within the period of affordability, per the written agreement with the Applicant or the previous owner, Applicant will not be eligible to receive funding for the same property.
- Must not have more than one outstanding loan on the property. City will only accept a first
  or second lien position. Applicants having a reverse mortgage on the property shall not be
  eligible for this program.
- No liens, except those associated with the first mortgage, shall exist on the property.
- Requested repairs must conform with the designated eligible improvements under this
  program. The City has the authority to determine what the necessary repairs will be and
  when the amount exceeds the limits.

#### Eligible Repair Improvements

Eligible rehabilitation activities will include only items necessary to bring the structure into compliance with the City's written rehabilitation standards and applicable local residential codes; but will also include items recommended as necessary to preserve the property's structural integrity, historic integrity, weatherization, and quality of living conditions. The scope of work must address all major systems to ensure that they have a remaining useful life of a minimum of 5 years at project completion. Major systems are identified as structural support (foundations); roofing; cladding and weatherproofing (e.g., windows, doors, siding, gutters); plumbing; electrical; and heating, ventilation, and air conditioning.

Improvements to, or demolition of an accessory structure such as detached garage, work shed, or small residential structure will be made on a case by case basis depending on the available budget, grant requirements, planning requirements, current building codes, health and safety concerns, and minimum occupancy requirements of residents of the property.

Assistance in removing any items from the property that are considered to be dangerous, hazardous, or a violation of local code is an eligible repair when performed in conjunction with the rehabilitation of eligible improvements on the property.

Assistance may not be used for the purchase or repairs of appliances (except for energy efficient window units) or renovations not necessary to bring the home up to local code or property standards. Ineligible repairs include but are not limited to luxury and recreational items (granite counter tops, swimming pools, spas, high end fixtures); tree trimming; fences; and landscaping.

Eligible improvements under the Rehabilitation Program include the following:

- Correction of code violations and elimination of specific conditions detrimental to public health & safety identified by the City.
- Correction of incipient violations of the City of Dallas Building Code
- Cost effective energy conservation measures, including solar heating, cooling & water systems permanently affixed to dwelling
- Testing & treatment/removal of lead-based paint/asbestos hazards
- Handicapped improvements & removal of barriers to the handicapped
- Removal of termites; removal of rodents and roaches (pest control), but may not be a stand-alone cost

- Replace/repair roofing
- Replace/repair HVAC systems
- Replace/repair plumbing/sewer pipes/kitchen and bath fixtures
- Replace/repair window and/or door screens
- Install new smoke alarms
- Install new insulation
- Replace/repair flooring and carpeting
- Replace/repair water heaters
- Replace/repair electrical system and installation of ground fault circuit interrupters
- Replace/repair windows
- Replace/repair plaster, siding and stucco
- Painting (inside and outside)
- Install new deadbolt locks
- Replace/repair kitchen or bath cabinets and countertops
- Replace/repair garage doors
- Structural repairs/modifications (only to correct existing structural code deficiencies or to provide accessibility to disabled persons)
- Foundation repairs
- · Any items determined eligible by the Director

#### Terms of Assistance

The terms of assistance for Rehab will be in the form of a loan. The loan amount shall be subject to the City's established underwriting criteria/requirements and shall equal the lower of either a loan to value ratio not exceeding 85% of the applicable county's appraisal district market value and all outstanding loan obligations secured by the property, or 80% of the assessed improvement value as determined by the appraisal district. The City loan is secured by a first or second lien on the property, signed by Applicant as the owner of the property. Monthly loan repayments are based on the following loan schedule:

- Applicants with incomes at or below sixty percent (60%) AMI will receive a deferred, zero percent interest (0%) loan.
- Applicants with sixty-one to eighty percent (61% 80%) AMI will have a combination of deferred, zero percent interest (0%) loan and monthly installment payment plan as determined through the City's underwriting.
- Applicants with (81%-120%) AMI, will have a monthly installment payment with three percent interest (3%) on the loan.

The affordability period for the Rehabilitation Program shall be 5 years.

During the period of affordability, monitoring shall be performed on an annual basis. Applicant shall also be required to provide on-going proof of insurance to the City, with the City as an added insured. Applicant must certify annually that the home is not for sale and is the primary residence of the Applicant until the loan is repaid to the City in full.

In addition to execution of a loan agreement, execution and recordation of a deed of trust, deed restriction, and a note will be required.

Applicant may repay Rehab loans at any time without penalty. Loans are immediately payable upon the earlier of:

- The sale, conveyance, transfer, rental, hypothecation of the security; or
- If the home is vacated during the term of the loan; or
- Failure to adhere to the provisions of the loan agreement; or
- Failure to adhere to the provisions under the City's deed restrictions, deed of trust and/or the note.

Rehab loans are not assumable except under the following limited circumstances:

- Transfer of property to a surviving spouse;
- Transfer of property to an heir(s);
- Transfer of property where spouse becomes the sole owner of the property;
- Transfer of property resulting from a decree of dissolution of marriage, legal separation or from incidental property settlement agreement; or
- Transfer to a Family Trust in which the borrower remains the beneficiary and occupant of property.

All transfers must be approved by the City. Any person that would like to assume the loan must income qualify and utilize the assisted property as their primary residence. If such person does not meet the income requirements of the program or does not utilize the property as their primary residence, then the full loan amount is due immediately and payable, in full, to the City.

#### **Assistance Limits**

Under Rehab, the maximum loan assistance amount is \$40,000.00. Rehab funds may only be used to complete the project-related hard costs such as construction costs. Project-related soft costs such as hazardous materials testing fees, document recordation fees, inspection/construction management fees, escrow fees shall not be included as part of the loan provided to the Applicant. These costs shall be provided by the City as part of its delivery costs. These costs are program delivery cost of the City, such cost will not be included in the loan amount.

The level of assistance shall be limited to the amount required to address the rehabilitation work scope as defined by the City and shall not exceed the maximum allowable funding level of \$40,000.00 (except as provided below). The City Manager or designee may on a case by case basis administratively approve (without City Council approval or Council Committee approval) additional assistance not to exceed ten percent (10%) above the maximum limit of \$40,000.00 for any owner-occupied rehabilitation project under the following circumstances:

- To address outstanding repairs or necessary work to close out an existing project;
- The need to provide reasonable accommodations in accordance with the Americans with Disabilities Act or other local, state or federal law;
- Unanticipated costs deemed necessary to meet applicable Dallas City Code requirements;
- Unforeseen environmental issues; and
- Addressing issues that threaten life, health, safety and welfare of the public.

#### Credit and Underwriting Standards

The following are the credit and underwriting standards for HIPP loans:

- Chapter 7 or Chapter 13 bankruptcy is not allowed if the primary or any mortgage is included as a secured creditor on the subject property for which the City will place a lien securing the loan.
- Qualifying debt to income ratios are 26-32% on the front end and 43% on the back end.
- Properties may not have more than one outstanding loan on the property. The City will not accept a lien position lower than a second lien.
- Properties with a reverse mortgage are not eligible for this program

#### Mortgage and Refinancing

Assistance may be provided to an Applicant who has an existing mortgage or equity loan if the total debt, including mortgage/equity loan balance and all rehabilitation costs do not exceed 85% of the after-rehabilitation value of the property for Rehab. The City's deferred loan may be subordinate to the existing mortgage or equity loan only if these loan-to-value requirements are met. The City loan will be in no lower than a second lien position. Refinancing will only be allowed upon prior approval of the City and for favorable rates and terms; no cash out financing will be allowed.

#### Administration

The City of Dallas Department of Housing and Neighborhood Revitalization Staff or their designees ("Staff") shall administer the Rehabilitation Program. As used herein, the term "Staff" may include either employees or consultants of the department under the direction of the Director (defined below) or his/her designee. The administration of Rehab includes application evaluation procedures, rehabilitation assessments, cost estimation, bid solicitation, contractor selection, construction management, inspection, disbursement of program funds and processing of notices of completion, and other duties as established in the program guidelines as well as the policies and procedures.

The Director of Housing and Neighborhood Revitalization (the "Director") shall be responsible for ensuring that all programs are implemented in accordance with all applicable policies and regulations.

#### 3. HOUSING RECONSTRUCTION PROGRAM

The Housing Reconstruction Program ("HRP") provides loan assistance to eligible homeowners of single-family, detached dwellings for the reconstruction of existing housing. Subject to the requirements stated below, dwellings requiring repairs that exceed 80% of the Assessed Building Value as determined by the County Tax Office qualify for this program assistance. Assistance for this program is provided by HUD through the Home Investment Partnerships Program (HOME), CDBG, and/or non-federal funds.

# Applicant Eligibility

- Applicants must be the owner of the dwelling to be reconstructed and must submit a deed showing the conveyance, or similar documentation acceptable to the City in its sole discretion, that proves ownership in fee simple.
- Applicants must be a U.S. Citizen or lawful Permanent Resident, and they must hold a current Texas State issued identification card or Driver License.
- Applicants must reside in the dwelling to be reconstructed and it must be the Applicant's primary residence.

- Where federal funds are provided, Applicant must have a gross annual household income at or below the applicable low- and moderate-income limits (<80% AMI) as established by HUD for the jurisdiction of Dallas, Texas. Income shall be calculated using the Part 5 method as outlined in 24 CFR 5.609. Non-federally funded activities allow applicants to have a gross annual household income at or below 120% of AMI. Income eligibility shall be determined at the time of the application. Applicant household's income eligibility is only valid for six months from the date of the last application.</p>
- City Council members, Department of Housing and Neighborhood Revitalization employees and any employee, official or agent of the City who exercises any policy or program decision-making function in connection with the Program are ineligible for assistance under the Program.
- When HOME funds are provided, the Conflict of Interest provisions at 24 CFR 92.356 shall be observed.
- Applicant must be willing to correct all code violations that currently exist on the property.
- Priority shall be given to Applicants who have not participated in any City repair or rehabilitation program previously.
- Applicant must be willing to voluntarily relocate at the Applicant's expense during the course of reconstruction.

## Property Eligibility

- Must be a detached single-family dwelling, owner occupied and located within the City of Dallas city limits.
- Applicants must be current in their mortgage and not in default.
- Standard property insurance, satisfactory to the City, must be maintained on the property (with coverage adequate to insure the City's lien position). If a property is located in a floodplain, as determined by the City of Dallas, in its sole discretion, flood insurance must also be maintained with coverage adequate to insure the City's lien position. Insurance will be monitored during the length of the compliance period, which will be until the loan is repaid in full.
- Applicant must certify that the home is not for sale and is the primary residence of Applicant.
- Must obtain environmental clearance under 24 CFR Part 58.5 prior to committing program funds
- Must not have more than one outstanding loan on the property. City will only accept a first
  or second lien position. Applicants having a reverse mortgage on the property shall not be
  eligible for a loan.
- Property taxes must be current. Property taxes must not be delinquent for any tax year
  unless the Applicant has entered into a written agreement with the taxing authority
  outlining a payment plan for delinquent taxes and is abiding to the written agreement.
- No liens, except those associated with the first mortgage, shall exist on the property.
- Must be a home that requires repairs that exceed 80% of the Assessed Building Value as determined by the County Tax Office for this program assistance.
- If the property has been reconstructed pursuant to any City program, the property is not eligible for reconstruction under this program.

# Eligible Repair Improvements

Eligible improvements under the HRP include the demolition of the existing single-family home and reconstruction of a replacement single-family home.

#### Terms of Assistance

HRP assistance is provided in the form of a loan. Applicant must certify annually that the home is not for sale and is the primary residence of the Applicant until the loan is repaid to the City in full. Applicant must also correct all code violations that exist on the property. The maximum loan amount is subject to City established underwriting criteria/requirements and shall not exceed a loan to value ratio of 85 percent for all outstanding loan obligations secured by the property. Loan repayment is based on the following:

Housing Reconstruction Program Loan Term		
Program	Loan Term in Years	
Housing Reconstruction Program	20	

The affordability period for the Housing Reconstruction Program shall be 20 years.

In addition to execution of a loan agreement, execution and recordation of a deed of trust, deed restriction, and a note will be required. Applicant may repay the HRP loan at any time without penalty. Loans are immediately payable upon the earlier of:

- The sale, conveyance, transfer, rental, hypothecation of the security; or
- If the home is vacated during the term of the loan; or
- Failure to adhere to the provisions of the loan agreements; or
- Failure to adhere to the provisions under the City's deed restrictions, deed of trust and/or the note.

HRP loans are not assumable except under the following limited circumstances:

- Transfer of property to a surviving spouse;
- Transfer of property to an heir(s);
- Transfer of property where a spouse becomes the sole owner of the property;
- Transfer of property resulting from a decree of dissolution of marriage, legal separation or from incidental property settlement agreement;
- Transfer to a Family Trust in which the borrower remains the beneficiary and occupant of property.

All transfers must be approved by the City. Any person that would like to assume the loan must income qualify and utilize the assisted property as their primary residence. If such person does not meet the income requirements of the program or does not utilize the property as their primary residence, then the full loan amount is due immediately and payable, in full, to the City.

#### **Assistance Limits**

The maximum amount of assistance provided shall not exceed seventy-five percent (75%) of the HUD HOME Value Limits for new construction. The City Manager or designee may on a case by case basis administratively approve (without Economic Development and Housing Committee approval) additional assistance not to exceed ten percent (10%) above the maximum limit for any Owner-Occupied Rehabilitation or Reconstruction project under the following circumstances:

• To address outstanding repairs or necessary work to close out an existing project;

- The need to provide reasonable accommodations in accordance with the Americans with Disabilities Act or other local, state or federal law;
- Unanticipated costs deemed necessary to meet applicable City Codes;
- Unforeseen environmental issues; and
- Addressing issue that threaten life, health, safety and welfare of the public.

It should be noted that the Owner-Occupied Rehabilitation and Reconstruction establishes maximum per unit thresholds below the HUD required maximum per-unit dollar limitations established under HUD Section 234 Condominium Housing Limit. Thus, no individual project under this program can exceed these HOME maximum subsidy limits.

HRP loan funds may be used to complete project-related hard costs such as demolition and construction costs and designated soft costs of architectural and engineering fees. All other project-related soft costs shall not be included as part of the loan provided to the applicant. These costs may be provided by the City as part of its delivery costs. These costs are program delivery costs of the City, such costs will not be included in the loan amount.

The level of assistance shall be limited to the amount required to address the reconstruction work scope as defined by the City and shall not exceed the maximum allowable funding level. The City Manager or designee may on a case by case basis administratively approve (without City Council or Economic Development and Housing Committee approval) additional assistance not to exceed ten percent (10%) above the maximum limit for any of the following circumstances:

- To address outstanding repairs or necessary work to close out an existing project;
- The need to provide reasonable accommodations in accordance with the Americans with Disabilities Act or other local, state or federal law;
- Unanticipated costs deemed necessary to meet applicable City Codes;
- Unforeseen environmental issues; and
- Addressing issues that threaten life, health, safety and welfare of the public.

HUD establishes maximum per unit thresholds which are below the HUD required maximum perunit dollar limitations established under HUD's Section 234 Condominium Housing Limits. Thus, no individual project under this program can exceed these HOME maximum subsidy limits.

#### Credit and Underwriting Standards

The following are the credit and underwriting standards for HRP Loans:

- Chapter 7 or Chapter 13 bankruptcy is not allowed if primary or any mortgage is included as a secured creditor on the subject property for which the City will place a lien securing the loan.
- Qualifying debt to income ratios are 26-30% on the front end and 43% on the back end.
- Properties with a reverse mortgage are not eligible for Program funding
- A maximum loan-to-value ratio of 85% for all loan obligations inclusive of the City loan is allowed on HRP loans.

#### Relocation

Relocation costs will not be paid by the City.

#### Administration

Staff shall administer HRP. The administration of HRP includes, but is not limited to application evaluation procedures, assessments, cost estimation, bid solicitation, contractor selection, construction management, inspection, disbursement of program funds and processing of notices of completion, and other duties as established in the program guidelines as well as the policies and procedures.

The Director shall be responsible for ensuring that all programs are implemented in accordance with all applicable policies and regulations.

# **Dallas Homebuyer Assistance Program**

Added/amended June 26, 2019 by Resolution No. 19-1041

Provides homeownership opportunities to low- and moderate-income homebuyers (defined as "Applicant" for this program) through the provision of financial assistance when purchasing a home, in accordance with federal, state and local laws and regulations.

# Eligibility

Applicant must meet the following criteria:

- Property must be located in the city limits of Dallas.
- Applicant's projected annual income must be no less than 60% of Area Median Income, but not exceed 120% of the Area Median Income, adjusted for household size, at the time of application to the program. Income eligibility shall be determined at the time of the application. Applicant household's income eligibility is only valid for six months from the date of the last application.
- Applicant must have acceptable credit. High cost or sub-prime loans, adjustable rate mortgages, interest only loans are not allowed.
- Applicant must demonstrate that Applicant has at least two months of cash available and equal to Applicant's projected monthly mortgage payment, including principal, interest, taxes, insurance, and any associated fees.
- Applicant household must be U.S Citizens or legal residents and possess a valid social security card.
- City Council Members, Department of Housing and Neighborhood Revitalization employees and any employee, official or agent of the City who exercises any policy or program decision-making function in connection with this program are ineligible for assistance under this program. This policy extends for a period of 12 months beyond an individual's disassociation with the City in such a capacity.
- When HOME funds are provided, the Conflict of Interest provisions at 24 CFR 92.356 shall be observed.
- Property to be purchased must be for the primary residence of Applicant. Applicant must certify that the home is not for sale and will be the primary residence of Applicant.
- Applicant must attend an 8-hour homeownership education class from a HUD certified counseling agency within 12 months of application for assistance.
- Applicant must make a minimum initial cash investment of \$1,000 toward purchase of home.
- The property must meet federal and local requirements, including but not limited to Minimum Housing Standards, Environmental Review, and international residential code.

#### **Eligible Properties**

The property can be privately or publicly owned prior to sale to the Applicant. The property must be within the Dallas, Texas city limits and meet City building codes, lead based paint requirements, and environmental standards at the time of initial occupancy. All liens must be paid off at or before closing.

The property must contain adequate living and sleeping space for the Applicant household as verified by the property appraisal, site visit, and/or Dallas Appraisal District Data. The property being purchased must be appropriately sized to the Applicant household.

- The occupancy standard is 2 persons per bedroom, meaning that there must be one bedroom for every two household members. For single member households, there must be at least one bedroom.
- The maximum bedroom number may be the above standard, plus one bedroom. For example, if under the above occupancy standard an applicant would require two bedrooms, under this program they would be able to purchase a home with three bedrooms.

Applicants interested in purchasing housing that exceeds these requirements will still be eligible for assistance, but will not be eligible for maximum assistance, under this program.

The property can be an existing property, or it may be newly constructed. The property can be:

- Single-family property (one unit); or
- Condominium or cooperative unit

An appraisal is required and may be provided by the first mortgage lender or Applicant. The appraisal value of an assisted property to be acquired for this activity cannot exceed the HOME Value Limit for Dallas. This limit is updated annually. The sale price of an assisted property may not exceed the "Appraised Value".

# Affordability Periods

The residence must remain affordable for a certain period of time, which is dependent on the amount of funds invested. The City's recapture provisions will apply.

Amount of Funds	Required Affordability
Less than \$15,000	5 Years
\$15,000 to \$40,000	10 Years
Over \$40,000	15 Years

#### Eligible Expenses

Eligible expenses may include: principle reduction, down payment and closing cost assistance. If the house is sold before the required affordability period has elapsed, the assistance funds must be recaptured on a pro-rated basis.

# Terms of Assistance

- The assistance for the Dallas Homebuyer Assistance Program will be offered in the form of a deferred, forgivable loan, which shall be forgivable annually based on the affordability period, subject to the terms of the contract.
- In the event of any of the following occurring prior to the completion of the affordability period the balance is payable immediately on a pro-rated basis.
  - The sale, conveyance, transfer, lease, rental, hypothecation of the security, or any part thereof, or any interest therein, or divestment of title or any interest therein in any manner or way, whether voluntarily or involuntarily, without the prior written consent of the City being first had and obtained; or
  - o Failure to adhere to the provisions of the contract; or

- Failure to adhere to the provisions under the City's deed restrictions, deed of trust and/or the note, or any other lien encumbering the property.
- Applicant must certify annually that the home is not for sale and is the primary residence
  of the Applicant until the affordability period ends.
- If there is an underlying development agreement associated with the property, additional requirements may apply. Such determination is made by the City.

## Credit and Underwriting Standards

Following are the credit and underwriting standards for Applicant:

- No Chapter 7 or Chapter 13 bankruptcy if primary or any mortgage is included as a secured creditor on the subject property for which the City will place a lien securing the loan.
- Predatory lending describes lending practices that take advantage of clients by charging usurious interest rates or excessive fees and penalties. Loans will not be made with an interest rate more than 2% above the prevailing market rate.
- The maximum assistance available for an Applicant in a High Opportunity Area (of the MVA) is \$60,000. In all other areas, the maximum assistance will be \$40,000 per household. Not all Applicants will qualify for the maximum assistance. The assistance available to any given Applicant is based on the City's assessment of the Applicant's need, taking into account the additional criteria outlined below.
- First mortgage amount must have a front-end ratio of 26%-32%
- First mortgage amount must have a back-end ratio no higher than 43%
- Applicants must be qualified by their lender to spend at least 28% of their monthly gross income on their housing.
- If Applicant purchases a home in a High Opportunity Area, the program will allow a Loan to Value Ratio as low as 60%.
- If Applicant purchases a home in a non-High Opportunity Area, the program will allow a Loan to Value Ratio as low as 80%.
- If Applicant purchases a home in excess of need (i.e. exceeds minimum occupancy standards by more than 1 bedroom) the required loan to value ratio will increase by 10% (70% in High Opportunity Areas, 90% in non-High Opportunity Areas).

# Heirs

A loan may be transferred to the heir(s) of the borrower if the heir(s) are income qualified and utilize the assisted property as their primary residence for the remainder of the affordability period. If the heir(s) do not meet the income requirements of the program and the loan or does not utilize the property as their primary residence, and the loan is still within the period of affordability, then the prorated loan amount is due immediately and payable, in full, to the City.

#### Refinancing

Refinancing for better rate and term is permitted upon prior approval of the City. Refinancing of revolving loan accounts, vehicles, credit card debt, or property taxes are NOT allowable refinancing expenses. Cash out are also NOT allowed.

# **Accessory Dwelling Units**

(CHP amended December 11, 2019; Code amended June 27, 2018 by Resolution Nos. 18-0978A and 18-0978B)

Sec. 51A-4.209(b)(6) of the Dallas Development Code provides that for single family uses the Board of Adjustment may grant a special exception to authorize a rentable accessory dwelling unit in any district when, in the opinion of the board, the accessory dwelling unit will not adversely affect neighboring properties.

In addition, Sec. 51A-4.510 of the Dallas Development Code provides regulations allowing for an accessory dwelling unit overlay district. An accessory dwelling unit overlay district is a compact, contiguous area where residents of a single-family neighborhood may petition City Council to create a zoning overlay that, if approved, allows code-compliant accessory dwelling units by right.

# **Homebuyer Incentive Program**

This program offers financial assistance for schoolteachers, police officers, emergency medical technicians, and fire fighters who purchase a property within one of the targeted areas. By purchasing a home in one of the targeted areas, the repayment of the loan shall be due only upon re-sale or transfer, and contingent upon maintaining owner occupancy for a 10-year period.

#### LANDLORD PROGRAMS

## **Rental Rehabilitation**

(Amended June 26, 2019 by Resolution No. 19-1041)

The Home Improvement Preservation Rental Program is an all-inclusive repair and rehabilitation program for single-family (1-4) rental units. It offers a repayment loan program to landlords who lease to low-income households, with the purpose of making needed improvements and preserving affordable housing (sometimes referred to as the "HIPP Rental Program"). HIPP Rental Program is designed to finance improvements and address health, safety, accessibility modifications, and structural/deferred maintenance deficiencies.

#### Program Administration

Staff shall administer the HIPP Rental Program. The administration of the HIPP Rental Program includes application evaluation procedures, rehabilitation assessments, cost estimation, bid solicitation, contractor selection, management of the rehabilitation, inspection, disbursement of program funds and processing of the notice of completion, and other duties as established in the program guidelines as well as the policies and procedures.

The Director shall be responsible for ensuring that the HIPP Rental Program is implemented in accordance with all applicable policies and regulations.

# **Applicant Eligibility**

- Applicant must be the owner of the rental unit(s) to be rehabilitated or reconstructed and provide a deed showing the conveyance, or similar documentation acceptable to the City in its sole discretion, that proves ownership in fee simple. Applicant must provide a copy of the lease agreement with its tenant.
- Applicant and tenants must be a U.S. Citizen or lawful Permanent Resident, have a valid Social Security card, and current Texas State issued identification card or Driver License.
- The tenants of the unit to be repaired must have a gross annual household income at or below the applicable low- and moderate-income limits (≤80% AMI) as established by HUD for the jurisdiction of Dallas, Texas. Income shall be calculated using the Part 5 method as outlined in 24 CFR 5.609. Income eligibility shall be determined at the time of the application. Applicant household's income eligibility is only valid for six months from the date of the last application.
- Where property improvements are to be performed which are not limited to the interior of a specific unit, then 51% of all units on the property must meet the preceding income eligibility requirements.
- Applicant must be willing to correct all code violations that currently exist on the property.
- City Council Members, Department of Housing and Neighborhood Revitalization employees and any employee, official or agent of the City who exercises any policy or program decision-making function in connection with the Program are ineligible for assistance under the Program.
- Applicant must adhere to the Dallas City Code, including but not limited to Section 20-A and comply with HUD HOME rent limits and other applicable federal regulations.
- Priority shall be given to Applicants who have not participated in any City repair or rehabilitation program previously.

# **Property Eligibility**

- 1. The property must be a single-family (1-4 units) renter occupied dwelling located within the City of Dallas, Texas city limits. Properties with over 4 units are not eligible for rehabilitation assistance under this program.
- 2. Applicant(s) must be current in their loan.
- 3. Must obtain environmental clearance under 24 CFR Part 58.5, as amended prior to committing rehabilitation funds.
- 4. Property taxes must be current. Property taxes must not be delinquent for any tax year unless the Applicant has entered into a written agreement with the taxing authority outlining a payment plan for delinquent taxes and is abiding to the written agreement.
- 5. Applicant must certify that the home is not for sale and is occupied by an income eligible tenant.
- 6. Standard property insurance, satisfactory to the City, must be maintained on the property (with coverage adequate to insure the City's lien position). If a property is located in a floodplain, flood insurance must also be maintained with coverage adequate to insure the City's lien position. Insurance will be monitored during the length of the compliance period, which will be until the loan is repaid in full.
- 7. Must not have more than one outstanding loan on the property. City will only accept a first or second lien position. Applicants having a reverse mortgage on the property shall not be eligible for a loan.
- 8. Repairs must conform with designated as eligible improvements under the program
- 9. For rehabilitation, Applicant's property was previously assisted with City funds and the property is still within the period of affordability, per the written agreement with the Applicant or previous owner, Applicant will not be eligible to receive funding for the same property.
- 10. No liens, except those associated with the first mortgage, shall exist on the property.
- 11. Must be a home that requires repairs that exceed fifty percent (50%) of its value.

### Terms of Assistance

The maximum loan assistance amount under the HIPP Rental Program is \$40,000.

HIPP Rental Program funds may only be used to complete the project-related hard costs such as construction costs. Project-related soft costs such as hazardous materials testing fees, document recordation fees, inspection/construction management fees, escrow fees shall not be included as part of the loan provided to the Applicant. These costs shall be provided by the City as part of its delivery costs. These costs are program delivery cost of the City, such cost will not be included in the loan amount. Applicant must certify annually that the home is not for sale and is the primary residence of the tenant until the loan is repaid to the City in full. Applicant must also correct all code violations that exist on the property.

The level of assistance shall be limited to the amount required to address the rehabilitation work scope as defined by the City and shall not exceed the maximum allowable funding level of \$40,000.00. The City Manager or designee may on a case by case basis administratively approve (without City Council approval or Economic Development and Housing Committee approval) additional assistance not to exceed 10% above the maximum limit for the HIPP Rental Program under the following circumstances:

- To address outstanding repairs or necessary work to close out an existing project.
- The need to provide reasonable accommodations in accordance with the Americans with Disabilities Act or other local, state or federal law:
- Unanticipated costs deemed necessary to meet applicable City Codes;
- Unforeseen environmental issues; and
- Addressing issues that threaten life, health, safety and welfare of the public.

It should be noted that HUD establishes maximum per unit thresholds below the HUD required maximum per-unit dollar limitations established under HUD's Section 234 Condominium Housing Limits. Thus, no individual project under this program can exceed these HOME maximum subsidy limits.

#### Terms of Assistance

The terms of assistance to Applicants of the HIPP Rental Program will be in the form of a three percent (3%) interest rate loan. If the Applicant/landlord does not comply with the requirements set out in this program, including but not limited, leasing to households at or below eighty percent (80%) AMI, then the full loan shall be immediately due and payable in full to the City. If the property is transferred through sale during the term of the loan, the balance shall also be immediately due and payable to the City in full. The maximum loan amount is subject to City established underwriting criteria/requirements and the lower of either a loan to value ratio not exceeding 85 percent for all outstanding loan obligations secured by the property, or 80% of the Assessed Building Value as determined by the County Tax Office. The City loan is secured by a first or second lien on the property.

Affordability Period				
Loan Amount	Affordability Term			
Less than \$5,000	5			
\$5,000 to \$40,000	10			

The affordability period for the HIPP Rental Program loans shall conform to the affordability term as defined in the above table. During the period of affordability, monitoring of tenant occupancy and affordability for assisted rental properties shall be performed on an annual basis. Applicant shall also be required to provide on-going proof of insurance to the City, with the City as an added insured. In addition to execution of a loan agreement, execution and recordation of a deed of trust, deed restriction, and a note will be required.

Applicant is required to ensure that occupancy for all assisted units is maintained by tenants that are income qualified at 80% of AMI or lower, and at rental rates that are consistent with the current HOME rents.

Upon transfer of the property, whether voluntary or involuntary, Applicant shall repay the City in accordance with the recapture provisions that apply to the Dallas Homebuyer Assistance Program.

Applicant may repay HIPP Rental Program loans at any time without penalty. However, repayment of the loan shall not release Applicant of the affordability requirements discussed above. Loans are immediately payable upon the earlier of:

- The sale, conveyance, transfer, rental, hypothecation of the security; or
- Failure to adhere to the provisions of the loan agreements; or
- Failure to adhere to the provisions under the deed restrictions, the deed of trust and/or the note.

HIPP Rental Program loans are not assumable except under the following limited circumstances:

- Transfer of property to a surviving spouse;
- Transfer of the property to an heir(s);
- Transfer of property where spouse becomes the sole owner of the property;
- Transfer of property resulting from a decree of dissolution of marriage, legal separation or from incidental property settlement agreement;
- Transfer to a Family Trust in which the borrower remains the beneficiary and occupant of property;
- Transfer of the property to another individual, partnership or entity.

All transfers must be approved by the City. Any person that would like to assume the loan must income qualify and utilize the assisted property as their primary residence. If such person does not meet the income requirements of the program or does not utilize the property as their primary residence, then the full loan amount is due immediately and payable, in full, to the City.

## Credit and Underwriting Standards

The following are the credit and underwriting standards for HIPP Rental Program loans:

- Chapter 7 or Chapter 13 bankruptcy is not allowed if primary or any mortgage is included as a secured creditor on the subject property for which the City will place a lien securing the loan.
- Qualifying debt to income ratios are 26-32% on the front end and 43% on the back end.
- Properties may not have more than one outstanding loan on the property. The City will not accept a lien position lower than a second lien.
- Properties with a reverse mortgage are not eligible for HIPP Rental Program funding.
- A maximum loan-to-value ratio of 85% for all loan obligations inclusive of the City loan is allowed on HIPP Rental Program loans.

#### Tenant Relocation During the Affordability Period

If a tenant relocates for any reason during the affordability period, the Applicant shall have the responsibility of obtaining a new tenant that meets all HIPP Rental Program requirements, subject to approval of the City.

## Eligible Repair Improvements

Under the HIPP Rental Program, rehabilitation activities will include only items necessary to bring the structure into compliance with the City's written rehabilitation standards and applicable local residential codes; but will also include items recommended as necessary to preserve the property's structural integrity, historic integrity, weatherization, and quality of living conditions. The scope of work must address all major systems to ensure that they have a remaining useful life of a minimum of 5 years at project completion. Major systems are identified as structural support (foundation); roofing; cladding and weatherproofing (e.g., windows, doors, siding, gutters); plumbing; electrical; and heating, ventilation, and air conditioning.

To the extent the City's loan does not bring the property up to the City's Minimum Property Standards, the Landlord is responsible for such repairs.

Improvements to or demolition of an accessory structure such as detached garage, work shed, or small residential structure will be made on a case by case basis depending on the available budget, grant requirements, planning requirements, current building codes, health and safety concerns, and minimum occupancy requirements of residents of the property.

Assistance to remove any items from the property that are considered to be dangerous, hazardous, or a violation of local code are eligible when performed in conjunction with the eligible rehabilitation of the property.

Assistance may not be used for the purchase or repairs of appliances (except for energy efficient window units) or renovations not necessary to bring the home up to local code or property standards. Ineligible repairs include but are not limited to luxury and recreational items (granite counter tops, swimming pools, spas, high end fixtures); tree trimming; fences; and landscaping.

Eligible improvements under the HIPP Rental Program requirements include the following:

- Correction of code violations and elimination of specific conditions detrimental to public health & safety identified by the City
- Correction of incipient violations of the City of Dallas Building Codes
- Cost effective energy conservation measures, including solar heating, cooling & water systems permanently affixed to dwelling
- Testing & treatment/removal of lead-based paint/asbestos hazards
- Handicapped Improvements & removal of barriers to the handicapped
- Removal of termites; removal of rodents and roaches (pest control), but may not be a stand-alone cost
- Replace/repair roofing
- Replace/repair HVAC systems
- Replace/repair plumbing/sewer pipes/kitchen and bath fixtures
- Replace/repair window and/or door screens
- Install new smoke alarms
- Install new insulation
- Replace/repair flooring and carpeting
- Replace/repair water heaters
- Replace/repair electrical system and installation of GFCIs
- Replace/repair windows
- Replace/repair plaster, siding and stucco
- Painting (inside and outside)
- Install new deadbolt locks
- Replace/repair kitchen or bath cabinets and countertops
- Replace/repair garage doors
- Structural repairs/modifications (only to correct existing structural code deficiencies or to provide accessibility to disabled persons);
- Foundation repairs
- Any items determined eligible by the Director

## Temporary Relocation During Rehabilitation

Relocation is not contemplated for rehabilitation activities, however if an unanticipated event

occurs which requires temporary relocation, Applicant shall be responsible for the relocation-related expenses and fees. Applicant shall perform such relocation obligations in compliance with the provisions of the Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970 and Section 104(d) and any other applicable state, federal, or local laws/regulations.

# Mortgage and Refinancing

Assistance may be provided to an Applicant who has an existing loan or equity loan if the total debt, including mortgage/equity loan balance and all rehabilitation costs do not exceed 85% of the after-rehabilitation value of the property for the HIPP and 85% of the after-rehabilitation value of the property for the HIPP Rental Program. The City deferred loan may be subordinate to the existing mortgage or equity loan only if these loan-to-value requirements are met. The City loan will be in no lower than a second lien position. Refinancing will only be allowed upon prior approval of the City and for favorable rates and terms; no cash out financing will be allowed.

## TENANT PROGRAMS

## **Tenant Based Rental Assistance**

The purpose of this program is to provide supplemental financial assistance to displaced tenants as a result of the High Impact Landlord Initiative (HILI) to pay the difference between the cost of rent and the actual affordable amount that the tenant can pay. The program shall be operated on a first come first serve basis. Only HOME funds can be used to fund Tenant Based Rental Assistance (TBRA) programs. This is not an eligible activity under the Community Development Block Grant (CDBG) Program.

#### Eligible Uses

Eligible costs include: Subsidy is based on the amount of the rent, household income and City rent standard in a form of a grant. Covered expenses include:

- Rent supplemental financial assistance:
- Utility costs
- Security deposits
- Utility deposits
- Maximum assistance of 24 months
- May provide security deposit and utility deposit assistance upon exiting the program for a permanent unit

No payments will be made directly to the tenant household.

## **Prohibited Uses**

City of Dallas HOME TBRA funds may not be used to assist tenants in conjunction with homebuyer programs, including lease purchase programs.

#### Eligible Units

Eligible tenants may rent any housing that meets the following criteria:

- Located in Dallas City Limits
- Meets Minimum Housing Quality Standards
- Reasonable rents are charged
- Are not public housing projects or receiving project based federal assistance

## Subsidy Amounts and Tenant Contribution

Maximum Subsidy: Maximum assistance that can be provided is the difference between 30% of the household's adjusted monthly income and the payment standard.

Minimum Tenant Contribution: All tenants are required to pay 30% of their monthly adjusted income, or \$20.00 per month, whichever is greater.

Length of Assistance: Assistance will not be provided for a period of time longer than two years, and minimum of one-year lease.

#### Other Tenant Requirements

Agencies administering TBRA programs may require tenant participation in a self-sufficiency program as a condition of rental assistance.

A legitimate, legal lease is required for program participants.

#### Income Recertification

Income of tenants receiving HOME tenant based rental assistance must be re-certified on an annual basis, at a minimum. City staff may require recertification of tenant income at any time, at the City's discretion, if it appears that a tenant's income has changed substantially during the contract term. If the tenant's income exceeds eighty percent (80%) of Area Median Family Income, HOME assistance must be terminated.

## Payment Standard

The HOME payment standard will be the Small Area Market Rent, annually established and published by the US Department of Housing and Urban Development.

#### Termination of Assistance

HOME assistance may be terminated if the following occurs:

- Household's income exceeds eighty percent (80%) of Area Median Income;
- Household is evicted from the approved unit by owner for cause;
- After receipt of two official notices requesting cooperation in the re-certification process, the household is unresponsive and uncooperative.

In all cases above, thirty days' notice of the termination must be provided to the tenant and landlord.

## DEVELOPER PROGRAMS

# **New Construction and Substantial Rehabilitation Program**

The purpose of this program is to provide financial assistance to new developments or substantial rehabilitation developments, where such assistance is necessary, and appropriately incentivize private investment for the development of quality, sustainable housing that is affordable to the residents of the City.

Funds may be used for projects to: 1) build new single-family with 5 or more homes, 2) build new multi-family rental housing with 5 or more units, or 3) substantially rehabilitate multi-family rental housing greater than 5 units. The City shall award, when funds are available, through a competitive Notice of Funding Availability (NOFA) or Request for Applications (RFA) process in accordance with the program's scoring policy.

#### Eligibility

To be eligible for funding under the New Construction and Substantial Rehabilitation Program assistance, the proposed project must meet all of the following basic criteria:

- Project must consist of 5 or more units located within the municipal boundaries of the City of Dallas. Note: Extra Territorial Jurisdictions areas are not eligible for financial assistance.
- Substantial rehabilitation projects must, at a minimum, meet the substantial rehabilitation test.

In addition to fully meeting the City's minimum code requirements, a project must meet one or more of the following Substantial Rehabilitation threshold tests:

- Replacement of two or more major building components (roof; wall or floor structures; foundations; plumbing, central HVAC or electrical system); or
- costs are 15% or more, exclusive of any acquisition and/or acquisition and development soft costs, of the property's replacement cost (fair market value) after completion of all required repairs, replacements and improvements; or
- rehabilitation hard costs are \$10,000 or more per unit.

The after-rehabilitation rents required to effectively support the property, including the additional rehabilitation project debt service, must be:

- Reasonable, and fall within the underwriting standards; and
- Affordable and meet the City's definition of affordability.

Owners must exhibit a cash equity participation of at least 10% in the rental property proposed for rehabilitation. Note: Housing tax credits proceeds are to be treated as equity.

#### Loan Terms

Financial assistance can be provided in the form of a repayable loan as negotiated on a project by project basis and demonstrated by the financial underwriting. The City loan is fully repayable, and the interest rate varies by the type of Borrower. The interest rate for a qualified CHDO Borrower or Sponsor shall be zero percent (0%) simple annual interest. The interest rate for a qualified nonprofit Borrower or Sponsors shall be one percent (1%) simple annual interest. The

base interest rate for all other Borrowers shall be three percent (3%). However, the 3% base rate can be reduced through a combination of one or more Borrower concessions:

- A Borrower guarantee to make annual interest payments will reduce base interest rate by 1%:
- Borrower agreement to limit loan maturity to 20 years or less reduces base interest rate by 1%; or
- Borrower guarantee of annual interest and principal payments reduces base interest rate by 2%.

The Borrower can combine a) and b) above to reduce the 3% annual simple interest base interest rate by 2% to the 1% annual simple interest floor rate. However, in no instance can the floor interest rate be less than 1% annual simple interest for a Borrower in this category.

Repayment terms will be negotiated based on project underwriting and after review of all other financing commitments. Repayment of loan principal and interest should be either:

- Equal monthly installments over a period of up to 300 months. Subject to City review and approval, multi-family projects may have up to 24 months (in addition to the above stated maturity of 300 months) of deferred principal and interest during a construction and leaseup; or,
- An annual surplus cash payment. The City's surplus cash loans funding will be structured
  with note provisions requiring that at least 50% of Eligible Cash in excess of \$50,000 be
  paid annually to subordinate lenders (including funding partners and related parties) on a
  prorated basis.

Eligible Cash shall be defined as: Surplus cash available for partnership distribution, less any outstanding:

- Credit adjusters
- Asset management fees
- Operating reserve account replenishment
- Limited partner loans that have been approved by the City
- Deferred developer fees
- Supplemental replacement reserve deposits approved by the City

Note: Incentive management fees have been deliberately omitted from the above list. Payment of incentive management fees shall be subordinate to repayment of the City's loan(s).

# Additional Requirements for New Construction Development

For new construction housing developments funded by the City, the maximum subsidy per unit is 22.5% of the HUD HOME Value Limit.

Funding will be provided to Community Housing Development Organizations, governmental entities, or public facility corporations at 0% simple interest, which will be forgiven upon sale of the property to home buyer.

In addition, funding will be provided to other qualified non-profit organizations at 1% simple interest, which will be forgiven upon sale of the property to home buyer.

Projects shall submit, on an annual basis, either HUD Form 93489 (HUD Computation of Surplus Cash), or the City's form, with the project audit. The City will invoice the project, allowing for repayment to occur up to the end of the current calendar year when HUD financing is involved. Otherwise, the surplus cash payment will be due within 45 days of the invoice postmark. Late payments will be assessed a 5% late charge. The loan will be in default if payments are more than 75 days late. The default interest rate shall be 500 basis points (5%) over the note interest rate.

The City multi-family rental loan is limited to only the amount necessary to fully fund the required rehabilitation work, not to exceed nine percent (9%) of the annual HUD Section 234 – Condominium Housing Limits in Dallas, Texas for elevator units (by number of bedrooms per unit). In 2018, the annual limits were as follows:

- Efficiency \$58,787
- 1 Bedroom \$67,391
- 2 Bedroom \$81,947
- 3 Bedroom \$106,013
- 4 Bedroom \$116,369

Note: The above table is only valid for 2018 and is otherwise provided for illustrative purposes. Contact the City's Housing Department for a schedule of current HUD 234 Limits.

# Affordability Period Requirements for All Rental Housing Development and Substantial Rehabilitation Loans

The Period of Affordability (income and rent restrictions) applies to both single-family and multi-family rental housing projects. Affordability periods shall be set as follows, in keeping with HUD requirements.

Amount of CDBG or HOME funds Per Unit	Minimum Period of Affordability
Under \$15,000/ unit	5 years
\$15,000 - \$40,000/ unit	10 years
Over \$40,000 or rehabilitation involving refinancing	15 years
New construction of rental housing	20 years

# Conditions of All City Loans

- The property must be residential rental property under the existing ownership for the entire loan term. If the property is transferred by any means during the loan term, the remaining unforgiven portion, plus interest based on the existing market, will become immediately due and payable;
- The Borrower must maintain the property according to the Dallas Unified Building Code and agrees to allow City personnel to annually inspect the property;
- The Borrower provides evidence of having paid annual property taxes and having secured fire and extended insurance coverage for the property;
- Borrower must annually provide the City of Dallas with the information on rents and occupancy of HOME-assisted units to demonstrate compliance with the affordability rent requirements;
- The Borrower must maintain reserves for maintenance; and
- No further assistance during the affordability period term of the loan, whichever is longer.

The City loan will be secured by a lien on the property. The lien position will be no less than a second, except upon approval of the appropriate City Department Director, subordinate only to a private financial institution's superior lien for a loan in a greater amount. The City may also require additional security for its loan, including, but not limited to, a first lien position on other investment property of the owner, as well as personal and/or corporate guarantees if it is necessary to secure the loan.

The terms of payment will continue throughout the entire term of the note, provided the Borrower complies with each and every term and condition of the loan documents. If the Borrower does not comply, or if the borrower at any time defaults under the terms of the note, interest on the unpaid principal will thereafter:

- accrue at a rate that is 500 basis points over the Note interest rate, and
- be immediately payable in addition to the entire outstanding principal amount

## Financial Structuring

## **GAP Financing**

The City deferred debt (deferred forgivable or surplus cash) only be used for and based upon the financing gap on affordable units. The City loan cannot exceed the financing gap.

## Balloon Mortgages

Ballooning senior debt mortgages may require additional mitigating factors depending on overall project sources and uses, projected loan-to-value, and other risk factors. Under no circumstances will the City participate in a transaction where a senior balloon term is less than 15 years.

#### Surplus Cash Mortgages

The City's surplus cash loans funding will be structured with note provisions requiring that at least 50% of Eligible Cash in excess of \$50,000 be paid annually to subordinate lenders (including funding partners and related parties) on a prorated basis.

## Eligible Cash shall be defined as:

- Surplus cash available for partnership distribution, less
- Any outstanding:
- Credit adjusters
- Asset management fees
- Operating reserve account replenishment
- Approved limited partner loans
- Deferred developer fees
- Approved supplemental replacement reserve deposits

Projects shall submit, on an annual basis, either HUD Form 93489 (HUD Computation of Surplus Cash), or the City's form, with the project audit. The City will invoice the project, allowing for repayment to occur up to the end of the current calendar year when HUD financing is involved and general HUD distribution guidelines. Otherwise, the surplus cash payment will be due within 45 days of the invoice postmark. Late payments will be assessed a 5% late charge. The loan will be in default if payments are more than 75 days late. The default interest rate shall be 500 basis points (5%) over the note interest rate.

#### **Appraisal Requirements**

Projects Receiving City First Mortgage Acquisition Financing

Prior to funding commitment, the borrower must provide a completed Appraisal Request Form for City-Ordered Appraisals by the date specified in the City's notice of funding award, unless the development is exempt from the appraisal requirement as described below. The establishment of the date will take into account the applicable funding source commitment deadline and the Borrower's project timeline.

Developments exempt from the prior to commitment appraisal requirement:

- Acquisition price under \$100,000
- Land only where there is no identity of interest. Identity of interest is used broadly to include non-arm's length transactions, related-party transactions, etc.
- Single family homes (1-4 family structures) that are aggregated under one loan
- The Borrower has provided a Market Study
- The Project is HUD 202 or HUD 811 with a funding reservation

Note: Whenever a project is exempt under one of the above provisions, the City will use assessed value unless the borrower requests an appraisal for determining acquisition cost as defined in these Underwriting Standards.

The cost of appraisals must be borne by the Borrower. All costs incurred for the appraisal, and any revisions, will be the responsibility of the applicant. The City will collect the appraisal costs from its loan proceeds at closing.

Appraisals ordered by the Borrower will not be accepted. All appraisals must be ordered by the City, HUD or a designated HUD MAP lender, Fannie Mae or a designated Fannie Mae Delegated Underwriter Services (DUS) lender or a regulated financial institution.

An Agency ordered appraisal will be used to support the acquisition costs identified at the time of application. The appraised value will be used by the City and its funding partners in underwriting the acquisition cost.

#### An As-Is Appraisal:

Land Only for New Construction: Fee simple value of the land. The market value appraisal will consider the real property's zoning as of the effective date of the appraiser's opinion of value. If the real property consists of more than one parcel, the parcels will be combined in one appraisal with one value conclusion.

#### Acquisition/Rehab:

Fee simple "as-is" value of the existing multi-family property assuming market rate rents. Fee simple, in "as-is" condition, with existing restricted rate rents.

#### Adaptive Re-Use:

Fee simple market value of the property to be adapted for an alternate use. The valuation will assume the highest and best use permitted by law and economically feasible in the current market.

#### Prior to Closing – Scheduled Payment Loans:

For scheduled payment loans, an as-completed appraisal is required to establish loan to value. An "as-completed and stabilized" appraisal is required for all amortizing loans.

Two hypothetical values are required:

- As completed and stabilized, subject to restricted rents
- As completed and stabilized, assuming market rate rents

The lesser of the two values will be used to determine loan to value for the City's underwriting. The City will finance no more than 87% of appraised value (85% for loans with \$15,000 per unit or less in rehabilitation). Plans and specifications must be sufficiently complete for the appraiser to establish the "as completed" value. The appraisal must be conducted no more than six months prior to closing or end loan commitment (or the borrower will be required to pay for an appraisal update).

# Prior to Closing- Deferred Loans:

For non-amortizing loans, the City requires an appraisal prior to closing similar to that required for amortizing loans (above). Borrowers may use another lender's appraisal. Non- Amortizing developments exempt from the prior to closing appraisal requirement include:

 Single family homes (1-4 family) that are aggregated under one loan (the City will use assessed value unless the Borrower requests an appraisal for determining acquisition cost as defined in the Borrower's Underwriting Standards.)

#### **Loan Conditions**

As a condition of the City Loan, the Developer must agree:

- To rent these properties in accordance with Affirmative marking standards and the current HUD Section 8 rental income guidelines for the Period of Affordability and the federal equal housing opportunity requirements in the Fair Housing Act.
- Not discriminate on basis or race, religion or national origin.
- Not discriminate against lower income prospective tenants, solely on the basis of their receipt of Section 8 Housing assistance support.
- Not convert the property to condominiums for the duration of the public note.
- To maintain the property in a safe, sanitary and decent condition, in compliance with the City of Dallas Building Codes throughout the term of the public sector note.
- To provide evidence of having paid annual property taxes and secured fire and extended insurance coverage for the property.
- Comply with Annual Re-certification of tenant's annual income, which means each year
  the property owner must document the income of the tenant by reviewing documents such
  as W-2's, pay stubs, etc. in order to ensure that their income meets the low-income
  requirements.
- To a property inspection one (1) year after the rehabilitation and every two (2) years thereafter during the period of affordability. The owner must agree to cooperate with and assist in this inspection effort, and to resolve all deficiencies cited within the designated correction period allotted.
- To pay real property taxes and maintain adequate fire and extended coverage insurance with City named as co-insured on the subject property for the full term of the loan. The City will require owner to provide documentation of tax payment and insurance coverage on an annual basis.
- To adhere to Lead-Based Paint Abatement guidelines for all properties built 1978 and before.

The City will examine the sources and uses for each project and determine whether the costs are eligible and reasonable, the return to the developer is appropriate (not excessive); and the other sources of funds needed for the project are firm commitments. "Reasonableness" of development costs should be based on the following factors:

- Costs of comparable projects in the same geographical area;
- Qualifications of the cost estimators for the various budget line items; and
- Comparable costs published by recognized industry cost index services

Failure to comply with any of the conditions outlined above will constitute a default of the public sector loan, requiring the balance to become immediately due and payable.

During the term of the public sector loan, if the property is sold, or ownership transferred through any means, then the balance of the note then owning, including the remaining deferred forgivable portion is immediately due and payable in full.

For HOME projects, a determination of fixed or floating HOME units must be made at the time of Loan commitment. Fixed units must remain the same throughout the period of affordability. Floating units may change in order to maintain conformity so that the total number of units meet the required number of bedrooms to the originally designated HOME-assisted unit.

## Loan Closing

The property owner will be required to provide the following items for loan closing:

- For substantial rehabilitation projects, the after-rehabilitation appraisal of the property showing the appropriate value relative to the proposed loan.
- Acceptable Commitment for Title Insurance Policy showing the City's interest in the total amount of the City's Deferred Payment Loan.
- Credit Reports on all Borrowers with a 15% or greater ownership interest.
- List of all real property assets and their value.
- An acceptable bid from an approved contractor. The approved contractor must be licensed, and provide proof of appropriate insurance coverage, covering the total cost of the
- rehabilitation work and including, but not limited to worker's compensation, general liability, and personal liability.
- Copy of the insurance policy for fire and extended coverage for 80% of the value of the property with City named as co-insured.

## Permitted Rehabilitation Program Costs

CDBG or HOME funds will be used to support only the following eligible costs:

- Actual rehabilitation costs necessary to correct substandard conditions to comply with the City of Dallas building Codes, federal environmental conditions standards, and federal lead-based paint abatement requirements.
- Essential improvements including energy conservation-related repairs, and improvements to permit use of the rehabilitated units by persons with disabilities.
- Repairs to major building system in danger of failure.

- Costs, generated by the public sector, for processing and closing the financing for the project, such as: credit reports, fees for title evidence, fees for recordation and filing of legal documents, attorney's fees, permits, and appraisal fees.
- Cost for the relocation of tenants currently residing in the property at the date of initial
  application, who must be temporarily or permanently displaced as a direct result of the
  rehabilitation activity.

# **Involuntary Displacement**

The City prohibits involuntary displacement of residents from developments receiving funding. If a development receives federal funds, the Uniform Relocation Act provisions will apply.

## Eligible Costs

The following costs may be reimbursed with HOME funds:

Hard Costs	Soft Costs
Land and Structure Acquisition	Financing Fees & credit reports
Site preparation, including demolition	Affirmative marketing, initial leasing & marketing costs
Construction Materials and Labor	Title binders and insurance
	Performance bonds and surety fees
	Recording fees
	Legal & accounting fees
	Appraisals
	Eligible Soft Costs
	Environmental reviews

CDBG funds may not be used for new building construction, in accordance with HUD regulations. However, CDBG funds may be used for all other reasonable and eligible costs in the above table.

#### Monitoring

The City is required by HUD to obtain information on rents and occupancy of HOME – assisted units to demonstrate compliance with the affordability rent requirements on an annual basis.

## Additional Requirements for ALL Rental Housing Projects

## Tenant Selection/Eligibility:

An owner of rental housing assisted with HOME or CDBG funds must adopt written tenant selection policies and criteria that:

- are consistent with the City's goal of providing housing for very low-income and low-income families;
- are reasonably related to program eligibility and the applicant's ability to perform the obligations of the lease;
- provide for the selection of tenants from a written waiting list in the chronological order of their application, insofar as is practicable; and
- give prompt written notification to any rejected applicant stating the grounds for the rejection

# Income Eligibility and Re-certification:

Tenant incomes must be re-certified annually and verified with source documents every six years. If the income of a household in an assisted unit rises above 80% of Area Median Income, the household may continue to rent the unit and the household must pay monthly rent equal to the lesser of:

- The rent permitted by state law; or
- 30% of the family's adjusted monthly income at annual re-certification.
- If the project was financed with Low Income Housing Tax Credits, the tax credit rent prevails.

## Acceptable Rents for HOME Projects Only

The HOME program has established rules in relation to acceptable rents. There are two rent standards: High HOME Rent and Low HOME rent. For properties with five (5) or more HOME assisted united, at least 20% of the units must have rents that meet the "Low HOME" criteria.

**High HOME Rent:** lesser of the Section 8 Fair Market Rents for existing housing OR thirty (30) percent of the adjusted income of a family whose annual income equals 65% of the area median income.

**Low HOME Rent:** Thirty percent of the tenant's monthly adjusted income OR thirty percent of the annual income of a family whose income equals 50% of the area median income.

# **Mixed Income Housing Development Bonus**

Added December 11, 2019, Code amended March 27, 2019 by Resolution No. 19-0429

# Background

On March 27, 2019, City Council approved amendments to Chapter 51A of the Dallas Development Code to allow by-right development bonuses to incentivize new mixed-income rental development. These by-right bonuses are available in MF – Multifamily Districts and MU – Mixed Use Districts, specifically MF-1(A), MF-2(A), and MF-3(A) Multifamily Districts and MU-1, MU-2, and MU-3 Mixed Use Districts. Today, these districts represent approximately 15,000 acres across the city.

The development bonus and number of reserved units required to attain that bonus vary by the location of the development under the City's Market Value Analysis (MVA) categories. Properties in A, B, and C categories are required to serve families at lower income levels than properties in G, H, and I categories, with the percent of reserved units related to the amount of the bonus requested and the income ranges depending on the MVA category.

- A, B, C:
  - o 5% of units at 51%-60% Area Median Income (AMI),
  - o 5% of units at 51%-60% AMI & 5% at 61-80% AMI, or
  - 5% of units at 51%-60% AMI & 5% at 61-80% AMI & 5% at 81-100% AMI
- D, E, F:
  - 5% of units at 61%-80% AMI,
  - o 10% of units at 61%-80% AMI, or
  - 10% of units at 61%-80% AMI & 5% at 81-100% AMI
- G, H, I:
  - 5% of units at 81-100% AMI

The bonuses vary by type of zoning district and by the additional development rights that would be most likely to incentivize development.

- In MF-1(A) and MF-2(A) Multifamily Districts, the percentage of reserved units required increases with height and lot coverage.
- In MF-3(A) Multifamily Districts, the percentage of reserved units required increases with height, lot coverage, and density.
- In MU-1 and MU-2 Mixed Use Districts, the percentage of reserved units increases with increases in density. Base floor area ratios (FAR) apply to non-residential use only.
- In MU-3 Mixed Use Districts the percentage of reserved units increases with an increase in FAR and a small increase in lot coverage.

#### In all districts:

- Building heights are subject to residential proximity slopes, where applicable, and existing setbacks are maintained.
- For multifamily uses, parking is reduced to 1½ space per unit (versus one space per bedroom in Chapter 51A) and at least 15 percent must be available for guest parking.
- Developments with transit proximity receive an additional parking reduction and additional lot coverage
- Reserved units must be provided on-site, dispersed throughout the development and the unit mix, and be comparable to the market rate units.

## Design standards

Additional design standards can reduce auto dependency, reduce the need for parking, encourage alternative modes of transit, and improve transit accessibility, particularly for transit-dependent residents. Design goals include:

- Minimal surface parking, mostly in the side and rear of the lot
- Ground-floor entrances that open directly to sidewalk or open space
- Wide sidewalks and pedestrian lighting
- Parking structures wrapped by other uses
- Only short fences with pedestrian gates are allowed between the front of the building and the street.
- A minimum of 10% of the site provided as open space

#### Implementation

The regulatory framework for the mixed income housing development bonus is found in Chapter 20A Art. II of the Dallas City Code.

#### Procedures

- Developer meets with the City's Department of Housing and Neighborhood Revitalization to request an MVA category verification. The MVA category determines the bonuses that the development may utilize in return for a specified number of reserved units.
- Developer begins the permit application process.
- Before the issuance of a building permit, developer submits an official copy of the executed and filed restrictive covenant.
- Before beginning leasing, developer begins compliance process, including following the approved affirmative fair housing marketing plan and reserving units according to the restrictive covenant.
- Developer completes construction and submits documentation for a final certificate of occupancy. City reviews for compliance with all aspects of the permit and, if complete, issues final CO.
- Developer (and all subsequent owners) submits compliance paperwork regularly during period of compliance. Requirements stay with the development, not the ownership.
- Ongoing compliance is monitored by the Housing and Neighborhood Revitalization Department and the Office of Equity and Human Rights.
- Developer (and all subsequent owners) may not discriminate on the basis of source of income. This non-discrimination provision provides housing opportunities for households with rental assistance or vouchers, as applicable.

## **Program Operation and Compliance**

- Term of affordability is 20 years
- Property owner must remain in compliance with restrictive covenant based on the requirements in Chapter 20A-II and Chapter 51A-4.1100.
- Each eligible household must be charged an affordable rent, which is defined as a monthly tenant rental housing payment, less an allowance for utilities, that does not exceed 30 percent of an eligible household's adjusted income.

# **Land Transfer Program**

Added May 22, 2019 by Resolution No. 19-0824

The purpose of this Land Transfer Program (the "Program") is to incentivize: (1) the development of quality, sustainable housing that is affordable to the residents of the City and (2) the development of other uses that complement the City's Comprehensive Housing Policy, economic development policy, or redevelopment policy. Specifically, this Program authorizes the City to sell qualifying city-owned real property and resell tax-foreclosed real property to for-profit, non-profit and/or religious organizations in a direct sale at less than fair market value of the land, consistent with the authorizing state statute or city ordinance.

The sale of real property pursuant to the Land Transfer Program will enable the City to facilitate the development of housing units that will be offered for sale, lease or lease-purchase to low- and moderate-income households and, on appropriate parcels of land, enable the City to facilitate the development of commercial uses such as neighborhood retail.

## Consistency with City's Affordable Housing Development Goals

The operation of the Land Transfer Program shall align with the City's existing affordable housing production goals as outlined in the adopted Comprehensive Housing Policy. The portfolio of real property sold under this Program shall be developed to serve the range of income bands as well as the percentage of each income band identified in the production goals of the Comprehensive Housing Policy.

When seeking City Council approval to sell a parcel or parcels of real property pursuant to this Program, staff must identify the proposed developer, indicate the income band for which the parcel(s) of real property is reserved, and provide the City Council with a map depicting the location of the real property that contains the current Market Value Analysis (MVA) and Racially and Ethnically Concentrated Areas of Poverty (R/ECAP) data layers, if such layers exist. The map must also depict the location of all parcels of real property previously sold to the proposed developer pursuant to this Program or any other City affordable housing program in the past two years and the income bands for which each parcel of real property was reserved.

On an annual basis, the Housing and Neighborhood Revitalization Department, or its successor department, shall brief the appropriate City Council committee regarding the year-to-date production data for the Program.

## Consistency with Fair Housing Laws

On an annual basis, the Land Transfer Program will be reviewed by the Office of Equity and Human Rights, or its successor department, to ensure that the Program is being operated in a manner that is consistent with fair housing laws. The City will collect and maintain data regarding the location of parcels of real property sold via the Program and demographic information regarding the eligible households who occupy housing units developed pursuant to the Program.

## Application Process for Submitting a Proposal to Purchase Parcels of Real Property

The City will create, and will periodically update, an application that is consistent with this Program and the authorizing state statute or city ordinance to be used by developers who are interested in purchasing real property pursuant to the Land Transfer Program. The City may accept proposals to purchase lots on a rolling basis or may solicit purchase proposals through a competitive solicitation process. Only proposals that meet or exceed the minimum developer and project

eligibility criteria will be referred to the appropriate City Council Committee for approval. City Council must approve all sale of real property through the Land Transfer Program.

Each purchase of real property must clarify which Texas statute it is operating under.

	Type of Property	Type of Developer	Uses term low/mod income	Defines targeted incomes	Type of Development Allowed	Add'l state statutory requirements
DCC 2-26	Tax-foreclosed or	Name of the		000/ ANASI h - l		Enabling Statute: TLGC
(aka HB 110) TLGC 253.010	seized  Any land acquired by municipality	Nonprofit  Non-profit and religious organizations	Low-income	80% AMFI or below  Municipality may determine; Should consider AMFI	Affordable housing  Affordable housing or a use approved in a written agreement with City	253.010
TLGC 272.001(g)	Any city-owned land except land acquired by condemnation	No limitation	Low- and Mod-	No	Low- and moderate income housing	
					S .	Interlocal agreement among taxing entities;
TPTC 34.051	Tax-foreclosed land	No limitation	Primarily Low- and Mod- income	No	A purpose consistent with City urban redevelopment or	land must be

# Developer Eligibility Criteria

To be eligible to purchase real property pursuant to the Land Transfer Program, a developer must meet all the following criteria, unless the land is sold pursuant to Dallas City Code Section 2-26.4:

- Developer may be an individual, or may be organized as a corporation, partnership, joint venture or other legal entity, regardless of whether developer is a for-profit, non-profit, or religious organization.
- Developer must be in good standing with the State of Texas and the City, including that the City has not issued a charge against the developer for violating Chapter 20A of the Dallas City Code or Chapter 46 of the Dallas City Code within the past 5 years, may not be debarred under the federal System for Award Management (SAM), may not have uncured violations of Chapter 27 of the Dallas City Code for which it has received notice, may not be indebted to the City or delinquent in any payment owed to the City under a contract or other legal obligation, and must be current on payment of taxes and liens owed to any other affected taxing unit under the Texas Property Tax Code.
- If developer seeks to purchase two or more parcels of real property for the purpose of constructing housing units, developer must have constructed one or more housing units within the three-year period preceding the submission of the proposal to acquire the parcels of real property via the Program. If developer seeks to purchase one or more parcels of real property for the purpose of developing a multifamily or commercial use, developer must demonstrate that it has developed at least one comparable use within the three-year period preceding the submission of the proposal to acquire the parcel of real property via the Program.
- Developer must submit a development plan for all parcels of real property developer seeks to acquire via the Program.
- Developer must demonstrate that it has the financial capacity and staffing/sub-contractor capacity to develop and complete the sale, lease or lease-purchase, within a two-year

period, of its inventory of parcels of real property acquired through the Program. The City Manager or his/her designee may grant up to one (1) one-year extension of the development agreement due to delays related to installation or improvement of infrastructure or zoning/platting issues. Any additional extensions of the development agreement must be approved by City Council.

Staff may impose additional eligibility criteria that are consistent with this Program, state statute and city ordinance. If land is sold pursuant to Dallas City Code Section 2-26.4, developer must comply with the eligibility criteria set forth in the ordinance.

## Project Eligibility Criteria

To be eligible to purchase real property pursuant to the Land Transfer Program, the proposed project must meet all the following criteria, unless the land is sold pursuant to Dallas City Code Section 2-26.4:

- Parcels of real property must be developed with: (1) a housing unit or units that are offered
  for sale, lease or lease-purchase, or (2) a commercial use that will complement the City's
  Comprehensive Housing Policy, economic development policy, or redevelopment policy.
- Housing units developed on the parcels of real property may only be sold, leased, or
  offered as a lease-purchase to households whose incomes are within the income bands
  prioritized by the adopted Comprehensive Housing Policy.
- Housing units developed on the parcels of real property may be either a single family, duplex, or multi-family housing use.

Staff may impose additional eligibility criteria that are consistent with this Program, state statute and city ordinance. If land is sold pursuant to Dallas City Code Section 2-26.4, the project must comply with the eligibility criteria set forth in the ordinance.

## Identification of Eligible Households, Affirmative Fair Housing Marketing and Other Policies

Developers of for-sale housing units must comply with all the terms of the Mixed Income Housing Program as set forth in Chapter 20A of the Dallas City Code, as amended, if applicable. Developers of for-sale housing units may only sell to homebuyers who meet the eligibility criteria set forth in the City of Dallas Homebuyer Assistance Program (DHAP), or a successor program.

Developers of rental housing or lease-purchase units must comply with all the terms of the Mixed Income Housing Program as set forth in Chapter 20A of the Dallas City Code, as amended, if applicable. Such exemptions will be clearly set forth in the development agreement.

## Sales Price of Parcels of Real Property Sold via the Land Transfer Program

City-owned real property: Properties will be initially offered at fair market value ("FMV"), as determined by a comparative market analysis. A discount will be available if project underwriting indicates that the discount is needed either to ensure the viable sale, lease or lease-purchase to an income-qualified buyer or the viable development of a commercial use. The discount is subject to City Council approval.

Tax-foreclosed real property: A fixed price of \$1,000 for up to 7,500 square feet of land purchased under a single proposal, plus \$0.133 for each additional square foot of land purchased under the proposal. If land is sold pursuant to Dallas City Code Section 2-26.4, the sales price set forth in the ordinance applies.

# Sales Price of For-Sale Housing Units Developed via the Land Transfer Program

For-sale units produced under the Land Transfer Program must be sold at the fair market value as determined by an "as-completed" or "subject to completion" appraisal completed by an independent state-licensed appraiser. However, the terms of the development agreement for each parcel of real property purchased pursuant to the Program will include any seller-discount that must be provided to the eligible purchaser so that the amount paid by the eligible purchaser is affordable based on their income.

# Rental Rates for Rental Housing Units Developed via the Land Transfer Program

Rental units produced under the Land Transfer Program must be leased at affordable rental rates in accordance with the approved development agreement and Chapter 20A of the Dallas City Code, as amended. If land is sold pursuant to Dallas City Code Section 2-26.4, the rental rates set forth in the ordinance applies.

## Term of Affordability

The term of affordability for for-sale housing units is 5 years from the filing date of the deed transferring the unit from developer to homebuyer.

The term of affordability for rental units and commercial uses is 20 years from the date that the first unit is occupied by an eligible tenant.

The term of affordability for lease-purchase units will be negotiated on a case-by-case basis in accordance with the goals of this Program.

If land is sold pursuant to Dallas City Code Section 2-26.4, the term of affordability set forth in the ordinance applies.

## Deed Restrictions and Right of Reverter

The City will impose restrictive covenants on all parcels of real property its sells pursuant to the Land Transfer Program. If land is sold pursuant to Dallas City Code Section 2-26.4, the deed restrictions and right of reverter requirements set forth in the ordinance applies.

The restrictive covenants will require the parcels of real property to be developed and maintained in accordance with the development agreement and all applicable city, state and federal laws. These restrictions will include that housing units developed on the parcels of real property be offered for sale, lease or lease-purchase to low- and moderate-income households and be occupied by low- and/or moderate-income households for the entire term of the affordability period.

Land acquired by a developer pursuant to the Land Transfer Program may revert to the City if the City Manager or his/her designee determines that the developer has:

- failed to take possession of the land within 90 calendar days after receiving the deed to the parcels of real property;
- failed to complete construction of all required housing units or other required development on the real property, or failed to ensure occupancy by eligible households within the development timeframe set forth in the development agreement;
- incurred a lien on the property because of violations of city ordinances and failed to fully pay off the lien within 180 days of the City's recording of the lien; or
- sold, conveyed, or transferred the land without the consent of the City.

Upon determination by the City Manager or his/her designee that a condition described above has occurred, the City Manager or his/her designee is authorized to execute an instrument, approved as to form by the City Attorney, exercising against the parcel of real property the City's possibility of reverter with right to reentry. The City Manager or his/her designee shall file notice of the reverter and reentry of the land by the City in the real property records of the county in which the parcel of real property is located, which notice must specify the reason for the reverter and reentry. The City Manager or his/her designee shall provide a copy of the notice to the developer in person or by mailing the notice to the developer's post office address as shown on the tax rolls of the City or of the county in which the land is located.

# Release of Non-Tax Liens, Release of Restrictive Covenants and Right of Reverter

Pursuant to this Program and contingent upon City Council approval, and in consideration for developer agreeing to construct affordable housing units or other approved uses on parcel(s) of real property, the City Manager or his/her designee is authorized to execute instruments, approved as to form by the City Attorney, releasing any non-tax City liens that may have been filed by the City during the City's ownership of the parcel(s) of real property.

Additionally, the City Manager or his/her designee is authorized to execute instruments, approved as to form by the City Attorney, releasing the City's possibility of reverter with right of reentry and terminating the restrictive covenants on the land upon compliance with all terms and conditions of the development agreement and this Program.

## Type of Transfer

The City will transfer all City-owned parcels and resell all tax-foreclosed parcels via a deed without warranty, approved as to form by the City Attorney.

# PRESERVING AFFORDABILITY

# Title Clearing and Clouded Title Prevention Program

Amended September 25, 2019 by Resolution No. 19-1498

The Title Clearing and Clouded Title Prevention Program (Program) is a legal and professional services program administered by a third-party entity or entities that is designed to focus on effectively and efficiently utilizing a universal representation model to assist qualified clients of the third-party entity (hereinafter referred to as "clients") to clarify the legal ownership of their real property so that homeowners can apply for funding for home repair and other needs and can prevent future heirship issues; and clients with vacant land can sell or build on their land. A secondary focus is to provide associated services, including legal rights information sessions, prevention services, and program evaluation and measurement.

While clarifying ownership (technically, creating a "marketable title") in preparation for eventual sale of a home is a potential outcome, the focus of the Program is on providing legal services that enhance neighborhood stability and enable homeowners to become eligible for funding to invest in their homes. For this reason, eligible legal services include legal rights information sessions and mitigation.

Additionally, on May 22, 2019, by City Council Resolution No. 19-0804, the City passed a resolution to promote equity and committed to make every effort possible to commit more resources to areas and populations where data demonstrates the needs are greatest. In keeping with this resolution, the Program focuses on specific geographical areas of the City where the Program is likely to jumpstart or support neighborhood stabilization, including neighborhoods with high amounts of vacancy, code violations, and historic properties.

The Program addresses the three broad goals of the comprehensive housing policy: to maintain affordable housing, to provide greater fair housing choices, and to overcome patterns of segregation and concentrations of poverty.

#### Administration

The Program is administered by the Department of Housing and Neighborhood Revitalization, or a successor department.

## Award of Funding

A request for proposals, or a similar competitive application process, will be used to award funding under the Program when such funding is available, and any such award will be subject to City Council approval.

# Eligible Clients and Prioritization of Clients

Eligible clients are families and individuals with an assumed or possible ownership interest in real estate in eligible geographic areas and who have a household income that is less than or equal to 120% of the Dallas Area Median Family Income, as published by HUD annually, and who are unrepresented by counsel related to title to real property.

Within the eligible geographic areas as further described below, preference will be given to potential clients who have an assumed ownership interest in:

- a home in MVA categories G, H, and I
- real estate in City of Dallas-designated historic districts
- real estate in designated Reinvestment Areas.

Preference will also be given to those clients within the eligible geographic areas who have been denied City of Dallas Housing and Neighborhood Revitalization (the "Department") funding for lack of ownership clarity on the title.

Clients with title issues on vacant land, as well as those who are in debt to the City and/or who are involved in a suit against the City, are eligible for this Program, subject to the eligibility requirements detailed herein.

## Eligible Geographic Areas

Areas of southern Dallas (south of the Trinity River west of downtown and south of I-30 east of downtown) in Market Value Analysis Categories D, E, F, G, H, and I are eligible for the Program. Uncategorized parcels directly adjacent to a parcel or parcels in one of these categories are also eligible.

# Eligible Services and Costs

- Remove ownership clouds on the titles of eligible parcels Screen clients and successfully clarify ownership (or make title "marketable") for a significant number of titles in eligible geographic areas. Eligible activities include, but are not limited to, client intake and screening, legal advice, document preparation and filing, title examination and abstract services, and legal representation in court.
- Community legal rights information sessions Conduct legal rights information sessions, including providing information about potential responsibilities and associated future decisions related to having marketable title, and potential financial impacts of keeping or selling the property.
- Conduct client intake Screen clients and employ a direct representation model.
- Prevention Provide legal services to eligible clients to increase the number of families with wills, transfer on death deeds, and/or related documentation necessary to ensure a smooth transition of ownership of the property. As needed, provide guidance on the potential financial impacts to the client of keeping or selling the property.
- Measurement Maintain applicant and client data and report aggregate, non-identifying data to the Department on a quarterly and final basis as detailed in the contract. Reported data should include quantitative data such as number of informational events, legal screenings conducted, titles with ownership clouds removed, wills or transfer on death documents, cases referred, and estimates on the potential depth and scope of the instance of cloudy title. Reported data should also include a qualitative evaluation of efforts and recommendations for improved performance for a potential future program and shall include any other information requested by the City.

#### Ineligible Services and Costs

This program is not intended to remove any liens, and payment of liens is not an eligible expense.

# **Community Land Trust Program**

Approved December 11, 2019

This Community Land Trust Program (Program) identifies Community Land Trust (CLT) eligibility and operation criteria under which the City Council may initially designate and revoke the redesignation of a CLT, and under which the City Manager, or their designee, may renew or recommend City Council revocation of the designation of CLTs in the City of Dallas.

A CLT in general is an organization that is created to acquire and hold land for the benefit of developing and preserving long-term affordable housing by separating the cost of land ownership from the cost of home ownership with a 99-year ground lease and home resale formula. The homeowner may build equity at a pre-negotiated maximum rate (resale formula) over the tenure of the ground lease and be eligible for a property tax reduction based on the deed restriction, assuming housing market appreciation. The resale formula is the amount a person may sell their home for at any given point. The application process will establish all applicable guidelines in accordance with those described herein. A CLT accomplishes its purposes by separating the cost of land ownership from the cost of home ownership. Specifically, a CLT retains long-term ownership of land, while either selling or leasing the residential structure built or existing on the CLT-owned land in order to create or maintain affordable housing.

## The purpose of a CLT is to:

- provide affordable housing for low-income and moderate-income residents in the community;
- · promote resident ownership of housing;
- · keep housing affordable for future residents; and
- capture the value of public investment for long-term community benefit.

In addition to the statutory eligibility criteria, a CLT organization seeking to be designated or redesignated by the City of Dallas as a CLT must meet the Eligibility and Operation Criteria set forth is this policy.

# Consistency with City's Affordable Housing Goals

The operation of CLTs shall align with the Comprehensive Housing Policy. This CLT Program is designed to work in conjunction with other City programs, and the City's existing affordable housing production goals. On an annual basis, the Department shall report to the City Council the year-to-date production data for the program.

#### Consistency with Fair Housing Laws

On an annual basis, the Program will be reviewed by the Office of Equity and Human Rights, or its successor department, to ensure that the Program is being operated in a manner that is consistent with fair housing laws. The City will collect and maintain data regarding the location of parcels of real property in CLTs. In addition, the City will collect program evaluation data and demographic information regarding the eligible households who occupy housing units in CLTs.

# **Application Process**

Prior to submitting a written application, the CLT must attend a CLT information session facilitated by the Department and receive information about the Program, designation process, and redesignation process.

The City Manager, or their designee, is authorized to create and periodically update an application.

## Eligibility Criteria

In its application to the City of Dallas, a non-profit CLT organization must demonstrate that the organization:

- has been created to acquire and hold land for the benefit of developing and preserving long-term affordable housing in the City of Dallas;
- must be exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, by being certified as an exempt organization under Section 501(c)(3) of that code:
- has adopted articles of incorporation, or a similar governing document, stating that it has
  the purpose to acquire and hold land for the benefit of developing and preserving longterm affordable housing in the City of Dallas, as required by Chapter 373B, as amended;
- currently owns or intends to own land for the purpose of leasing the land and selling or leasing the housing units located on the land as provided by Chapter 373B, as amended;
- has adopted articles of incorporation, or a similar governing document, stating that on discontinuance of the organization by dissolution or otherwise that the assets related to its CLT activities be transferred to the City of Dallas, the State of Texas, the United States, or an organization that is qualified as a charitable organization under Section 501(c)(3), Internal Revenue Code of 1986 and designated as a CLT by the City of Dallas; and
- is not controlled by, nor receives direction from, a for-profit entity or corporation.

## Operation Criteria

In its application to the City of Dallas, a non-profit CLT organization must demonstrate that the organization:

- defines its geographical boundaries of operation. A CLT may operate citywide or may elect to focus on a specific geographic area or areas.
- maintains at least 1/3 representation on the organization's governing board for low-income community residents and, to the extent practicable, low-income beneficiaries of the CLT properties with regard to decisions on the design, siting, development, and management of affordable housing;
- must use standard documents, including but not limited to a ground lease and deed restrictions:
  - that include a resale formula outlining the amount of equity per year that can be built while ensuring long term affordability;
  - that ensures that the owners of housing units built on CLT land will either be eligible for a property tax discount based on the deed restriction or, where the occupant is a tenant, that the occupant will benefit from any property tax discount;
  - o that have terms for sale, lease and inheritance,
- must sell or lease housing units only to eligible households as set forth in Chapter 373B.006, as amended;
- may not discriminate on the basis of source of income with tenants. This nondiscrimination provision provides housing opportunities for households with rental assistance or vouchers, as applicable;

- will consider the local neighborhood context for architecture that is respectful and within character of existing style and context, so that if a neighborhood plan exists with Design Guidelines, they will be followed by the organization;
- has a business plan that ensures the CLT will have the financial capacity to perform its operations including supporting ongoing maintenance of all property improvement exteriors and grounds;
- has at least two years of experience developing and managing affordable housing or has contracted with an organization that has such experience and that will provide management services or technical expertise until the non-profit independently meets the experience requirements;
- maintains paid staff, or has contracted with an organization that has staff, who have successfully developed and/or maintained affordable housing projects;
- annually has a financial audit or audit review prepared by an independent auditor. The
  audit must include a detailed written report describing the CLT's sources and uses of
  funds, including an A-133 analysis of compliance with federal grants, if applicable; an
  analysis of internal controls; and the auditor's opinion letter to the board of directors and
  management; and
- complies with any other requirements imposed by the City Manager, or their designee that are in accordance with the Program and the City's Comprehensive Housing Policy.

# Re-Designation

To maintain designation as a CLT in subsequent years after initial designation, a CLT must submit a yearly re-designation application to the Department. The City Manager, or their designee may re-designate the CLT or recommend to the City Council to remove the CLT designation. The CLT must:

- meet the Eligibility and Operation Criteria set forth is this policy;
- certify that the information in the CLT's initial application is still true and correct and that the CLT continues to comply with all local, state and federal regulations OR acknowledge that information in the CLT's initial application has changed and attach updated information:
- submit its annual audit or audit review;
- submit all required evaluation and reporting metrics; and
- submit additional information as required by the Department.

#### **Program Evaluation**

During initial application and upon re-application, each CLT must submit the following information that will assist the Department in evaluating the impact of all CLTs operating in the City of Dallas:

- Origin statement (how was this CLT organized/formed and why)
  - o For re-designation add any changes to format or structure of the organization;
- Definition of "Community" in the Community Land Trust;
- If geographically based within an area, the geographic boundaries;
- Number of units placed in CLT annually since inception;
- Number of units anticipated to be placed in the CLT annually over the next three years;
- Number of families served since inception;
- AMFI of families in homes on CLT-owned land at time of sale or transfer;
- Demographic data on family, household size, race/ethnicity, etc.;
- Total acreage of property in CLT designated by land use type (single family, commercial, multi family, etc.);

- Market Value Assessment (MVA) category or other document that shows market realities and how ground lease responds to market conditions; and
- List of services provided to families through CLT such as: maintenance program, legal services, financial education, emergency home repair, etc.
- Upon request, City Staff are eligible to assist in assessing fiscal impact by annually, after the certified tax roll is released, report for each owned CLT property three items: 1) the taxable value and the municipal real property tax amount due during the year the CLT purchased the property, 2) the taxable value for the land and improvements and the real property municipal tax revenue due for the current tax year, and 3) an estimate of the market value of the land and improvements but for the CLT and a corresponding estimate of the municipal real property tax that would have been due based on current appraised values of similarly situated comparable properties.

# NEIGHBORHOOD INVESTMENT

# **Neighborhood Empowerment Zones**

Considered January 22, 2020

The City's Residential Neighborhood Empowerment Zone Program (Program) outlines the guidelines and criteria for tax abatements and economic development grants in amounts equal to development fees and certain development-related costs to be provided for certain housing projects to be developed within designated Neighborhood Empowerment Zones in the City. Eligible projects may include: (1) development of new affordable housing units on previously vacant land, (2) repair of certain owner-occupied housing units, and (3) repair and rehabilitation of single family and duplex rental units, all in accordance with the Program.

The Program promotes economic development by incentivizing developers to build housing for a wide variety of incomes and to develop high-quality housing near stabilization areas as defined in the City's Comprehensive Housing Policy. Existing homes in these proposed NEZ districts are affected by the negative economic impacts of deteriorating structures while also being vulnerable to new high-income development and experiencing escalating taxable values. Concern about increased taxable value can deter a property owner from investing in a property and can create affordability issues for families.

The proposed tax abatement provides needed relief for these vulnerable families while encouraging additional investment. The Program further addresses the three broad goals of the comprehensive housing policy: (1) to create and maintain affordable housing units throughout Dallas, (2) to promote greater fair housing choices and (3) to overcome patterns of segregation and concentrations of poverty through incentives and requirements.

The Program is created pursuant to the Neighborhood Empowerment Zone (NEZ) provisions in Chapter 378 of the Texas Local Government Code (Chapter 378). Chapter 378 allows cities to create NEZs to promote the creation and rehabilitation of affordable housing; an increase in economic development; and an increase of the quality of social services, education, or public safety provided to residents of the NEZ. In addition to the creation requirements in Chapter 378, proposed NEZs must meet certain distress criteria for designation of a reinvestment zone pursuant to Section 312.202 of the Tax Code, including findings that the NEZ retards the provision of housing accommodations in its present condition and use because of a substantial number of substandard, deteriorated, or deteriorating structures; and the predominance of defective or inadequate sidewalks or streets. Once the NEZ is created, the City may enter into agreements to abate municipal property taxes.

In addition, this program provides additional incentives in the form of development grants pursuant to Chapter 380 of the Texas Local Government Code equal to development fees and certain development-related costs.

#### **Definitions**

- Affordable Rent means: (i) a monthly rental housing payment, less an allowance for utilities, that does not exceed 30 percent of an eligible household's Adjusted Income divided by 12, or (ii) the voucher payment standard.
- Affordable Sales Price means the fair market value of the home, as determined by an "as-is" or "subject-to-completion" appraisal completed by an independent state-licensed appraiser. However, the terms of the development agreement for the for-sale housing unit

will include any seller discount that must be provided to the eligible household so that the amount paid by the eligible household is affordable based on their income, meaning that their monthly housing payment, including mortgage principal, interest, taxes and insurance, does not exceed 30 percent of the Family's Adjusted Income, divided by 12.

- Eligible Household means, at the time of rental or purchase, 1) for rental, a Family with
  a gross annual household income at or below 80% of AMFI; 2) for home ownership or
  purchase, a Family with a gross annual household income at or below 120% AMFI at the
  time of purchase; 3) for buyers of Land Bank program homes, a Family who also meets
  all of the homebuyer eligibility criteria for the Land Bank program; or 4) for home ownership
  or purchase, schoolteachers and first responders, including police officers, emergency
  medical technicians, and fire fighters.
- Reserved Dwelling Unit means the rental or owner-occupied units in a development available to be leased to and occupied by eligible households, or which are currently leased to and occupied by eligible households and are leased at affordable rental rates, or for-sale units sold to an eligible household at an affordable sales price.

All other capitalized terms in this Definitions section have the meaning assigned in Chapter 20A-24 of the Dallas City Code.

#### Administration

Under Resolution No. \_\_authorized on January 22, 2020, the City Manager is authorized to grant tax abatements to developers developing housing in accordance with the Program's tax abatement guidelines. Additionally, the City Manager may authorize development grants in amounts equal to development fees and certain development-related costs up to \$50,000. The Program is administered by the Department of Housing and Neighborhood Revitalization (Department), or a successor department.

<u>Funding for development grants in amounts equal to development fees and certain development-related costs will be provided as authorized by City Council, including the provision of funding from the Dallas Housing Trust Fund.</u>

# **Application Process**

The Department will create, and will periodically update, an application that is consistent with the Program and the authorizing statute, as amended, to be used by Applicants who are interested in accessing the incentives provided by this Program. The City may accept applications on a rolling basis or may solicit applications through a competitive application process. Only applications that meet or exceed the minimum criteria of the Program are eligible to be provided an incentive. Creation of these tax abatement guidelines does not create any property, contract, or other legal right in any person to be granted a specific application or request for tax abatement or grants herein.

# **Eligible Geographic Areas**

When the City Council adopted the Comprehensive Housing Policy on May 9, 2018 by Resolution No. 18-0704, Council approved the designation of certain geographic areas in Dallas as Reinvestment Strategy Areas (RSAs) where the City would implement specific programs, tools and strategies to address three different real estate market types in need of investment.

The City Council prioritized the creation of NEZs in RSAs that were categorized as Stabilization

Areas. Stabilization areas are characterized as areas with Market Value Analysis (MVA) categories G, H, and I that are surrounded by MVA categories A-E and, as such, are areas where residents are at risk of displacement based on known market conditions. Because of this risk, creating NEZs in stabilization areas helps the City preserve affordability and deconcentrate racially and ethnically concentrated areas of poverty (RECAPs).

Only lots within Council-authorized Residential Neighborhood Empowerment Zones are eligible for the Residential NEZ program.

## **Eligible Activities and Affordability Requirements**

- Development of New Affordable Housing Units on Previously Vacant Land: New construction of single family or duplex housing units that are sold or rented to eligible households, or new construction of multifamily dwelling units that are sold to eligible households. The Program is limited to new construction that occurs 1) on vacant lots that have not had a residential use (as defined by Sec. 51A-4.209 of the Dallas Development Code, as amended) for at least five years, 2) on lots that are subject to an order of demolition issued under Chapter 27 of the Dallas City Code at the time of application, or 3) lots purchased through the City's Land Bank or Land Transfer programs. The new home shall remain affordable for the period of abatement.
- Investment in Repairs to Owner-Occupied Housing Units: Investment of at least \$5,000 in repairs to a home owned by an eligible household. The minimum investment of at least \$5,000 must be focused first on water/weather proofing, and then on essential systems such as roofing, electrical, HVAC and plumbing.
- Investment in Repairs to Single Family and Duplex Rental Housing Units: Investment in all repairs necessary to bring a single family rental housing unit into full compliance with the Minimum Housing Standards codified in Chapter 27 of the Dallas City Code, as amended, including repairs that make the housing unit water/weather-tight. After completion of repairs, major systems such as roofing, electrical, HVAC and plumbing must have a useful life of at least 5-10 years, depending on the system. For the development grant, the home must be rented to an eligible household for a minimum of 5 years. For the abatement, the home must be occupied by an Eligible Household during the period of the abatement. Minimum investment amount: \$10,000.

## **Eligible Properties**

- The property must be a single-family home, duplex, or owner-occupied multifamily unit located within the city limits of Dallas, Texas.
- Property taxes for the property must be current. Property taxes must not be delinquent for any tax year unless the applicant has entered into a written agreement with the taxing authority outlining a payment plan for delinquent taxes and is abiding by the written agreement. Legal, current deferrals for over 65 or disabled are not, on their own, disqualifying.

## **Eligible Applicants**

- An Applicant who will be developing a new housing unit or repairing an existing housing unit must be the owner of the property and must submit a deed, or similar documentation acceptable to the City, in its sole discretion, that proves that the Applicant owns the property in fee simple.
- An eligible household who will be investing in repairs to his/her/their owner-occupied housing unit does not have to have marketable title, but must submit documentation

- acceptable to the City, in its sole discretion, that proves the eligible household has an ownership interest in the property.
- An Applicant who will be developing a new housing unit or repairing a rental housing unit must be current on mortgage payments and shall not be in default under the mortgage documents associated with the property or in default under any lien on the property.
- Applicants for owner-occupied homes must certify that the home is not for sale and is the primary residence of Applicant.
- City Council members, Department of Housing and Neighborhood Revitalization employees, and any employee, official, or agent of the City who exercises any policy or program decision-making function in connection with the Program are ineligible for assistance under the program.
- Applicants must execute agreements as required by the program.

## **Eligible Repairs**

Eligible repairs for owner-occupied housing units and single-family or duplex rental housing units are listed in the appendix. Applicants must document that the repairs have been completed and paid for, and all applications are subject to City inspection to ensure completion. Applicant must submit proof, acceptable to the City, in its sole discretion, that Applicant made the minimum investment in the housing unit. Applicant must provide cut sheets and warranty information for all mechanical, electrical, and plumbing installed.

## **Program Benefits**

- Development grants in amounts equal to eligible development fees and certain development-related costs: At the completion of construction/repairs and after compliance with all Program requirements and submission of required paperwork, including filing the restrictive covenant, Applicant will receive a grant equal to the eligible fees paid in association with the development and construction of, or repair to, housing units associated with the Program as well as certain development-related costs as detailed in the appendix and below. Developments consisting of more than one housing unit will be eligible for reimbursement of a pro rata share of the eligible development fees and development-related costs based on the percentage of units reserved for eligible households.
- Ten Year Tax Abatement: Upon the completion of construction/repairs and after compliance with all Program requirements and submission of required paperwork, including signing all tax abatement agreements and filing the restrictive covenant, the property may receive a 100% municipal tax abatement each year on the value for that year that exceeds the value for the year in which the agreement is executed for a period not to exceed 10 years. To continue to be eligible, the Applicant or Eligible Household must apply to renew the tax abatement each year during the tax abatement period and must document that the property is in compliance with the Program, as determined by the City, in its sole discretion. Tax abatements from other jurisdictions, such as Dallas County, are subject to separate action by the governing body of the relevant jurisdiction.

## Affordability Period Related to Development Grants

The housing unit must be occupied by an eligible household for five years from the date the grant payment is made. Failure to maintain the affordability period will be considered default of the agreement, and an amount equal to the development agreement amount and the taxes abated during the required five-year affordability period will be due upon sale of the property.

# **Affordability Period Related to Property Tax Abatement**

A rental housing unit must be occupied by an eligible household during each year that a tax abatement is requested. An owner-occupied housing unit may be sold subject to the home being purchased by a new eligible household.

## **Additional Requirements**

- While participating in the Program, an Applicant who will be developing a new housing unit or repairing a single-family or duplex rental housing unit shall not discriminate against holders of housing vouchers, including vouchers directly or indirectly funded by the federal government.
- Applicants constructing new housing units to be sold to eligible households must submit proof that information about the availability of Housing and Urban Development-approved homebuyer education courses was provided to the homebuyer at the time of loan application.
- If an Applicant who will be repairing a single family or duplex rental housing unit is leasing to an eligible household at the time of applying for the Program, the Applicant may not evict or decline to renew the lease of the eligible household for at least one year, so long as the eligible household is in compliance with the lease. Further, the Applicant must schedule repair work to minimize disruption to the eligible household.
- Applicants shall document development fees associated with the investment and follow processes as published by the Department.
- The city will draft the required agreements and restrictive covenant. To receive the abatement, the applicant must sign the agreement and execute and file the restrictive covenant on the deed records of the county.
- The abatement requires an annual application and compliance review process and may be denied for any year in which the reserved dwelling is not occupied by a qualified household.
- The Department may impose additional eligibility and compliance criteria that are consistent with the Program and state statute.
- After the initial period of abatement, and subject to program renewal, property owners may apply for an additional period of abatement, subject to all additional investment and program requirements in place at that time.
- All grants and tax abatements are subject to full compliance with city regulations for development. In particular, unauthorized tree removal and construction initiation without required authorizations may, at the Director's discretion, trigger default proceedings.

#### **Termination and amendments**

- <u>City Council may amend program details and NEZ boundaries or may terminate NEZ districts. Executed development agreements and tax abatements survive NEZ amendments or termination.</u>
- Tax abatement and development agreements may be terminated two years after execution if work has not begun, as evidenced by a building permit issuance, foundation poured, or other evidence of work acceptable to the City, unless otherwise specified in the agreement.

#### **Program Integration**

The Program is designed to work in conjunction with other City programs. Applicants who obtain funding for home repairs through the Home Improvement and Preservation Program (HIPP) or receive mortgage assistance through the Dallas Homebuyer Assistance Program (DHAP) may also participate in this NEZ Program, provided that they meet all requirements of this Program,

and subject to Federal limitations. In addition, developers who receive gap financing from the City or who purchase land through a City program may participate in this Program, provided that they meet all requirements of this Program, and subject to Federal limitations. Additional program integration may also be eligible at the discretion of the Director.

Section 311.0125 of the Texas Tax Code (Chapter 311) requires that tax abatements within TIF districts be approved by the board of directors of the TIF district and the governing body of each participating taxing jurisdiction. Parcels located in a Residential NEZ and in a tax increment finance district may be eligible for a tax abatement provided 1) the board of the relevant TIF district has approved tax abatements pursuant to this Program, along with any applicable amendment to the TIF increment allocation policy, 2) the TIF district's unallocated increment has capacity to support the abatement, and 3) any other participating jurisdictions have approved such abatements. The City Council has approved such abatements as part of the creation of this Program.

## FUNDING AND SUPPORTING ACTIONS

# **Federal Funding Sources**

The City receives financial support from the U.S. Department of Housing and Urban Development (HUD) to assist low and moderate-income families in obtaining affordable housing. The City receives several Entitlement (HUD) grants, which it can use to support its housing initiatives. HUD outlines certain regulations that apply when using grant funds. This policy document uses the HUD regulations as a basis and incorporates the City's own policies as adopted by City Council.

#### Community Development Block Grant (CDBG)

The Community Development Block Grant has been in existence since 1974. The primary objective of the CDBG program is to improve communities by providing decent housing, providing a suitable living environment, and expanding economic opportunities. The primary beneficiary of CDBG funds must benefit low to moderate-income persons; aid in the prevention or elimination of slums or blight; or meet an urgent need.

## HOME Investment Partnership Program (HOME)

The HOME Investment Partnership Program has been in existence since 1990. The goals of the HOME program are to provide decent affordable housing to lower-income households, expand the capacity of nonprofit housing providers, strengthen the ability of state and local governments to provide housing, and leverage private sector participation. HOME funds may be utilized for rental activities, homebuyer activities, and homeowner rehabilitation activities. All HOME funds must benefit persons of low and moderate income.

## HOME Match Requirement

All housing development projects must meet a twenty-five (25%) HOME matching requirement of contributions made from non-federal resources and may be in the form of one or more of the following:

- Cash contributions from nonfederal sources
- Forbearance of fees
- Donated real property
- Cost, not paid with federal resources, of on-site and off-site infrastructure that the participating jurisdiction documents are directly required for HOME-assisted projects
- Proceeds from multifamily affordable housing project bond financing
- Reasonable value of donated site-preparation and construction materials, not acquired with federal resources
- Reasonable rental value of the donated use of site preparation or construction equipment
- Value of donated or voluntary labor or professional services in connection with the provision of affordable housing

## Neighborhood Stabilization Program (NSP)

The Neighborhood Stabilization Program was authorized under Division B, Title III of the Housing and Economic Recovery Act of 2008 (HERA) to help communities recover from the effects of foreclosures, abandoned properties, and declining property values. The City collects program income from this source and appropriates it on an annual basis.

# **State and Local Funding Sources**

# **General Obligation Bonds**

General Obligation Bonds were authorized under the 2017 bond package to help with infrastructure, economic development and housing, and related expenses as authorized by law. Economic Development and Housing have been allocated approximately \$55 million for the next five years.

## Tax Exempt Bond Financing (City of Dallas Housing Finance Corporation)

The City of Dallas Housing Finance Corporation (DHFC) was organized in 1984 in accordance with Chapter 394 of the Texas Local Government Code (Code). Under the Code, the purpose of the DHFC is to assist persons of low and moderate income to acquire and own decent, safe, sanitary, and affordable housing. To fulfill this purpose, the DHFC can be an issuer of tax exempt bonds. The DHFC may issue bonds to finance, in whole or in part, the development costs of a residential development or redevelopment; the costs of purchasing or funding the making of home mortgages; and any other costs associated with the provision of decent, safe, and sanitary housing and non-housing facilities that are an integral part of or are functionally related to an affordable housing development.

Affordable Housing Partnerships: The DHFC can also partner with affordable housing developers for the production of multifamily housing. The DHFC can acquire an ownership stake in the development by becoming the General Partner (GP) of an ownership entity, right of refusal to purchase the improvements, and owning and controlling the land. DHFC is the sole member of the GP. Fifty-one percent of the units must be set aside for affordable housing. If all of the aforementioned criteria are met; then the development can benefit from a tax exemption. Additionally, the DHFC can be the General Contractor to allow for sales tax exemption on construction materials.

# City of Dallas Policy for Supporting Housing Developments Seeking Housing Tax Credits

(Amended June 12, 2019)

The City of Dallas ("City") has developed the following policy to outline its approach regarding requests from developers of projects seeking Housing Tax Credits ("HTC") from the Texas Department of Housing and Community Affairs ("TDHCA") for Resolutions of No Objection (sometimes referred to as "No Objection") or Resolutions of Support (sometimes referred to as "Support") from the City.

# Background on Housing Tax Credits in Texas

In 1986, Congress, through the Tax Reform Act, enacted Section 42 of the Internal Revenue Code ("Section 42"). Section 42 created Low Income Housing Tax Credits that may be awarded to owners of multi-family rental housing that meet certain income and rent restrictions and other program requirements. At the Federal level, the HTC program has very few requirements but does require that states designate an agency to administer the HTC program and develop a Qualified Allocation Plan ("QAP") outlining how HTC will be allocated and administered. For Texas, the Texas Department of Housing and Community Affairs has been designated as that agency, and the QAP is updated annually.

There are two forms of the HTC: 9% HTC and 4% HTC.

9% HTC are considered to be "competitive." The State receives a per capita allocation of HTC to award each year, and applications are scored and are awarded by TDHCA only once per year. 4% HTC, on the other hand, are "automatically" awarded to projects using eligible tax-exempt debt. As a result, 4% HTC are considered to be "non-competitive" since applications are not competitively scored and are awarded by TDHCA multiple times throughout the year.

Under the 9% HTC, a Proposer may receive points for local government support. To receive points, the application must include a Resolution of Support or No Objection from the governing body of the municipality in which the proposed development site is to be located.

Although 4% HTC applications are not competitively scored, the Proposer must obtain a Resolution of No Objection from the governing body of the municipality in which the proposed development site is to be located. This is a threshold requirement for 4% credit awards. Applications that do not include a Resolution of No Objection cannot proceed.

#### Overview

This HTC policy seeks support the broad goals of the Comprehensive Housing Policy to do the following:

- Create and maintain affordable housing throughout Dallas,
- · Promote greater fair housing choices, and
- Overcome patterns of segregation and concentrations of poverty through incentives and requirements.

The decision to provide a Resolution of No Objection or Support must be aligned with these goals. Unlike other City programs that directly invest in specific projects or provide direct incentives, such as fee waivers or tax abatements, the resolutions are an indirect way for the City to support the proposed development. Because of the points allocation for a Resolution of No Objection or Support for 9% HTC and the threshold requirement of a Resolution of No Objection for 4% HTC,

the City's position regarding a proposed development can greatly affect whether the proposed development is awarded HTC by TDHCA.

Given the substantial need for affordable housing across the City and that TDHCA administers the process for awarding HTC, the City has an interest in broadly supporting quality and responsible HTC proposals across the City. As such, the City will be supportive of maximizing production using HTC.

#### Definitions:

- Affordability Period has the same meaning as the term is defined in the Qualified Allocation Plan, as amended.
- **Development** has the same meaning as the term is defined in the Qualified Allocation Plan, as amended.
- **Development Site** has the same meaning as the term is defined in the Qualified Allocation Plan, as amended.
- **Historically Underutilized Business** has the same meaning as the term is defined in the Qualified Allocation Plan, as amended.
- **Market Analysis** has the same meaning as the term is defined in the Qualified Allocation Plan, as amended.
- Market Rate Housing Units means units for which the rent may by adjusted by the Owner, as defined in the Qualified Allocation Plan, as amended, subject only to the terms of the lease. Housing units are not considered Market Rate Housing Units if the rent that may be charged and/or the tenant(s) who may occupy the units are limited by a: (1) a Land Use Restrictive Agreement (LURA) or other restrictive covenants, or (2) any other contractual agreement.
- Plan and Cost Review means an analysis, usually conducted by a third-party consultant
  on behalf of a lender prior to approval of a construction loan or of construction-related
  information and documents that is intended to evaluate whether costs are appropriate, the
  construction plan is well-designed and there are appropriate allowances for contingencies.
- **Proposer** means the Proposer, Developer, Development Owner, Development Team, and Owner as those terms are defined in the Qualified Allocation Plan, as amended.
- Qualified Non-Profit Organization has the same meaning as the term is defined in the Qualified Allocation Plan, as amended.
- Registered Neighborhood Organizations means an organization that has registered
  with and provided its boundaries to the City of Dallas Department of Planning and Urban
  Design.

## Calendar

Proposers may submit a proposal in response to this policy regarding HTC at any time during the year. However, City staff will only review applications and schedule proposals for City Council consideration four times per year. This calendar will be updated and published annually to align with the TDHCA timeline by the City Manager or his/her designee.

#### Review & Recommendation Process

- City staff will review all applications. For both 4% and 9% HTC applications, City staff will recommend a Resolution of No Objection to City Council if City staff has determined, in its sole discretion, that the threshold requirements, as outlined below, have been met.
- For 9% HTC applications that have met the threshold requirements, as outlined below, and address Priority Housing Needs Developments, as described below, City staff may

- designate these applications as "Priority Housing Needs Developments" and will recommend a Resolution of Support and a \$500.00 funding commitment to City Council if City staff has determined, in its sole discretion, that the threshold requirements and Priority Housing Needs Developments criteria have been met.
- For 9% HTC applications that have met the threshold requirements, as outlined below, and obtain a minimum score of 50 points under the Scoring Factors for Other 9% HTC Applications section, and do not qualify as a "Priority Housing Needs Development", City staff will recommend a Resolution of Support and a \$500.00 funding commitment to City Council if City staff determines, in its sole discretion, that the threshold requirements have been met and that the application has scored at least 50 points.

4% and 9% HTC Applications Threshold Requirements

# Applicable to All Applications

- Submission of a complete application to the City;
- The Proposer must have site control (e.g. purchase option);
- If not currently zoned for the intended use, the Proposer must have completed a formal consultation with City Planning staff outlining the process and requirements for rezoning the site;
- The Development must meet TDHCA minimum site and development requirements. If undesirable site features exist, the Proposer must submit a mitigation plan that sufficiently mitigates undesirable site features and supports site eligibility pursuant to TDHCA standards:
- The Development must meet TDHCA underwriting standards;
- The Development must contribute to the City's obligations to affirmatively further fair housing:
- The Proposer must notify existing tenants living at the Development Site at least 45 days prior to submitting the proposal;
- For any Development that is occupied by existing tenants that is not otherwise subject to the Uniform Relocation Act (URA), the development proposal must include a Cityapproved relocation plan that:
  - Minimizes permanent displacement from the Development. In the event of permanent displacement, Proposers will be required to provide compensation to affected tenants that is otherwise in alignment with URA requirements;
  - Must provide reasonable notice to affected tenants prior to any temporary relocation and covers all reasonable out of pocket costs incurred by tenants as a result of moving from one unit to another within the Development or temporarily vacating their units to allow rehabilitation work to proceed; and
  - Proposer must meet all applicable state, federal, or local laws relating to displacement of tenants.
- For any Development involving rehabilitation or adaptive reuse (i.e. conversion of space originally designed and built for other than residential purposes), the Proposer must submit a Plan and Cost Review for the Development including all supporting documentation that formed the basis of the review:
- For any Development located in a census tract with a poverty rate of 40% or higher, the Development must achieve a minimum score under Resident Services element of the scoring factors below of:

- 17 points for elderly developments;
- 23 points for family developments; or
- o 22 points for permanent supportive housing developments; and
- The Proposer must be eligible pursuant to TDHCA standards and City standards:
  - A proposer is not eligible for any resolution if the Proposer i) is in debt to the City or delinquent in any payment owed to the City, in accordance with Dallas City Code Section 2-36, as amended; ii) is currently in litigation with the City, either as a defendant or plaintiff; or iii) within the last 10 years has been found liable of violating Chapter 20A (Fair Housing) or Chapter 46 (Human Rights and Sexual Orientation) of the Dallas City Code.

# Developments Involving Rehabilitation of Existing Housing

- The proposed scope of work must be informed by a capital needs assessment (CNA), prepared by a qualified third-party professional that is independent from the Development's architect or engineer, builder/general contractor, or other member of the Development Team. The City will review the CNA and conduct a site visit. The CNA must demonstrate to the City's satisfaction that the initial scope of work is sufficient to address all City code violations (whether formally cited or not). Further, the scope of work, combined with planned replacement reserve funding, must be determined sufficient to address all projected repairs or replacements of the following items through the entire term of the Development's affordability period:
  - o All major systems including roof, foundation, electrical, HVAC, and plumbing;
  - Interior and exterior windows and doors;
  - The interiors of all units including the kitchen and bathroom and all major appliances;
  - The exterior of the development, including balconies, walkways, railings, and stairs;
  - Communal facilities such as community rooms, fitness centers, business centers, etc.; and
  - Security features including gates and security cameras.
  - Accessibility

# Priority Housing Needs Developments (applicable to only 9% HTC Applications)

A 9% HTC application that meets any of the following criteria may be designated by City staff as a "Priority Housing Needs Development" and recommended for a Resolution of Support and \$500.00 funding commitment to City Council, if City staff has determined, in its sole discretion, that the threshold requirements and Priority Housing Needs Developments criteria have been met:

- The development proposal has been selected within the past three years to receive City funding (including federal funds such as HOME, CDBG, etc. or local funding such as General Obligation Bond funding) under a competitive application process administered by the Department of Housing and Neighborhood Revitalization and otherwise remains in compliance with all funding requirements:
- The proposal includes participation by the Dallas Housing Finance Corporation or City of Dallas Public Facilities Corporation applicable to housing (if created). Such participation must include ownership of the underlying development site by the entity and/or stake in the ownership structure of the development;

- The proposal involves the redevelopment of public housing owned by the Dallas Housing Authority under the Choice Neighborhoods, Rental Assistance Demonstration, HOPE VI, or other similar HUD programs that may be created;
- The development proposal is located in a census tract with a poverty rate below 20%;
- The development proposal is within any area designated as a Redevelopment Reinvestment Strategy Area (RSA) or a Stabilization RSA in this Comprehensive Housing Policy; or
- Developments with at least 50 units for which the Owner must enter into an MOU with the lead entity of the Continuum of Care by which the project will prioritize at least 20% of units for tenants referred from the Continuum of Care Housing Priority List.

# Scoring Factors for Other 9% HTC Applications

For 9% HTC Applications that do not qualify as a Priority Housing Needs Development, the application must achieve a minimum score of 50 within this section, **Scoring Factors for Other 9% HTC Applications**, to be recommended by City staff for a Resolution of Support and \$500.00 funding commitment to City Council, if City staff has determined, in its sole discretion, that the threshold requirements have been met and the application scores a minimum of 50 points under this section.

# Mixed-Income Projects (Maximum of 20 points)

Proposals including market rate units (i.e. those without income/rent restrictions) as follows:

Percentage of Market-Rate Units	Points
At least 5% but less than 10% market rate units	5
At least 10% but less than 15% market rate units	10
At least 15% but less than 20% market rate units	15
At least 20% market rate units	20

## Qualified Nonprofit or Historically Underutilized Business on Development Team (5 points)

To receive these points, the development team must include a Qualified Nonprofit Organization or Historically Underutilized Business ("HUB") that has a controlling interest in the development. If ownership is a limited partnership, the Qualified Nonprofit Organization/HUB must be the Managing General Partner with greater than 50% ownership in the General Partner. If ownership is a limited liability company, the Qualified Nonprofit Organization/HUB must be the controlling Managing Member with greater than 50% ownership in the Managing member. Additionally, the Qualified Nonprofit Organization/HUB or its affiliate or subsidiary must be the developer or a codeveloper of the Development.

# Proximity of Amenities to Development Site (Maximum of 25 points)

The following matrix shall be used in scoring the Development under this category:

Amenity	1/4 mile or less	>1/4 mile and < 1/2 Mile	1/2 mile and up to 1 mile
High Frequency Transit	5	3	1
Public Park	5	3	1
Full Scale Grocery Store	5	3	1
Community/Senior Center or Library	5	3	1
Licensed Day Care	5	3	1
Amenity	1/2 mile or less	>1/2 mile and < 1 mile	1 mile and up to 2 miles
Qualifying Medical Clinic or Hospital	5	2	1
Amenity	20 minutes or less	>20 min. and < 40 min.	More than 40 min.
Transit time to Major Employment Center	5	2	0

# Resident Services (Maximum of 25 points)

Note: The list of potential resident services is derived from, but not identical to, the QAP, as amended. The services outlined in the table below are shorthand descriptions, but the City will use the same definitions and requirements for each service as outlined in the QAP, as amended. For purposes of this section, however, the City will use its own scoring criteria to award points. In some cases, the points available may vary from those awarded under the QAP, as amended. Additionally, the total points available are not capped in the City's scoring rubric in the same manner as they are for the QAP, as amended. City Manager or designee may amend the service descriptions categories and point allocations on an annual basis based on the annually updated QAP. The maximum points allocated to Resident Services will remain the same (25 points).

Service Description	Reference within the 2019 QAP §11.101(b)(7)	Points for City Scoring			
Transportation Services					
Min. 3x/week shuttle to grocery/pharmacy or big-box retail; OR daily shuttle during school year to nearby schools not served by school bus system	(A)(i)	3.5			
Monthly transportation to community/social events	(A)(ii)	1			
Children Services					
High quality PreK program with dedicated space on-site	(B)(i)	4			
Min. 12 hours/week organized on-site K-12 programming (e.g. tutoring, after school and summer care, etc.)	(B)(ii)	3.5			
Adult Services					
Min. 4 hours/week organized onsite classes for adults (e.g. GED, ESL, financial literacy, etc.)	(C)(i)	3.5			
Annual income tax preparation	(C)(ii)	1			
Contracted career training and placement partnerships with local employers	(C)(iii)	2			
Weekly substance abuse meetings at project site	(C)(iv)	1			
Health Services					
Food pantry accessible to residents (on site or via on-request transportation)	(D)(i)	2			
Annual health fair	(D)(ii)	1			
Weekly exercise classes	(D)(iii)	2			
Contracted on-site occupational or physical therapy for elderly or disabled tenants	(D)(iv)	2			
Community Services					
Partnership with local law enforcement to provide quarterly activities with tenants	(E)(i)	2			
Notary services for tenants	(E)(ii)	1			
Min 2x/month arts, crafts, or other recreational activities (e.g. book club)	(E)(iii)	1			
Min 2x/month on-site social events (e.g. potlucks, holiday celebrations, etc.)	(E)(iv)	1			
Case management for elderly, disabled, or special needs tenants	(E)(v)	3			
Weekly home chore and quarterly preventative maintenance for elderly or disabled tenants	(E)(vi)	2			
Social Security Act Title IV-A programming	(E)(vii)	1			
Part-time resident services coordinator (min. 15 hours/week) or contract for same through local provider	(E)(viii)	2			
Education/tuition savings match or scholarship program for residents	(E)(ix)	2			

# **Community Housing Development Organizations (CHDOs)**

A CHDO is defined under 24 Code of Federal Regulations (CFR) Part 92.2 as a nonprofit organization (501©3 or 4) organized under state law; has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual; is neither controlled by nor under the direction of individuals seeking to derive profit or gain from the organization. While a CHDO may be sponsored or created by a for-profit entity whose primary purpose is **not** the development or management of housing, such as a builder, developer or real estate management firm, the for-profit entity may not have the right to appoint more than one-third of the membership of the organization's governing body and the board members appointed by the for-profit entity may not appoint the remaining board members. A CHDO does not include a public body although a locally chartered organization may qualify under certain conditions.

The CHDO must be free to contract for goods and services from vendors of its own choosing. The CHDO must comply with certain financial accountability standards as described in the 24 CFR 84.21 Standards for Financial Management Systems. Among the primary purposes of the CHDO's organization, as outlined in their organizational charter, articles of incorporation, resolutions or bylaws must be the provision of decent housing that is affordable to low-to-moderate income persons. A CHDO must remain accountable to the low-income community residents by: 1) maintaining at least one-third of its governing board's membership for residents of low-income neighborhoods, other low-income community residents, or elected representative of a low-income neighborhood organization; 2) providing a formal process for low-income program beneficiaries to advise the organization in its decisions regarding the design, site selection, development and management of affordable housing.

A service area in urban areas such as Dallas, "community" may be defined as a neighborhood, or neighborhoods, city, county or metropolitan area. Additionally, CHDOs are subject to the affirmatively furthering fair housing rules which state that housing should not be located in areas of minority concentration or with high poverty rates. Historically, Dallas CHDOs have elected to work in areas where disinvestment has occurred, and where high concentrations of poverty exist. CHDOs should grow and develop the capacity to partner with for-profit developers to produce market rate housing in areas of disinvestment. Furthermore, CHDOs should work in areas with low poverty rates, have access to a quality education, transportation, and jobs. These high opportunity areas lack quality affordable housing options.

A CHDO must demonstrate the capacity to carry out the activities assisted with HOME Investment Partnership Program (HOME) funds within **12 months** of the project commitment. CHDO's may satisfy the HOME requirement by hiring experienced key staff members who have successfully completed similar projects or a consultant with the same type of qualified experience and a plan to train appropriate key staff member of the organizations. CHDO's must demonstrate a minimum of one-year experience in serving the community in which the assisted housing will be located before funds can be reserved for the organization. This requirement can be satisfied by a parent organization in some cases if a CHDO is formed by a group of local churches or local service organizations. CHDOs must be certified by the City of Dallas to be awarded CHDO set-aside funds for the development of housing and operating assistance.

#### Set Aside

HUD requires that 15% of the HOME allocation each year be made available to Community Housing Development Organizations (CHDOs) for the development of affordable homebuyer or rental housing.

# Operating

In addition, the City can allocate up to 5% of the HOME allocation each year operating expenses for CHDOs. These funds provide operating funds to Community Housing Development Organizations based on financial need and the expectation that the organization is utilizing or will utilize the City's HOME CHDO set aside funding within 24 months of the award.

HOME funding provided for CHDO operating expenses may not exceed \$50,000 or 50% of the organization's total annual operating expenses for that fiscal year, whichever is greater. CHDO operating expense funds may not supplant CHDO set-aside funds for project costs.

#### Certification

To be eligible to receive HOME CHDO set-aside funding and Operating Assistance Grants, a CHDO must be certified by the City of Dallas. CHDO certification must be done prior to the commitment of funds for a set-aside development, and there cannot be a general CHDO certification. The City can work in advance to determine if a CHDO will likely meet the requirements for certification prior to funding considerations. A CHDO must continue to be certified throughout the development of a project and during the affordability period. the City has developed the "Community Housing Development Organization (CHDO) Policy, Procedure, and Standards" document to outline the process and requirements for CHDO certification. This can be found in Appendix 5.

# Strategies, Tools, and Programs that Will Require Additional Action

# **Housing Trust Fund**

Establish a Dallas Housing Trust Fund (DHTF) that allows monies to be used to make loans to support the production goals of the Housing Policy. At a future date, staff will seek Council approval to authorize a one-time transfer of a minimum of \$7 million in unencumbered fund balances from high-performing Tax Increment Financing Districts (TIFs), as well as \$7 million from Dallas Water Utility funding set aside to support developments. Staff will further research potential dedicated revenue sources for the DHTF, including unencumbered fund balances from high-performing TIFs, property tax revenues from developments that have been built on previously City-owned land, proceeds from the sale of properties acquired by the City following non-tax lien foreclosures, among other sources.

The City has established a Dallas Housing Trust Fund (DHTF) that allows monies to be used to make loans or grants to support the production goals of the Housing Policy. On December 12, 2018, Council approved a one-time transfer of \$7 million in unencumbered fund balances from high-performing tax increment financing districts (TIFs), as well as \$7 million from Dallas Water Utility funding set aside to support development. On January 22, 2020, Council approved \$1 million to be used to support residential investment in neighborhood empowerment zones.

<u>Staff will further research potential dedicated revenue sources and additional uses for the DHTF to ensure that the fund supports the broad goals of the CHP.</u>

# **Tax Increment Financing**

Creation of a non-contiguous Tax Increment Finance District for areas not already located in an existing TIF District will leverage TIF on projects that propose to meet the unit production goals with affordability requirements.

#### **Neighborhood Empowerment Zones**

At a future date, staff will seek council approval to designate Neighborhood Empowerment Zones (NEZ) in certain Reinvestment Areas. Once a NEZ is established, staff will implement the following programs and strategies to preserve affordability and deconcentrate RECAP:

- a property tax freeze for up to ten (10) years for homeowners if they are making improvements to their property resulting in more than 25% increase in value,
- development fee rebates (permits, planning, zoning, parkland dedication, landscape & tree mitigation),
- encourage Incentive Zoning/Density Bonuses to support the creation of mixed income communities.
- allow Accessory Dwelling Units,
- designate Homestead Preservation District overlay where applicable, and

# **Sublease Program**

Furthermore, staff will pursue council approval to create a Sublease Program which incentives a landlord/developer to facilitate the rental of units to voucher holders. This program is administered through the Dallas Housing Finance Corporation.

# **APPENDICES**

#### **APPENDIX 1**

# **Housing Policy Task Force Structure and Leadership**

#### Focus areas

Each focus area should be led by an expert or two in the field and supported by a member of staff from the Housing & Neighborhood Revitalization Department. The focus area should include input from a broad range of key stakeholders who are representatives from private and public sector entities whose activities have significant impact on the creation and preservation of affordable housing and City departments. Each representative should have enough experience and responsibility within the relevant organization to fully contribute to the committee.

#### Multifamily development

- External facilitator: real estate and/or finance expert in multifamily housing
- At least one key stakeholder from each of the following groups: Sustainable Development and Construction staff, Department of Housing and Neighborhood Revitalization staff, Planning & Urban Design staff, associations of builders and contractors, organizations of real estate professionals, and at least one developer and/or builder.

#### Single family and ownership development

- o External facilitator: real estate and/or finance expert in owner-occupied housing
- At least one key stakeholder from each of the following groups: Sustainable Development and Construction staff, Office of Economic Development staff, Department of Housing and Neighborhood Revitalization staff, Planning & Urban Design staff, associations of builders and contractors, organizations of real estate professionals, associations of Realtors/Realtists, at least one developer and/or builder, and one Community Housing Development Organization executive.

# Affordability preservation

- External facilitator: housing advocate
- At least one key stakeholder from each of the following groups: the Office of Fair Housing and Human Rights staff, the Office of Welcoming Communities and Immigrant Affairs staff, the Office of Equity staff, the Office of Community Care staff, the Department of Code Compliance Services staff, the Office of Homeless Solutions staff, Dallas Housing Authority staff, associations of Realtors/Realtists, and at least two community leaders/advocates as recommended by the director of the Department of Housing and Neighborhood Revitalization.

# Neighborhood investment

- External facilitator: community development professional
- At least one key stakeholder from each of the following groups: Department of Housing and Neighborhood Revitalization staff, Department of Public Works staff, Dallas Water Utilities staff, Park and Recreation Department staff, representatives from at least one utility service provider, Texas Department of Transportation staff, Dallas Area Rapid Transit staff, real estate and civil engineering professionals, community planners, a certified Community Housing Development Organization, and at least one developer and/or builder.

# Support and funding

- External facilitators: one philanthropist and one capital markets/banking expert
- At least one key stakeholder from each of the following groups: Housing and Neighborhood Revitalization staff, Office of Economic Development staff, Office of Strategic Partnerships and Government Affairs staff, Dallas Housing Finance Corporation, Community Development Commission, Dallas Development Fund, Community Reinvestment Act lenders, associations of Realtors/Realtists, Community Development Finance Institution representative, Dallas Housing Authority, at least one philanthropic organization, several certified Community Housing Development Organizations, and legal aid groups.

#### Communication and meetings

In order to encourage committee participation from a broad and diverse segment of the public, staff from the Department of Housing & Neighborhood Revitalization and task force facilitators engage in the following marketing efforts:

- staff will post a calendar of scheduled meetings and meeting agendas at http://www.dallashousingpolicy.com
- staff will schedule meetings at facilities that offer free parking and accessible meeting space
- staff will send out meeting notices and informational updates to a large list of individuals who have asked to be notified of housing task force meetings and other housing-related news
- the chairpersons of each committee will conduct outreach within their broad networks.

Meetings will be held as needed and the housing policy task force will report to the city council committee designated by the city manager.

This task force will be successful when it has stakeholder engagement that creates programs, strategies, and tools that catalyze equitable development, preserve affordability, and grow community investment.

#### The task force will:

- continue to increase the number of people who attend meetings
- broaden the variety and diversity of voices, organizations, and community members heard
- listen to stakeholders, elevate ideas, and communicate back to City leadership unmet needs as well as program, strategy, and tool ideas for improvement
- develop programs, strategies, and tools that respond to community needs and concerns on the ground, policies as listed in CHP, and future program ideas that come to light.

#### **Modifications**

The City Manager may modify Housing Policy Task Force structure and leadership focus areas, communication and meetings provisions in this Appendix 1 to increase its effectiveness and will notify by memorandum the City Council, the Housing Policy Task Force steering committee, and the city secretary of any changes.

#### **APPENDIX 2**

# **Single Family Development Underwriting**

# A. Eligible Developer Applicants

The City of Dallas will fund developers of affordable single-family homebuyer units, including for-profit developers, non-profit developers, and City of Dallas-designated CHDOs, with City of Dallas HOME single-family development program funds. Developers must demonstrate the capacity and previous experience developing projects of the type presented in their proposals. Prior to committing funds, the City of Dallas will review the status of any organization seeking funds from the CHDO set-aside to ensure that it meets all HOME requirements and that it has sufficient staff and financial capacity to carry out the project.

#### **Project Location**

Projects must be located within the city limits of Dallas.

#### **Project Types**

Funds will be provided for new construction projects. In general, the City of Dallas will require that all homes constructed have a minimum square footage of 1,200 sq ft, at least 3 bedrooms, and at least 1.5 bathrooms. RFPs issued by the City of Dallas may further specify or provide priority for eligible project types.

#### **Parameters of HOME Investment**

Applications must include an investment of \$1,000 in HOME funds per HOME unit. In no case will the City of Dallas investment exceed the maximum HOME investment allowed under 24 CFR 92.250.

Additionally, for projects involving both City of Dallas other HOME funds, the combined HOME funding investment shall not exceed the total maximum HOME investment allowed under 24 CFR 92.250.

Typically, the City of Dallas will also establish a maximum cap on its investment in a single home. Such a limit will be based on the availability of funding and other City of Dallas priorities and will be addressed in any NOFA issued by the City of Dallas.

#### **B. Eliqible Costs**

Costs funded with the City of Dallas HOME funds must be eligible according to HOME Final Rule 24 CFR 92.206. The following additional limitations also apply:

- HOME funds shall not be used for luxury improvements according to 24 CFR 92.205.
- Acquisition costs shall be supported by an independent appraisal of the property.
   Acquisition costs exceeding the appraised value of the property will be ineligible for HOME funding reimbursement.
- HOME funds shall not be used for non-residential accessory structures such as freestanding garages, carports, or storage structures. Applicants must delineate project costs in a manner that allows free-standing structures to be clearly paid for using other project funds.

# **City of Dallas Eligible Project Soft Costs**

The HOME program allows the City of Dallas to include, as project costs, its internal soft costs specifically attributable to a HOME project. These may include consulting, legal, inspection, and staff costs associated with reviewing, processing, and overseeing the award of funds to the project. Projects must provide budget allowances for "City of Dallas-Lender Due Diligence & Legal Costs" in the project's sources and uses.

#### Cost Reasonableness

Per the requirements of 92.250(b) and 2 CFR 200 Subpart E (formerly known as OMB Circular A-87), all project costs must be reasonable, whether paid directly with HOME funds or not. The City of Dallas will review project costs, including hard and soft costs, to evaluate their reasonableness and may, at its option, require applicants to obtain additional quotes, bids, or estimates of costs.

#### **Identity of Interest**

Developers must disclose any identity of interest situations that may occur when contracting with related companies during either the development or ongoing operation of the project. City of Dallas staff must be allowed the opportunity to conduct a cost analysis to determine costs reasonableness. Applications may be determined ineligible if access is not granted or costs are determined to be unreasonable.

# C. Property Standards

To meet both HOME regulations and City of Dallas goals, all HOME-funded projects must meet certain physical standards intended to provide quality affordable housing that is durable and energy efficient.

Construction must meet all local codes. City of Dallas has adopted and enforces the following codes with amendments:

- 2012 International Building Code
- 2012 International Mechanical Code
- 2009 International Energy Conservation Code
- 2012 International Existing Building Code
- 2011 National Electric Code
- Chapter 11 of the 2009 International Residential Code

All HOME projects must meet applicable Section 504/UFAS requirements. Pursuant to 24 CFR 8.29, single-family housing developed with Federal funds must be made accessible upon the request of the prospective buyer if the nature of the prospective occupant's disability so requires. Developers must ensure that projects are designed in a way that can accommodate such a request. Should a prospective buyer request a modification to make a unit accessible, Developer must work with the homebuyer to provide the specific features that meet the need(s) of the prospective homebuyer or occupant. If the design features that are needed for the buyer are design features that are covered in UFAS, those features must comply with the UFAS standard. Developers shall be permitted to depart from the standard in order to have the homebuyer/occupant's needs met.

Site shall be served by public sewer, public water, and public road. Sites should have ready access to recreational opportunities such as parks, playgrounds, etc., nearby shopping and

services including transportation, grocery, banking, and medical facilities, and otherwise be located in neighborhoods that provide amenities that support residential development. The City of Dallas also generally prefers that sites have safe, walkable connections—including sidewalks—to the surrounding neighborhood.

Site shall be in a designated Fire District or served by a Fire Department;

Units must be equipped with the following appliances: Refrigerator, range/oven, dishwasher, and garbage disposal. Developers may also propose to include in-unit clothes washers and dryers, microwave/vent fan combination units, as appropriate. If the Energy Star program rates the type of appliances being installed, the developer must furnish the units with Energy Star rated appliances. Note however that not all appliances are rated by the Energy Star program.

#### D. Sales Price

Housing developed with HOME funds must be modest, and the sales/purchase prices for homes developed under this program cannot exceed the HOME Homeownership Value Limits published by HUD in effect at the time of project commitment. The City of Dallas will identify the applicable limits in any NOFA issued.

Units produced under the City of Dallas' single-family development program must be sold at the fair market value as determined by an "as-completed" or "subject to completion" appraisal completed by an independent state licensed appraiser. Developers shall submit such an appraisal prior to project commitment, and the City of Dallas may require an updated appraisal prior to construction completion if the appraisal is more than 9 months old at that point. Any reductions in list or sales price below the City of Dallas-approved appraised value must be approved in writing by the City of Dallas and will generally require updated market information.

# E. Eligible Homebuyers

Homebuyers for units produced under the City of Dallas single-family development program must meet the eligibility criteria set forth in the City of Dallas Homebuyer Assistance Program (DHAP) guidelines.

#### F. Environmental Review Requirements

Federally-assisted projects are subject to a variety of environmental requirements. Developers should be familiar with these requirements and are strongly encouraged to discuss any questions they have with City of Dallas staff prior to entering into a purchase agreement or submitting an application.

All projects shall be implemented in accordance with environmental review regulations as defined 24 CFR Part 58.

The City of Dallas shall be responsible for conducting the environmental review and completing all necessary public notifications, and the request for release of funds (RROF) from HUD. The applicant is responsible for cooperating with the City of Dallas in the environmental review process and providing information necessary for the City of Dallas to fulfill its responsibilities under Part 58 and other applicable regulations.

Submitting an application for HOME funds triggers environmental review requirements under 24 CFR 58, including the National Environmental Policy Act (NEPA). Once an application for federal funds is submitted, a development proposal is now subject to the environmental review

requirements and requires an environmental clearance and issuance of a Release of Funds (ROF) by the US Department of Housing and Urban Development.

Developers are prohibited from undertaking or committing or expending any funds to (including non-federal funds) any physical or choice-limiting actions on the site prior to an environmental clearance as required by Part 58. Physical and choice limiting actions include, but are not limited to, property acquisition, demolition, movement, rehabilitation, conversion, repair or construction. This prohibition applies regardless of whether federal or non-federal funds are used, and taking a choice limiting action prior to completion of the required environmental clearance process will result in the denial of any HOME funds from the City of Dallas.

#### **G.** Other Federal Requirements

# **Nondiscrimination and Equal Opportunity**

The following federal nondiscrimination and equal opportunity guidelines apply to all projects and affect both development and sales of assisted housing:

- The Fair Housing Act (42 U.S.C. 3601-19) and implementing regulations at 24 CFR part 100 et seq.;
- Executive Order 11063, as amended by Executive Order 12259 (3 CFR, 1959-1963 Comp., p. 652 and 3 CFR, 1980 Comp., p. 307) (Equal Opportunity in Housing Programs) and implementing regulations at 24 CFR part 107;
- Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d- 2000d-4) (Nondiscrimination in Federally Assisted Programs) and implementing regulations at 24 CFR part 1;
- The Age Discrimination Act of 1975 (42 U.S.C. 6101-6107) and implementing regulations at 24 CFR part 146;
- Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at part 8 of this title;
- Title II of the Americans with Disabilities Act, 42 U.S.C. 12101 et seq.; 24 CFR part 8;
   Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR part 135;
- Executive Order 11246, as amended by Executive Orders 11375, [[Page 41]] 11478, 12086, and 12107 (3 CFR, 1964-1965 Comp., p. 339; 3 CFR, 1966-1970 Comp., p. 684; 3 CFR, 1966-1970 Comp., p. 803; 3 CFR, 1978 Comp., p. 230; and 3 CFR, 1978 Comp., p. 264, respectively) (Equal Employment Opportunity Programs) and implementing regulations at 41 CFR chapter 60;
- Executive Order 11625, as amended by Executive Order 12007 (3 CFR, 1971- 1975 Comp., p. 616 and 3 CFR, 1977 Comp., p. 139) (Minority Business Enterprises); Executive Order 12432 (3 CFR, 1983 Comp., p. 198) (Minority Business Enterprise Development); and
- Executive Order 12138, as amended by Executive Order 12608 (3 CFR, 1977 Comp., p. 393 and 3 CFR, 1987 Comp., p. 245) (Women's Business Enterprise). The nondiscrimination provisions of Section 282 of the National Affordable Housing Act of 1982.

# **Uniform Relocation Act (URA)**

All projects fall under requirements of the URA. Any project resulting in permanent relocation/displacement of households will not be funded by the City of Dallas. Applicants must further document that any purchase of property meets the requirements of URA, including

provision of notices to the seller identifying the transaction as a voluntary sale not under the threat of eminent domain. To ensure compliance with URA, applicants should consult the City of Dallas to understand the requirements of URA and reference the URA forms included in the RFP prior to submitting an application involving an occupied property.

#### **Davis Bacon**

Davis Bacon federal prevailing wage requirements shall apply to all projects with 12 or more units assisted with HOME funds.

#### **Excluded Parties**

The City of Dallas will not fund projects owned, developed, or otherwise sponsored by any individual, corporation, or other entity that is suspended, debarred, or otherwise precluded from receiving federal awards. Nor may the developer contract with any other entity (including but not limited to builders/general contractors, property management companies, or other members of the development team) that are suspended, debarred, or otherwise so precluded. Similarly, the general contractor will be required to determine that subcontractors are not so precluded.

# **H. Ongoing Project Requirements**

#### **Deadlines**

Construction Start- If construction is not started within 12 months of the date the City of Dallas commits funds to a project, the commitment will be subject to cancellation. If the project is cancelled as a result of failure to meet this deadline, the Developer must repay to the City of Dallas any HOME funds disbursed for the project.

Completion Deadline- Project completion occurs when construction is complete, all HOME funds have been disbursed by the City of Dallas and drawn from the US Treasury, title to the property has transferred to an eligible buyer, and required completion data has been entered in HUD's IDIS system. Project completion must occur within 2 years of the date of commitment of funds to the project. If the Developer fails to meet this 2-year deadline, it must repay to the City of Dallas any HOME funds disbursed for the project.

Sales Deadline- Pursuant to 24 CFR 92.254(a)(3), Developers must have a ratified sales contract with an eligible buyer for each HOME-funded unit within nine (9) months of completion of construction or the unsold units must be converted to rental housing or the project will be deemed ineligible and all HOME funds drawn must be repaid to HUD.

If a unit is unsold after six (6) months, the Developer must present an updated sales and marketing plan to the City of Dallas outlining steps being taken to identify buyers. At the City of Dallas option, the Developer may be required to i) take further steps--such as listing the home with a licensed realtor, adjusting the sales price, etc.—as the City of Dallas may require to facilitate the sale of the home or ii) to transfer title to the City of Dallas or to another entity selected by the City of Dallas that can otherwise identify buyers prior to the regulatory deadline.

At the City of Dallas option, if a unit remains unsold after nine (9) months, the developer shall be required i) to repay the entire HOME investment, including any City of Dallas project soft costs; ii) to convert the project to rental housing in accordance with 24 CFR 92.252; or iii) to transfer title to the City of Dallas or to another entity selected by the City of Dallas for conversion to rental housing.

Units converted to rental housing must be rented to eligible tenants in accordance with 24 CFR 92.252, which includes tenant income eligibility and rent limit requirements. Further, any units converted to rental properties shall be operated in compliance with the City of Dallas Rental Housing Program guidelines.

# Reporting and Record Keeping

To allow effective oversight of funded projects and document compliance with applicable HOME requirements, all projects must submit periodic reports to the City of Dallas. While this section outlines standard reporting requirements, the City of Dallas reserves the right to require additional reporting or to alter the reporting format or frequency based on future changes to HOME requirements or City of Dallas policy. Additionally the City of Dallas reserves the right to require additional or more frequent reporting for projects with compliance deficiencies.

- Developers are required to report monthly during the development phase and sales phase.
   During the construction phase, developers must provide monthly reports detailing construction progress and barriers to progress, copies of invoices being paid, and evidence of appropriate lien waivers.
- During the sales phase, developers are required to provide monthly reports detailing the number of additional sales, total sales, and marketing activity. These reports are required until all units are sold.
- The City of Dallas may require more frequent reporting due to findings identified during the development and sales phases.
- At the City of Dallas option, Developers may be required to obtain and submit an audit of project costs (i.e. cost certification) prepared by an independent Certified Public Account.
- Developers shall allow City of Dallas, HUD, State of Texas, the Comptroller General of the United States (aka the GAO), and all other pertinent Federal or State agencies or their designated representative the right to inspect records and property. Conflict of Interest

To comply with HOME requirements and to maintain a high standard of accountability to the public, conflicts of interest and perceived conflicts of interest must be avoided. Developers shall maintain compliance with all HUD conflict of interest provisions as stated in 92.356(f).

Developers with officers, employees, family members, consultants, or agents that are otherwise eligible to purchase HOME-funded units must receive waiver/approval from City of Dallas staff before entering into a sales agreement with HOME eligible employees. 92.356(f) provisions apply to all HOME projects.

#### I. Structure of Transaction

#### **Loan Types and Terms**

The City of Dallas will provide HOME funds in the form of a loan to the entity that owns the property. No grants will be awarded, and funding commitments are not transferable without prior written City of Dallas approval.

The City of Dallas HOME Loan may be used for acquisition and construction financing. Proceeds of the HOME loan will only be released following satisfaction of all requirements outlined below.

In all cases, the HOME loan will:

- Have a maximum term of 2 years;
- Be repayable in full upon sale, refinancing, or transfer of the property or upon maturity, except that repayment will be limited to the net proceeds of a City of Dallas-approved sale to a low-income buyer. Net sales proceeds will exclude any portion of the sale proceeds used to repay senior construction debt, return of City of Dallas-recognized developer equity, approved sales costs, and any HOME-assistance transferred to the buyer(s) at closing as direct homebuyer assistance.; and
- Be secured with a promissory note, mortgage, and appropriate UCC liens. Mortgages will be recorded with the Dallas County Recorder of Deeds and generally may be subordinate only to an approved amortizing first mortgage.

#### **Guarantees**

Unless otherwise determined by the City of Dallas, all underlying individuals, corporate entities, partnerships, or limited liability companies with an interest in the project will be required to provide a completion guarantee including provisions guaranteeing construction completion of the project. For nonprofit organizations, including community housing development organizations (CHDOs), a guarantee shall not be required, but in all cases the City of Dallas may require a performance bond or irrevocable letter of credit acceptable to the City of Dallas to ensure project completion.

# **HOME Agreement**

In addition to any financing documents, developers of HOME-financed projects must sign a HOME agreement with the City of Dallas. The HOME agreement will identify requirements for compliance with the HOME regulations and the City of Dallas Single-Family Development. Program requirements and will remain in effect in the event of any prepayment of the HOME loan.

#### J. Underwriting & Subsidy Layering Reviews

#### **Market Demand**

Developers must, as part of their application, provide evidence of sufficient demand for the proposed units. Developers shall provide information from the multiple listing service pertaining to recent sales in the neighborhood, average time on the market for recent sales, availability of other product and average "months of supply" currently available, and any known or planned projects.

Additionally, Developers must complete the HOME Sales and Marketing Plan, identifying among other items the profile of typical buyers, relationships with homeownership counseling agencies or other sources of buyer referrals, and plans for marketing the homes.

In some cases, the City of Dallas may only commit to a specific project (or may limit the number of projects under construction by a given developer) upon demonstration that a home has been pre-sold to an identified low-income buyer who has, at least, executed a reservation or initial purchase agreement with the Developer.

#### **Project Underwriting**

All HOME applications must include financial statements from all underlying owners and guarantors. Developers must have a net worth equal to 10% of the total development cost with net liquid assets equal to 3% of the total development cost.

Applicant must provide the amounts and terms for any other financing being provided to the project.

# **Proforma Requirements**

The proforma must explicitly show:

- An itemized breakdown of development hard and soft costs by unit including any allowances for soft costs such as architectural fees, carrying costs, etc;
- The hard costs of any stand-alone accessory buildings, including free-standing garages, carports, or storage structures should be specifically itemized in the Development Sources and Uses so that the City of Dallas can complete preliminary HOME cost allocation calculations. (Stand-alone accessory structures like a detached garage may be included in the project but are not HOME-eligible and must be paid for with another funding source.)
- Costs and fees to be paid to the City of Dallas as permitted by the HOME program. The HOME program allows the City of Dallas to include, as project costs, its internal soft costs specifically attributable to the project. These may include consulting, legal, inspection, and staff costs associated with reviewing, processing, and monitoring award of funds to a project. The City of Dallas will notify Developers of the amounts to include in their Development Sources and Uses for "City of Dallas-Lender Due Diligence & Legal Costs."
- Estimates of the sales transaction to an eligible homebuyer, including a calculation of the
  proposed buyer's ability to qualify for a mortgage meeting City of Dallas requirements, the
  anticipated need to provide direct HOME assistance (e.g. downpayment and closing cost
  assistance) to the buyer, projected sales costs (e.g. realtor's commissions), and the
  distribution of sales proceeds (including toward repayment of private construction
  financing)

#### **Cost Limitations**

All project costs must be reasonable and customary. The City of Dallas reserves the right to review any line-item cost to ensure that total project costs are not excessive. Additionally, HOME projects will be subject to the following specific cost limitations:

- The maximum allowable developer fee is 15% of total development costs less the developer fee itself and seller's closing costs.
- Acquisition costs are limited to fair market value as determined by a third-party appraisal.
- Unless prior approval has been obtained from the City of Dallas, all project hard costs and all project professional fees should be the result of a competitive bidding process. While developers are not subject to federal procurement rules and may use less formal bid processes, the City of Dallas generally expects developers to seek multiple bids and identify the most advantageous bidder based on cost, track record, and other pertinent factors.

# **Other Public Funding Sources**

Developers must disclose all other public and private sources or applications for funding with their initial HOME Single-Family Development application to the City of Dallas at the time of application and upon receiving any additional commitments of public source funding. The City of Dallas will conduct a subsidy layering review as part of the underwriting process for all projects. Using its underwriting criteria, the City of Dallas will assess the project and may require changes to the transaction to ensure that return to the owner/developer are not excessive. Changes may include a reduction in HOME funds awarded.

The City of Dallas will consider adjusting its underwriting in consultation with other public funders, if applicable, to the project. The City of Dallas retains, at its sole discretion, the power to decide whether to accept alternative standards.

#### **K. Construction Process**

#### **City of Dallas Construction Inspections**

The City of Dallas must be provided with copies of all contractor invoices and provided reasonable notice of monthly draw inspections during the construction period. City of Dallas staff will participate in all draw reviews whether or not the specific draw is being funded with HOME or other project funds and conduct inspections to ensure that the project is progressing and that work completed is consistent with all applicable HOME requirements.

#### **Davis Bacon**

When Davis Bacon applies to a project, the City of Dallas must be provided with compliance documentation throughout the construction period. Prior to commencing construction, the City of Dallas must approve current wage determinations applicable to the project. The contractor will be required to provide weekly payroll forms to the City of Dallas and allow access to the site and workers for the purpose of completing worker interviews.

# **Drawing City of Dallas HOME Funds**

Proceeds of the HOME loan will only be released as reimbursement for eligible project costs following:

- Review and acceptance of appropriate source documentation by the City of Dallas including evidence of appropriate lien waivers and/or title endorsements.
- A determination by the City of Dallas that all HOME requirements pertaining to the development of the Project have been met, including but not limited to monitoring of Davis Bacon compliance.

For nonprofit developers, including CHDOs, the City of Dallas may release payment based upon outstanding invoices for costs incurred and work completed. In such cases, the City of Dallas reserves the right to disburse through a title company, directly to the vendor, or with two-party checks.

#### **Project Closeout**

Developers are required to submit homebuyer eligibility packets to the City for approval of the homebuyers. Data shall include elderly status, race, gender, female head of household, number of household members, and income.

The City of Dallas requires a copy of the final project sources and uses statement and, at the City of Dallas option, may require the submission of the project cost certification prepared by an independent Certified Public Accountant following completion of construction and payment of all development costs.

#### **APPENDIX 3**

# **Rental Development Underwriting**

In reviewing applications for HOME assistance, as required by §92.250(b) and prudent business practices, the City's underwriting framework includes evaluations of:

- Regulatory requirements applicable to the project, including compliance (or ability to become compliant) with HOME's affordability restrictions, property standards, and crosscutting federal requirements;
- Market risk, including whether or not sufficient demand exists for the project, the anticipated lease-up period, and whether general economic conditions and other competition supports ongoing viability;
- **Developer risk**, focusing on whether the owner/developer (including but not limited to the underlying owners of special purpose entities) have the technical capacity to develop and operate the property and the financial capacity to safeguard public funds and backstop the project if the event of poor financial performance; and
- Project risk (or "financial underwriting"), testing the economic and financial projections
  for the transaction including both sources and uses as well as ongoing operating
  assumptions. This includes confirmation that all sources of project financing are available,
  commercially reasonable, and have been appropriately maximized prior to awarding
  HOME funds.

#### Market Assessment

All HOME project applications must include a third-party market study prepared in a manner consistent with TDHCA's market analysis requirements. Unless otherwise approved by the City, market studies shall be prepared by providers included on the list of TDHCA Approved Market Analysts. Owner's may generally submit the market study used in conjunction with the Owner's LIHTC application, if applicable. Market studies must be less than one year old at the time of commitment of HOME funds. For market studies that are more than one year old, the City will typically require an update from the original analyst or a new market study from another analyst. Proposed rent levels must be supported by the applicant's market study and be within HOME regulatory limits.

Additionally, the market study should demonstrate the following:

- All units, including any "market rate" units as well as any units with income/rent restriction imposed by other programs such as LIHTC, must demonstrate viability within the primary market area taking into account any known rent concessions being offered by competing properties;
- Income and rent restricted units must have "discounts" of at least 15% relative to comparable un-restricted units;
- Achievable occupancy rates, based on a comparison of comparable properties in the primary market area, must be at or above 95% (physical occupancy);
- Capture rate for the development as a whole is no more than 10%, and no capture rate for specific unit sizes (e.g. 3-bedroom units) exceeds 25%; and
- Absorption can be expected to result in underwritten occupancy levels within six (6) months of units being ready for occupancy.

For projects not meeting these standards the City, in its sole discretion, may also consider the following:

- For project targeting special needs populations (e.g. homeless households, domestic violence victims, veterans, or other specific subpopulations), the City may accept higher capture rates if data from the local Continuum of Care and/or service providers specializing in the targeted populations (e.g. VA service centers) suggest an adequate pipeline of eligible renters exists and will be consistently referred to the development.
- For existing projects being rehabilitated, the City will consider the recent operating history
  of the project in terms of actual rents charged/received, eligibility of in-place tenants, and
  the like for evidence that the development's projections are supported by actual
  performance.

The City may also consider offsetting the risk of relatively "weaker" market study findings by offering HOME assistance as permanent debt only, to be disbursed following actual lease-up of the development at proforma levels and achievement of stabilized occupancy.

# **Developer and Development Team**

In most cases, projects considered by the City will be owned by single-purpose, single-asset entities created to hold title the development. For various purposes, including structuring necessary to comply with industry norms and take advantage of other funding sources such as LIHTC, the "owner" and "developer" of a project are often legally distinct entities, even if ultimately owned and controlled by the same underlying parties.

# **Developer Technical/Professional Capacity**

In evaluating the capacity of the "developer" the City will use the term more loosely to refer collectively to the underlying corporate entities and individuals that will own and control the single-purpose entity (excluding the investor member/limited partner). Additionally, the City requires various guarantees and indemnities from all of the underlying corporate and individual owners of the various limited partnership or limited liability corporation entities involved in the ownership and development of the project.

Developers should demonstrate:

- Recent, ongoing, and successful experience with the development of similar regulated affordable housing; and
- The presence of adequate staff, with specific experience appropriate to their role in the project, to successfully implement and oversee the project. This includes the assembly and oversight of the development team.

The City requires applicants to provide lists of real estate owned (including partnership/membership interests) by the developer as well as all projects underway. The City will review the performance of those projects, including financial factors like net occupancy, actual DCR, cash flow received, outstanding loan balances, and net equity of individual projects and the developer's overall portfolio.

Applicants are also required to provide descriptions of the role played by specific staff members relative to the proposed project along with resumes or other similar information demonstrating experience appropriate to the assigned staff member's role.

# **Financial Capacity**

Developers must also demonstrate the financial capacity to support the proposed project both during construction and lease-up as well during ongoing operations. This includes not just that the applicant has sufficient financial resources but that it has adequate financial systems in place to appropriately manage project funding, accurately account for all project costs, and provide reliable reporting to the City and other project funders.

At minimum, the City will review audited financial statements, interim financial statements, and individual personal financial statements to ensure that:

- The "primary" development entity's most recent audit must demonstrate compliance with Generally Accepted Accounting Principles (GAAP) and must not express material weaknesses in the entity's system of internal controls or financial management systems;
- The developer's net worth (including the un-duplicated net worth of other guarantors) is equal to at least 10% of the total development cost of all projects underway (i.e. those that have received funding commitments from HOME or LIHTC but have not yet been completed and converted to permanent financing); and
- The developer has net liquid assets (current assets less current liabilities) equal to at least 3% of the total development cost of all projects underway.

#### **Development Team**

The City will also review the capacity of the development team including but not limited to the general contractor, architect, engineer, market analyst, management company, accountant, attorney, and any other specialized professionals or consultants.

As a whole, the development team should have the skills and expertise necessary to successfully complete and operate the development. Insomuch as possible, on balance the development teams should have worked successfully on other projects in the past. That is, while a developer may identify new development team members from project to project, an "entirely new" team may present added risk.

Additionally, when using development team members from outside of the region, the City will consider whether assigned team members have recent local experience or have been supplemented with local professionals. This may be particularly important for design professionals and legal counsel.

In no case, may any owner/developer/applicant or any member of the development team be a suspended, debarred, or otherwise excluded party.

#### **Identify of Interest Relationships & Costs**

Applicants must disclose all identity of interest relationships/contracts and/or costs involved in a transaction, including during the development period and following completion of the project. The City reserves the right to review any such costs further to ensure they are reasonable and consistent with the costs expected from arms-length relationships.

An "Identity of Interest" (whether or not such term is capitalized) is any relationship based on family ties or financial interests between or among two or more entities involved in a project-related transaction which reasonably could give rise to a presumption that the entities may not operate at arms-length. The City will take a broad approach to defining identities of interest and

expects all applicants to err on the side of disclosure. That is, if there is any question about whether an identity of interest may exist, the relationship should be disclosed and explained to the City.

Beyond this general definition, an identity of interest relationship will be deemed to exist if:

- An entity, or any owner of any direct or indirect ownership interest in such entity, or any family member of any such owner is also an owner, through a direct or indirect ownership interest, or an officer, director, stockholder, partner, trustee, manager, or member of the counterparty; or
- Any officer, director, stockholder, partner, trustee, manager, member, principal staff, contract employee or consultant of an entity, or any family member of thereof, is an owner, through any direct or indirect ownership interest, or an officer, director, stockholder, partner, trustee, manager or member of the counterparty.

For purposes of this definition, "family member" means the spouse, parents or stepparents, children or stepchildren, grandparents or step-grandparents, grandchildren or step-grandchildren, aunts, uncles, parents-in-law, and siblings-in-law (or their children or stepchildren). It also includes any other similar relationship established by operation of law, including but limited to quardianship, adoption, foster parents, and the like.

#### **Financial Analysis**

As noted in the introduction, the City views underwriting as more than just the financial review of a project. However, a revive of the underlying financial assumptions is still a critical and core part of underwriting. In reviewing projects, as a public funder the City must to balance two somewhat competing perspectives.

Projects must be viable, that is they must have sufficient allowances for all costs to maximize the chances the project can meet or exceed its financial projections and thereby succeed in the marketplace. In other words, the project must represent a "safe" investment. However, taken to an extreme, "safe" or overly conservative projections can also result in a project that is oversubsidized and risks providing excessive returns to the owner/developer.

As a steward of very limited public funding for affordable housing, the City also needs to ensure that costs are reasonable, that they represent a "good deal" to the public, and that returns to the owner/developer are fair but not excessive. In seeking to balance these perspectives, the City has established the following review factors and principals.

#### **Development Costs**

In general, the City will review the entire project budget to all costs are reasonable yet that the budget is sufficient to complete and sustain the project. All line items, whether or not paid directly with HOME funds, must be necessary and reasonable.

The City will consider the cost of both specific line items as well as the total development cost on a per unit and per square foot basis, comparing costs to other projects from the City's portfolio, similar projects in the region (such as those funded by TDHCA), City-data from the Building Department, and/or third-party indices such as RS Means.

#### **Selected Development Cost Items**

Acquisition – Acquisition costs must be supported by an independent third-party appraisal prepared by a state-licensed appraiser. The purchase price must be at or below the as-is market value of the property. In the event an applicant has previously purchased land prior to applying to the City, the project budget may only reflect the lesser of the actual purchase price or the current market value. Standard closing costs from the acquisition may be included.

Applicants who purchased property prior to applying to the City, or following environmental releases under NEPA but prior to closing, may not charge or include financing costs associated with interim financing, whether from third-party or related lenders.

Architectural Fees – Architectural fees cannot exceed the following:

Design services: 6% of total construction costs

Supervision/Administration: 2% of total construction costs

City Soft Costs – The development budget for each project must include an allowance for the City's internal project-related soft costs as specified in periodic RFPs issued by the City. Similar to lender due diligence or lender legal costs, the inclusion of soft costs allows the City to recoup its direct costs of underwriting, processing, closing, and monitoring the project prior to project completion. These costs will be included in the HOME loan but may be drawn directly from HUD by the City rather than via payment requests from the project owner.

Construction Interest – Any budgeted line item for construction interest must be supported by developer period cash flow projections, modeling the actual expenditure of development costs and the anticipated pay-in of equity, HOME funds, and other construction period sources. For presentation purposes, only interest from the date of initial closing through the end of the month in which the building(s) are placed in service (i.e. approved for occupancy) may be included as construction interest. Additional interest following that date and prior to the conversion to (or closing on) permanent debt must be separately itemized and modeled. In most cases, this should be included in the "lease up reserve" noted below.

Contingencies – Applicants should include a contingency (inclusive of hard and soft costs) within the minimum and maximum amounts noted below. The contingency will be measured as a percentage of hard costs (including the construction contract plus any separate contracts for off-site work but excluding contractor fees).

- New construction projects should include a contingency of least 3% and no more than 7% of hard costs;
- Acquisition/rehabilitation projects, including adaptive reuse projects, should include a contingency of at least 5% and no more than 10% of hard costs.
- The City may consider higher contingencies based on identified risk factors such as the known need for environmental remediation or poor subsurface soils.

Contractor Fees – Contractor fees are limited as a percentage of net construction costs as further identified below. Net construction costs exclude the contractor fees, any budgeted contingency, and (even if otherwise included in the construction contract) permits and builder's risk insurance.

- Contractor Profit: 6% of net construction costs
- General Requirements/General Conditions: 6% of net construction costs. General
  requirements include on-site supervision, temporary or construction signs, field office
  expenses, temporary sheds and toilets, temporary utilities, equipment rental, clean-up
  costs, rubbish removal, watchmen's wages, material inspection and tests, all of the
  builder's insurance (except builder's risk), temporary walkways, temporary fences, and
  other similar expenses.
- Contractor Overhead: 2% of net construction costs.

With prior approval of the City, contractor fees may vary from the limits above provided the gross contractor fees do not exceed 14% of net construction costs.

Developer Fees – Developer fees are intended to compensate a developer for the time and effort of assembling a project, overseeing the development team, and carrying a project to fruition. Developer fees are also intended to compensate for the risk inherent in the development process, including that not every potential project proves viable and that developers must necessarily advance funds for their own operating costs and various third-party predevelopment costs prior to closing (or in some cases for projects that never proceed). The City, therefore, allows the inclusion of developer fees as follows:

- Developer Fee: 15% of total development costs less a) the developer fee itself; b) organizational expenses and/or syndication fees/cost (including investor due diligence fees); and c) reserves, escrows, and capitalized start-up/operating expenses (such as working capital, marketing, etc.).
- There is no maximum monetary limit, but at all times the Developer fee must be reasonable. Combined Contractor & Developer Fees: When an identity of interest exists between the owner/developer and the general contractor, the combined total of contractor fees and developer fees cannot exceed 20% of total development cost less a) the developer fee and b) other cost elements excluded from the calculation of the developer fee itself (see above).

In some cases, developers may delegate some of its responsibilities to third-party professionals or consultants. This may include contracting specific tasks – such as construction oversight of the builder or specialized consulting related to applying for or structuring various financial incentives like LIHTC. The costs of engaging such professionals, whether they are third parties or identity of interest relationships, must be paid from (and if separately itemized will be counted against) the allowable developer fee.

Reserves – Capitalized reserves to facilitate the initial start-up and to protect the ongoing viability of the project will include the following:

- Deficit Reserve: The City anticipates that in most cases, developments with predicted deficits during the affordability period would not be funded. However, in the event a development's long-term operating proforma projects actual cash deficits during the affordability period, an operating deficit reserve must be included in the development budget in an amount sufficient, taking into account any interest on reserve balances, to fully fund all predicted deficits through the affordability period.
- Lease-Up Reserve: A lease-up reserve intended to cover initial operating deficits following the completion of construction but prior to breakeven operations may be included. Any

such reserve must be based on lease-up projections/cash-flow modeling and the lease-up (or absorption) period identified in the project's market study. In evaluating the appropriateness of any lease-up reserve, the City will consider whether the development budget includes specific line items for other start-up expenses that otherwise are typically part of the ongoing operating budget for a development. This may include budgets for marketing, working capital, etc.

- Operating Reserve: An operating reserve equal to three (3) months of underwritten operating expenses, reserve deposits, and amortizing debt service must be included in the development budget. The operating reserve is intended as an "unexpected rainy day" fund and will only be accessible after a project has achieved stabilized occupancy.
- Replacement Reserve: For acquisition-rehabilitation projects, a capitalized replacement reserve must be included in the development budget. The capitalized replacement reserve should be funded at the greater of i) \$1,000 per unit; or ii) the amount determined by a capital needs assessment approved by the City.
- Other: The City may consider other specialized reserves as appropriate based on unique features of the project and/or requirements of other funding sources. These may include special security reserves, supportive service reserves, or transition reserves for projects with expiring project-based rental assistance contracts, etc.

# **Operating Revenues**

The City will review an applicant's projection of operating revenues to ensure they are reasonable and achievable both initially and through the affordability period. In evaluating operating revenues, the City will take into account the i) project-specific market study; ii) actual operating performance from other comparable projects including those from the applicant's existing portfolio of real-estate owned; iii) data available from comparable projects in the City's portfolio; and/or iv) information available from actual performance within TDHCA's portfolio.

For purposes of the long-term operating proforma, operating revenue projections cannot be increased by more than 2% per year. The City reserves the right to "stress" proposals for underwriting purposes to assess the impact of lower inflationary increases, such as modeling the impact of only 1% rent increases for the first three to five years of a project's affordability period.

#### Rents

All rents should be supported by the market study. Including the utility allowance, the gross rent for any income/rent restricted unit should demonstrate at last a 15% "discount" compared to comparable "market rate" units.

Additionally, to hedge against flat or declining rents to the owner in the event that income limits (and therefore rents) do not increase in a given year (particularly between commitment and lease-up), gross rents should demonstrate at least a 2.5% discount from the regulatory limit imposed on any income/rent restricted units by HOME, LIHTC, or other similar sources. As an alternative to setting rents below the applicable regulatory limit, the City will consider increasing the allowance for vacancy by 2.5%.

#### Non-Rental Revenue

Non-rental revenue must be fully explained and conservatively estimates. In general, no more than \$60-\$240 per-unit, per-year may be budgeted in "other revenue" including that from tenant's fees (such as fees for late payment of rent, nonsufficient funds, garage/carport upgrades, pet fees, etc. or interest on operating account balances). Exceptions may be considered by the City

based on the operating history of an acquisition/rehabilitation project or normalized operations are other comparable properties in the same market area. Vacancy

Total economic vacancy includes physical vacancy (a unit is unrented), bed debt (a unit is occupied but the tenant is not paying rent), concessions (a unit has been leased for less than the budgeted rent), and "loss to lease" (an pre-existing lease is less than the most recently approved annual rent but will be adjusted upward at renewal).

In all cases, based on the market study or other data available to the City, the City reserves the right to require higher vacancy projections. This may include higher vacancy rates for small developments (e.g. less than 20 unit) where standard percentage assumptions about vacancy may not be appropriate. Minimum allowances for vacancy must include:

- 5% for projects where all units are supported by a project-based rental assistance contract
  with a term equal to or in excess of the affordability period (e.g. project-based Section 8);
  or
- 7% for all other projects.

As noted above, the minimum vacancy rate will be increased by 2.5% if budgeted gross rents are at the applicable regulatory maximums.

# **Operating Costs**

The City will review an applicant's projection of operating expenses to ensure they are reasonable and adequate to sustain ongoing operations of the project through the affordability period. In evaluating a proposed operating budget, the City will compare projects costs to i) actual operating expenses of comparable projects in the applicant's existing portfolio of real-estate owned (insomuch as possible, comparable projects will be in the same vicinity and operated by the same management company); ii) actual operating expenses of other comparable projects in the City's portfolio; iii) data available on the operating costs of affordable housing in the TDHCA portfolio; and/or iv) minimum per-unit, per-year allowances established by the City through periodic RFPs for rental housing.

For purposes of the long-term operating proforma, operating expenses, including reserve deposits, will be inflated at no less than 3% per year. The City reserves the right to "stress" proposals for underwriting purposes to assess the impact of higher operating cost factors, such as modeling the impact of higher inflation rates in general of for specific items of cost (for example, assessing the impact of high rates of increase for insurance or development paid utility costs).

# **Selected Items of Operating Cost**

City HOME Monitoring Fee – Pursuant to 24 CFR 92.214(b)(1)(i), the City assesses an annual HOME monitoring fee. The operating budget for each project must include an allowance for the City's annual HOME Monitoring Fee as specified in periodic RFPs issued by the City.

Property Management Fees – An allowance of 5% of effective gross income (i.e. gross rent potential plus other revenues minus actual vacancy, bad debt, concessions, etc.) should be included. In the event a lower management fee is proposed, the City will consider using a fee as low as 3% provided the proposed management company is acceptable to the City and has agreed in writing to the lower fee.

Property Taxes – Applicants must provide detailed explanations of property tax projections and, as applicable, provide documentation that any anticipated partial or full exemptions or payments in lieu of taxes (PILOT) have been approved by the appropriate tax assessor. In the absence of a tax exemption or PILOT, the operating budget must provide for a tax rate equal to 1.25% of the market value of the property or the City, at its option, may require confirmation from the tax assessor of the applicant's projection.

Replacement Reserve Deposits – The operating budget must include minimum replacement reserve deposits of:

- New Construction Family: \$300 per-unit, per-year
- New Construction Senior: \$250 per-unit, per-year
- Rehabilitation: The greater of i) \$300 per-unit, per-year; or ii) a higher amount established by a CNA approved by the City.

Note: The City will reserve the right within a project's transactional documents to require periodic CNAs for all projects and to adjust ongoing replacement reserve deposits base on the results of the CNA to ensure that the replacement reserve is sufficient to address all anticipated needs for the project's affordability period of the term of the City's loan, whichever is longer.

#### Items Payable only from Surplus Cash

Certain costs, sometimes identified by project owners as "operating costs," cannot be included in the operating budget and will only be payable from surplus cash (aka cash flow). These include:

- Incentive Management Fees payable in addition to the allowable management fees noted above, whether paid to related party or independent third-party management fees.
- Asset Management Fees payable to any investor, general or limited partner, or member of the ownership entity.
- Deferred Developer Fees
- Operating Deficit Loan Payments made to any related party including any investor, general or limited partner, or members of the ownership entity.
- Other payments to investors, general or limited partners, or members of the ownership entity, however characterized, including but not limited to negative adjustors, yield maintenance fees, etc.

#### **Ongoing Economic Viability**

The City will review the ongoing economic viability of all projects, taking into account long-term projections of revenue and expenses. Projects must demonstrate they can be expected to remain viable for at least the affordability period, taking into account trending assumptions noted above, as well as other any other changes in operating revenues or expenses that can reasonably be anticipated based on other information available to the City or other project funders. In particular, the City will review the debt coverage ratio and operating margin as outlined below.

# **Debt Coverage Ratio**

Projects must demonstrate a minimum debt coverage ratio (DCR) of 1.25 (Net Operating Income divided by amortizing debt service) throughout the affordability period. In some cases, for projects with relatively small levels of mortgage debt, this may require a higher initial DCR to ensure that the DCR in later years remains at or above the appropriate level.

# **Operating Margin**

In addition to considering the DCR, the City will review the operating margin (surplus cash divided by total operating expenses and amortizing debt service). The operating margin must remain at or above 5% for the period of affordability.

# **Other Funding Sources**

Prior to committing funds, all other funding sources necessary for a project must be identified, committed in writing, and consistent with the both the City's underwriting requirements and the affordability restrictions of the HOME program. In general, developers must make all reasonable efforts to maximize the availability of other funding sources, including conventional mortgage debt and tax credit equity (as applicable), within commercially available and reasonable terms.

Additionally, restrictions or limitations imposed by other funding sources cannot conflict with any applicable HOME requirements and cannot, in the discretion of the City, create undue risk to the City.

# Senior Mortgage Debt

Any amortizing mortgage debt that will be senior to the City's HOME loan must:

- Provide fixed-rate financing;
- Have a term equal to or in excess of the HOME affordability period. The affordability period will generally be 15 years beyond the date of "project completion" as defined in 24 CFR 92.2 for acquisition/rehabilitation projects and 20 years for new construction projects. In practice, the date of "project completion" will not be the same as "placed in service" date for tax purposes but for most projects will occur prior to permanent loan conversion following property stabilization. Insomuch as possible, the first mortgage should have the longest amortization period available but cannot balloon prior to the expiration of the affordability period; and
- Allow the City's HOME covenant running with the land (i.e. the deed restrictions imposing
  the HOME affordability requirements) to be recorded senior to all other financing
  documents such that the HOME covenant is not extinguished in the case of foreclosure
  by a senior lender. Note the City HOME loan itself will be junior to conventional amortizing
  loans; only the deed restrictions must be senior.

#### Tax Credit Equity

Projections of tax credit equity must be documented by letters of intent or other similar offers to participate in the transaction by the proposed tax credit investor. Prior to committing funds, the applicant must provide evidence it has received a tax credit reservation from TDHCA and provide the proposed limited partnership agreement or operating agreement, as applicable, documenting the terms of the equity investment.

The City will review proposed equity pricing against information from other projects in the region to assess whether the pricing and terms are reasonable.

#### Deferred Developer Fee

It is common for projects to include deferred developer fees as a financing source. The City will generally require:

- That projections of surplus cash available (after any cash-flow contingent payment due the City) be sufficient to repay the deferred fee within 15 years (notwithstanding other "waterfall" provisions in the partnership or operating agreement, the City will assume that all surplus cash distributions will be credited against the developer fee);
- That following the initial application to the City, the level of deferred developer fee with remain fixed (in nominal dollar terms) in the event City underwriting identifies cost reductions, increases in other funding sources, or other changes that result in a net reduction of the "gap" to be filled with HOME funds; and
- That any net savings (or increased funding sources including but not limited to upward
  adjusters for tax credit equity) at project completion and cost certification will be used in
  equal parts to reduce the deferred developer fee and the City's permanent HOME loan. In
  the event savings are sufficient to eliminate the deferred fee in this manner, any remaining
  net savings will be used to further reduce the City's HOME loan, or in the sole discretion
  of the City, to increase the operating reserve.

# **Exceptions and Interpretation**

The City has developed these guidelines for several reasons. Not only are they required by HUD as part of the City's role as a HOME PJ, but more generally they are intended to provide clarity to applicants on what the City expects and transparency about the "rules of the road." However, the City recognizes that it cannot pre-emptively identify every possible special circumstance that may warrant an exception to its general requirements, nor can it identify every possible "loophole" whereby a creative presentation of costs or other projections might subvert the general need to balancing of viability and reasonable returns, risk to the City and public benefit.

Consequently, the City reserves the right to waive specific underwriting criteria for specific projects when, in its judgement, the purposes of the program can be better achieved without taking on undue risk. When waiving any given requirement, the City may impose additional special conditions or business terms that are not otherwise typically applied to all projects.

For administrative ease, the City may also align its underwriting standards with those required by other public funders involved in a given transaction, particularly if those standards are more restrictive or conservative than the City's. However, the City retains the right, in its sole discretion, to decide whether to accept alternative standards.

The City also reserves the right to reject any element of a transaction that, despite not being specifically prohibited, was not anticipated by these guidelines of such an element or business term otherwise creates unacceptable risks, excessive returns to the owner/developer, or otherwise undermines the public purposes of the City's program.

Insomuch as is reasonable, the City will update and clarify these guidelines over time to account for exceptions, waivers, or additional restrictions it imposes.

# APPENDIX 4 UNIVERSAL DESIGN GUIDELINES

This portion of the manual outlines the City's policy on Universal Design and the minimum design criteria for new affordable housing projects.

In order to ensure the sustainability of the projects supported by CDBG and HOME funds, the City has established guidelines in relation to Universal Design. In addition, the City wants to ensure that newly constructed units are compatible with existing neighborhoods.

# **Universal Design**

This comprehensive housing policy creates a Universal Design construction requirement for all new single-family homes, duplexes, and triplexes using financial assistance from the City.

The goal of "Universal Design" is to ensure that housing can accommodate the needs of people with a wide range of abilities, including children, aging populations and persons with disabilities. Consequently, all new construction housing projects using City of Dallas CDBG and/or HOME funds will meet all the following criteria:

- At least one entrance shall have 36-inch door and be on an accessible route.
- All interior doors shall be no less than 32 inches wide; except for a door that provides access to a closet of fewer than 15 square feet in area. Each hallway shall have a width of at least 36 inches wide and shall be level and ramped or beveled changes at each door threshold.
- All bathrooms shall have the walls reinforced around the toilet, bathtub, and shower for future installation of grab bars.
- Each electrical panel, light switch or thermostat shall be mounted no higher than 48 inches above the floor. Each electrical plug or other receptacle shall be at least 15 inches from the finishedfloor.
- An electrical panel located outside the dwelling unit must be between 18 inches and 42 inches above the ground and served by an accessible route.
- All hardware installed to open/close doors and operate plumbing fixtures shall be lever handles.

#### Universal Design Waiver or Exterior Accessibility Requirements

The Director of Sustainable Development or his designee may only grant modifications or an exemption to the requirements of the Ordinance regarding full compliance with the exterior path of travel on an individual case-by-case basis. The criteria for granting a modification or exemption are as follows:

- The lots rise or falls so steeply from the street that a maximum 1:12 slope cannot be achieved without extensive grading; and
- No vehicular access to the back of the house will be available by means of an alley.
- Appeals of orders, decisions of determination made by the Director of Sustainable Development maybe made to the Board of Adjustments.

#### **Universal Design Implementation**

- Clearly stamp or print "Universal Design" on plans submitted
- Clearly Identify design elements outlined in Ordinance.
- Certify that the plans comply with the requirements of the Ordinance.

 Plan checking, construction inspections and enforcement shall be accomplished by the Development Services Department in accordance with existing procedures.

# **Design Guidelines**

All builders and developers of infill housing are strongly encouraged to incorporate the defining features of a neighborhood into newly constructed infill houses. Those defining features of older neighborhoods may include roof pitches, porches, materials, and window types. Developers must comply with any standards established by an existing neighborhood conservation district and/or approved neighborhood plan. Additionally, all projects must advance the principles and policies contained in the City of Dallas Complete Streets Design Manual. Site plans and building designs should contribute towards safe and convenient pedestrian, bicycle, transit and automobile access to the extent possible within the project site and the adjacent public right-of-way frontage.

For infill projects supported with CDBG and/or HOME funds, developers will be required to demonstrate that the neighborhood association near the land to be developed has been consulted on the design issues. Developers should obtain input and feedback from neighborhood residents and work with them to ensure that designs are compatible with existing housing and development patterns.

In extreme cases where an agreement cannot be reached between the developer and local neighborhood groups, CDBG and/or HOME funding may be pulled from the project.

Specific design guidelines may be developed for certain City sponsored projects. Historic and neighborhood conservation district requirements must also be met for all projects.

For rehabilitation projects, builders and developers are strongly encouraged to retain the defining features of older structures. This applies to multi-family and single-family projects.

#### **APPENDIX 5**

# City of Dallas Income Limits and Part 5 Requirements

Per 24 CFR Part 92.203(b)(1), the City has elected to utilize the 24 CFR Part 5 definition for determining annual income which is commonly referred to as the "Section 8 Low-Income Limit". To be eligible for HOME or CDBG funds, households must have annual (gross) incomes at or below 80% of area median income, adjusted by household size and determined annually by the U.S. Department of Housing and Urban Development (HUD).

The *Technical Guide for Determining Income and Allowances for the HOME Program* should be utilized as a resource and the standard for the following determinations:

- Whose income to count
- Types of income to count
- Treatment of assets
- Income inclusions and exclusions
- Verifying income
- · Comparing annual income to published income limits
- Determining household size
- Source documentation
- Timing of income certifications

The annual income limits are published by HUD each year at the webpage below. http://www.huduser.gov/portal/datasets/il/il15/index.html

## Community Housing Development Organization Policy, Procedure, and Standards

#### WHAT IS A COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO)?

A CHDO (pronounced cho'doe) is a private nonprofit, community-based service organization that has significant capacity, and whose **primary** purpose is, to develop affordable housing for the community it serves. Certified CHDOs receive special designation from the City of Dallas (City). The HOME Investment Partnership (HOME) Program definition of a CHDO is found at 24 CFR Part 92.2.

#### WHAT SPECIAL BENEFITS ARE AVAILABLE TO CHDOs?

HOME regulations require that the City set aside **15%** of its annual HOME allocation exclusively for qualified, eligible CHDO projects. If an organization becomes a certified CHDO, it is eligible to take advantage of the HOME funds set-aside just for CHDOs, as well as financial support for a portion of its operating expenses (Operating Assistance Grants) associated with CHDO projects. The City's CHDOs also have first right of purchase on land bank lots and as a nonprofit they are eligible to purchase HB110 lots.

#### REGULATORY REQUIREMENTS FOR CHDO CERTIFICATION

The U.S. Department of Housing and Urban Development (HUD) has established standard criteria for organizations to be eligible to become a certified CHDO:

- 1. **Organized Under State/Local Law**. A nonprofit organization must show evidence in its Articles of Incorporation that it is organized under state or local law.
- 2. **Nonprofit Status**. The organization must be conditionally designated or have a tax exemption ruling from the Internal Revenue Service (IRS) under Section 501(c) of the Internal Revenue Code of 1986. A 501(c) certificate from the IRS must evidence the ruling.
- Purpose of Organization. Among its primary purposes, the organization must have the
  provision of decent housing that is affordable to low- and moderate-income people. This
  must be evidenced by a statement in the organization's Articles of Incorporation and/or
  Bylaws.
- 4. **Board Structure**. The board of directors must be organized to contain no more than one-third representation from the public sector and a minimum of one-third representation from the low-income community.
- 5. **No For-Profit Control**. The organization may not be controlled by, nor receive directions from, individuals or entities seeking profit from or that will derive direct benefit from the organization.
- 6. **No Individual Benefit**. No part of a CHDO's net earnings (profits) may benefit any members, founders, contributors, or individuals. This requirement must also be evidenced in the organization's Articles of Incorporation.
- 7. Clearly Defined Service Area. The organization must have a clearly defined geographic service area outlined in its Articles of Incorporation and/or Bylaws. CHDOs may serve individual neighborhoods or large areas. However, while the organization may include an entire community in their service area (such as a city, town, village, county, or multicounty area), they may not include the entire state.
- 8. **Low-Income Advisory Process**. A formal process must be developed and implemented for low- income program beneficiaries and low-income residents of the organization's service area to advise the organization in all of its decisions regarding the

- design, location, development and management of affordable housing projects.
- Capacity/Experience. The key staff and board of directors must have significant experience and capacity to carry out CHDO-eligible, HOME-assisted projects in the community where it intends to develop affordable housing (key staff and board of directors have successfully completed HOME-funded, CHDO-eligible projects in the past).
- 10. **Community Service**. A minimum of one year of relative experience serving the community(ies) where it intends to develop affordable housing must be demonstrated.
- 11. **Financial Accountability Standards**. The organization must meet and adhere to the financial accountability standards as outlined in 2 CFR 200 Subpart D, "Standards for Financial and Program Management."

#### CITY REQUIREMENTS FOR CHDO CERTIFICATION

In addition to the regulatory requirements, the City has established additional criteria for CHDO designation. To be eligible for CHDO designation, an organization must also:

- 1. Maintain a record of good standing with the Texas Secretary of State's office.
- 2. Maintain a staffed, physical office location in the proposed service area that is open for business and accessible by potential program applicants during generally-accepted customary business hours.
- 3. Have established a minimum **3**-year strategic business plan, which must include CHDO-related production and community involvement goals.
- 4. Maintain a history of no significant compliance findings on its City funded projects.

The City will accept applications from new CHDOs year-round; however, CHDO certifications will not be provided until a project is identified for funding and prior to execution of a written agreement. Please note that the criteria noted above is not intended to be all-inclusive and the City may require additional information prior to making a determination for CHDO designation. Meeting the above requirements does not guarantee that the organization will be granted CHDO designation. City reserves the right to deny or revoke CHDO designation based upon its evaluation of the nonprofit organization's performance. Designated CHDOs will be evaluated periodically for production and other benchmarks as established by City.

#### ORGANIZATIONAL STRUCTURE REQUIREMENTS FOR CHDO CERTIFICATION

The HOME Program establishes requirements for the organizational structure of a CHDO to ensure that the governing body of the organization is **controlled by the community it serves**. These requirements are designed to ensure that the CHDO is capable of decisions and actions that address the community's needs without undue influence from external agendas.

There are four specific requirements related to the organization's board, which must be evidenced in the organization's Articles of Incorporation and/or Bylaws. These are:

- 1. **Low Income Representation.** At least one-third of the organization's board must be representatives of the low-income community served by the CHDO. There are three ways a board member can meet the definition of a low-income representative:
  - The person lives in a low-income neighborhood where **51%** or more of the residents are low-income. This person need not necessarily be low-income.

or

• The person is a low-income (below **80%** area median income) resident of the community.

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 The person was elected by a low-income neighborhood organization to serve on the CHDO board. The organization must be composed primarily of residents of the lowincome neighborhood and its primary purpose must be to serve the interests of the neighborhood residents. Such organizations might include block groups, neighborhood associations, and neighborhood watch groups.

The CHDO is required to certify the status of low-income representatives.

- 2. Public Sector Limitations. No more than one-third of the organization's board may be representatives of the public sector, including elected public officials, appointees of a public official, any employees of a local government or public school system, or employees of City or the State of Texas. If a person qualifies as a low-income representative and a public-sector representative, their role as a public-sector representative supersedes their residency or income status. Therefore, this person counts toward the one-third public sector limitation.
- 3. Low-Income Advisory Process. Input from the low-income community is not met solely by having low-income representation on the board. The CHDO must provide a formal process for low-income program beneficiaries to advise the CHDO on design, location of sites, development and management of affordable housing. The process must be described in writing in the Articles of Incorporation and/or Bylaws. Each project undertaken by the CHDO should allow potential program beneficiaries to be involved and provide input on the entire project from project concept, design and site location to property management. One way to accomplish this requirement is to develop a project advisory committee for each project or community where a HOME assisted project will be developed. Proof of input from the low-income community will be required at the CHDO's annual recertification.
- 4. **For-Profit Limitations**. If a CHDO is sponsored by a for-profit entity, the for-profit may not appoint more than one-third of the board. The board members appointed by the for-profit may not appoint the remaining two-third of the board members.

## EXPERIENCE, CAPACITY AND ROLES (24 C.F.R. 92.300-92.303)

To be certified as a CHDO, the HOME Program requires organizations to demonstrate sufficient experience, capacity, and financial accountability.

**Experience & Capacity:** A CHDO must certify to City that it has the capacity, demonstrated by having paid staff with demonstrated capacity to perform the specific role for which is it being funded. CHDO staff can be full-time or part-time and can be contract employees. The CHDO cannot count the experience of board members, donated staff, parent organization staff, or volunteers to meet the capacity requirement. The CHDO can only count capacity brought to the table by a consultant in the first year of participation. Afterward, the CHDO must demonstrate capacity based upon paid staff.

The CHDO must demonstrate experience and capacity relevant to the project and its role as owner, developer, or sponsor. If the CHDO is the owner, its staff must have the capacity to act as the owner (this may mean the ability to oversee development.) If the CHDO is the developer or sponsor, its staff must have development experience on projects of similar scope or complexity.

CHDOs must demonstrate a history of serving the community where the housing to be assisted with HOME funds will be located. HUD requires that organizations show a history of serving the community by providing:

- A statement that documents at least one year of experience serving the community.
- For newly created organizations, provide a statement that the parent organization (if applicable) has at least 1-year experience serving the community.

CHDOs must provide resumes and/or statements of key staff members that describe their experience of successfully completed projects similar to those proposed.

#### **CHDO SERVICE AREA**

While the City does not limit the number of counties is a CHDO's service area, the very definition of a CHDO is that it be community-based. Therefore, an organization proposing a large or regional service area must demonstrate that it is taking the appropriate steps to achieve the community-based component. Some of the ways this can be achieved is by having an active community (nonpublic) representative from each of the counties on the CHDO's board of directors; establishing local advisory councils to advise the CHDO board on topics relative to the organization's activities; hosting "town hall" meetings in the proposed project areas, etc. the City will consider other methods suggested by the CHDO. CHDOs will be required to provide updates on how it is ensuring that it is active and visible in the communities included in its service area.

The City reserves the right to limit CHDOs going into a service area where an existing CHDO is already providing service. Unless a CHDO is already approved to serve a particular territory, the City will not approve CHDOs to serve overlapping territory.

#### **CHDO RECERTIFICATION**

To ensure compliance with the HOME regulations, the recertification process will apply to CHDOs with active development projects including those under development and within the affordability period. Each CHDO will be required to submit specific information to City on an annual basis in conjunction with annual monitoring and compliance audits, including, but not limited to:

- The response to questions, numbered exhibits, and attachments listed in the City's CHDO certification application
- An updated 3-year business plan and a description of how the low-income advisory process was implemented. If no HOME funds were used within the reporting period, a detailed description of all other affordable housing initiatives undertaken will be requested.

Recertification will be required **ANNUALLY WHEN THE CITY MONITORS THE CHDO FOR COMPLIANCE**. The CHDO must recertify as to its continued qualifications as a CHDO and its capacity to own, sponsor, or develop housing.

CHDOs that have not been allocated project funds from the HOME CHDO set-aside for 3 consecutive years will be deemed inactive. At its discretion, the City may revoke the designation of inactive CHDOs based upon a review of other non-CHDO housing activities the organization has undertaken (if any), as well as other factors deemed appropriate by City.

#### **CHDO SET-ASIDE**

The HOME requirements at 24 CFR Part 92.300 require City to set aside at least 15% of its annual HOME allocation for projects owned, developed or sponsored by CHDOs. A certified CHDO must serve as the owner, developer or sponsor of a HOME-eligible project when using funds from the 15% percent CHDO set-aside. A CHDO may serve in one of these roles or it may undertake projects in which it combines roles, such as being both an owner and developer. The CHDO must be certified for each type of activity it plans to undertake.

#### FINANCIAL ACCOUNTABILITY

CHDOs must have financial accountability standards that conform to the requirements detailed in 2 CFR 200 – Subpart D, "Standards for Financial and Program Management." This can be evidenced by:

- A notarized statement by the president or chief financial officer of the organization.
- Certification from a certified public accountant.
- Audit completed by CPA.
- City reserves the right to request additional audited financial statements at any time.

#### ELIGIBLE AND INELIGIBLE USES OF HOME CHDO SET-ASIDE FUNDS

#### **ELIGIBLE ACTIVITIES - OWNERS, SPONSORS, DEVELOPERS**

Using the **15%** set-aside, a CHDO acting as an owner, sponsor, or developer may undertake any of the following activities:

- Acquisition and/or rehabilitation of rental property;
- New construction of rental housing;
- Acquisition, rehabilitation and resale of existing, vacant homebuyer property;
- New construction of homebuyer property;
- Direct financial assistance to purchasers of HOME-assisted housing developed by a CHDO with HOME CHDO set-aside funds.

Please note that to be considered a CHDO-eligible project, CHDO set-aside HOME funds must be used during the construction or rehabilitation of the project.

#### **INELIGIBLE CHDO ACTIVITIES**

Using the 15% set-aside, a CHDO may not undertake any of the following activities:

- Rehabilitation of existing homeowners' properties;
- Tenant-based rental assistance (TBRA); or
- Down payment and/or closing cost assistance to purchasers of housing not developed with HOME CHDO set-aside funds.

#### **ELIGIBLE ACTIVITIES - SUBRECIPIENTS**

CHDOs may also act as subrecipients with non-set-aside funds by undertaking other HOMEeligible activities such as:

- Tenant-Based Rental Assistance (TBRA);
- Owner-occupied rehabilitation of single-family dwellings; and
- Down payment or closing cost assistance in the acquisition of single-family units.

#### **OPTIONAL OPERATING EXPENSES**

From time to time, funds may be available to provide general operating assistance to CHDOs receiving CHDO set-aside funds for activities. When funds are available, certified CHDOs that are administering an eligible project funded from the CHDO set-aside may be eligible to receive funds to be used for operating expenses. The regulations allow the City to allocate no more than **5%** of its HOME allocation for CHDO operating expenses (Operating Assistance Grants). However, the City reserves the right to further restrict the amount of funds an entity may receive for CHDO operating funds. This allocation does not count toward the required **15%** CHDO set-aside funds that are to be used by CHDOs for projects.

The amount of the optional Operating Assistance Grants awarded will be based on, but not limited to, the following factors:

- The total amount of HOME funds City has available to allocate for reimbursable CHDO operating expenses;
- The anticipated completion date and size of your current CHDO set-aside project(s); and
- The CHDO's past performance as a CHDO developer.
- The CHDO's capacity to complete the project in a timely manner.
- The ability of the CHDO to retain CHDO proceeds.

The City will allocate Operating Assistance Grants on annually. Operating Assistance Grants will be provided on a fiscal year basis (October 1 – September 30) provided funds are available and the CHDO has demonstrated acceptable performance.

Although the disbursement of CHDO operating funds is not tied directly to the drawdown of the CHDO project funds, the City reserves the right to delay disbursement of operating funds if it is evident that the CHDO project is experiencing excessive delays.

City reserves the right to reduce the amount of, or not award, operating funds based upon its evaluation of the CHDO's production and overall performance.

Eligible operating expenses for which CHDOs may use operating funds include:

- Salaries, wages, benefits, and other employee compensation
- Employee education, training and travel
- Rent and utilities
- Communication costs
- Taxes and insurance
- Equipment, materials and supplies

Because the purpose of providing CHDO operating support is to nurture successful CHDOs and ensure their continued growth and success, the City will periodically evaluate the performance of any CHDO wishing to receive CHDO operating funds.

#### **CHDO PROCUREMENT**

As noted in HUD CPD Notice 97-11, CHDO organizations are not subject to the requirements of 2 CFR, Part 200 in regard to the procurement of goods and services. However, the City strongly

encourages organizations to ensure that costs are reasonable and equitable. This exemption is only applicable to procurement associated with CHDO-eligible projects; CHDOs must still follow appropriate procurement procedures compliant with Part 200 for its non-CHDO projects. City may request a copy of the CHDO's procurement policy for any non-CHDO project funding proposals.

#### **EFFECTIVE PERIOD OF CHDO CERTIFICATION**

To maintain its CHDO certification, the CHDO must submit at least **30** days prior to its annual compliance and monitoring audit a copy of the most recent audit financial statements along with all required attachments listed in the City's CHDO Certification Application, which is attached to this manual as **Exhibit "A" – City CHDO Application**. If the CHDO fails to submit the recertification packet, the CHDO may no longer qualify as a CHDO. Prior to awarding any City CHDO funds, the CHDO must recertify that no changes have occurred within the agency that would disqualify the entity as a CHDO for the specific type of activity being undertaken.

#### HOW TO APPLY FOR CHDO CERTIFICATION

Complete the City's CHDO Certification Application including all requested attachments, documentation, and forms. The applicant has **30** days to respond to any request for additional information. If information is not received within **30** days, the CHDO certification application will be denied.

## Recapture/Resale Requirements for Homebuyer Activities

To ensure that HOME investments yield affordable housing over the long term, HOME regulations impose occupancy requirements over the length of an affordability period. If a house purchased with HOME funds is sold during the affordability period, recapture or resale provisions as per 24 CFR 92.254 shall apply to ensure the continued provision of affordable homeownership.

#### **Definitions**

<u>Affordability Period</u>: Occupancy restrictions for varying lengths of time for those homeowners assisted with HUD HOME funds. The affordability period affects the terms of the resale/recapture of the property if sold during the affordability period.

HOME Affordability Periods			
HOME subsidy/unit	Minimum Period of Affordability in Years		
Under \$15,000	5		
\$15,000 to \$40,000	10		
Over \$40,000	15		

<u>Direct Homebuyer Subsidy</u>: A direct subsidy consists of any financial assistance that reduces the purchase price from fair market value to an affordable price, or otherwise directly subsidized the purchase (e.g., down payment or closing cost assistance, subordinate financing, etc.).

<u>Development subsidy</u>: A development subsidy is the difference between the cost to develop housing and the market price. For example, the PJ might provide a \$50,000 construction loan to a developer. The appraised value after construction will be \$45,000 because of neighborhood and the market conditions. The \$5,000 difference between the \$45,000 sale price and \$50,000 construction loan is not repaid to the PJ and represents a development subsidy provided to the developer. While the subsidy does not go directly to the homebuyer, it helps make development of an affordable home feasible.

Summary of Provisions for the City of Dallas by Subsidy Type:				
Direct Homebuyer Subsidy (DHS) DHS + Development Subsidy Development Subsidy				
Recapture provisions shall apply	Recapture provisions shall apply	Resale provisions shall apply		

<u>Net Proceeds:</u> The sales price minus loan repayment (other than HOME funds) and closing costs.

#### **Recapture Requirements**

Pursuant to HOME regulations at 24 CFR 92.254(a)(5) each HOME-funded homebuyer unit must be subject to either resale or recapture requirements during the affordability period. The City of Dallas exclusively uses the recapture provisions as defined herein and does not intend to use resale restrictions.

The City of Dallas provides HOME-funded direct buyer assistance to income eligible buyers based on need as dictated by the City of Dallas Homebuyer Assistance Program Underwriting Guidelines.

The level of HOME assistance provided to a buyer is based on an evaluation of the buyer's individual need taking into account their specific income, debts, etc. according to the City's underwriting policies for homebuyer assistance. Depending on the level of homebuyer assistance provided, the affordability period may be five (5) years (less than \$15,000 in direct assistance), ten (10) years (\$15,000 or more but less than \$40,000 in direct assistance), or fifteen (15) years (\$40,000 or more in direct assistance). Based on the City's program design, most projects trigger a 5- or 10-year affordability period.

All buyers sign a HOME written agreement with the City outlining the affordability period and recapture provisions. HOME assistance is provided in the form of a deferred loan secured by a second-position deed of trust which is due and payable upon sale or transfer of title. In the event buyers remain in the unit beyond the end of the affordability period, the HOME loan remains outstanding until sale or transfer of title while the term of the HOME written agreement expires.

Any sale or transfer of title during the affordability period results in recapture by the City of the lesser of the:

- Entire amount of direct HOME assistance originally provided to the buyer (less any voluntary prepayments previously made); or
- Net proceeds of sale (sales price minus senior secured debt minus reasonable seller's closing costs).

When the net proceeds are inadequate to fully repay the City's HOME loan, the City accepts the net proceed as full and final payoff of the note. The City reserves the right to determine that the sales price reflects an arms-length transaction at fair market value. Receipts received as a result of a sale within the affordability period are recorded as "recaptured funds." When net sales proceeds exceed the HOME assistance, buyers retain all remaining net proceeds after repaying the HOME loan balance.

After the expiration of the affordability period, any sale or transfer requires the HOME loan balance be repaid, and the City similarly limits the payoff to the net proceeds of sale. Receipts collected after the affordability period has expired are recorded as "program income." Net proceeds in excess of the City's HOME loan balance are retained by the original homebuyer.

#### **Resale Requirements**

The City of Dallas shall require that Resale provisions be used in the event that only a <u>Development Subsidy</u> is used to make the home affordable (i.e. funding construction to the developer). In a project where both Development and Direct subsidies are provided, recapture provisions apply.

Resale provisions require the homeowner to sell to another low-income homebuyer. The resale requirement must ensure that the price at resale provides the original HOME-assisted owner a fair return on investment and ensure that the housing will remain affordable to a reasonable range of low-income homebuyers as defined below:

Affordable to range of low-income homebuyers (As it relates to the Resale Provision only): That which is affordable to a family earning 80% AMI and below and that who do not pay any more than 30% their gross income for PITI (Principle, Interest, Tax, and Insurance).

<u>Fair Return on Investment (As it relates to the Resale Provision only):</u> A Homeowner can sell the home during the affordability period according to the following chart:

Fair Return on Investment (as it relates to Resale Provision only)				
Years	Lower Range	Max Limit		
Year 1-5 of Affordability	A Homeowner can sell the	Current (as of date of sale)		
Period	home during the affordability period for no more than 15% over DCAD's most recent appraisal value	AffordableHomePriceasset forth in the City of Dallas HousingPolicy		
Year 6-15 of Affordability Period	No Cap on appreciation rate	Current (as of date of sale) Affordable Home Price as set forth in the City of Dallas Housing Policy		

Homeownership projects undertaken using the resale provision shall use deed restrictions, covenants running with land, or other similar mechanisms per 92.254(a)(5)(i)(A) to ensure the resale requirements. The period of affordability specified in the mortgage will be the minimum period for the project as specified above. The period of affordability is based on the total amount of HOME funds invested in the housing.

Either recapture or resale provisions must be detailed and outlined in accordance with 24 CFR in marketing brochures, written agreements and all legal documents with homebuyer. Either recapture or resale may be used within a project, not both. Combining provisions to create "hybrids" is not allowed.

## City of Dallas Affirmative Fair Housing Marketing Policy

The Affirmative Fair Housing Marketing (AFHM) Plan is a marketing strategy or approach designed to attract renters and buyers that would be least likely to apply to assisted multi-family or single-family developments. The City of Dallas requires that all recipients and sub-recipients of HOME, CDBG or NSP funds, for all projects resulting in five (5) or more assisted housing units, implement affirmative marking approaches as part of the overall marketing strategy. To market affirmatively means that a good faith effort is made to attract to a project those minority or majority groups who are least likely to apply or are underrepresented in a neighborhood or community. Good faith efforts are recorded activities and documented outreach to those individuals identified as least likely to apply. Affirmative marketing requirements apply to all housing programs, including, but not limited to Tenant- Based Rental Assistance and Down Payment Assistance Programs.

The City of Dallas is committed to affirmatively market to such groups and requires that recipients of HOME/CDBG funds to submit an AFHM Plan using HUD Form 935.2B for single- family developments and HUD Form 935.2A for multi-family developments, prior to expending any funds on a project.

In developing an Affirmative Marketing Plan, the recipient/managing agent shall abide by the following:

#### Regulations

**HOME**: The recipient/managing agent shall adopt the affirmative marketing procedures and requirements as specified in the HOME Final Rule 92.351 for all projects resulting in five (5) or more HOME-assisted housing units.

**CDBG:** The Housing and Community Development Act of 1974, as amended, requires from each federal grantee, through the Consolidated Plan certify the following:

- Examine and attempt to alleviate housing discrimination with their jurisdiction;
- Promote fair housing choice for all persons;
- Provide opportunities for all persons to reside in any given housing development, regardless of race, color, religion, sex, disability, familial status, or national origin;
- Promote housing that is accessible to and usable by persons with disabilities;
- And comply with non-discrimination requirements of the Fair Housing Act.

#### Policy on Nondiscrimination and Accessibility

The recipient/managing agent shall not discriminate against any individual or family because of race, color, national origin, religion, gender, disability, familial status, sexual orientation, gender identity or expression or source of income (disability, child support, spousal support or veteran's income or voucher). Reasonable accommodations will be offered to all disabled persons who request accommodations due to disability at any time during the application, resident selection and rent up process.

#### **Training**

 The recipient/managing agent shall provide property management staff with all relevant regulations and Fair Housing provisions. All property management staff shall be required to follow the procedures and policies adopted by the recipient/managing agent. In the event that property management staff requires fair housing technical assistance, staff is to call the City of Dallas Office of Fair Housing and Human Rights 214-670-FAIR (3247).

 Regular training programs shall include marketing, outreach, data collection, reporting, and record keeping. Property management staff shall annually receive instruction regarding fair housing laws and the recipient/managing agent's Affirmative Marketing Plan.

#### Marketing and Outreach

• All advertising shall display the Equal Housing Opportunity logo or the phrase "Equal Housing Opportunity" and the accessibility logo when appropriate, as shown below:



- Consistent with resident population the development is designed to serve, the marketing of the project will ensure equal access to appropriate size units for all persons in any category protected by federal, state, and local laws governing discrimination. There will be no local residency requirements nor will preference be given to local residents for the project. Special marketing outreach consideration shall be given to the following traditionally underserved populations:
  - African-Americans
  - Native Americans
  - Hispanics
  - Asians and Pacific Islanders
  - Disabled Persons
- Marketing shall include the use of newspapers of general circulation in Dallas, The
  recipient/managing agent will place notices in newspapers, specialized publications, and
  newsletters to reach potential residents. Applications, notices and all publications will
  include a Fair Housing and Equal Opportunity Logo, and the Accessibility Logo.
- The recipients/managing agent will contact local civic and community organizations representative of the ethnic and cultural diversity of the area in order to disseminate information about the development. Groups representing disabled and elderly individuals will be contacted. Where necessary, recipient/managing agent will publish its marketing materials in multiple languages and alternate formats as requested in order to better reach potential recipients and sub-recipients in the area with language limitations.

#### Race and Ethnic Data Collection and Reporting

An applicant shall be given an application package containing the following: Application, Income

Requirements and form <u>HUD-27061-H</u> "Race and Ethnic Data Reporting Form." The recipient/managing agent is required to offer each household member the opportunity to complete the form. Parents or guardians are to complete the form for children under the age of 18. Completed documents for the entire household shall be stapled together and place in the household's file.

### **Compliance Assessment**

- The recipient/managing agent will review the Affirmative Marketing Plan every year and update as needed to ensure compliance. The advertising sources will be included in the review to determine if past sources should be changed or expanded.
- The recipient/managing agent will annually assess the success of affirmative marketing
  actions for the project. If the demographic data of the residents vary significantly from the
  jurisdiction's population data, advertising efforts and outreach will be targeted to
  underrepresentedgroupsinanattempttobalancetheresidents with the demographics of the
  jurisdiction. The recipient/managing agent shall submit any changes to the plan to the Fair
  Housing Office.

## Record Keeping

- The assigned recipient/managing agent shall establish and maintain an Affirmative Marketing file to hold advertisements, flyers, and other public information documents to demonstrate that the appropriate logo and language have been used. Additionally, staff shall keep records of its activities in implementing the affirmative marketing plan, including other community outreach efforts and its annual analysis.
- Recipient/managing shall keep up-to-date records based on census data, applications, and surveys about community residents, recipients and sub-recipients, residents of the project, and records about tenant selection or rejection.
- The recipient/managing agent shall provide City staff provide City staff access to any pertinent books, documents, papers or other records of their properties, as necessary, for determining compliance with civil rights and nondiscrimination requirements.

## Residential Anti-Displacement and Relocation Assistance Plan (RARAP)

This Residential Anti-Displacement and Relocation Assistance Plan (RARAP) is prepared by the City of Dallas Housing & Neighborhood Revitalization Department (City) in accordance with the Housing and Community Development Act of 1974, Section 104(d) as amended and HUD regulations at 24 CFR 42.325 and is applicable to CDBG, CDBG-R, Section 108 Loan Guarantee Program, NSP and/or HOME-assisted projects.

Plan to Minimize Displacement of Low/Mod-Income Families as a Result of Any HUD Assisted Activities

Consistent with the goals and objectives of activities assisted under the Act, the City will take the following steps to minimize the direct and indirect displacement of persons from their homes:

- Coordinate code enforcement with rehabilitation and housing assistance programs.
- Support the Redevelopment and Stabilization Target Areas through this policy
- Ensure the staging of rehabilitation of apartment units to allow tenants to remain in the building/complex during and after the rehabilitation, working with empty units first.
- Ensure for the arrangement of facilities to house persons who must be relocated temporarily during rehabilitation.
- Identify and mitigate displacement resulting from intensive public investment in neighborhoods.
- Provide reasonable protections for tenants faced with conversion to a condominium or cooperative.
- Where feasible, give priority to rehabilitation of housing, as opposed to demolition, to avoid displacement.
- If feasible, allow for demolition or conversion of only dwelling units that are not occupied or vacant occupied dwelling units (especially those units which are "lower- income dwelling units" (as defined in 24 CFR 42.305).
- Target only those properties deemed essential to the need or success of the project.

#### Relocation Assistance to Displaced Persons

The City will ensure relocation assistance for lower-income tenants who, in connection with an activity assisted under the above-mentioned Programs, move permanently or move personal property from real property as a direct result of the demolition of any swelling unit or the conversion of lower-income dwelling unit in accordance with the requirements of 24 CFR 42.350.

A displaced person who is not a lower-income tenant, shall be provided relocation assistance in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970m Section 104(d) as amended, and implementing regulations at 49 CFR Part 24.

## One-for-One Replacement of Lower-Income Dwelling Units

The City will ensure replacement of all occupied and vacant occupied lower-income dwelling units demolished or converted to use other than lower-income housing in connection with a project assisted with funds provided under the above-mentioned programs in accordance with 24 CFR 42.375.

Before entering into a contract committing the City to provide funds for a project that will directly resultindemolition or conversion of lower-incomed welling units, the City will ensure publication of such project in a newspaper of general circulation and submit to HUD the following information in writing:

- A description of the proposed assisted project;
- The address, number of bedrooms, and location on a map of lower-income dwelling units that will be demolished or converted to a use other than as lower-income dwelling units as a result of assisted project;
- Atimescheduleforthecommencementandcompletion of the demolition or conversions;
- To the extent known, the address, number of lower-income dwelling units by size (number of bedrooms) and location on a map of the replacement lower-income housing that has been or will be provided. NOTE: See also 24 CFR 420.75(d).
- The source of funding and a time schedule for the provision of the replacement dwelling units;
- The basis for concluding that each replacement dwelling unit will remain a lower- income dwelling unit for at least 10 years from the date of initial occupancy; and
- Information demonstrating that any proposed replacement of lower0income dwelling
  units with smaller dwelling units (e.g., a 2-bedroom unit with two 1- bedroom units), or
  any proposed replacement of efficiency or single-room occupancy (SRO) units with units
  of a different size, is appropriate and consistent with the housing needs and priorities
  identified in the HUD-approved Consolidated Plan and 24 CFR 42.375(b).

To the extent that the specified location of the replacement dwelling units and other data in items 4 through 7 are not available at the time of the general submission, the general location of such dwelling units will be identified on a map and the City will ensure that the disclosure and submission requirements are completed as soon as the specific data is available.

#### Replacement not required Based on Unit Available

Under 24 CFR 42.375(d), the City may submit a request to HUD for a determination that the one-for-one replacement requirement does not apply based on objective data that there is an adequate supply of vacant lower-income dwelling units in standard condition available on a non-discriminatory basis within the area.

#### Responsible Entity

The City is responsible for tracking the replacement of lower income dwelling units and ensuring that they are provided within the required period. This City will also ensure that relocation payments and other relocation assistance are provided to any lower-income person displaced by the demolition of any dwelling unit or the conversion of lower-income dwelling units to another use.

# **APPENDIX 10 Other Federal Requirements**

Other Federal Requirements	Apply to Owner Occupied Rehabilitation?	Apply to Homebuyer Programs?	Applies to Rental Housing Programs?
Non-Discrimination at	nd Equal Access Rules		
Fair Housingand Equal Opportunity	Yes. Must affirmatively further Fair Housing	Yes	Yes.
Affirmative Marketing	Yes.	Yes, for all projects of five or more HOME-assisted units.	Yes; for projects containing five or more Home-assisted units.
Accessibility for Disabled Persons	Accessibility features must be part of rehabilitation, if needed by owner/occupant and the overall unit is brought up to the PJ's property standard. (Note: Accessibility improvements are eligible costs.)		Yes.
Employment and Con	tracting Rules		
Equal Opportunity Employment	Yes.	Yes.	Yes.
Section 3 Economic Opportunity		Yes, if amount of assistance exceeds \$200,000 or contract <b>or</b> subcontract exceeds \$100,000.	Yes, if amount of assistance exceeds \$200,000 or contract <b>or</b> subcontract exceeds \$100,000.
Minority/Women Business Enterprises	No.	Yes.	Yes.
Davis-Bacon & other Labor	No.	Yes, if construction contract includes 12 or more units that are HOME-assisted	Yes, if construction contract includes 12 or more units that are HOME-assisted
Conflict of interest	Yes.	Yes.	Yes.
Excluded Parties (e.g., Debarred Contractors)	Yes.	Yes	Yes.
Other Federal Require	ements		
Environmental Reviews	Yes.	Yes	Yes.
Flood Insurance	Yes for PJs that are cities/counties. No for State programs.	Yes if city or county. No if state program	Yes for PJs that are cities/counties. No for State PJs.

Site and Neighborhood Standards	No.	No.	Yes; for rental new construction only
Lead-Based Paint	Yes for pre-1978 units	Yes for pre-1978 units.	Yes for rehabilitation of pre-1978 units. Applies to HOME and non-HOME assisted units. Requirements differ depending on whether rehabilitation work is performed.
Relocation	Yes.	Yes	Yes.

## **Lead-Based Paint Requirements**

This portion of the manual outlines the requirements in relation to Lead-Based Paint.

The U.S. Department of Housing and Urban Development recently adopted new regulations in relation to the treatment of Lead Based Paint in properties built before 1978 that are assisted with HUD funding. The requirements are outlined below based on the activity undertaken. To obtain a copy of the rules from HUD, go to the HUD website at: www.hug.gov/lead and download the regulation.

The section does not outline the City programs that are available to provide financial assistance in relation to lead abatement. Please note, however that any financial assistance provided by the City to address lead based paint will be in the form of a GRANT to the homeowner to developer.

#### Down-payment Assistance Programs:

The following are HUD's requirements See 24 CFR part 35 (subpart K):

- Distribute Lead Hazard Information Pamphlet and Disclosure to buyers of homes built prior to 1978.
- Perform Visual Assessment of all painted surfaces.
- If Visual Assessment reveals deteriorated paint, action must be taken to stabilize each deteriorated paint surface.
  - At this point, one will have to assume every component has lead since the Visual Assessment does not determine where lead is present. Safe work practices must be used by trained worker in this field. Paint stabilization works will on non-friction surfaces such as walls (interior/exterior). When dealing with friction points such as windows and doors, abatement procedures (removal, replacement, enclosure) are recommended.
- After paint stabilization, clearance must be performed by a certified Risk Assessor or Lead Inspector. HUD has established lead levels that meet clearance requirements.
- Notify the homebuyer within 15 days of results of clearance exam.

At the Visual Assessment Stage, the homebuyer may opt for a lead test. This will reveal the levels of lead present in the home. A lead inspection will not tell you the risk involved, but only where the leas is located. This is when a buyer may request a Risk Assessment to outline the necessary Lead Hazard Reduction methods needed to insure a lead safe residence.

Following are some options (NOT REQUIREMENTS) to consider in relation to your program design for down payment assistance programs:

- If the visual assessment reveals defective paint in which stabilization and clearance is required then this cost can be funded by the nonprofit or the homebuyer or seller.
- If visual assessment shows no deterioration of a painted surface, the homebuyer can sign a waiver stating that they are aware of the potential presence of lead paint and they choose not to address it.
- A qualified consultant should advise on any lead inspection, lead hazard screen or risk assessments.

For Rehabilitation Programs (Owner-Occupied, Homebuyer, and Rental Property Rehabilitation Programs and Historic Preservation Residential Programs):

See 24 CFR Part 35 (subpart J)

If you are implementing a rehabilitation program, HUD's requirements are a bit more stringent in relation to lead based paint. The following describes HUD's requirements:

For HUD funded rehabilitation activities, lead hazard evaluation and reduction activities must be carried out for all projects constructed before 1978.

In all case, notification must be made to the homeowner/buyer in the form of the HUD Lead Hazard Information Pamphlet and Disclosure or an acceptable alternative pamphlet.

The required evaluation and reduction activity is dependent upon the amount of HUD funding used for the project.

For cases where less than or equal to \$5,000 will be spent on the rehabilitation: Testing: Paint Testing of surfaces to be disturbed by the rehabilitation activities must occur.

Lead Hazard Reduction: Surfaces, which are disturbed during rehabilitation, must be re paired. Safe work practices must be used. After the rehabilitation activities are completed, clearance must be performed by a certified professional to ensure that units are safe.

For cases where \$5,001 to \$25,000 will be spent on the rehabilitation: Testing: Paint testing of surfaces to be disturbed by rehabilitation must occur. In addition, a risk assessment must be performed.

Lead Hazard Reduction: Interim controls must be used. This means that the friction and impact surfaces would be addressed. Interim controls include paint stabilization and cleaning. Safe work practices must be used. After the rehabilitation activities are completed, clearance must be performed by a certified professional to ensure that units are safe.

For cases where more than \$25,000 will be spent on the rehabilitation: *Testing*: Paint testing of surfaces to be disturbed by rehabilitation must occur. In addition, a risk assessment must be performed.

Lead Hazard Reduction: abatement of hazards is the required approach. Abatement involves permanently removing lead based hazards, often through paint and component removal, replacement, encapsulation and enclosure. Interim controls and paint stabilization may be used on the home's exterior if it is not involved in the rehabilitation. Safe work practices must be used. After the lead hazard

reduction activities are completed, clearance must be performed by a

certified professional to ensure that units are safe.

## Calculating the level of rehabilitation assistance:

When calculating how much HUD funding will be used on a rehabilitation project, the following costs are counted: soft costs, administrative costs, relocation costs, environmental reviews, acquisition of property, and lead hazard evaluation and reduction costs.

## Lead-Based Paint Requirements

For HUD funded rehabilitation activities, lead hazard evaluation and reduction activities must be carried out for all projects constructed before 1978.

Less than or equal to \$5,000 spent on the rehabilitation:

Projects where the level of rehabilitation assistance is less than or equal to \$5,000 per unit must meet the following requirements. All work must be conducted using lead safe work practices and workers/contractors must be trained in lead safe work practices. It is presumed that painted surfaces being worked on contain lead-based paint. All disturbed paint must be repaired. Clearance is required by a State of Texas Certified Risk Assessor or Inspector if paint is disturbed. Safe work practices are NOT required when lead hazard reduction activities do not disturb (De Minimis Levels) painted surfaces that total more than 20 sq ft on exterior surfaces, 2 sq ft in any one interior room, or space or 10% of the total surface on an interior or exterior type of component.

In addition, the following notices must be provided to owners:

- Lead Hazard Information pamphlet
- Notice of Presumption and
- The Notice of Lead Hazard Reduction

Where \$5,001 to \$25,000 spent on the rehabilitation:

A risk assessment is required to identify lead hazards and identified hazards must be addressed by interim controls. A risk assessment must be conducted by a qualified professional prior to rehabilitation to find lead-based paint hazards in assisted units, in common areas that service those units, and on exterior surfaces. The risk assessment must include paint testing of any surfaces to be disturbed by the rehabilitation. If the risk assessment identifies lead-based paint hazards, interim controls must be implemented to address lead-based paint hazards. Interim controls must be performed by qualified professionals using safe work practices. Clearance, conducted by a State of Texas Certified Risk Assessor or Inspector, is required when lead hazard reduction activities are complete.

In addition, the following notices must be provided to owners:

- Lead Hazard Information pamphlet
- Notice of Presumption and
- The Notice of Lead Hazard Reduction

Where more than \$25,000 will be spent on the rehabilitation:

A risk assessment is required to identify hazards and any identified hazards must be abated by a qualified professional. A risk assessment must be conducted prior to rehabilitation to find lead-based paint hazards in assisted units, in common areas that service those units, and on exterior surfaces. The risk assessment must include paint testing of any surfaces to be disturbed by the rehabilitation.

#### To address hazards identified:

 Abatement must be conducted to reduce all identified lead-based paint hazards except those described below. Abatement must be conducted by a certified abatement contractor.

If lead-based paint hazards are detected during the risk assessment on the exterior surfaces that are not to be disturbed by rehabilitation, interim controls may be completed instead of abatement to reduce these hazards.

• Clearance is required when lead hazard reduction activities are complete.

In addition, the following notices must be provided to owners:

- Lead Hazard Information pamphlet
- Notice of Presumption and
- The Notice of Lead Hazard Reduction

	<b>&lt;\$5,000</b>	\$5,000 to \$25,000	>\$25,000
Approach to Lead Hazard Evaluation and Reduction	Do no harm	Identify and control lead hazards	Identify and abate lead hazards
Notification	Yes	Yes	Yes
Lead Hazard Evaluation	Paint Testing	Paint Testing and Risk Assessment	Paint Testing and Risk Assessment
Lead Hazard Reduction	Repair surfaces disturbed during rehabilitation	Interim Controls	Abatement (Interim controls may be used on exterior surfaces not disturbed by rehabilitation

## **Environmental Review Policy, Procedures, and Standards**

For every project, an Environmental Review must be completed in accordance with 24 CFR Part 58 prior to executing an agreement with a sub-recipient, developer or CHDO. The City has developed the "Environmental Review Policy, Procedures, and Standards" document to outline the process and requirements of completing an Environmental Review.

## APPENDIX 13 SECTION 3

All projects receiving an award of HOME funds must comply with HUD's Section 3 requirements. The purpose of Section 3 is to ensure that employment, training, contracting, and other economic opportunities generated by financial assistance from HUD shall, to the greatest extent feasible. and consistent with existing federal, state, and local laws and regulations, be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns that provide economic opportunities to low- and very lowincome persons. Recipients of an award of HOME funds will be required to complete Section 3 compliance forms prior to execution of a loan agreement. Applicants requesting HOME funds must provide a written strategy demonstrating understanding of the Section 3 requirements and detailing how they will ensure that, when employment or contracting opportunities are generated because the project or activity necessitates the employment of additional persons or the award of contracts for work, preference shall be given to low- and very low-income persons or business concerns in the neighborhood. Neighborhood is defined in the HOME regulations (24 CFR Part 92. Subpart A) as "a geographic location designated in comprehensive plans, ordinances, or other local documents as a neighborhood, village, or similar geographical designation that is within the boundary but does not encompass the entire area of a unit of general local government."

Developers must obtain the City's approval of the Section 3 plan prior to the construction start of the project.

## APPENDIX 14 Minority/Women Business Enterprise

Developers must maintain an M/WBE plan that demonstrates marketing and solicitation of M/WBE businesses and contractors for the construction of the project.

## **Regulatory References**

You may be interested in reading the actual regulations published by the U.S. Department of Housing and Urban Development for CDBG and HOME and the applicable federal requirements. A copy of the regulations may be obtained by contacting the Department of Housing and Neighborhood Revitalization or downloading the information from the HUD website at www.hud.gov.

The regulations for CDBG are located at 24 CFR Part 570: Part 570 – Community Development Block Grants

	Subpart A – General Provisions
Section	Title
<u>570.1</u>	Purpose and PrimaryObjective
<u>570.2</u>	Removed
<u>570.3</u>	Definitions
<u>570.4</u>	Allocations of Funds
<u>570.5</u>	Waivers
	Subpart C – Eligible Activities
Section	Title
<u>570.200</u>	General Policies
<u>570.201</u>	Basic eligible activities
<u>570.202</u>	Eligible rehabilitation and preservation activities
<u>570.203</u>	Special economic developmentactivities
<u>570.204</u>	Special activities by Community-Based Development Organizations (CBDO's)
<u>570.205</u>	Eligible planning, urban environmental design and policy-planning- management- capacity building activities
<u>570.206</u>	Program administration costs
<u>570.207</u>	Ineligible activities
<u>570.208</u>	Criteria for national objectives
570.209	Guidelines for evaluating and selecting economic development projects

The regulations for HOME are located at 24 CFR Part 92: Home Investment Partnerships Program

Section	Title SUBPART A - GENERAL
92.1	Overview
92.2	Definitions
92.4	Waivers and Suspensions of Requirements for Disaster Areas

## SUBPART B - ALLOCATIONS FORMULA

92.50	Formula Allocations
92.60	Allocation Amounts for Insular Areas
92.61	Program Description
92.62	Review of Program Description and Certifications
92.63	Amendments to Program Description
92.64	Applicability of Requirements to Insular Areas
92.65	Funding Sanctions
92.66	Reallocations

# SUBPART C – CONSORTIA; DESIGNATION AND REVOCATION OF DESIGNATION AS A PARTICIPATING JURISDICTION

92.101	Consortia
92.102	Participation Threshold Amount
92.103	Notification of Intent to Participate
92.104	Submission of a Consolidated Plan
92.105	Designation as a Participating Jurisdiction
92.106	Continuous Designation as a Participating Jurisdiction
92.107	Revocation of Designation as a Participating Jurisdiction

## **SUBPART D - SUBMISSION REQUIREMENTS**

92.150 Submission Requirements

## **SUBPART E - PROGRAM REQUIREMENTS**

92.200	Private-Public Partnership
92.201	Distribution of Assistance
92.202	Site and Neighborhood Standards
92.203	Income Determinations
92.204	Applicability of Requirements to Entities that Receive a Reallocation of HOME
	Funds, other than Participating Jurisdictions
92.205	Eligible Activities: General
92.206	Eligible Project Costs
92.207	Eligible Administrative and Planning Costs
92.208	Eligible Community Housing Development Organization (CHDO) Operating
	Expense and Capacity Building Costs
92.209	Tenant-Based Rental Assistance: Eligible Costs and Requirements

## **Lead Based Paint Regulations**

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

24 CFR Parts 35, 91, 92, 200, 203, 206, 280, 291, 511, 570, 572, 573, 574, 576, 582, 583, 585, 761, 881, 882, 883, 886, 891, 901, 906, 941, 965, 968, 670, 982, 983, 1000, 1003, and 1005 Requirements for Notification, Evaluation and Reduction of Lead-Based Paint Hazards in Federally Owned Residential Property and Housing Receiving Federal Assistance.

**AGENCY**: Office of the Secretary – Office of Lead Hazard Control, HUD.

**ACTION**: Final rule.

**SUMMARY:** The purpose of this rule is to ensure that housing receiving Federal assistance and federally owned housing that is to be sold does not pose lead-based paint hazards to young children. It implements sections 1012 and 1013 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, which is Title X of the Housing and Community Development Act of 1992.

The requirements of this rule are based on the practical experience of cities, states and others who have been controlling lead-based paint hazards in low-income privately-owned housing and public housing through HUD assistance. It also reflects the results of new scientific and technological research and innovation on the sources, effects, costs, and methods of evaluating and controlling lead hazards. With today's action, HUD's lead-based paint requirements for all Federal programs are now consolidated in one part of title 24 of the Code of Federal Regulations.

**DATES:** Effective Dates: Section 35.140 is effective on November 15, 1999. All other provisions of the rule are effective on September 15, 2000.

**FOR FURTHER INFORMATION CONTACT:** For questions on this rule, call (202) 755-1785, ext. 104 (this is not a toll-free number) or e-mail your inquiry to lead <a href="regulations@hud.gov">regulations@hud.gov</a>. For lead-based paint program information, contact the Office of Lead Hazard Control, Department of Housing and Urban Development, 451 7<sup>th</sup> Street, SW, Room B-133, Washington, DC 20410-0500. For legal questions, contact the Office of General Counsel, Room 9262, Department of Housing and Urban Development. Hearing and speech-impaired persons may access the above telephone number via TTY by calling the toll-free Federal Information Relay Service at 1-800-877-8339.

**Subpart A** – Disclosure of Known Lead-Based Paint Hazards upon Sale or Lease of Residential Property.

**Subpart B –** General Lead-Based Paint Requirements and Definitions for All Programs

- a. Definitions
- b. Exemptions
- c. Options
- d. Notice of Evaluation and Hazard Reduction Activities

- e. Lead Hazard Information Pamphlet
- f. Use of Paint Containing Lead
- g. Prohibited Methods of Paint Removal
- h. Compliance with Other, State, Tribal, and Local Laws
- i. Minimum Requirements
- j. Waivers
- k. Prior Evaluation or Hazard Reduction
- I. Enforcement
- m. Records

Subpart C - Disposition of Residential Property Owned by Federal Agency Other Than HUD

Subpart D - Project-Based Assistance Provided by a Federal Agency Other than HUD

Subpart E - Reserved

**Subpart F – HUD-Owned Single-Family Property** 

**Subpart G – Multifamily Mortgage Insurance** 

**Subpart H – Project – Based Rental Assistance** 

**Subpart I – HUD** – Owned and Mortgagee-in-Possession Multifamily Property

**Subpart J –** Rehabilitation

**Subpart K –** Acquisition, Leasing, Support Services, or Operation

**Subpart L -** Public Housing Programs

**Subpart M –** Tenant-Based Assistance

Subpart N-Q - Reserved

# **Subpart R – Methods and Standards for Lead-Based Paint Hazard Evaluation and Reduction Activities**

- a. Standards
- b. Adequacy of Dust-Lead Standards
- c. Summary Notice Formats
- d. Interim Controls
- e. Standard Treatments
- f. Clearance
- g. Occupant Protection and Worksite Preparation
- h. Safe Work Practices
- i. Ongoing Lead-Based Paint Maintenance and Reevaluation

## **Community Land Trust Designation Implementation Guidelines**

This Community Land Trust Program (Program) identifies Community Land Trust (CLT) eligibility and operation criteria under which the City Council may initially designate and revoke the redesignation of a CLT, and under which the City Manager, or their designee may renew or recommend City Council revocation of the designation of CLTs in the City of Dallas.

The designation and re-designation process are subject to the approved CHP Program and the following general terms and City Manager, or their designee discretion. The elements below will be reviewed by Staff in the Housing and Neighborhood Revitalization Department ("Housing Staff") for accuracy and completeness. Housing staff will then prepare a document to be reviewed by the City Council for its initial designation. Housing staff will review and approve or suggest City Council revoke yearly re-designation of CLTs.

Housing staff is available to discuss the CLT application process and will schedule regular information sessions. In addition, select staff may be available to discuss community engagement and general CLT governance questions.

Applications are subject to verification and follow-up.

## **General Application Process**

- Attend a CLT application info session;
- Request a meeting with Housing Staff to discuss community engagement, outreach and general guidelines;
- Complete an application with all required attachments;
- Amend Application, submit additional details as requested or work with City Staff to meet all Operations and Eligibility Criteria
- Attend the City Council meeting when the CLTs application will be under consideration for designation; and
- Re-certify yearly.

#### **General Application Checklist**

- 501(C)(3) tax exemption letter;
- Organization, charter, bylaws or other regulatory document adopted to govern its affairs which includes the following provisions:
  - adopted articles of incorporation, or a similar governing document, stating that it
    has the purpose to acquire and hold land for the benefit of developing and
    preserving long-term affordable housing in the City of Dallas, as required by
    Chapter 373B, as amended; to
  - discontinuance of the organization by dissolution or otherwise that the assets related to its CLT activities be transferred to the City of Dallas, the State of Texas, the United States, or a similar organization that is qualified as a charitable organization under Section 501(c)(3), Internal Revenue Code of 1986 and designated as a CLT by the City of Dallas;
- list of key employees or contractors including, name, title, years of affordable housing experience, area of expertise, date of hire;
- most recent independently conducted audit or audit review (if organization has been in operation for more than 1 year);
- ground lease and deed restrictions documents, approved for use by the City;

- that include a resale formula outlining the amount of equity per year that can be built while ensuring long term affordability;
- that ensures that the owners of housing units built on CLT land will either be eligible for a property tax discount based on the deed restriction or, where the occupant is a tenant, that the occupant will benefit from any property tax discount;
- that have terms for sale, lease and inheritance,
- list of board members, position, title, outreach and recruitment methodology and the CLT board bylaws that indicate the CLT commitment to community ownership and governance and the percent or number of seats of low-income residents or owners of CLT properties on the board of directors and what specific expertise of board members the CLT seek out to govern the CLT;
- list enumerating the parcel(s) to be acquired (with date of purchase) to be included in the CLT, current appraised value, and estimation of taxes;
- business plan that demonstrates the ability to financially cover expenses with 3-year projection;
- list of community engagement activities that may include, number of community meetings, location, time, and number of attendees, outreach methodology, and challenges that the CLT faces with engagement and general outcome of engagement activities within the last year:
- list or explanation of any activities related to how this CLT will be used as a mechanism for anti-displacement, recruiting and retaining people with a historic legacy in the community or other community building methods;
- letters of support (not more than 10) from entities like: neighborhood residents, neighborhood stakeholders, non-profit and community-based organizations and for-profit business; and
- If requesting to operate in the same general geography as an existing CLT, a letter discussing the merits and the need, how and why another CLT should be designated in the same or similar area including how the applicant is different than the existing CLT and any records of outreach to the existing CLT for partnership or collaboration.

## **Re-Designation Application**

To maintain designation as a CLT in subsequent years after initial designation, a CLT must submit a yearly re-designation application to the Department. The City Manager, or their designee may re-designate the CLT or recommend to the City Council to remove the CLT designation. The CLT must:

- Write a letter certifying that the information in the CLT's initial application is still true and correct and that the CLT continues to comply with all local, state and federal regulations OR acknowledge that information in the CLT's initial application has changed and attach updated information;
- submit its annual audit or audit review;
- submit all required evaluation and reporting metrics; and
- submit additional information as required by the Department.

## **Income Eligibility**

A CLT must sell or lease housing units only to eligible households as set forth in Chapter 373B.006, as amended:

- (a) A CLT may sell housing units only to families with a yearly income at the time of sale at or below 80 percent of the area median family income, adjusted for family size;
- (b) Notwithstanding Subsection (a), for housing units located on one or more tracts of land owned by the CLT that constitute a contiguous geographic area or are located in the same

platted subdivision, the CLT may sell not more than 20 percent of the housing units to families with a yearly income at the time of sale that exceeds the amount provided by Subsection (a) but does not exceed 120 percent of the area median family income, adjusted for family size;

- (c) At least 25 percent of the housing units sold by the CLT must be sold to families with a yearly income at the time of sale at or below 60 percent of the area median family income, adjusted for family size;
- (d) The CLT may lease housing units only to families with a yearly income at the time of lease at or below 60 percent of the area median family income, adjusted for family size;
- (e) Notwithstanding Subsection (d), for housing units located on one or more tracts of land owned by the CLT that constitute a contiguous geographic area or are located in the same platted subdivision, the CLT may lease not more than 20 percent of the housing units to families with a yearly income at the time of lease that exceeds the amount provided by Subsection (d) but does not exceed 80 percent of the area median family income, adjusted for family size;

## **Disqualifying Criteria**

The intent of the CLT program is to ensure long term affordability and good stewardship of communities through the unique nature of CLT operations throughout the City of Dallas. If CLT is not operating to ensure this than the CLT may not be eligible for initial designation and may lose its designation. Examples of this may include, but are not limited to, ground leases that do not reflect long term affordability protections, mortgage products that may be predatory in nature, the City receiving community complaints about this CLT management practices, not allowing housing choice vouchers, or not meeting the requirements of income eligibility of clients.

# Residential Neighborhood Empowerment Zone Implementation Guidelines Considered January 22, 2020

#### **Development-Related Costs**

<u>Development fees and development-related costs eligible for grants up to \$15,000 per reserved</u> dwelling unit under a Chapter 380 agreement include:

- Fees found in Section 52.300 of the Dallas City Code. However, the following fees are specifically excluded:
  - o 303.5.1.4.1 and 303.5.1.4.2 resubmittal fees
  - 303.5.6 sidewalk waivers
  - o 303.5.7 reinspection fees
  - o 303.5.13 returned check fees
  - o 303.5.16 reinstatement of permit privileges
  - o 303.5.18 appeals to boards
  - o 303.5.19 unauthorized concealment
  - o 303.7 beginning work without a permit
- Zoning and platting fees found in Chapter 51A-1.105 of the Dallas Development Code
- <u>Dallas Water Utility fees related to water and sewer service required for the development</u>
- Costs associated with completing a tree survey as required in Chapter 51A-10 of the Dallas Development Code
- Additional professional services related to tree preservation at the discretion of the Director.

For the purposes of Sec. 51A-4.1002(c) of the Dallas Development Code, the Residential Neighborhood Empowerment Zone program is a program administered by the housing and neighborhood revitalization department and authorized by the city council that furthers the public purposes of the city's housing policy, and applicants are therefore eligible to have some or all of the parkland dedication requirements waived subject to compliance with the program.

<u>Grants may be increased to an additional \$5,000 per reserved dwelling unit at the discretion of</u> the Director. Additional grant amounts are allowable subject to Council approval.

#### Reference:

- Development fees:
  - https://dallascityhall.com/departments/sustainabledevelopment/buildinginspection/DCH %20documents/pdf/BI\_Chapter%2052\_Amendments\_03-01-2017.pdf
- Zoning and platting fees:
  - http://library.amlegal.com/nxt/gateway.dll/Texas/dallas/cityofdallastexascodeofordinance s/volumeiii/chapter51adallasdevelopmentcodeordinance/articleigeneralprovisions11?f=te mplates\$fn=default.htm\$3.0\$vid=amlegal:dallas tx\$anc=JD 51A-1.105
- Dallas Water Utility fees:
  - http://library.amlegal.com/nxt/gateway.dll/Texas/dallas/cityofdallastexascodeofordinance s/volumeii/chapter49waterandwastewater?f=templates\$fn=default.htm\$3.0\$vid=amlegal: dallas\_tx\$anc=JD\_Ch.49

<u>Tree mitigation standards:</u> <u>https://dallascityhall.com/departments/sustainabledevelopment/buildinginspection/DCH</u> %20documents/pdf/BI\_Tree%20Mitigation%20Standards.pdf

## **Reimbursement calculation**

Developments consisting of more than one housing unit will be eligible for reimbursement of a pro rata share of the eligible development fees and development-related costs based on the percentage of units occupied by eligible households. For example:

 A developer builds a new 200-unit single family for-sale development and reserves 20 of the units for eligible households under 100% of AMI and 20 of the units for eligible households between 101% and 120% of AMFI. The developer incurs \$100,000 in eligible development-related expenses. The calculation would be:

 A developer builds 5 new single family for-sale homes and reserves all of them for households between 80% and 100% of AMI. In this case development-related expenses are high and the developer incurs \$100,000 in eligible development-related expenses. The calculation is below. Because it is above \$50,000, the development agreement would require additional Council approval for the portion above \$50,000:

<u>(reserved units/total units) \* eligible expenses = reimbursement</u> <u>(5/5) \* \$100,000 = **\$100,000** (with additional Council approval)</u>

#### Design review/compliance with Council-adopted area plans

New construction under this Program should respect the architectural character of the surrounding neighborhood and should comply with all Council-adopted area plans. In addition:

- The main pedestrian entrance to the single family or duplex dwelling unit must be closer
  to the street than the distance of the garage entrance to the street. So called "snout
  houses," where the garage is more prominent than the front door or front porch, are not
  eligible for funding under this program.
- All street-fronting facades must have at least one window that provides occupants visibility
  to the street and at least one pedestrian entrance facing the street at street level. The
  entrance must access the street with an improved pedestrian path connecting to the
  sidewalk. The driveway is not considered a pedestrian path.

#### **Eliqible Repairs**

Eligible repairs for owner-occupied housing units and single-family rental housing units include the following items when associated with weather proofing and water proofing:

- Roofing repair
- Repair/replacement of exterior material, such as siding or brick repointing
- Exterior entry door repair or replacement
- Exterior window repair or replacement
- Exterior caulking, sealant application, and paint
- Plumbing repair/replacement to remediate leaks
- Removal and replacement of water-damaged material

- Mold remediation
- Gutters and downspouts as needed
- Porch repair to protect doorways and windows from water intrusion
- Foundation repair
- Additional items as recommended by the assigned inspector and approved by the Director

#### Additional eligible repairs (once initial weather proofing and water proofing work is complete):

- Additional work related to the weather proofing and water proofing work in the list above
- Accessibility repairs and installation such as ramps, handrails or repairing walkways
- Water heater repair or replacement
- Heating systems/cooling systems repair or replacement
- Plumbing repair or replacement, including water lines, sewer lines, toilet repairs, etc.
- Electrical repair or replacement, including repair of breakers, panels, wiring, or outlets
- Gas lines repair or replacement
- Floor repair or replacement
- Interior and exterior repairs as recommended by the assigned inspector
- Any item determined eligible by the Director

<u>Termination, clawback, and default terms will be specified in the development and abatement agreements.</u>

#### **Process**

#### Outline of proposed process:

- Application submission/review
- Pre-work inspection
- Application approval
- <u>Tax abatement agreement drafted/signed</u>
- Construction/renovation started/completed
- Paperwork submitted
- Post-work inspections complete
- Abatement recorded on deed (to remain on property during compliance period)
- Development grant paid after all program elements completed

## Annual review

- Eligible property owners must annually
  - o apply to the appraisal district for the abatement
  - submit to the city, on a form approved by the director, proof of ongoing compliance with the program
- Subject to receipt of proof of ongoing compliance, the director shall provide verification to the appraisal district on an annual basis for the duration of the tax abatement.

## **Modifications**

The City Manager may modify this Appendix 17 to increase its effectiveness and will notify by memorandum the City Council, the Housing Policy Task Force steering committee, and the city secretary of any changes.

## APPENDIX 18 Interventions by Strategy Area

IMPLEMENTATION REQUIREMENTS					
	Requires an ordinance change	Authorized by Resolution	Policy Decision	Available through NEZ	Non-City Action
Accessory Dwelling Units	X				
Building Code Fee Waivers	X			X	
Community Court			X		
Code Lien Foreclosures			X		
Community Land Trust	X				
Contractor Training Program		X	X		
Development Code Fee Waivers	X				
Employer-Assisted Housing Program					X
Envision Centers					X
Expedited Processing			X		
Home Improvement Preservation Program		X	X		
Homestead Preservation Districts			X		
Housing Trust Fund		X			
Incentive Zoning/Density Bonuses	X				
Lien Releases	X				
Multi-Family Rehab Program		X			
Neighborhood Empowerment Zones		X			
Opportunity Zones					
Park Land Dedication Fees					
Property Tax Abatement		X		X	
Rental/Homeowner Maintenance Education Program	X				
Tax Increment Financing (TIF)		X			
Voucher Sublease Program		X	X		

	Proposed Types of Activities	Redevelop- ment Areas	Stabiliza- tion Areas	Emerging Markets	Citywide	Council
1	Notice of Funding Availability: New Development (for-sale and rental) or Substantial Rehabilitation	P	P	N	Y	MF: 2/20/2019
2	Preservation of owner-occupied housing: Home Improvement and Preservation Program Enhanced 9/25/2019 with title clearing program	Р	Р	Y	Y	11/28/2018 & 6/26/2019
3	Preservation of single-family rental housing: Home Improvement and Preservation Program Enhanced 9/25/2019 with title clearing program and to be enhanced 12/11/2019 with NEZ	Р	Р	Y	Y	
4	Preservation of multifamily rental housing: Home Improvement and Preservation Program	Р	Р	Υ	Y	
5	Landbanking	N	Р	Р	N	N/A
6	Code lien foreclosures	N	Р	Р	N	
7	Neighborhood Empowerment Zones	N	Υ	N	N	in process
8	City's second mortgage assistance program (DHAP)	Υ	Y	Υ	Y	11/28/2018
9	Neighborhood Revitalization Strategy Area Designation	Р	Р	Р	N	in process
10	Dallas Tomorrow Fund (Department of Code Compliance home repair fund through fee assessment)	Υ	Y	Υ	Y	
11	Code academy	Y	Y	Р	Υ	
12	Tax increment reinvestment zone designation	Υ	Υ	Υ	N	
13	Create neighborhood association	Υ	Υ	Р	Υ	
14	Neighborhood sweep - 2-week intensive sweep: minor street repair, code inspections, signage, beautification projects, neighborhood plan	Y	Y	Р	N	
15	Neighborhood beautification projects	Υ	Υ	Р	Υ	
16	Low Income Housing Tax Credit City support - with scoring criteria	N	Y	N	Y	6/12/2019
17	Voucher sublease agreements	Υ	Y	Υ	Υ	
18	Accessory dwelling units	See Citywide	Y	See Citywide	Y-Opt-in	6/27/2018
19	Incentive zoning	Р	Р	N	Υ	3/27/2019
20	Homestead preservation district designation	N	Р	N	N	
21	Community land trust	Υ	Υ	Υ	Υ	12/11/2019
22	Tenant based rental assistance program (HILI)	-	-	-	Υ	
23	Express plan review	Р	Р	N	N	
Key:P= Priority Y=Yes N=No						





# City of Dallas

# Agenda Information Sheet

File #: 19-1801 Item #: 7.

**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): 10

**DEPARTMENT:** Department of Housing & Neighborhood Revitalization

**EXECUTIVE:** Michael Mendoza

### **SUBJECT**

Authorize a resolution (1) designating approximately 1,595 acres of property generally bounded by Lyndon B. Johnson (LBJ) Freeway, Abrams Road, Audelia Road, Forest Lane, Greenville Avenue, Royal Lane, and Cottonwood Creek in the LBJ/Skillman area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 11 (NEZ No. 11), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declaring that projects located within NEZ No. 11, within the Skillman Corridor Tax Increment Financing District, and eligible for the City's Residential Neighborhood Empowerment Zone (NEZ) Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorizing the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program - Financing: This action has no cost consideration to the City (see Fiscal Information)

## **BACKGROUND**

Chapter 378 of the Texas Local Government Code (the Act) provides for the creation of NEZs. A NEZ is a flexible tool that a municipality can utilize to implement an economic development program, to create or rehabilitate affordable housing in the zone, and to increase the quality of social services, education or public safety provided to the residents of the zone.

With this item, staff is proposing to create City of Dallas NEZ No. 11 for a geographic area approximately 1,595 acres in size generally bounded by LBJ Freeway, Abrams Road, Audelia Road, Forest Lane, Greenville Avenue, Royal Lane, and Cottonwood Creek in the LBJ/Skillman area of Dallas. The area is comprised mostly of single-family homes, townhomes, and condominium communities. Most of the area is Market Value Analysis Category D, E, or H.

File #: 19-1801 Item #: 7.

NEZ No. 11 includes areas within the LBJ Skillman stabilization area as well as the adjacent Hamilton Park, Stultz Road, and Chimney Hill neighborhoods that may be considered areas at risk of displacement and that include properties likely to be eligible for the Residential NEZ Program. The boundary specifically excludes the Texas Instruments campus.

A companion item on the current Council agenda proposes to amend the Comprehensive Housing Policy (CHP) to create a Residential NEZ Program which would provide for a tax abatement and grants in amounts equal to development fees and certain development-related costs for (1) new construction of single-family homes or duplexes that are sold or rented to eligible households, or new construction of multifamily dwelling units that are sold to eligible households, on lots that are either currently vacant, subject to an order of demolition under Chapter 27 or purchased through the City's Land Bank or Land Transfer programs; (2) renovation of owner-occupied housing units; and (3) renovation, code compliance, and guaranteed affordability for rental single-family and duplex housing units.

A small portion of the proposed boundary lies within the Skillman Corridor Tax Increment Financing (TIF) District. Section 311.0125 of the Texas Tax Code requires that tax abatements within TIF districts be approved by the board of directors of the TIF district and the governing body of each participating taxing jurisdiction.

The Board of Directors of the Skillman Corridor TIF District and the Dallas County Commissioners Court are each anticipated to review a formal request for approval of tax abatements up to \$50,000.00 per abatement that comply with the Residential NEZ Program and are within the Skillman Corridor TIF District. The TIF Board will review an amendment to the increment allocation policy if necessary. This item recommends that City Council also specifically approve such abatements within the TIF district and authorize the City Manager to execute tax abatement agreements for projects eligible for the Residential NEZ Program in the proposed NEZ, including those within the TIF district, up to \$50,000.00 per abatement.

City Council approval of this item will approve the creation of the NEZ and authorize the City Manager to execute tax abatement agreements up to \$50,000.00 each, including within the Skillman Corridor TIF District.

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 9, 2018, City Council adopted the CHP and created the Dallas Housing Policy Task Force by Resolution No. 18-0704, as amended.

On November 28, 2018, City Council authorized amendments to the CHP, to make technical changes to the Home Improvement and Preservation Program (HIPP), the Dallas Homebuyer Assistance Program (DHAP), and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680.

On May 22, 2019, City Council authorized a resolution in furtherance of the City of Dallas' efforts to support diverse racial, ethnic, cultural, and socio-economic backgrounds and to promote equity in the Dallas community by Resolution No. 19-0804.

File #: 19-1801 Item #: 7.

On May 22, 2019, City Council authorized an amendment to the CHP to add a Land Transfer Program to incentivize the development of quality, sustainable housing that is affordable to the residents of the City and the development of other uses that complement the City's CHP, economic development policy, or redevelopment policy by Resolution No. 19-0824.

On June 12, 2019, City Council authorized amendments to the CHP to amend and restate the low-income Housing Tax Credit policy by Resolution No. 19-0884.

On June 26, 2019, City Council authorized amendments to the CHP to amend the DHAP, the HIPP Homeowner Program, and the HIPP Landlord Program by Resolution No. 19-1041.

On September 25, 2019, City Council authorized amendments to the CHP to create the Title Clearing and Clouded Title Prevention Pilot Program by Resolution No. 19-1498.

City Council will be briefed regarding this matter on January 15, 2020.

### FISCAL INFORMATION

This action has no cost consideration to the City. A separate item will be presented, concurrently, that outlines the costs associated with the implementation of the tax abatements and development agreements.

**WHEREAS**, the City of Dallas (City) recognizes the importance of its role in local economic development; and

WHEREAS, on May 9, 2018, City Council adopted the Comprehensive Housing Policy (CHP) and created the Dallas Housing Policy Task Force to (1) create and maintain available and affordable housing throughout Dallas; (2) promote greater fair housing choices; and (3) overcome patterns of segregation and concentrations of poverty through incentives and requirements by Resolution No. 18- 0704; and

WHEREAS, the CHP prioritizes the creation of neighborhood empowerment zones in stabilization areas to help the City preserve affordability or deconcentrate racially and ethnically concentrated areas of poverty (RECAP); and

WHEREAS, the CHP designates the LBJ/Skillman area as a stabilization area; and

**WHEREAS**, City Council established the Residential Neighborhood Empowerment Zone (NEZ) Program to allow grants of public money to promote local economic development in the City under Chapter 380 of the Texas Local Government Code; and

WHEREAS, Title 12 of the Local Government Code, Section 378.002, requires that the creation of the City of Dallas Neighborhood Empowerment Zone No. 11 ("City of Dallas NEZ No. 11") promote: (1) the creation or rehabilitation of affordable housing in the zone, or (2) an increase in economic development in the zone, or (3) an increase in the quality of social services, education or public safety provided to the residents of the zone; and

**WHEREAS**, the City finds that the creation of the City of Dallas NEZ No. 11 will promote the creation or rehabilitation of affordable housing in the zone through the Residential NEZ Program; and

**WHEREAS**, the City finds that the creation of the City of Dallas NEZ No. 11 benefits the public and is for the public purpose of increasing the public health, safety, and welfare of the persons in the municipality; and

WHEREAS, the City finds that the creation of the zone satisfies the requirements of the Property Redevelopment and Tax Abatement Act Section 312.202 in that the LBJ/Skillman area retards the provision of housing accommodations in its present condition and use because of a substantial number of substandard, deteriorated, or deteriorating structures; and the predominance of defective or inadequate sidewalks or streets; and

**WHEREAS**, on November 28, 2018, City Council authorized amendments to the CHP to make technical changes to the Home Improvement and Preservation Program (HIPP), the Dallas Homebuyer Assistance Program (DHAP), and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680; and

**WHEREAS,** on May 22, 2019, City Council authorized a resolution in furtherance of the City of Dallas' efforts to support diverse racial, ethnic, cultural, and socio-economic backgrounds and to promote equity in the Dallas community, and Section 5 of that resolution declared the City's intent to promote equity in budgeting by Resolution No. 19-0804; and

WHEREAS, on May 22, 2019, City Council authorized an amendment to the CHP to add a Land Transfer Program to incentivize the development of quality, sustainable housing that is affordable to the residents of the City and the development of other uses that complement the City's CHP, economic development policy, or redevelopment policy by Resolution No. 19-0824; and

**WHEREAS,** on June 12, 2019, City Council authorized amendments to the CHP to amend and restate the low-income Housing Tax Credit policy by Resolution No. 19-0884; and

**WHEREAS,** on June 26, 2019, City Council authorized amendments to the CHP to amend the DHAP, the HIPP Homeowner Program, and the HIPP Landlord Program by Resolution No. 19-1041; and

**WHEREAS,** on September 25, 2019, City Council authorized amendments to the CHP to create the Title Clearing and Clouded Title Prevention Pilot Program by Resolution No. 19-1498; and

**WHEREAS,** City Council must approve any addition to, alteration of, or deletion of a strategy, tool, or program in the CHP; and

**WHEREAS,** the City desires to maintain affordable housing, to provide greater fair housing choices, and to overcome patterns of segregation and concentrations of poverty; and therefore, it is in the best interest of the City to adopt certain amendments to the CHP; and

WHEREAS, it is in the best interest of the City of Dallas to (1) designate approximately 1,595 acres of property generally bounded by Lyndon B. Johnson (LBJ) Freeway, Abrams Road, Audelia Road, Forest Lane, Greenville Avenue, Royal Lane, and Cottonwood Creek in the LBJ/Skillman area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 11 (NEZ No. 11), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declare that projects located within NEZ No. 11, within the Skillman Corridor Tax Increment Financing District, and eligible for the City's Residential NEZ Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorize the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program.

Now, Therefore,

### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

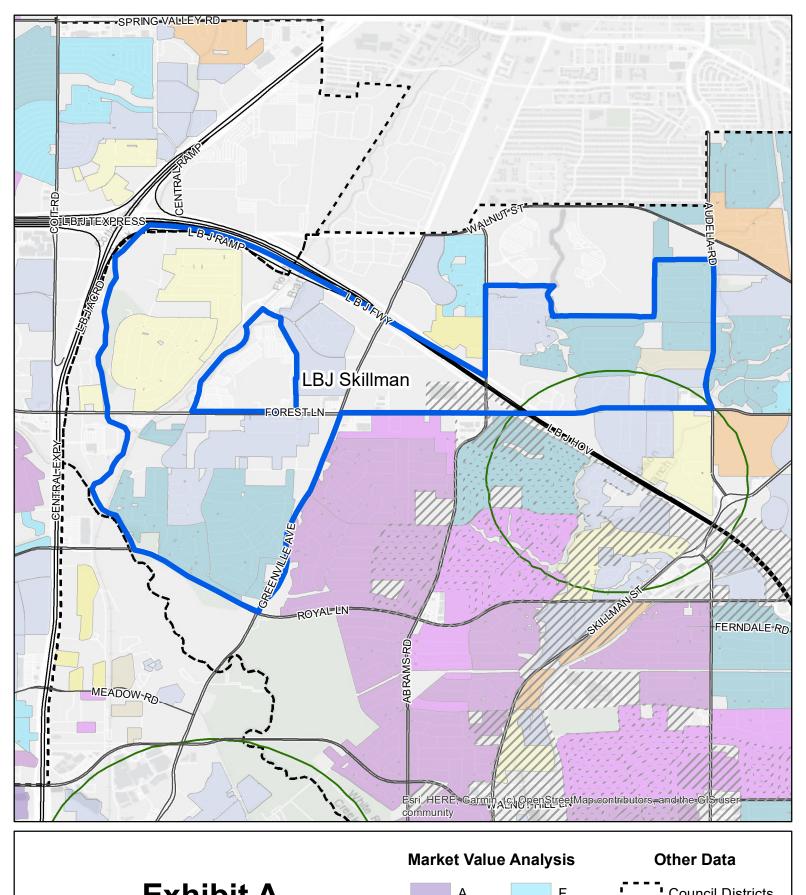
**SECTION 1.** That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

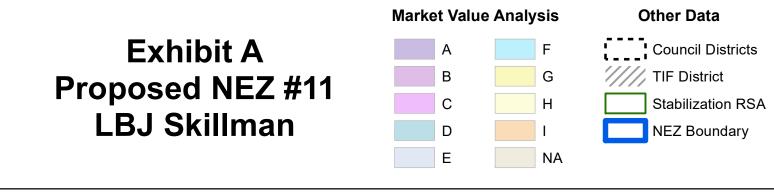
**SECTION 2.** That City Council authorizes a resolution **(1)** designating approximately 1,595 acres of property generally bounded by LBJ Freeway, Abrams Road, Audelia Road, Forest Lane, Greenville Avenue, Royal Lane, and Cottonwood Creek in the LBJ/Skillman area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 11 (NEZ No. 11), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; **(2)** declaring that projects located within NEZ No. 11, within the Skillman Corridor Tax Increment Financing District, and eligible for the City's Residential NEZ Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and **(3)** authorizing the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program.

**SECTION 3.** That the NEZ No. 11 is hereby created as depicted on the map attached as Exhibit A, describing the boundary of NEZ No. 11.

**SECTION 4.** That to be declared eligible for tax abatements and development grants in amounts equal to development fees and certain development-related costs, projects within NEZ No. 11 must meet the requirements of the Residential NEZ Program within the CHP, as amended.

**SECTION 5.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.









# City of Dallas

# Agenda Information Sheet

File #: 19-1802 Item #: 8.

**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): 9, 13, 14

**DEPARTMENT:** Department of Housing & Neighborhood Revitalization

**EXECUTIVE:** Michael Mendoza

### **SUBJECT**

Authorize a resolution (1) designating approximately 1,767 acres of property generally bounded by Jupiter Road, Northwest Highway, Garland Road, Shiloh Road, Maylee Boulevard, Gus Thomasson Road, and Peavy Road in the Casa View area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 12 (NEZ No. 12), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declaring that projects located within NEZ No. 12 and eligible for the City's Residential Neighborhood Empowerment Zone (NEZ) Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorizing the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program - Financing: This action has no cost consideration to the City (see Fiscal Information)

## **BACKGROUND**

Chapter 378 of the Texas Local Government Code (the Act) provides for the creation of NEZs. A NEZ is a flexible tool that a municipality can utilize to implement an economic development program, to create or rehabilitate affordable housing in the zone, and to increase the quality of social services, education or public safety provided to the residents of the zone.

With this item, staff is proposing to create City of Dallas NEZ No. 12 for a geographic area approximately 1,767 acres in size generally bounded by Jupiter Road, Northwest Highway, Garland Road, Shiloh Road, Maylee Boulevard, Gus Thomasson Road, and Peavy Road in the Casa View area of Dallas. The area is comprised mostly of single-family homes. Most of the area is Market Value Analysis Category F, G, or H.

NEZ No. 12 boundaries specifically focus on neighborhoods near and within the Casa View stabilization area that have a higher percentage of low-income families and a noticeable need for repairs per Dallas Central Appraisal District's condition ratings.

File #: 19-1802 Item #: 8.

A companion item on the current Council agenda proposes to amend the Comprehensive Housing Policy (CHP) to create a Residential NEZ Program which would provide for a tax abatement and grants in amounts equal to development fees and certain development-related costs for (1) new construction of single-family homes or duplexes that are sold or rented to eligible households, or new construction of multifamily dwelling units that are sold to eligible households, on lots that are either currently vacant or are subject to an order of demolition under Chapter 27; (2) renovation of owner-occupied housing units; and (3) renovation, code compliance, and guaranteed affordability for rental single-family and duplex housing units.

City Council approval of this item will approve the creation of the NEZ and authorize the City Manager to execute tax abatement agreements up to \$50,000.00 each.

## PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 9, 2018, City Council adopted the CHP and created the Dallas Housing Policy Task Force by Resolution No. 18-0704, as amended.

On November 28, 2018, City Council authorized amendments to the CHP, to make technical changes to the Home Improvement and Preservation Program (HIPP), the Dallas Homebuyer Assistance Program (DHAP), and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680.

On May 22, 2019, City Council authorized a resolution in furtherance of the City of Dallas' efforts to support diverse racial, ethnic, cultural, and socio-economic backgrounds and to promote equity in the Dallas community by Resolution No. 19-0804.

On May 22, 2019, City Council authorized an amendment to the CHP to add a Land Transfer Program to incentivize the development of quality, sustainable housing that is affordable to the residents of the City and the development of other uses that complement the City's CHP, economic development policy, or redevelopment policy by Resolution No. 19-0824.

On June 12, 2019, City Council authorized amendments to the CHP to amend and restate the low-income Housing Tax Credit policy by Resolution No. 19-0884.

On June 26, 2019, City Council authorized amendments to the CHP to amend the DHAP, the HIPP Homeowner Program, and the HIPP Landlord Program by Resolution No. 19-1041.

On September 25, 2019, City Council authorized amendments to the CHP to create the Title Clearing and Clouded Title Prevention Pilot Program by Resolution No. 19-1498.

City Council will be briefed regarding this matter on January 15, 2020.

### FISCAL INFORMATION

This action has no cost consideration to the City. A separate item will be presented, concurrently, that outlines the costs associated with the implementation of the tax abatement agreements.

**WHEREAS**, the City of Dallas (City) recognizes the importance of its role in local economic development; and

WHEREAS, on May 9, 2018, City Council adopted the Comprehensive Housing Policy (CHP) and created the Dallas Housing Policy Task Force to (1) create and maintain available and affordable housing throughout Dallas; (2) promote greater fair housing choices; and (3) overcome patterns of segregation and concentrations of poverty through incentives and requirements by Resolution No. 18-0704; and

WHEREAS, the CHP prioritizes the creation of neighborhood empowerment zones in stabilization areas to help the City preserve affordability or deconcentrate racially and ethnically concentrated areas of poverty (RECAP); and

WHEREAS, the CHP designates the Casa View area as a stabilization area; and

**WHEREAS,** City Council established the Residential Neighborhood Empowerment Zone (NEZ) Program to allow grants of public money to promote local economic development in the City under Chapter 380 of the Texas Local Government Code; and

**WHEREAS**, Title 12 of the Local Government Code, Section 378.002 requires that the creation of the City of Dallas Neighborhood Empowerment Zone No. 12 (City of Dallas NEZ No. 12) promote: (1) the creation or rehabilitation of affordable housing in the zone, or (2) an increase in economic development in the zone, or (3) an increase in the quality of social services, education or public safety provided to the residents of the zone; and

**WHEREAS,** the City finds that the creation of the City of Dallas NEZ No. 12 will promote the creation or rehabilitation of affordable housing in the zone through the Residential NEZ Program; and

**WHEREAS**, the City finds that the creation of the City of Dallas NEZ No. 12 benefits the public and is for the public purpose of increasing the public health, safety, and welfare of the persons in the municipality; and

**WHEREAS**, the City finds that the creation of the zone satisfies the requirements of the Property Redevelopment and Tax Abatement Act Section 312.202 in that the Casa View area retards the provision of housing accommodations in its present condition and use because of a substantial number of substandard, deteriorated, or deteriorating structures; and the predominance of defective or inadequate sidewalks or streets; and

**WHEREAS**, on November 28, 2018, City Council authorized amendments to the CHP to make technical changes to the Home Improvement and Preservation Program (HIPP), the Dallas Homebuyer Assistance Program (DHAP), and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680; and

**WHEREAS,** on May 22, 2019, City Council authorized a resolution in furtherance of the City of Dallas' efforts to support diverse racial, ethnic, cultural, and socio-economic backgrounds and to promote equity in the Dallas community, and Section 5 of that resolution declared the City's intent to promote equity in budgeting by Resolution No. 19-0804; and

**WHEREAS,** on May 22, 2019, City Council authorized an amendment to the CHP to add a Land Transfer Program to incentivize the development of quality, sustainable housing that is affordable to the residents of the City and the development of other uses that complement the City's CHP, economic development policy, or redevelopment policy by Resolution No. 19-0824; and

**WHEREAS,** on June 12, 2019, City Council authorized amendments to the CHP to amend and restate the low-income Housing Tax Credit policy by Resolution No. 19-0884; and

**WHEREAS,** on June 26, 2019, City Council authorized amendments to the CHP to amend the DHAP, the HIPP Homeowner Program, and the HIPP Landlord Program by Resolution No. 19-1041; and

**WHEREAS,** on September 25, 2019, City Council authorized amendments to the CHP to create the Title Clearing and Clouded Title Prevention Pilot Program by Resolution No. 19-1498; and

**WHEREAS,** City Council must approve any addition to, alteration of, or deletion of a strategy, tool, or program in the CHP; and

**WHEREAS**, the City desires to maintain affordable housing, to provide greater fair housing choices, and to overcome patterns of segregation and concentrations of poverty; and therefore, it is in the best interest of the City to adopt certain amendments to the CHP; and

WHEREAS, it is in the best interest of the City of Dallas to (1) designate approximately 1,767 acres of property generally bounded by Jupiter Road, Northwest Highway, Garland Road, Shiloh Road, Maylee Boulevard, Gus Thomasson Road, and Peavy Road in the Casa View area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 12 (NEZ No. 12), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declare that projects located within NEZ No. 12 and eligible for the City's Residential NEZ Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorize the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program.

Now, Therefore,

### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

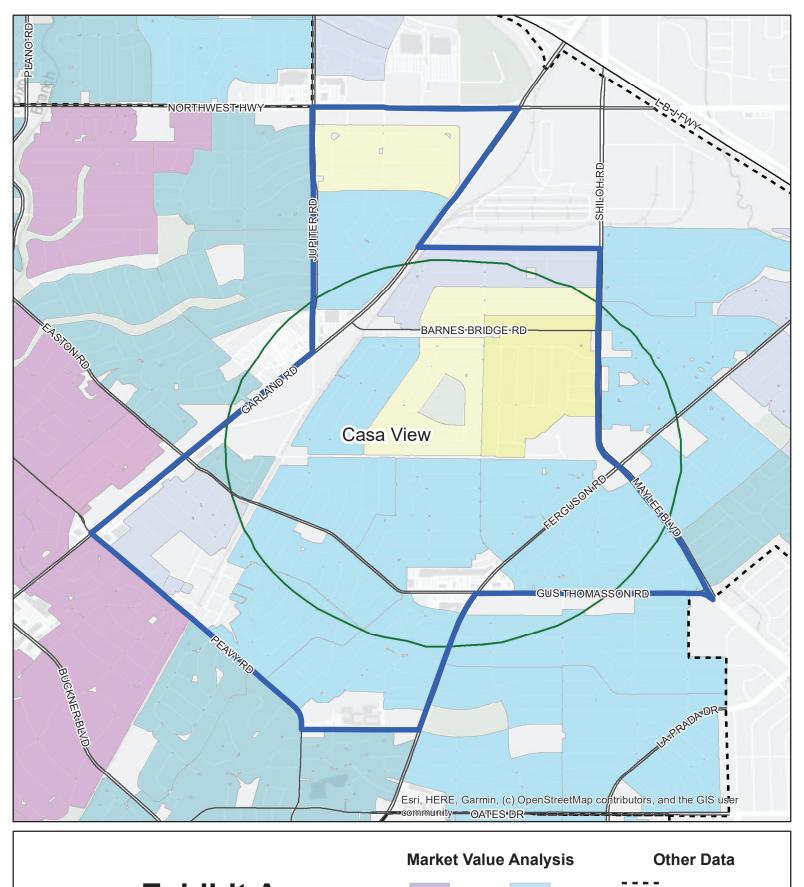
**SECTION 1.** That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

**SECTION 2.** That City Council authorizes a resolution **(1)** designating approximately 1,767 acres of property generally bounded by Jupiter Road, Northwest Highway, Garland Road, Shiloh Road, Maylee Boulevard, Gus Thomasson Road, and Peavy Road in the Casa View area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 12 (NEZ No. 12), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; **(2)** declaring that projects located within NEZ No. 12 and eligible for the City's Residential NEZ Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and **(3)** authorizing the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program.

**SECTION 3.** That the NEZ No. 12 is hereby created as depicted on the map attached as Exhibit A, describing the boundary of NEZ No. 12.

**SECTION 4.** That to be declared eligible for tax abatements and development grants in amounts equal to development fees and certain development-related costs, projects within NEZ No. 12 must meet the requirements of the Residential NEZ Program within the CHP, as amended.

**SECTION 5.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.









# City of Dallas

# Agenda Information Sheet

**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): 9

**DEPARTMENT:** Department of Housing & Neighborhood Revitalization

**EXECUTIVE:** Michael Mendoza

### **SUBJECT**

Authorize a resolution (1) designating approximately 2,824 acres of property generally bounded by White Rock Creek, Northwest Highway, Mockingbird Lane, Skillman Avenue, and U.S. Highway 75 in the Vickery Midtown area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 13 (NEZ No. 13), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declaring that projects located within NEZ No. 13, within the Skillman Corridor Tax Increment Financing District, and eligible for the City's Residential Neighborhood Empowerment Zone (NEZ) Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorizing the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program - Financing: This action has no cost consideration to the City (see Fiscal Information)

## **BACKGROUND**

Chapter 378 of the Texas Local Government Code (the Act) provides for the creation of NEZs. A NEZ is a flexible tool that a municipality can utilize to implement an economic development program, to create or rehabilitate affordable housing in the zone, and to increase the quality of social services, education, or public safety provided to the residents of the zone.

With this item, staff is proposing to create City of Dallas NEZ No. 13 for a geographic area approximately 2,824 acres in size generally bounded by White Rock Creek, Northwest Highway, Mockingbird Lane, Skillman Avenue, and U.S. Highway 75 in the Vickery Midtown area of Dallas. Most of the area is Market Value Analysis Category D, E, or G.

NEZ No. 13 includes much of the Vickery Midtown area, comprised mostly of owner-occupied and rental multifamily communities, as well as mixed-use and mixed-tenancy areas undergoing redevelopment north of Walnut Hill and mostly single-family neighborhoods south of Skillman Street.

File #: 19-1803 | Item #: 9.

In addition to incentivizing new home construction for eligible households, the Residential NEZ Program includes provisions for repair of owner-occupied multifamily units that meet the minimum investment requirements and whose owners meet the income requirements.

A companion item on the current Council agenda proposes to amend the Comprehensive Housing Policy (CHP) to create a Residential NEZ Program which would provide for a tax abatement and grants in amounts equal to development fees and certain development-related costs for (1) new construction of single-family homes or duplexes that are sold or rented to eligible households, or new construction of multifamily dwelling units that are sold to eligible households, on lots that are either currently vacant, subject to an order of demolition under Chapter 27, or purchased through the City's Land Bank or Land Transfer programs; (2) renovation of owner-occupied housing units; and (3) renovation, code compliance, and guaranteed affordability for rental single-family and duplex housing units.

A small portion of the proposed boundary lies within the Skillman Corridor Tax Increment Financing (TIF) District. Section 311.0125 of the Texas Tax Code requires that tax abatements within TIF districts be approved by the board of directors of the TIF district and the governing body of each participating taxing jurisdiction.

The Board of Directors of the Skillman Corridor TIF District and the Dallas County Commissioners Court are each anticipated to review a formal request for approval of tax abatements up to \$50,000.00 per abatement that comply with the Residential NEZ Program and are within the Skillman Corridor TIF District. The TIF Board will review an amendment to the increment allocation policy if necessary. This item recommends that City Council also specifically approve such abatements within the TIF district and authorize the City Manager to execute tax abatement agreements for projects eligible for the Residential NEZ Program in the proposed NEZ, including those within the TIF district, up to \$50,000.00 per abatement.

City Council approval of this item will approve the creation of the NEZ and authorize the City Manager to execute tax abatement agreements up to \$50,000.00 each, including within the Skillman Corridor TIF District.

## PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 9, 2018, City Council adopted the CHP and created the Dallas Housing Policy Task Force by Resolution No. 18-0704, as amended.

On November 28, 2018, City Council authorized amendments to the CHP, to make technical changes to the Home Improvement and Preservation Program (HIPP), the Dallas Homebuyer Assistance Program (DHAP), and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680.

On May 22, 2019, City Council authorized a resolution in furtherance of the City of Dallas' efforts to support diverse racial, ethnic, cultural, and socio-economic backgrounds and to promote equity in the Dallas community by Resolution No. 19-0804.

File #: 19-1803 Item #: 9.

On May 22, 2019, City Council authorized an amendment to the CHP to add a Land Transfer Program to incentivize the development of quality, sustainable housing that is affordable to the residents of the City and the development of other uses that complement the City's CHP, economic development policy, or redevelopment policy by Resolution No. 19-0824.

On June 12, 2019, City Council authorized amendments to the CHP to amend and restate the low-income Housing Tax Credit policy by Resolution No. 19-0884.

On June 26, 2019, City Council authorized amendments to the CHP to amend the DHAP, the HIPP Homeowner Program, and the HIPP Landlord Program by Resolution No. 19-1041.

On September 25, 2019, City Council authorized amendments to the CHP to create the Title Clearing and Clouded Title Prevention Pilot Program by Resolution No. 19-1498.

City Council will be briefed regarding this matter on January 15, 2020.

### FISCAL INFORMATION

This action has no cost consideration to the City. A separate item will be presented, concurrently, that outlines the costs associated with the implementation of the tax abatement agreements.

**WHEREAS**, the City of Dallas (City) recognizes the importance of its role in local economic development; and

WHEREAS, on May 9, 2018, City Council adopted the CHP and created the Dallas Housing Policy Task Force to (1) create and maintain available and affordable housing throughout Dallas; (2) promote greater fair housing choices; and (3) overcome patterns of segregation and concentrations of poverty through incentives and requirements by Resolution No. 18- 0704; and

**WHEREAS**, the CHP prioritizes the creation of neighborhood empowerment zones in stabilization areas to help the City preserve affordability or deconcentrate racially and ethnically concentrated areas of poverty (RECAP); and

WHEREAS, the CHP designates the Vickery Midtown area as a stabilization area; and

WHEREAS, City Council established the Residential Neighborhood Empowerment Zone (NEZ) Program to allow grants of public money to promote local economic development in the City under Chapter 380 of the Texas Local Government Code; and

WHEREAS, Title 12 of the Local Government Code, Section 378.002 requires that the creation of the City of Dallas Neighborhood Empowerment Zone No. 13 ("City of Dallas NEZ No. 13") promote: (1) the creation or rehabilitation of affordable housing in the zone, or (2) an increase in economic development in the zone, or (3) an increase in the quality of social services, education or public safety provided to the residents of the zone; and

**WHEREAS**, the City finds that the creation of the City of Dallas NEZ No. 13 will promote the creation or rehabilitation of affordable housing in the zone through the Residential NEZ Program; and

**WHEREAS**, the City finds that the creation of the City of Dallas NEZ No. 13 benefits the public and is for the public purpose of increasing the public health, safety, and welfare of the persons in the municipality; and

WHEREAS, the City finds that the creation of the zone satisfies the requirements of the Property Redevelopment and Tax Abatement Act Section 312.202 in that the Vickery Midtown area retards the provision of housing accommodations in its present condition and use because of a substantial number of substandard, deteriorated, or deteriorating structures; and the predominance of defective or inadequate sidewalks or streets; and

**WHEREAS**, on November 28, 2018, City Council authorized amendments to the CHP to make technical changes to the Home Improvement and Preservation Program (HIPP), the Dallas Homebuyer Assistance Program (DHAP), and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680; and

**WHEREAS**, on May 22, 2019, City Council authorized a resolution in furtherance of the City of Dallas' efforts to support diverse racial, ethnic, cultural, and socio-economic backgrounds and to promote equity in the Dallas community, and Section 5 of that resolution declared the City's intent to promote equity in budgeting by Resolution No. 19-0804; and

WHEREAS, on May 22, 2019, City Council authorized an amendment to the CHP to add a Land Transfer Program to incentivize the development of quality, sustainable housing that is affordable to the residents of the City and the development of other uses that complement the City's CHP, economic development policy, or redevelopment policy by Resolution No. 19-0824; and

WHEREAS, on June 12, 2019, City Council authorized amendments to the CHP to amend and restate the low-income Housing Tax Credit policy by Resolution No. 19-0884; and

**WHEREAS,** on June 26, 2019, City Council authorized amendments to the CHP to amend the DHAP, the HIPP Homeowner Program, and the HIPP Landlord Program by Resolution No. 19-1041; and

**WHEREAS,** on September 25, 2019, City Council authorized amendments to the CHP to create the Title Clearing and Clouded Title Prevention Pilot Program by Resolution No. 19-1498; and

**WHEREAS,** City Council must approve any addition to, alteration of, or deletion of a strategy, tool, or program in the CHP; and

**WHEREAS**, the City desires to maintain affordable housing, to provide greater fair housing choices, and to overcome patterns of segregation and concentrations of poverty; and therefore, it is in the best interest of the City to adopt certain amendments to the CHP; and

WHEREAS, it is in the best interest of the City of Dallas to (1) designate approximately 2,824 acres of property generally bounded by White Rock Creek, Northwest Highway, Mockingbird Lane, Skillman Avenue, and U.S. Highway 75 in the Vickery Midtown area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 13 (NEZ No. 13), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declare that projects located within NEZ No. 13, within the Skillman Corridor Tax Increment Financing District, and eligible for the City's Residential NEZ Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorize the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program.

Now, Therefore,

#### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

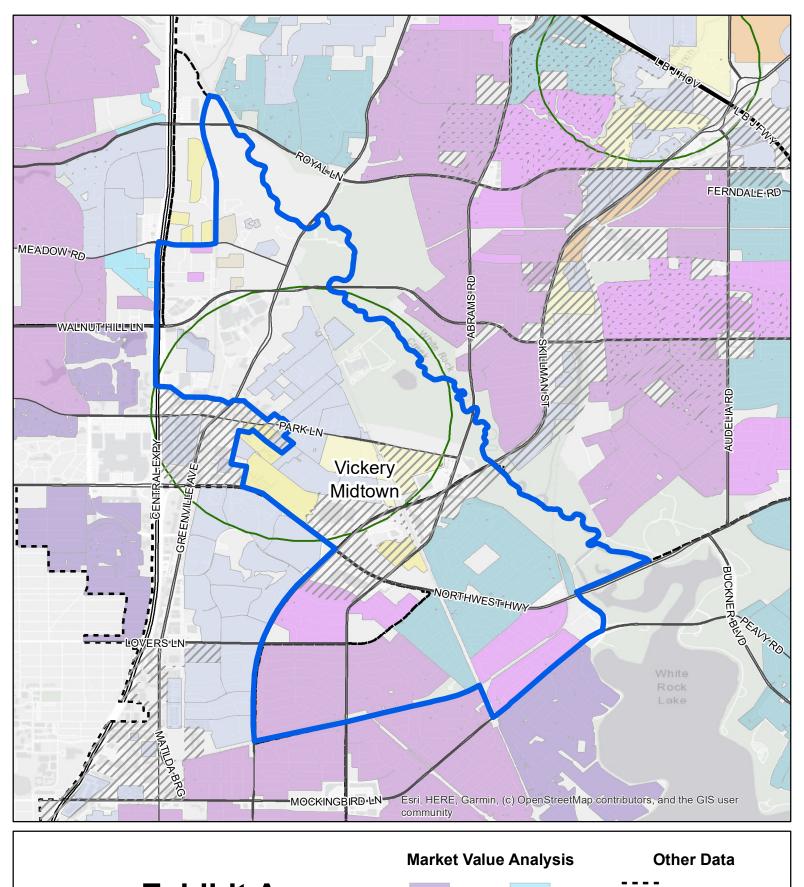
**SECTION 1.** That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

**SECTION 2.** That City Council authorizes a resolution **(1)** designating approximately 2,824 acres of property generally bounded by White Rock Creek, Northwest Highway, Mockingbird Lane, Skillman Avenue, and U.S. Highway 75 in the Vickery Midtown area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 13 (NEZ No. 13), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; **(2)** declaring that projects located within NEZ No. 13, within the Skillman Corridor Tax Increment Financing District, and eligible for the City's Residential NEZ Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and **(3)** authorizing the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000 in accordance with the Residential NEZ Program.

**SECTION 3.** That the NEZ No. 13 is hereby created as depicted on the map attached as Exhibit A, describing the boundary of NEZ No. 13.

**SECTION 4.** That to be declared eligible for tax abatements and development grants in amounts equal to development fees and certain development-related costs, projects within NEZ No. 13 must meet the requirements of the Residential NEZ Program within the CHP, as amended.

**SECTION 5.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.









# City of Dallas

# Agenda Information Sheet

**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): 7

**DEPARTMENT:** Department of Housing & Neighborhood Revitalization

**EXECUTIVE:** Michael Mendoza

### **SUBJECT**

Authorize a resolution (1) designating approximately 1,365 acres of property generally bounded by Al Lipscomb Way, Malcolm X Boulevard, Robert B. Cullum Boulevard, Pine Street, Central Expressway, and Lamar Street in the Forest District area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 14 (NEZ No. 14), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declaring that projects located within NEZ No. 14, within the Grand Park South Tax Increment Financing District, and eligible for the City's Residential Neighborhood Empowerment Zone (NEZ) Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorizing the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program - Financing: This action has no cost consideration to the City (see Fiscal Information)

## **BACKGROUND**

Chapter 378 of the Texas Local Government Code (the Act) provides for the creation of NEZs. A NEZ is a flexible tool that a municipality can utilize to implement an economic development program, to create or rehabilitate affordable housing in the zone, and to increase the quality of social services, education or public safety provided to the residents of the zone.

With this item, staff is proposing to create City of Dallas NEZ No. 14 for a geographic area approximately 1,365 acres in size generally bounded by Al Lipscomb Way, Malcolm X Boulevard, Robert B. Cullum Boulevard, Pine Street, Central Expressway, and Lamar Street in the Forest District area of Dallas. The area is comprised mostly of single-family homes and vacant lots. Most of the area is Market Value Analysis Category E, G, or I.

File #: 19-1804 Item #: 10.

NEZ No. 14 includes the Forest District and Windelkin neighborhoods as well as the Jeffries Meyers and Bertrand neighborhoods immediately east, where new development is expected, and displacement potential exists. This boundary was drawn to support additional planning, anti-displacement, and investment efforts in the area.

A companion item on the current Council agenda proposes to amend the Comprehensive Housing Policy (CHP) to create a Residential NEZ Program which would provide for a tax abatement and grants in amounts equal to development fees and certain development-related costs for (1) new construction of single-family homes or duplexes that are sold or rented to eligible households, or new construction of multifamily dwelling units that are sold to eligible households, on lots that are either currently vacant, subject to an order of demolition under Chapter 27 or purchased through the City's Land Bank or Land Transfer programs; (2) renovation of owner-occupied housing units; and (3) renovation, code compliance, and guaranteed affordability for rental single-family and duplex housing units.

A small portion of the proposed boundary lies within the Grand Park South Tax Increment Financing (TIF) District. Section 311.0125 of the Texas Tax Code requires that tax abatements within TIF districts be approved by the board of directors of the TIF district and the governing body of each participating taxing jurisdiction.

The Board of Directors of the Grand Park South TIF District and the Dallas County Commissioners Court are each anticipated to review a formal request for approval of tax abatements up to \$50,000.00 per abatement that comply with the Residential NEZ Program and are within the Grand Park South TIF District. The TIF Board will review an amendment to the increment allocation policy if necessary. This item recommends that City Council also specifically approve such abatements within the TIF district and authorize the City Manager to execute tax abatement agreements for projects eligible for the Residential NEZ Program in the proposed NEZ, including those within the TIF district, up to \$50,000.00 per abatement.

City Council approval of this item will approve the creation of the NEZ and authorize the City Manager to execute tax abatement agreements up to \$50,000.00 each, including within the Grand Park South TIF District.

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 9, 2018, City Council adopted the CHP and created the Dallas Housing Policy Task Force by Resolution No. 18-0704, as amended.

On November 28, 2018, City Council authorized amendments to the CHP, to make technical changes to the Home Improvement and Preservation Program (HIPP), the Dallas Homebuyer Assistance Program (DHAP), and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680.

On May 22, 2019, City Council authorized a resolution in furtherance of the City of Dallas' efforts to support diverse racial, ethnic, cultural, and socio-economic backgrounds and to promote equity in the Dallas community by Resolution No. 19-0804.

On May 22, 2019, City Council authorized an amendment to the CHP to add a Land Transfer Program to incentivize the development of quality, sustainable housing that is affordable to the residents of the City and the development of other uses that complement the City's CHP, economic development policy, or redevelopment policy by Resolution No. 19-0824.

On June 12, 2019, City Council authorized amendments to the CHP to amend and restate the low-income Housing Tax Credit policy by Resolution No. 19-0884.

On June 26, 2019, City Council authorized amendments to the CHP to amend the DHAP, the HIPP Homeowner Program, and the HIPP Landlord Program by Resolution No. 19-1041.

On September 25, 2019, City Council authorized amendments to the CHP to create the Title Clearing and Clouded Title Prevention Pilot Program by Resolution No. 19-1498.

City Council will be briefed regarding this matter on January 15, 2020.

### FISCAL INFORMATION

This action has no cost consideration to the City. A separate item will be presented, concurrently, that outlines the costs associated with the implementation of the tax abatement agreements.

**WHEREAS**, the City of Dallas (City) recognizes the importance of its role in local economic development; and

WHEREAS, on May 9, 2018, City Council adopted the Comprehensive Housing Policy (CHP) and created the Dallas Housing Policy Task Force to (1) create and maintain available and affordable housing throughout Dallas; (2) promote greater fair housing choices; and (3) overcome patterns of segregation and concentrations of poverty through incentives and requirements by Resolution No. 18- 0704; and

WHEREAS, the CHP prioritizes the creation of neighborhood empowerment zones in stabilization areas to help the City preserve affordability or deconcentrate racially and ethnically concentrated areas of poverty (RECAP); and

WHEREAS, the CHP designates the Forest District area as a stabilization area; and

**WHEREAS**, City Council established the Residential Neighborhood Empowerment Zone (NEZ) Program to allow grants of public money to promote local economic development in the City under Chapter 380 of the Texas Local Government Code; and

**WHEREAS**, Title 12 of the Local Government Code, Section 378.002 requires that the creation of the City of Dallas Neighborhood Empowerment Zone No. 14 (City of Dallas NEZ No. 14) promote: (1) the creation or rehabilitation of affordable housing in the zone, or (2) an increase in economic development in the zone, or (3) an increase in the quality of social services, education or public safety provided to the residents of the zone; and

**WHEREAS,** the City finds that the creation of the City of Dallas NEZ No. 14 will promote the creation or rehabilitation of affordable housing in the zone through the Residential NEZ Program; and

**WHEREAS**, the City finds that the creation of the City of Dallas NEZ No. 14 benefits the public and is for the public purpose of increasing the public health, safety, and welfare of the persons in the municipality; and

WHEREAS, the City finds that the creation of the zone satisfies the requirements of the Property Redevelopment and Tax Abatement Act Section 312.202 in that the Forest District area retards the provision of housing accommodations in its present condition and use because of a substantial number of substandard, deteriorated, or deteriorating structures; and the predominance of defective or inadequate sidewalks or streets; and

**WHEREAS**, on November 28, 2018, City Council authorized amendments to the CHP to make technical changes to the Home Improvement and Preservation Program (HIPP), the Dallas Homebuyer Assistance Program (DHAP), and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680; and

**WHEREAS,** on May 22, 2019, City Council authorized a resolution in furtherance of the City of Dallas' efforts to support diverse racial, ethnic, cultural, and socio-economic backgrounds and to promote equity in the Dallas community, and Section 5 of that resolution declared the City's intent to promote equity in budgeting by Resolution No. 19-0804; and

WHEREAS, on May 22, 2019, City Council authorized an amendment to the CHP to add a Land Transfer Program to incentivize the development of quality, sustainable housing that is affordable to the residents of the City and the development of other uses that complement the City's CHP, economic development policy, or redevelopment policy by Resolution No. 19-0824; and

**WHEREAS,** on June 12, 2019, City Council authorized amendments to the CHP to amend and restate the low-income Housing Tax Credit policy by Resolution No. 19-0884; and

**WHEREAS,** on June 26, 2019, City Council authorized amendments to the CHP to amend the DHAP, the HIPP Homeowner Program, and the HIPP Landlord Program by Resolution No. 19-1041; and

**WHEREAS,** on September 25, 2019, City Council authorized amendments to the CHP to create the Title Clearing and Clouded Title Prevention Pilot Program by Resolution No. 19-1498; and

**WHEREAS,** City Council must approve any addition to, alteration of, or deletion of a strategy, tool, or program in the CHP; and

**WHEREAS**, the City desires to maintain affordable housing, to provide greater fair housing choices, and to overcome patterns of segregation and concentrations of poverty; and therefore, it is in the best interest of the City to adopt certain amendments to the CHP; and

WHEREAS, it is in the best interest of the City of Dallas to (1) designate approximately 1,332 acres of property generally bounded by Al Lipscomb Way, Malcolm X Boulevard, Robert B. Cullum Boulevard, Pine Street, Central Expressway, and Lamar Street in the Forest District area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 14 (NEZ No. 14), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declare that projects located within NEZ No. 14, within the Grand Park South Tax Increment Financing District, and eligible for the City's Residential NEZ Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorize the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program.

Now, Therefore,

### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

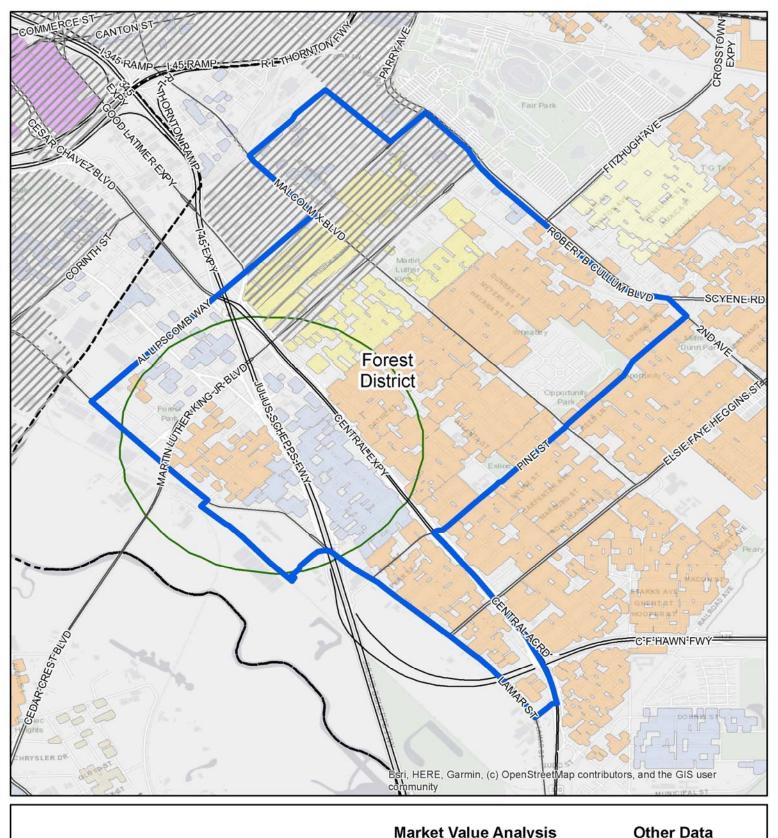
**SECTION 1.** That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

**SECTION 2.** That City Council authorizes a resolution **(1)** designating approximately 1,332 acres of property generally bounded by Al Lipscomb Way, Malcolm X Boulevard, Robert B. Cullum Boulevard, Pine Street, Central Expressway, and Lamar Street in the Forest District area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 14 (NEZ No. 14), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; **(2)** declaring that projects located within NEZ No. 14, within the Grand Park South Tax Increment Financing District, and eligible for the City's Residential NEZ Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and **(3)** authorizing the city manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program.

**SECTION 3.** That the NEZ No. 14 is hereby created as depicted on the map attached as Exhibit A, describing the boundary of NEZ No. 14.

**SECTION 4.** That to be declared eligible for tax abatements and development grants in amounts equal to development fees and certain development-related costs, projects within NEZ No. 14 must meet the requirements of the Residential NEZ Program within the CHP, as amended.

**SECTION 5.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.









# City of Dallas

# Agenda Information Sheet

File #: 19-1805 Item #: 11.

**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): 4

**DEPARTMENT:** Department of Housing & Neighborhood Revitalization

**EXECUTIVE:** Michael Mendoza

### **SUBJECT**

Authorize a resolution (1) designating approximately 297 acres of property generally bounded by the Trinity River, Corinth Street, 8th Street, Ewing Avenue, and R.L. Thornton Freeway in the Bottom/Tenth Street area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 15 (NEZ No. 15), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declaring that projects located within NEZ No. 15, within the Transit-Oriented Development Tax Increment Financing District, and eligible for the City's Residential Neighborhood Empowerment Zone (NEZ) Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorizing the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program - Financing: This action has no cost consideration to the City (see Fiscal Information)

## **BACKGROUND**

Chapter 378 of the Texas Local Government Code (the Act) provides for the creation of NEZs. A NEZ is a flexible tool that a municipality can utilize to implement an economic development program, to create or rehabilitate affordable housing in the zone, and to increase the quality of social services, education or public safety provided to the residents of the zone.

With this item, staff is proposing to create City of Dallas NEZ No. 15 for a geographic area approximately 297 acres in size generally bounded by the Trinity River, Corinth Street, 8th Street, Ewing Avenue, and R.L. Thornton Freeway in the Bottom/Tenth Street area of Dallas. The area is comprised mostly of single-family homes and vacant lots. Most of the area is Market Value Analysis Category E or I.

NEZ No. 15 was drawn to focus efforts on the Bottom and the Tenth Street historical district, which can benefit from tax abatements and development grants in exchange for repairs for older homes and from lower development costs for new, moderately priced homes.

File #: 19-1805 Item #: 11.

A companion item on the current Council agenda proposes to amend the Comprehensive Housing Policy (CHP) to create a Residential NEZ Program which would provide for a tax abatement and grants in amounts equal to development fees and certain development-related costs for (1) new construction of single-family homes or duplexes that are sold or rented to eligible households, or new construction of multifamily dwelling units that are sold to eligible households, on lots that are either currently vacant, subject to an order of demolition under Chapter 27 or purchased through the City's Land Bank or Land Transfer programs; (2) renovation of owner-occupied housing units; and (3) renovation, code compliance, and guaranteed affordability for rental single-family and duplex housing units.

A small portion of the proposed boundary lies within the Transit-Oriented Development (TOD) Tax Increment Financing (TIF) District. Section 311.0125 of the Texas Tax Code requires that tax abatements within TIF districts be approved by the board of directors of the TIF district and the governing body of each participating taxing jurisdiction.

The Board of Directors of the TOD TIF District and the Dallas County Commissioners Court are each anticipated to review a formal request for approval of tax abatements up to \$50,000.00 per abatement that comply with the Residential NEZ Program and are within the TOD TIF District. The TIF Board will review an amendment to the increment allocation policy if necessary. This item recommends that City Council also specifically approve such abatements within the TIF district and authorize the City Manager to execute tax abatement agreements for projects eligible for the Residential NEZ Program in the proposed NEZ, including those within the TIF district, up to \$50,000.00 per abatement.

City Council approval of this item will approve the creation of the NEZ and authorize the City Manager to execute tax abatement agreements up to \$50,000.00 each, including within the TOD TIF District.

## PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 9, 2018, City Council adopted the CHP and created the Dallas Housing Policy Task Force by Resolution No. 18-0704, as amended.

On November 28, 2018, City Council authorized amendments to the CHP, to make technical changes to the Homebuyer Improvement and Preservation Program (HIPP), the Dallas Homebuyer Assistance Program (DHAP), and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680.

On May 22, 2019, City Council authorized a resolution in furtherance of the City of Dallas' efforts to support diverse racial, ethnic, cultural, and socio-economic backgrounds and to promote equity in the Dallas community by Resolution No. 19-0804.

On May 22, 2019, City Council authorized an amendment to the CHP to add a Land Transfer Program to incentivize the development of quality, sustainable housing that is affordable to the residents of the City and the development of other uses that complement the City's CHP, economic development policy, or redevelopment policy by Resolution No. 19-0824.

File #: 19-1805 Item #: 11.

On June 12, 2019, City Council authorized amendments to the CHP to amend and restate the low-income Housing Tax Credit policy by Resolution No. 19-0884.

On June 26, 2019, City Council authorized amendments to the CHP to amend the DHAP, the HIPP Homeowner Program, and the HIPP Landlord Program by Resolution No. 19-1041.

On September 25, 2019, City Council authorized amendments to the CHP to create the Title Clearing and Clouded Title Prevention Pilot Program by Resolution No. 19-1498.

City Council will be briefed regarding this matter on January 15, 2020.

## **FISCAL INFORMATION**

This action has no cost consideration to the City. A separate item will be presented, concurrently, that outlines the costs associated with the implementation of the tax abatement agreements.

**WHEREAS**, the City of Dallas (City) recognizes the importance of its role in local economic development; and

WHEREAS, on May 9, 2018, City Council adopted the Comprehensive Housing Policy (CHP) and created the Dallas Housing Policy Task Force to (1) create and maintain available and affordable housing throughout Dallas; (2) promote greater fair housing choices; and (3) overcome patterns of segregation and concentrations of poverty through incentives and requirements by Resolution No. 18- 0704; and

WHEREAS, the CHP prioritizes the creation of neighborhood empowerment zones in stabilization areas to help the City preserve affordability or deconcentrate racially and ethnically concentrated areas of poverty (RECAP); and

WHEREAS, the CHP designates the Bottom/Tenth Street area as a stabilization area; and

**WHEREAS,** City Council established the Residential Neighborhood Empowerment Zone (NEZ) Program to allow grants of public money to promote local economic development in the City under Chapter 380 of the Texas Local Government Code; and

**WHEREAS,** Title 12 of the Local Government Code, Section 378.002 requires that the creation of the City of Dallas Neighborhood Empowerment Zone No. 15 ("City of Dallas NEZ No. 15") promote: (1) the creation or rehabilitation of affordable housing in the zone, or (2) an increase in economic development in the zone, or (3) an increase in the quality of social services, education or public safety provided to the residents of the zone; and

**WHEREAS,** the City finds that the creation of the City of Dallas NEZ No. 15 will promote the creation or rehabilitation of affordable housing in the zone through the Residential NEZ Program; and

**WHEREAS,** the City finds that the creation of the City of Dallas NEZ No. 15 benefits the public and is for the public purpose of increasing the public health, safety, and welfare of the persons in the municipality; and

WHEREAS, the City finds that the creation of the zone satisfies the requirements of the Property Redevelopment and Tax Abatement Act Section 312.202 in that the Bottom/Tenth Street area retards the provision of housing accommodations in its present condition and use because of a substantial number of substandard, deteriorated, or deteriorating structures; and the predominance of defective or inadequate sidewalks or streets; and

**WHEREAS**, on November 28, 2018, City Council authorized amendments to the CHP to make technical changes to the Home Improvement and Preservation Program (HIPP), the Dallas Homebuyer Assistance Program (DHAP), and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680; and

**WHEREAS,** on May 22, 2019, City Council authorized a resolution in furtherance of the City of Dallas' efforts to support diverse racial, ethnic, cultural, and socio-economic backgrounds and to promote equity in the Dallas community, and Section 5 of that resolution declared the City's intent to promote equity in budgeting by Resolution No. 19-0804; and

**WHEREAS,** on May 22, 2019, City Council authorized an amendment to the CHP to add a Land Transfer Program to incentivize the development of quality, sustainable housing that is affordable to the residents of the City and the development of other uses that complement the City's CHP, economic development policy, or redevelopment policy by Resolution No. 19-0824; and

**WHEREAS,** on June 12, 2019, City Council authorized amendments to the CHP to amend and restate the low-income Housing Tax Credit policy by Resolution No. 19-0884; and

**WHEREAS,** on June 26, 2019, City Council authorized amendments to the CHP to amend the DHAP, the HIPP Homeowner Program, and the HIPP Landlord Program by Resolution No. 19-1041; and

**WHEREAS,** on September 25, 2019, City Council authorized amendments to the CHP to create the Title Clearing and Clouded Title Prevention Pilot Program by Resolution No. 19-1498; and

**WHEREAS,** City Council must approve any addition to, alteration of, or deletion of a strategy, tool, or program in the CHP; and

**WHEREAS**, the City desires to maintain affordable housing, to provide greater fair housing choices, and to overcome patterns of segregation and concentrations of poverty; and therefore, it is in the best interest of the City to adopt certain amendments to the CHP; and

WHEREAS, it is in the best interest of the City of Dallas to (1) designate approximately 297 acres of property generally bounded by the Trinity River, Corinth Street, 8th Street, Ewing Avenue, and R.L. Thornton Freeway in the Bottom/Tenth Street area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 15 (NEZ No. 15), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declare that projects located within NEZ No. 15, within the Transit-Oriented Development (TOD) Tax Increment Financing (TIF) District, and eligible for the City's Residential NEZ Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorize the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program.

Now, Therefore,

### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

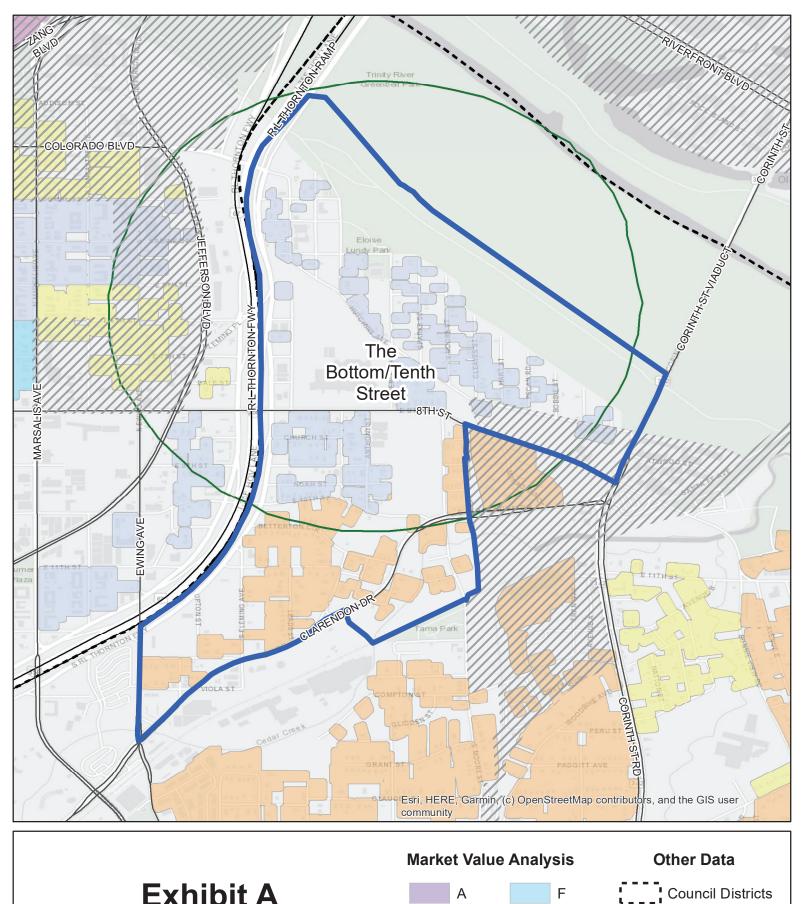
**SECTION 1.** That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

**SECTION 2.** That City Council authorizes a resolution **(1)** designating approximately 297 acres of property generally bounded by the Trinity River, Corinth Street, 8th Street, Ewing Avenue, and R.L. Thornton Freeway in the Bottom/Tenth Street area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 15 (NEZ No. 15), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; **(2)** declaring that projects located within NEZ No. 15, within the TOD TIF District, and eligible for the City's Residential NEZ Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and **(3)** authorizing the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program.

**SECTION 3.** That the NEZ No. 15 is hereby created as depicted on the map attached as Exhibit A, describing the boundary of NEZ No. 15.

**SECTION 4.** That to be declared eligible for tax abatements and development grants in amounts equal to development fees and certain development-related costs, projects within NEZ No. 15 must meet the requirements of the Residential NEZ Program within the CHP, as amended.

**SECTION 5.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.









# City of Dallas

# Agenda Information Sheet

**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): 6

**DEPARTMENT:** Department of Housing & Neighborhood Revitalization

**EXECUTIVE:** Michael Mendoza

### **SUBJECT**

Authorize a resolution (1) designating approximately 2,294 acres of property generally bounded by Canada Drive, Fort Worth Avenue, Hampton Road, and Westmoreland Road in the West Dallas area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 16 (NEZ No. 16), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declaring that projects located within NEZ No. 16, within either the Fort Worth Avenue Tax Increment Financing (TIF) District or the Sports Arena TIF District, and eligible for the City's Residential Neighborhood Empowerment Zone (NEZ) Program, may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorizing the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program - Financing: This action has no cost consideration to the City (see Fiscal Information)

## **BACKGROUND**

Chapter 378 of the Texas Local Government Code (the Act) provides for the creation of NEZs. A NEZ is a flexible tool that a municipality can utilize to implement an economic development program, to create or rehabilitate affordable housing in the zone, and to increase the quality of social services, education, or public safety provided to the residents of the zone.

With this item, staff is proposing to create City of Dallas NEZ No. 16 for a geographic area approximately 2,294 acres in size generally bounded by Canada Drive, Fort Worth Avenue, Hampton Road, and Westmoreland Road in the West Dallas area of Dallas. The area is comprised mostly of single-family homes and vacant lots. Most of the area is Market Value Analysis Category E or I.

NEZ No. 16 encompasses the area of West Dallas east of Westmoreland Road, South of Canada Drive, and generally north of Fort Worth Avenue, where new development is expected and displacement has already happened. This boundary was drawn to incentivize existing homeowners to invest in their homes and to encourage developers to reserve new homes built for eligible households.

A companion item on the current Council agenda proposes to amend the Comprehensive Housing Policy (CHP) to create a Residential NEZ Program which would provide for a tax abatement and grants in amounts equal to development fees and certain development-related costs for (1) new construction of single-family homes or duplexes that are sold or rented to eligible households, or new construction of multifamily dwelling units that are sold to eligible households, on lots that are either currently vacant, subject to an order of demolition under Chapter 27 or purchased through the City's Land Bank or Land Transfer programs; (2) renovation of owner-occupied housing units; and (3) renovation, code compliance, and guaranteed affordability for rental single-family and duplex housing units.

A small portion of the proposed boundary lies within either the Fort Worth Avenue Tax TIF District or the Sports Arena TIF District. Section 311.0125 of the Texas Tax Code requires that tax abatements within TIF districts be approved by the board of directors of the TIF district and the governing body of each participating taxing jurisdiction.

The Boards of Directors of the Fort Worth Avenue TIF District, the Sports Arena TIF District, and the Dallas County Commissioners Court are each anticipated to review a formal request for approval of tax abatements up to \$50,000.00 per abatement that comply with the Residential NEZ Program and are within either the Fort Worth Avenue TIF District or the Sports Arena TIF District. The TIF Boards will review an amendment to the increment allocation policy if necessary. This item recommends that City Council also specifically approve such abatements within the TIF districts and authorize the City Manager to execute tax abatement agreements for projects eligible for the Residential NEZ Program in the proposed NEZ, including those within the TIF district, up to \$50,000.00 per abatement.

City Council approval of this item will approve the creation of the NEZ and authorize the City Manager to execute tax abatement agreements up to \$50,000.00 each, including within the Fort Worth Avenue and Sports Arena TIF Districts.

## PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 9, 2018, City Council adopted the CHP and created the Dallas Housing Policy Task Force by Resolution No. 18-0704, as amended.

On November 28, 2018, City Council authorized amendments to the CHP, to make technical changes to the Home Improvement Preservation Program (HIPP), the Dallas Homebuyer Assistance Program (DHAP), and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680.

On May 22, 2019, City Council authorized a resolution in furtherance of the City of Dallas' efforts to support diverse racial, ethnic, cultural, and socio-economic backgrounds and to promote equity in the Dallas community by Resolution No. 19-0804.

On May 22, 2019, City Council authorized an amendment to the CHP to add a Land Transfer Program to incentivize the development of quality, sustainable housing that is affordable to the residents of the City and the development of other uses that complement the City's CHP, economic development policy, or redevelopment policy by Resolution No. 19-0824.

On June 12, 2019, City Council authorized amendments to the CHP to amend and restate the low-income Housing Tax Credit policy by Resolution No. 19-0884.

On June 26, 2019, City Council authorized amendments to the CHP to amend the DHAP, the HIPP Homeowner Program, and the HIPP Landlord Program by Resolution No. 19-1041.

On September 25, 2019, City Council authorized amendments to the CHP to create the Title Clearing and Clouded Title Prevention Pilot Program by Resolution No. 19-1498.

City Council will be briefed regarding this matter on January 15, 2020.

## FISCAL INFORMATION

This action has no cost consideration to the City. A separate item will be presented, concurrently, that outlines the costs associated with the implementation of the tax abatement agreements.

**WHEREAS**, the City of Dallas (City) recognizes the importance of its role in local economic development; and

WHEREAS, on May 9, 2018, City Council authorized the Comprehensive Housing Policy (CHP) and created the Dallas Housing Policy Task Force to (1) create and maintain available and affordable housing throughout Dallas; (2) promote greater fair housing choices; and (3) overcome patterns of segregation and concentrations of poverty through incentives and requirements by Resolution No. 18- 0704; and

**WHEREAS**, the CHP prioritizes the creation of Neighborhood Empowerment Zones (NEZ) in stabilization areas to help the City preserve affordability or deconcentrate racially and ethnically concentrated areas of poverty (RECAP); and

WHEREAS, the CHP designates the West Dallas area as a stabilization area; and

**WHEREAS,** City Council established the Residential NEZ Program to allow grants of public money to promote local economic development in the City under Chapter 380 of the Texas Local Government Code; and

**WHEREAS**, Title 12 of the Local Government Code, Section 378.002 requires that the creation of the City of Dallas NEZ No. 16 (City of Dallas NEZ No. 16) promote: (1) the creation or rehabilitation of affordable housing in the zone, or (2) an increase in economic development in the zone, or (3) an increase in the quality of social services, education or public safety provided to the residents of the zone; and

**WHEREAS**, the City finds that the creation of the City of Dallas NEZ No. 16 will promote the creation or rehabilitation of affordable housing in the zone through the Residential NEZ Program; and

**WHEREAS**, the City finds that the creation of the City of Dallas NEZ No. 16 benefits the public and is for the public purpose of increasing the public health, safety, and welfare of the persons in the municipality; and

WHEREAS, the City finds that the creation of the zone satisfies the requirements of the Property Redevelopment and Tax Abatement Act Section 312.202 in that the West Dallas area retards the provision of housing accommodations in its present condition and use because of a substantial number of substandard, deteriorated, or deteriorating structures; and the predominance of defective or inadequate sidewalks or streets; and

**WHEREAS**, on November 28, 2018, City Council authorized amendments to the CHP to make technical changes to the Home Improvement and Preservation Program (HIPP), the Dallas Homebuyer Assistance Program (DHAP), and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680; and

**WHEREAS,** on May 22, 2019, City Council authorized a resolution in furtherance of the City of Dallas' efforts to support diverse racial, ethnic, cultural, and socio-economic backgrounds and to promote equity in the Dallas community, and Section 5 of that resolution declared the City's intent to promote equity in budgeting by Resolution No. 19-0804; and

WHEREAS, on May 22, 2019, City Council authorized an amendment to the CHP to add a Land Transfer Program to incentivize the development of quality, sustainable housing that is affordable to the residents of the City and the development of other uses that complement the City's CHP, economic development policy, or redevelopment policy by Resolution No. 19-0824; and

**WHEREAS,** on June 12, 2019, City Council authorized amendments to the CHP to amend and restate the low-income Housing Tax Credit policy by Resolution No. 19-0884; and

**WHEREAS,** on June 26, 2019, City Council authorized amendments to the CHP to amend the DHAP, the HIPP Homeowner Program, and the HIPP Landlord Program by Resolution No. 19-1041; and

**WHEREAS,** on September 25, 2019, City Council authorized amendments to the CHP to create the Title Clearing and Clouded Title Prevention Pilot Program by Resolution No. 19-1498; and

**WHEREAS,** City Council must approve any addition to, alteration of, or deletion of a strategy, tool, or program in the CHP; and

**WHEREAS,** the City desires to maintain affordable housing, to provide greater fair housing choices, and to overcome patterns of segregation and concentrations of poverty; and therefore, it is in the best interest of the City to adopt certain amendments to the CHP; and

WHEREAS, it is in the best interest of the City of Dallas to (1) designate approximately 2,294 acres of property generally bounded by Canada Drive, Fort Worth Avenue, Hampton Road, and Westmoreland Road in the West Dallas area of Dallas, Texas as City of Dallas NEZ No. 16 (NEZ No. 16), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declare that projects located within NEZ No. 16, within either the Fort Worth Avenue Tax Increment Financing (TIF) District or the Sports Arena TIF District, and eligible for the City's Residential NEZ Program, may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorize the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program.

Now, Therefore,

#### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

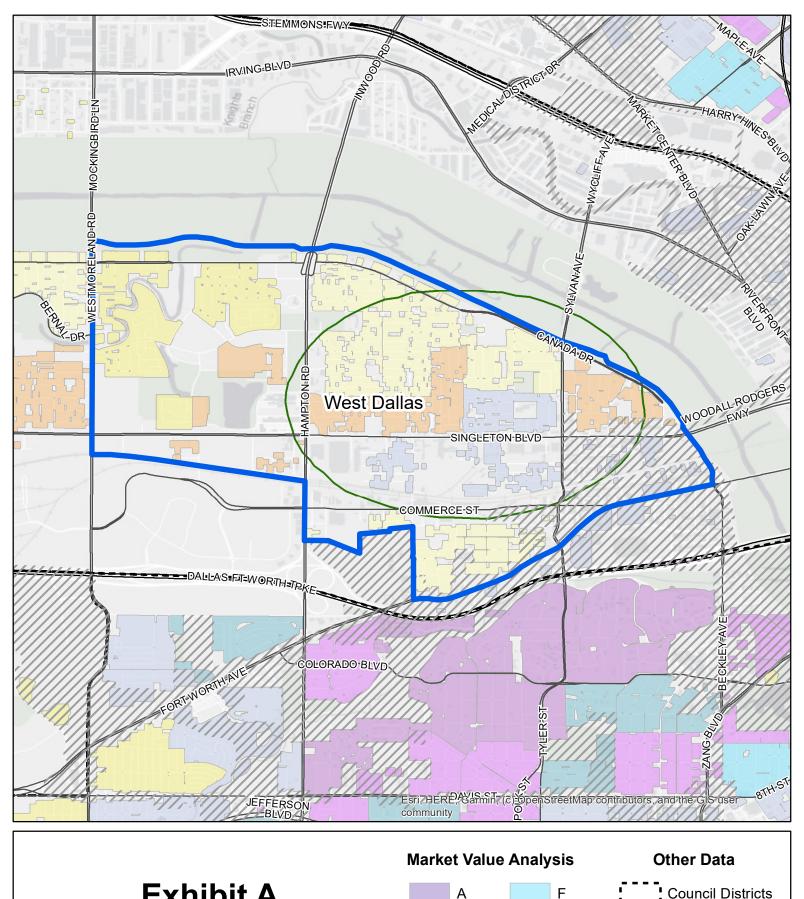
**SECTION 1.** That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

**SECTION 2.** That City Council authorizes a resolution **(1)** designating approximately 2,294 acres of property generally bounded by Canada Drive, Fort Worth Avenue, Hampton Road, and Westmoreland Road in the West Dallas area of Dallas, Texas as City of Dallas NEZ No. 16 (NEZ No. 16), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; **(2)** declaring that projects located within NEZ No. 16, within either the Fort Worth Avenue TIF District or the Sports Arena TIF District, and eligible for the City's Residential NEZ Program, may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and **(3)** authorizing the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program.

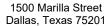
**SECTION 3.** That the NEZ No. 16 is hereby created as depicted on the map attached as Exhibit A, describing the boundary of NEZ No. 16.

**SECTION 4.** That to be declared eligible for tax abatements and development grants in amounts equal to development fees and certain development-related costs, projects within NEZ No. 16 must meet the requirements of the Residential NEZ Program within the CHP, as amended.

**SECTION 5.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.









## City of Dallas

## Agenda Information Sheet

**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): 3, 8

**DEPARTMENT:** Department of Housing & Neighborhood Revitalization

**EXECUTIVE:** Michael Mendoza

### SUBJECT

Authorize a resolution (1) designating approximately 1,807 acres of property generally bounded by Ledbetter Drive, Westmoreland Road, Red Bird Lane, Hampton Road, Camp Wisdom Road, and Cockrell Hill Road in the Red Bird North area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 17 (NEZ No. 17), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declaring that projects located within NEZ No. 17 and eligible for the City's Residential Neighborhood Empowerment Zone (NEZ) Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorizing the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program - Financing: This action has no cost consideration to the City (see Fiscal Information)

### **BACKGROUND**

Chapter 378 of the Texas Local Government Code (the Act) provides for the creation of NEZs. A NEZ is a flexible tool that a municipality can utilize to implement an economic development program, to create or rehabilitate affordable housing in the zone, and to increase the quality of social services, education or public safety provided to the residents of the zone.

With this item, staff is proposing to create City of Dallas NEZ No. 17 for a geographic area approximately 1,807 acres in size generally bounded by Ledbetter Drive, Westmoreland Road, Red Bird Lane, Hampton Road, Camp Wisdom Road, and Cockrell Hill Road in the Red Bird North area of Dallas. The area is comprised mostly of single-family homes and vacant lots. Most of the area is Market Value Analysis Category F or G.

NEZ No. 17 includes property in far southwest Dallas between Dallas Executive Airport and the Red Bird Mall redevelopment. The NEZ incentivizes existing homeowners to invest in their homes and, in exchange, receive a tax abatement. It also incentivizes developers to build new homes for qualifying families in exchange for development grants and a tax abatement for the future homeowner.

File #: 19-1807 Item #: 13.

A companion item on the current Council agenda proposes to amend the Comprehensive Housing Policy (CHP) to create a Residential NEZ Program which would provide for a tax abatement and grants in amounts equal to development fees and certain development-related costs for (1) new construction of single-family homes or duplexes that are sold or rented to eligible households, or new construction of multifamily dwelling units that are sold to eligible households, on lots that are either currently vacant, subject to an order of demolition under Chapter 27 or purchased through the City's Land Bank or Land Transfer programs; (2) renovation of owner-occupied housing units; and (3) renovation, code compliance, and guaranteed affordability for rental single-family and duplex housing units.

City Council approval of this item will approve the creation of the NEZ and authorize the City Manager to execute tax abatement agreements up to \$50,000.00 each.

## PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 9, 2018, City Council adopted the CHP and created the Dallas Housing Policy Task Force by Resolution No. 18-0704, as amended.

On November 28, 2018, City Council authorized amendments to the CHP, to make technical changes to the Home Improvement and Preservation Program (HIPP), the Dallas Homebuyer Assistance Program (DHAP), and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680.

On May 22, 2019, City Council authorized a resolution in furtherance of the City of Dallas' efforts to support diverse racial, ethnic, cultural, and socio-economic backgrounds and to promote equity in the Dallas community by Resolution No. 19-0804.

On May 22, 2019, City Council authorized an amendment to the CHP to add a Land Transfer Program to incentivize the development of quality, sustainable housing that is affordable to the residents of the City and the development of other uses that complement the City's CHP, economic development policy, or redevelopment policy by Resolution No. 19-0824.

On June 12, 2019, City Council authorized amendments to the CHP to amend and restate the low-income Housing Tax Credit policy by Resolution No. 19-0884.

On June 26, 2019, City Council authorized amendments to the CHP to amend the DHAP, the HIPP Homeowner Program, and the HIPP Landlord Program by Resolution No. 19-1041.

On September 25, 2019, City Council authorized amendments to the CHP to create the Title Clearing and Clouded Title Prevention Pilot Program by Resolution No. 19-1498.

City Council will be briefed regarding this matter on January 15, 2020.

## FISCAL INFORMATION

This action has no cost consideration to the City. A separate item will be presented, concurrently, that outlines the costs associated with the implementation of the tax abatement agreements.

**WHEREAS**, the City of Dallas (City) recognizes the importance of its role in local economic development; and

WHEREAS, on May 9, 2018, City Council adopted the Comprehensive Housing Policy (CHP) and created the Dallas Housing Policy Task Force to (1) create and maintain available and affordable housing throughout Dallas; (2) promote greater fair housing choices; and (3) overcome patterns of segregation and concentrations of poverty through incentives and requirements by Resolution No. 18-0704; and

WHEREAS, the CHP prioritizes the creation of neighborhood empowerment zones in stabilization areas to help the City preserve affordability or deconcentrate racially and ethnically concentrated areas of poverty (RECAP); and

WHEREAS, the CHP designates the Red Bird North area as a stabilization area; and

**WHEREAS,** City Council established the Residential NEZ Program to allow grants of public money to promote local economic development in the City under Chapter 380 of the Texas Local Government Code; and

WHEREAS, Title 12 of the Local Government Code, Section 378.002 requires that the creation of the City of Dallas Neighborhood Empowerment Zone No. 17 (City of Dallas NEZ No. 17) promote: (1) the creation or rehabilitation of affordable housing in the zone, or (2) an increase in economic development in the zone, or (3) an increase in the quality of social services, education or public safety provided to the residents of the zone; and

**WHEREAS,** the City finds that the creation of the City of Dallas NEZ No. 17 will promote the creation or rehabilitation of affordable housing in the zone through the Residential NEZ Program; and

**WHEREAS**, the City finds that the creation of the City of Dallas NEZ No. 17 benefits the public and is for the public purpose of increasing the public health, safety, and welfare of the persons in the municipality; and

WHEREAS, the City finds that the creation of the zone satisfies the requirements of the Property Redevelopment and Tax Abatement Act Section 312.202 in that the Red Bird North area retards the provision of housing accommodations in its present condition and use because of a substantial number of substandard, deteriorated, or deteriorating structures; and the predominance of defective or inadequate sidewalks or streets; and

**WHEREAS**, on November 28, 2018, City Council authorized amendments to the CHP to make technical changes to the Home Improvement and Preservation Program (HIPP), the Dallas Homebuyer Assistance Program (DHAP), and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680; and

**WHEREAS,** on May 22, 2019, City Council authorized a resolution in furtherance of the City of Dallas' efforts to support diverse racial, ethnic, cultural, and socio-economic backgrounds and to promote equity in the Dallas community, and Section 5 of that resolution declared the City's intent to promote equity in budgeting by Resolution No. 19-0804; and

**WHEREAS,** on May 22, 2019, City Council authorized an amendment to the CHP to add a Land Transfer Program to incentivize the development of quality, sustainable housing that is affordable to the residents of the City and the development of other uses that complement the City's CHP, economic development policy, or redevelopment policy by Resolution No. 19-0824; and

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**WHEREAS,** on June 26, 2019, City Council authorized amendments to the CHP to amend the DHAP, the HIPP Homeowner Program, and the HIPP Landlord Program by Resolution No. 19-1041; and

**WHEREAS,** on September 25, 2019, City Council authorized amendments to the CHP to create the Title Clearing and Clouded Title Prevention Pilot Program by Resolution No. 19-1498; and

**WHEREAS,** City Council must approve any addition to, alteration of, or deletion of a strategy, tool, or program in the CHP; and

**WHEREAS**, the City desires to maintain affordable housing, to provide greater fair housing choices, and to overcome patterns of segregation and concentrations of poverty; and therefore, it is in the best interest of the City to adopt certain amendments to the CHP; and

WHEREAS, it is in the best interest of the City of Dallas to (1) designate approximately 1,807 acres of property generally bounded by Ledbetter Drive, Westmoreland Road, Red Bird Lane, Hampton Road, Camp Wisdom Road, and Cockrell Hill Road in the Red Bird North area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 17 (NEZ No. 17), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declare that projects located within NEZ No. 17 and eligible for the City's Residential NEZ Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorize the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program.

WHEREAS, it is in the best interest of the City of Dallas to (1) designate approximately 1,807 acres of property generally bounded by Ledbetter Drive, Westmoreland Road, Red Bird Lane, Hampton Road, Camp Wisdom Road, and Cockrell Hill Road in the Red Bird North area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 17 (NEZ No. 17), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; (2) declare that projects located within NEZ No. 17 and eligible for the City's Residential NEZ Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and (3) authorize the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program.

Now, Therefore,

#### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

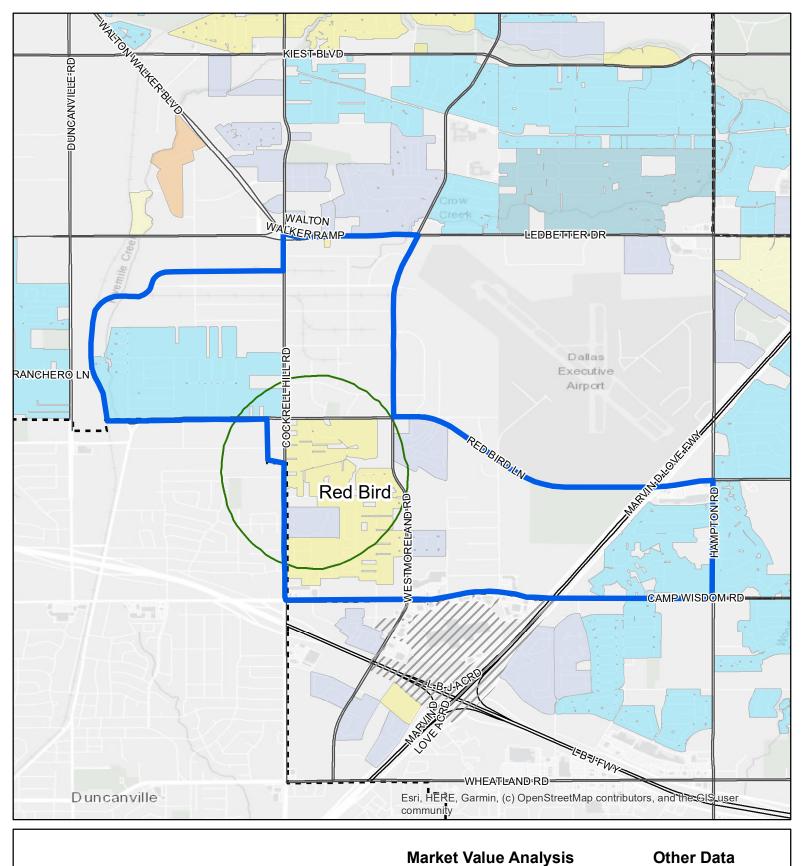
**SECTION 1.** That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

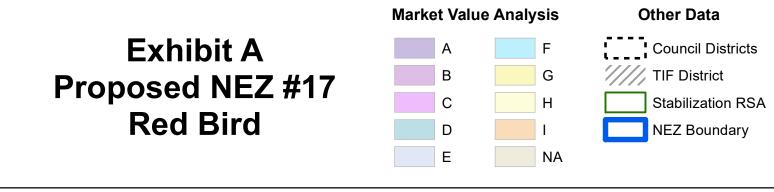
**SECTION 2.** That City Council authorizes a resolution **(1)** designating approximately 1,807 acres of property generally bounded by Ledbetter Drive, Westmoreland Road, Red Bird Lane, Hampton Road, Camp Wisdom Road, and Cockrell Hill Road in the Red Bird North area of Dallas, Texas as City of Dallas Neighborhood Empowerment Zone No. 17 (NEZ No. 17), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation or rehabilitation of affordable housing in the zone, establish boundaries of the zone, and provide for an effective date; **(2)** declaring that projects located within NEZ No. 17 and eligible for the City's Residential NEZ Program may utilize real property and business personal property tax abatements under the provisions of the Residential NEZ Program; and **(3)** authorizing the City Manager to execute individual tax abatement agreements and development grant agreements in amounts equal to development fees and certain development-related costs up to \$50,000.00 in accordance with the Residential NEZ Program.

**SECTION 3.** That the NEZ No. 17 is hereby created as depicted on the map attached as Exhibit A, describing the boundary of NEZ No. 17.

**SECTION 4.** That to be declared eligible for tax abatements and development grants in amounts equal to development fees and certain development-related costs, projects within NEZ No. 17 must meet the requirements of the Residential NEZ Program within the CHP, as amended.

**SECTION 5.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.







## City of Dallas

1500 Marilla Street Dallas, Texas 75201

## Agenda Information Sheet

File #: 20-49 Item #: 14.

STRATEGIC PRIORITY: Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): 9

**DEPARTMENT:** Department of Public Works

**EXECUTIVE:** Majed Al-Ghafry

### SUBJECT

Authorize a construction contract for the selected interior rehabilitation and site improvements at the Bath House Cultural Center located at 521 East Lawther Drive - Nedderman & Associates, Inc., best value proposer of two - Not to exceed \$1,194,400.00 - Financing: Cultural Arts (F) Fund (2017 General Obligation Bond Fund)

## **BACKGROUND**

This action will authorize a construction contract with Nedderman & Associates, Inc. for the Bath House Cultural Center, a project approved by the citizens of Dallas in the 2017 Bond Program. The scope of work includes upgrades to public restrooms on the first floor in compliance with the Americans with Disabilities Act (ADA), improvements to the kitchen, lobby areas, construction of ADA -site parking spaces, and an accessible route to the Cultural Center.

## **ESTIMATED SCHEDULE OF PROJECT**

Begin Construction February 2020 Complete Construction June 2020

## PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On March 27, 2019, City Council authorized a professional services contract with ArchiTexas - Architecture, Planning and Historic Preservation, Inc. for architectural and engineering design and construction administration services for the Bath House Cultural Center located at 521 East Lawther Drive by Resolution No. 19-0408.

File #: 20-49 Item #: 14.

### FISCAL INFORMATION

Fund	FY 2020	FY 2021	Future Years
Cultural Arts (F) Fund (2017 General Obligation Bond Fund)	\$1,194,400.00	\$0.00	\$0.00
Total	\$1,194,400.00	\$0.00	\$0.00

#### M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$1,194,400.00	Construction	25.00%	30.94%	\$369,531.00
This contract exceeds the M/WBE goal.				

## PROCUREMENT INFORMATION

A Request for Competitive Sealed Proposal was issued on October 9, 2019 for proposal submittals from qualified contractors for evaluation by a Selection Committee comprised of City staff familiar with design and construction of City facilities. Two competitive sealed proposals were received on November 8, 2019. Following an independent review of each submitted proposal, members of the Selection Committee met to determine a cumulative final ranking order of all proposals submitted. The Committee's recommendation of the Best Value Proposal for this construction contract was submitted by Nedderman & Associates, Inc.

<sup>\*</sup>Denotes successful proposer

	**Alter. Nos. 1, 2,			
<u>Proposers</u>	Base Bid	4, 5, 6, 7 and 8	Total Bid F	Ranking
*Nedderman & Associates, Inc. 8610 King George Drive	\$998,600.00	\$197,825.00	\$1,196,425.00	1
Dallas, Texas 75235 Phoenix I Restoration and Construction, Ltd.	\$998,600.00	\$321,800.00	\$1,320,400.00	2

Note: After negotiations with Nedderman & Associates, Inc. and the addition of Alternate Nos. 1, 2, 4, 5, 6, 7 and 8, the Best and Final Offer was \$1,194,400.00.

<sup>\*\*</sup>Alternate No. 1 - provides for new light fixtures in the entrance lobby.

<sup>\*\*</sup>Alternate No. 2 - provides for two new toilets and sinks in the theater dressing rooms.

<sup>\*\*</sup>Alternate No. 4 - provides for new lighting and controls in the basement performance area.

<sup>\*\*</sup>Alternate No. 5 - provides for a new removable stage at the basement performance area.

File #: 20-49 Item #: 14.

- \*\*Alternate No. 7 provides for the removal of loose and flaking paint at basement ceiling and walls and repaint surfaces.
- \*\*Alternate No. 8 provides for the removal of all exposed abandoned pipes, conduits and miscellanies fixtures at the basement.

## **OWNER**

Nedderman & Associates, Inc.

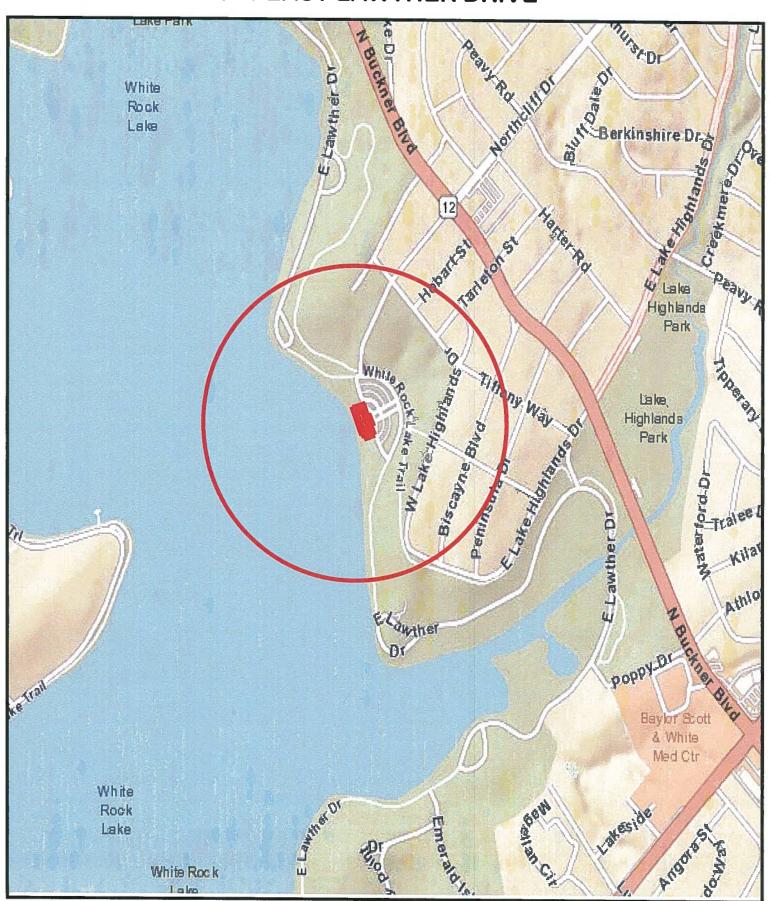
Billy Johnson, Vice President

## **MAP**

Attached

<sup>\*\*</sup>Alternate No. 6 - provides for the removal and replacement of the existing slab floor at the basement.

## BATH HOUSE CULTURAL CENTER 521 EAST LAWTHER DRIVE



**COUNCIL DISTRICT 9** 

**WHEREAS**, the citizens of Dallas approved funding in the 2017 Bond Program for the design and construction for the Bath House Cultural Center; and

**WHEREAS,** on March 27, 2019, City Council authorized a professional service contract with ArchiTexas – Architecture, Planning and Historic Preservation, Inc. for architectural and engineering design and construction administration services for the Bath House Cultural Center located at 521 East Lawther Drive by Resolution 19-0408; and

**WHEREAS**, two competitive sealed proposals were received and opened on November 8, 2019; and

**WHEREAS**, the two responsive proposers were evaluated and ranked as follows:

	**Alter. Nos. 1, 2,				
<u>Proposers</u>	Base Bid	4, 5, 6, 7 and 8	Total Bid	<u>Ranking</u>	
Nedderman & Associates, Inc.	\$998,600.00	\$197,825.00	\$1,196,425.00	1	
Phoenix I Restoration and	\$998,600.00	\$321,800.00	\$1,320,400.00	2	
Construction, Ltd.					

<sup>\*\*</sup>Alternate No. 1 - provides for new light fixtures in the entrance lobby.

**WHEREAS,** Nedderman & Associates Inc. provided an original base proposal of \$998,600.00, and after further negotiations with the Contractor and the addition of Alternates No. 1, 2, 4, 5, 6, 7, and 8, the final contract amount is \$1,194,400.00; and

**WHEREAS**, it is now desirable to authorize a construction contract with Nedderman & Associates, Inc. for the selected interior rehabilitation and site improvements at the Bath House Cultural Center located at 521 East Lawther Drive, in an amount not to exceed \$1,194,400.00.

<sup>\*\*</sup>Alternate No. 2 - provides for two new toilets and sinks in the theater dressing rooms.

<sup>\*\*</sup>Alternate No. 4 - provides for new lighting and controls in the basement performance area.

<sup>\*\*</sup>Alternate No. 5 - provides for a new removable stage at the basement performance area.

<sup>\*\*</sup>Alternate No. 6 - provides for the removal and replacement of the existing slab floor at the basement.

<sup>\*\*</sup>Alternate No. 7 - provides for the removal of loose and flaking paint at basement ceiling and walls and repaint surfaces.

<sup>\*\*</sup>Alternate No. 8 - provides for the removal of all exposed abandoned pipes, conduits and miscellanies fixtures at the basement; and

Now, Therefore,

#### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That the City Manager is hereby authorized to execute a construction contract with Nedderman & Associates, Inc., approved as to form by the City Attorney, for the selected interior rehabilitation and site improvements at the Bath House Cultural Center located at 521 East Lawther Drive, in an amount not to exceed \$1,194,400.00.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$1,194,400.00 to Nedderman & Associates, Inc., in accordance with the terms and conditions of the Bath House Cultural Center contract, from the Cultural Arts (F) Fund, Fund 1V49, Department OCA, Unit VF01, Activity CULF, Object 4310, Program EB17VF01, Encumbrance/Contract No. CX-BON-2020-00012374, Vendor 341628.

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.





#### 1500 Marilla Street Dallas, Texas 75201

## Agenda Information Sheet

File #: 20-23 Item #: 15.

STRATEGIC PRIORITY: Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): 4

**DEPARTMENT:** Department of Sustainable Development and Construction

**EXECUTIVE:** Majed Al-Ghafry

### SUBJECT

Authorize moving expense and replacement housing payments for Daniel Davila and Debbie G. Davila as a result of an official written offer of just compensation to purchase real property at 2943 McGowan Street for the Cadillac Heights Phase II Project - Not to exceed \$67,050.00 - Financing: Land Acquisition in Cadillac Heights Fund (2006 Bond Funds)

## **BACKGROUND**

Chapter 39A of the Dallas Code of the City of Dallas provides moving expense and replacement housing payments for individuals displaced by the City of Dallas in conjunction with its real property acquisition activities.

On October 8, 2019, City Council authorized the acquisition of real property known as 2943 McGowan Street for the Cadillac Heights Phase II Project by Resolution No. 19-1577.

Daniel Davila and Debbi G. Davila have been displaced as a direct result of this property acquisition. They qualify for a moving expense payment of up to \$2,050.00 and a last resort calculated replacement housing payment of up to \$65,000.00 pursuant to the Dallas City Code and will use the replacement housing payment to acquire a replacement property.

## PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On October 8, 2019, City Council authorized the acquisition from Daniel Davila and Debbie G. Davila of approximately 5,671 square feet of land improved with a single-family dwelling located near the intersection of McGowan and Nolen Streets for the Cadillac Heights Phase II Project by Resolution No. 19-1577.

## **FISCAL INFORMATION**

Land Acquisition in Cadillac Heights Fund (2006 Bond Funds) - \$67,050.00

## **OWNERS**

Daniel Davila

Debbie G. Davila

## <u>MAP</u>

Attached

## CADILLAC HEIGHTS PHASE II PROJECT RELOCATION ASSISTANCE



**WHEREAS**, on November 7, 2006, Dallas voters approved the use of General Obligation Bonds to acquire property for future City facilities; and

**WHEREAS**, Daniel Davila and Debbie G. Davila will be displaced as a direct result of this property acquisition and will vacate the property; and

**WHEREAS**, Chapter 39A of the Dallas Code of the City of Dallas provides moving expense and replacement housing payments for individuals displaced by City of Dallas property acquisition activities; and

**WHEREAS,** on October 8, 2019, the City Council authorized the acquisition of real property at 2943 McGowan Street located in the Cadillac Heights neighborhood, to be used in conjunction with the construction of City service and maintenance facilities.

Now, Therefore,

#### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That Daniel Davila and Debbie G. Davila will be displaced in conjunction with the Cadillac Heights Phase II Project and is entitled to moving expense and replacement housing payments pursuant to Chapter 39A of the Dallas Code of the City of Dallas.

**SECTION 2.** That Daniel Davila and Debbie G. Davila is eligible to receive a moving expense payment in an amount up to \$2,050.00 and a replacement housing payment in an amount up to \$65,000.00.

**SECTION 3.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$67,050.00 to Daniel Davila and Debbie G. Davila for moving expense and last resort calculated replacement housing payments.

These warrants are to be paid as follows:

Land Acquisition in Cadillac Heights Fund Fund 4T11, Department EBS, Unit T825 Object 4240, Program PB06T825 Encumbrance/Contract No. CX-PBW-2020-00012434 Vendor VC20978

\$65,000.00

## **SECTION 3.** (continued)

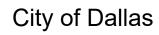
Land Acquisition in Cadillac Heights Fund Fund 4T11, Department EBS, Unit T825 Object 4240, Program PB06T825 Encumbrance/Contract No. CX-PBW-2020-00012435 Vendor VC20978

\$ 2,050.00

Total amount not to exceed

\$67,050.00

**SECTION 4.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.





#### 1500 Marilla Street Dallas, Texas 75201

## Agenda Information Sheet

STRATEGIC PRIORITY: Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): Outside City Limits

**DEPARTMENT:** Department of Sustainable Development and Construction

**EXECUTIVE:** Majed Al-Ghafry

### SUBJECT

Authorize acquisition from David Celella and Lauri Celella, of approximately 114,094 square feet of land located in Kaufman County for the Lake Tawakoni 144-inch Transmission Pipeline Project - Not to exceed \$56,946.00 (\$53,946.00, plus closing costs and title expenses not to exceed \$3,000.00) - Financing: Water Construction Fund

## **BACKGROUND**

This item authorizes the acquisition from David Celella and Lauri Celella, of approximately 114,094 square feet of land located in Kaufman County. This property will be used for the construction of a 144-inch raw water transmission line for the Lake Tawakoni 144-inch Transmission Pipeline Project. The consideration is based on an independent appraisal. There are no relocation benefits associated.

This acquisition is part of the right-of-way required to construct approximately 32 miles of pipeline from Lake Tawakoni to the Interim Balancing Reservoir located in Terrell, Texas and then to the Eastside Water Treatment Plant located in Sunnyvale, Texas. The new raw water pipeline will augment the existing 72-inch and 84-inch pipelines. The construction of this pipeline will give Dallas Water Utilities the ability to utilize the full capacity of both the Lake Tawakoni and the Lake Fork raw water supply to meet the current city needs and future water demands.

## PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

## FISCAL INFORMATION

Water Construction Fund - \$56,946.00 (\$53,946.00, plus closing costs and title expenses not to exceed \$3,000.00)

**File #:** 19-1948 **Item #:** 16.

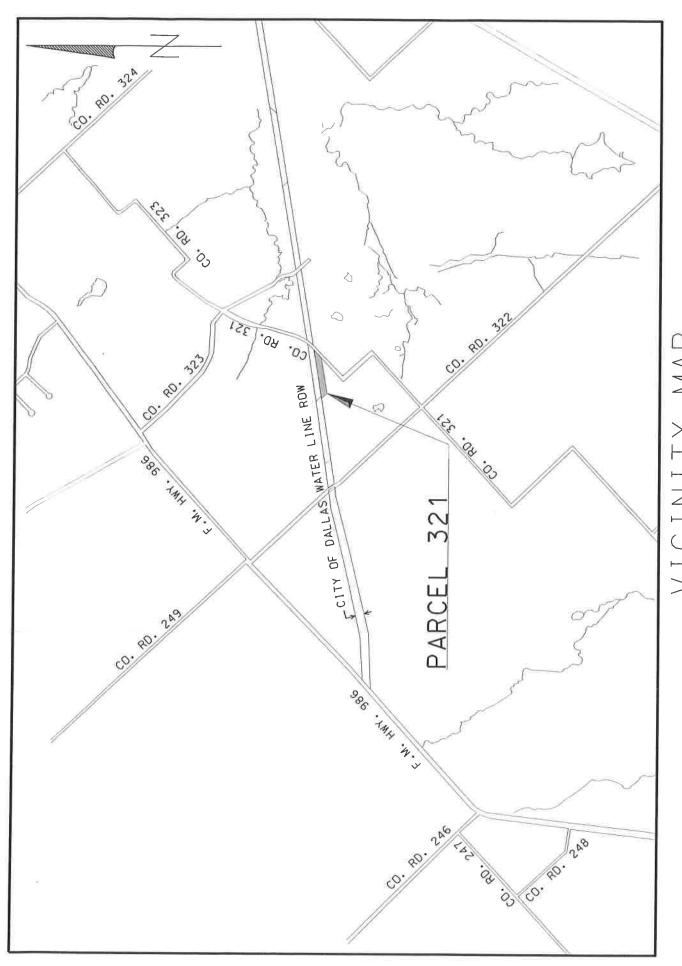
## **OWNERS**

David Celella

Lauri Celella

## **MAP**

Attached



VICINITY MAP Approximate scale 1"= 2000'

## A RESOLUTION DETERMINING UPON THE NECESSITY OF ACQUIRING REAL PROPERTY AND AUTHORIZING ITS PURCHASE FOR PUBLIC USE.

**DEFINITIONS**: For the purposes of this resolution, the following definitions of terms shall apply:

"CITY": The City of Dallas

"PROPERTY": Approximately 114,094 square feet of land located in Kaufman County, Texas, and being the same property more particularly described in Exhibit "A", attached hereto and made a part hereof for all purposes, and any and all improvements, rights and appurtenances appertaining thereto.

"PROJECT": Lake Tawakoni 144-inch Transmission Pipeline

"USE": The installation, use, and maintenance of a pipeline or lines for the transmission of treated water together with such appurtenant facilities as may be necessary, provided, however, to the extent fee title to the PROPERTY is acquired, such title and the PROPERTY shall not be limited to or otherwise deemed restricted to the USE herein provided.

"PROPERTY INTEREST": Fee Simple, subject to the exceptions, reservations, covenants, conditions and/or interests, if any, provided in the form instrument more particularly described in Exhibit "B" attached hereto and made a part hereof for all purposes.

"OWNER": David Celella and Lauri Celella, provided, however, that the term "OWNER" as used in this resolution means all persons having an ownership interest, regardless of whether those persons are actually named herein.

"PURCHASE AMOUNT": \$53,946.00

"CLOSING COSTS AND TITLE EXPENSES": Not to exceed \$3,000.00

"AUTHORIZED AMOUNT": Not to exceed \$56,946.00

## BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That the USE of the PROPERTY for the PROJECT is a public use.

**SECTION 2.** That public necessity requires that CITY acquire the PROPERTY INTEREST in the PROPERTY for the PROJECT.

**SECTION 3.** That the City Manager, and/or the City Manager's designees, is hereby authorized and directed to consummate and accept the purchase, grant, and conveyance to CITY of the PROPERTY INTEREST in and to the PROPERTY pursuant to the conveyancing instrument substantially in the form described in Exhibit "B", attached hereto and made a part hereof for all purposes, and approved as to form by the City Attorney and to execute, deliver and receive such other usual and customary documents necessary, appropriate and convenient to consummating this transaction.

**SECTION 4.** That to the extent the PROPERTY is being purchased wholly or partly with bond proceeds CITY has obtained an independent appraisal of the PROPERTY'S market value.

**SECTION 5.** That OWNER has been provided with a copy of the Landowner's Bill of Rights as contemplated by applicable state statute.

**SECTION 6.** That in the event this acquisition closes, the Chief Financial Officer is hereby authorized and directed to draw a warrant in favor of the OWNER, or the then current owner of record, or the title company closing the transaction described herein in the PURCHASE AMOUNT and CLOSING COSTS AND TITLE EXPENSES payable out of Water Construction Fund, Fund 0102, Department DWU, Unit CW20, Activity RWPT, Program 704041, Object 4210, Encumbrance/Contract No. CX-DWU-2020-00012281. The PURCHASE AMOUNT, CLOSING COSTS and TITLE EXPENSES together shall not exceed the AUTHORIZED AMOUNT.

**SECTION 7.** That CITY is to have possession and/or use, as applicable, of the PROPERTY at closing; and CITY will pay any title expenses and closing costs. All costs and expenses described in this section shall be paid from the previously described funds.

**SECTION 8.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED AS TO FORM:

CHRISTOPHER J. CASO, Interim City Attorney

BY:

Assistant City Attorney

### FIELD NOTES

# DESCRIBING A TRACT OF LAND FOR FEE SIMPLE ACQUISITION OF RIGHT-OF-WAY FOR THE LAKE TAWAKONI RAW WATER TRANSMISSION MAIN KAUFMAN COUNTY, TEXAS

Parcel: 321

BEING a 2.619 acre tract of land in the E. Turner Survey, Abstract No. 529, in Kaufman County, Texas, and being part of a called 5.54 acre tract of land described as "Tract 2" in Warranty Deed with Vendor's Lien to David Celella and wife, Lauri Celella, dated March 28, 2003, as recorded in Volume 2175, Page 465, of the Official Public Records of Kaufman County, Texas (O.P.R.K.C.T.), and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod with red cap stamped "DAL-TECH" (hereinafter referred to as "with cap") set at the northwest corner of said "Tract 2", and in the northeast of a called 120.08 acre tract of land described in Warranty Deed with Vendor's Lien to Early Douglas Lane, Jr., dated May 11, 1953, as recorded in Volume 369, Page 397, of the Deed Records of Kaufman County, Texas (D.R.K.C.T.), also being in the southeast line of a City of Dallas Water Line Right-of-Way (130' Right-of-Way at this point) as recorded in Volume 428, Page 34, D.R.K.C.T.;

THENCE North 77 degrees 23 minutes 59 seconds East, with the northwest line of said "Tract 2" and the southeast line of said City of Dallas Water Line Right-of-Way, a distance of 1,017.60 feet to a 1/2-inch iron rod with cap set at the northeast corner of said "Tract 2" and in the northwest line of a called 44.746 acre tract of land described in Warranty Deed with Vendor's Lien to Joan Marie Layden, a single person, dated October 30, 2000, as recorded in Volume 1594, Page 77, D.R.K.C.T., being in Kaufman County Road No. 321 (variable width Right-of-Way by "use & occupation");

THENCE South 43 degrees 16 minutes 05 seconds West, departing the southeast line of said City of Dallas Water Line Right-of-Way, and with the southeast line of said "Tract 2" and the northwest line of said Layden tract, passing at a distance of 97.85 feet, the north corner of a called 36.45 acre tract of land described as "Tract II" in Warranty Deed to Richard Stewart and wife, Mary Stewart, dated August 8, 2002, as recorded in Volume 2044, Page 142, D.R.K.C.T., continuing with the southeast line of said "Tract 2", a total distance of 231.69 feet to a 1/2-inch iron rod with cap set;

THENCE South 77 degrees 23 minutes 59 seconds West, departing the southeast line of said "Tract 2" and the northwest line of said "Tract II", a distance of 737.70 feet to a 1/2-inch iron rod with cap set in the southwest line of said "Tract 2" and the northeast line of said Lane tract;

THENCE North 46 degrees 43 minutes 55 seconds West, with the southwest line of said "Tract 2" and the northeast line of said Lane tract, a distance of 157.05 feet, to the POINT OF BEGINNING and containing 114,094 square feet or 2.619 acres of land, more or less.





EXHIBIT A

#### FIELD NOTES

## DESCRIBING A TRACT OF LAND FOR FEE SIMPLE ACQUISITION OF RIGHT-OF-WAY FOR THE LAKE TAWAKONI RAW WATER TRANSMISSION MAIN KAUFMAN COUNTY, TEXAS

Parcel: 321

All bearings for this tract refer to the NAD-83 Texas State Plane Coordinate System, North Central Zone 4202, according to measurements made at NGS continuously operating reference stations Collin CORS ARP, Dallas CORS ARP, Kaufman CORS ARP, Tyler CORS ARP, and Paris CORS ARP. The Kaufman County scale factor of 1.000114077 as published by the Texas Department of Transportation, Dallas District was used for this project.

A plat of even survey date herewith accompanies this legal description.

Company Name:

Surveyor's Name:

DAL-TECH Engineering, Inc.

TBPLS Firm No. 10123500

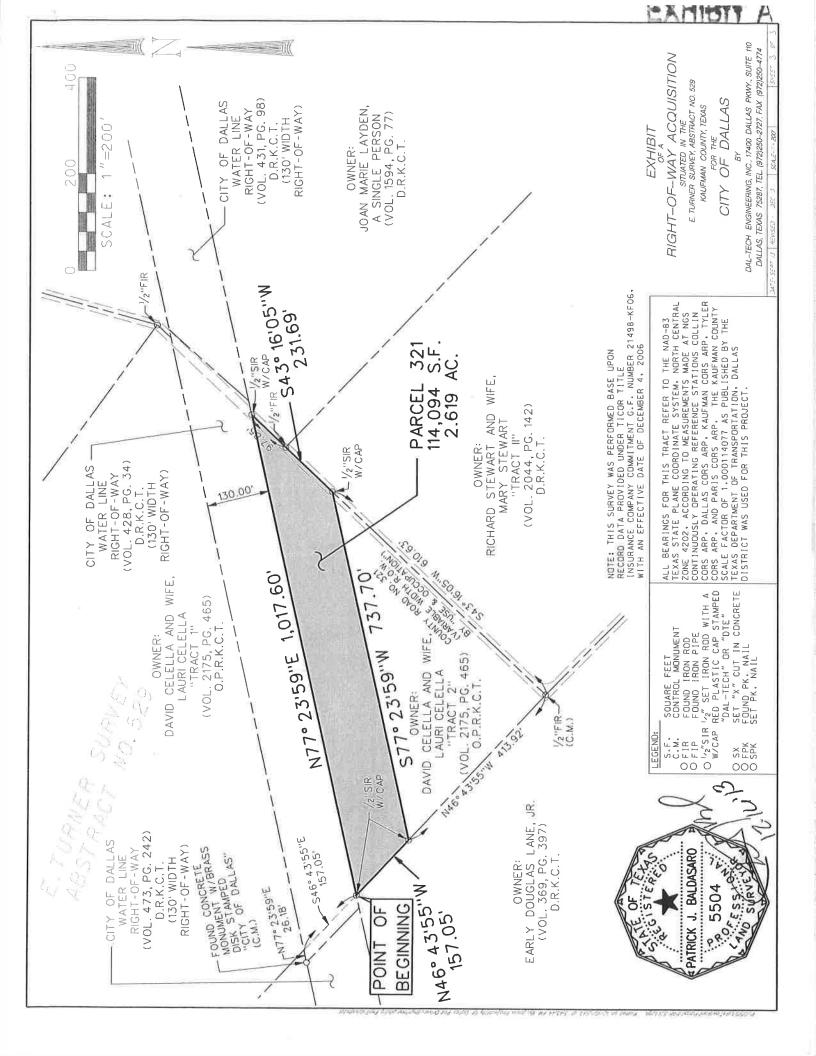
By:\_\_

Date:

Patrick J. Baldasaro

Registered Professional Land Surveyor

Texas No. 5504



## **EXHIBIT B**

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

## WARRANTY DEED

THE STATE OF TEXAS	§ KNOW ALL PERSONS BY THESE PRESENTS:			
COUNTY OF KAUFMAN	§ KNOW ALLT EXCONS BY THESE PRESENTS.			
whether one or more natured Texas, for and in considerable HUNDRED FORTY SIX And hand paid by the City of Immunicipal corporation (he acknowledged and confess sell and convey unto City,	Lauri Celella a married couple (hereinafter called "Grantor" ral persons or legal entities) of the County of Dallas, State of deration of the sum of FIFTY THREE THOUSAND NINE AND 00/100 DOLLARS (\$53,946.00) to the undersigned in <b>Dallas, 1500 Marilla Street, Dallas, Texas, 75201</b> , a Texas ereinafter called "City"), the receipt of which is hereby sed, has granted, sold and conveyed and does hereby grant, its successors and assigns, all of the property described in and made a part hereof by reference for all purposes.			
	This conveyance is made and accepted subject to the xhibit B which is attached hereto and incorporated herein for			
TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto City, its successors and assigns forever, and Grantor binds Grantor and Grantor's heirs, executors, administrators or successors, to Warrant and Forever Defend all and singular the said premises unto City, its successors and assigns, against every person whomsoever lawfully claiming, or to claim the same or any part thereof.				
EXECUTED this	day of,,			
APPROVED AS FO FORM: CHRISTOPHER J CASO, Interim City A	Attorney /			

David Celella



	Lauri Celella
* * * * * * * *	* * * * * * * * *
STATE OF TEXAS COUNTY OF KAUFMAN	
This instrument was acknowledged befo by David Celella.	re me on
	Notary Public, State of TEXAS
* * * * * * * *	* * * * * * * * * *
STATE OF TEXAS COUNTY OF KAUFMAN	
This instrument was acknowledged before by Lauri Celella.	re me on
	Notary Public, State of TEXAS
* * * * * * * * *	* * * * * * * * * *

After recording return to:
City of Dallas

Department of Sustainable Development and Construction
Real Estate Division
320 East Jefferson Boulevard, Room 203
Dallas, Texas 75203
attn: Christian Roman

Warranty Deed Log No. 41745

#### FIELD NOTES

# DESCRIBING A TRACT OF LAND FOR FEE SIMPLE ACQUISITION OF RIGHT-OF-WAY FOR THE LAKE TAWAKONI RAW WATER TRANSMISSION MAIN KAUFMAN COUNTY, TEXAS

Parcel: 321

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BEGINNING at a 1/2-inch iron rod with red cap stamped "DAL-TECH" (hereinafter referred to as "with cap") set at the northwest corner of said "Tract 2", and in the northeast of a called 120.08 acre tract of land described in Warranty Deed with Vendor's Lien to Early Douglas Lane, Jr., dated May 11, 1953, as recorded in Volume 369, Page 397, of the Deed Records of Kaufman County, Texas (D.R.K.C.T.), also being in the southeast line of a City of Dallas Water Line Right-of-Way (130' Right-of-Way at this point) as recorded in Volume 428, Page 34, D.R.K.C.T.;

THENCE North 77 degrees 23 minutes 59 seconds East, with the northwest line of said "Tract 2" and the southeast line of said City of Dallas Water Line Right-of-Way, a distance of 1,017.60 feet to a 1/2-inch iron rod with cap set at the northeast corner of said "Tract 2" and in the northwest line of a called 44.746 acre tract of land described in Warranty Deed with Vendor's Lien to Joan Marie Layden, a single person, dated October 30, 2000, as recorded in Volume 1594, Page 77, D.R.K.C.T., being in Kaufman County Road No. 321 (variable width Right-of-Way by "use & occupation");

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THENCE North 46 degrees 43 minutes 55 seconds West, with the southwest line of said "Tract 2" and the northeast line of said Lane tract, a distance of 157.05 feet, to the POINT OF BEGINNING and containing 114,094 square feet or 2.619 acres of land, more or less.



EXHIBIT A

#### FIELD NOTES

# DESCRIBING A TRACT OF LAND FOR FEE SIMPLE ACQUISITION OF RIGHT-OF-WAY FOR THE LAKE TAWAKONI RAW WATER TRANSMISSION MAIN KAUFMAN COUNTY, TEXAS

Parcel: 321

All bearings for this tract refer to the NAD-83 Texas State Plane Coordinate System, North Central Zone 4202, according to measurements made at NGS continuously operating reference stations Collin CORS ARP, Dallas CORS ARP, Kaufman CORS ARP, Tyler CORS ARP, and Paris CORS ARP. The Kaufman County scale factor of 1.000114077 as published by the Texas Department of Transportation, Dallas District was used for this project.

A plat of even survey date herewith accompanies this legal description.

Company Name:

DAL-TECH Engineering, Inc.

TBPLS Firm No. 10123500

Ву: \_\_\_

Date:

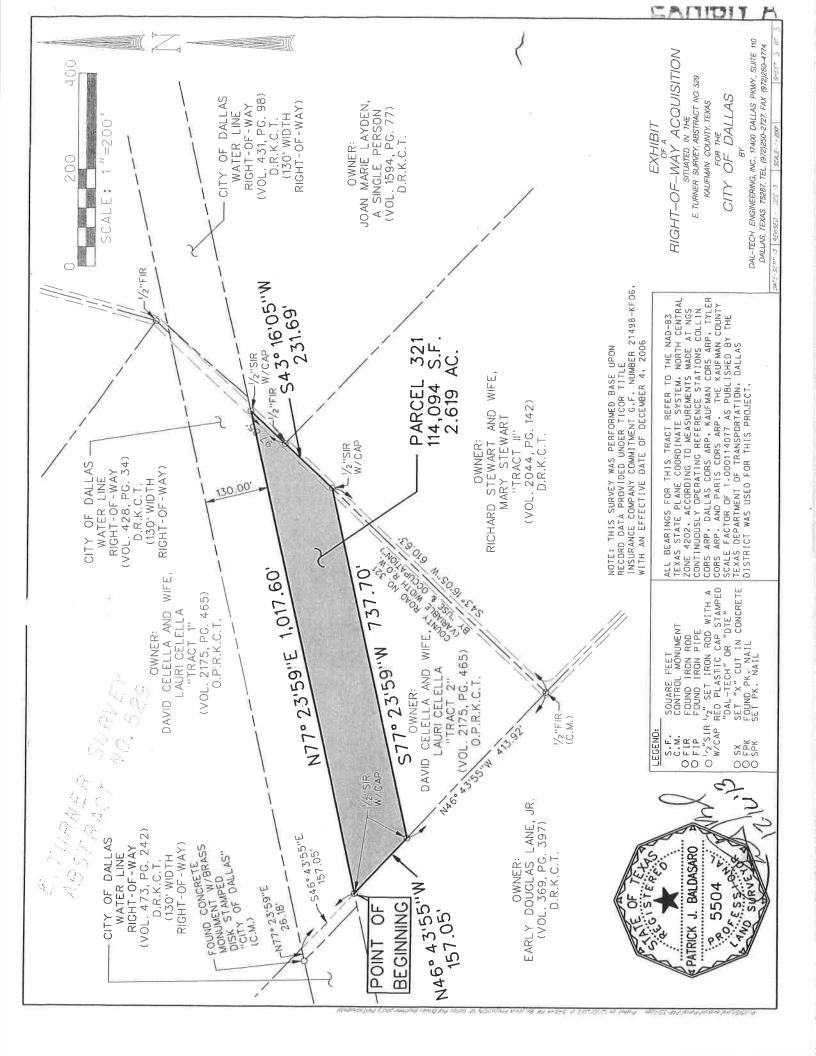
12-14:13

Surveyor's Name:

Patrick J. Baldasaro

Registered Professional Land Surveyor

Texas No. 5504



#### **EXHIBIT B**

#### EASEMENT -- GRAZING AND AGRICULTURAL USE

Grantor, for Grantor and Grantor's heirs, successors and assigns ("the holder of the easement") does hereby reserve an easement over, on and across the property described in Exhibit "A" for agricultural and/or grazing purposes in connection with Grantor' use of Grantor's adjoining or abutting property and in a manner as not to endanger or interfere with the safe, efficient and/or convenient use of and activity on the property described in Exhibit "A" by City.

In no event may the holder of the easement construct or install, or cause to be constructed or installed, in the easement any permanent improvements, roads, pavement, utilities, structures, buildings, cattle tanks and/or stock ponds. Any activity by the holder of the easement involving excavation, contouring, and/or grading beyond normal agricultural tillage and installation of fence posts is strictly prohibited. Any activity by the holder of the easement causing or likely to cause excessive erosion, as determined by City, is strictly prohibited. In no event and under no circumstances may the holder of the easement operate within the easement any vehicles, equipment or machinery exceeding 15,000 lbs in weight. The holder of the easement shall not grow any trees, shrubs, vines or other excessive undergrowth that would prevent or unreasonably impair aerial inspection of the property by City.

The holder of this easement may fence the boundaries of the easement (but no cross fencing) to control livestock and wildlife; provided, however, adequate gates, cattle guards and other means of access are provided and maintained by the holder of the easement to facilitate City's full and unlimited access to, from and across the easement at all times for any and all purposes.

This easement is nonexclusive, and City reserves for City and City's successors and assigns the right to convey to others easements that do not unreasonably impair or obstruct this easement. Notwithstanding any provision of this easement reservation to the contrary, City and City's successors and assigns shall in all respects and at all times have the superior and paramount right of use, access and control of the property described in Exhibit "A' and covered by this easement, without any liability for damages to planted, growing or mature crops and/or to the turf that may be growing thereon. City and City's successors and assigns will repair any boundary fences it may cut or damage by its activities and will endeavor to exercise due care to avoid damage to or the escape of livestock that may be pastured in the easement.

The holder of the easement agrees to indemnify, defend and hold City and City's successors in interest harmless from any loss, attorney's fees, court and other costs, expenses or claims attributable to any breach or default of any provision of this easement by the holder and/or any negligent act or omission by the holder with regard to this easement. In the event the holder of the easement shall place any unpermitted structure, improvement, use or material within the easement and fails to remove same immediately upon receipt of notice from City, City shall have the right, but not the obligation, to remove such structure, improvement, use and/or material, and the holder of the easement shall reimburse City for any and all costs connected with such action immediately upon demand.

This easement shall terminate if and when the holder of the easement no longer owns or uses adjoining or abutting property for agricultural and/or grazing purposes.

# EXHIBIT A

#### FIELD NOTES

# DESCRIBING A TRACT OF LAND FOR FEE SIMPLE ACQUISITION OF RIGHT-OF-WAY FOR THE LAKE TAWAKONI RAW WATER TRANSMISSION MAIN KAUFMAN COUNTY, TEXAS

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THENCE South 43 degrees 16 minutes 05 seconds West, departing the southeast line of said City of Dallas Water Line Right-of-Way, and with the southeast line of said "Tract 2" and the northwest line of said Layden tract, passing at a distance of 97.85 feet, the north corner of a called 36.45 acre tract of land described as "Tract II" in Warranty Deed to Richard Stewart and wife, Mary Stewart, dated August 8, 2002, as recorded in Volume 2044, Page 142, D.R.K.C.T., continuing with the southeast line of said "Tract 2", a total distance of 231.69 feet to a 1/2-inch iron rod with cap set;

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THENCE North 46 degrees 43 minutes 55 seconds West, with the southwest line of said "Tract 2" and the northeast line of said Lane tract, a distance of 157.05 feet, to the POINT OF BEGINNING and containing 114,094 square feet or 2.619 acres of land, more or less.





EXHIBIT A

#### FIELD NOTES

# DESCRIBING A TRACT OF LAND FOR FEE SIMPLE ACQUISITION OF RIGHT-OF-WAY FOR THE LAKE TAWAKONI RAW WATER TRANSMISSION MAIN

### KAUFMAN COUNTY, TEXAS

12.14:13

Parcel: 321

All bearings for this tract refer to the NAD-83 Texas State Plane Coordinate System, North Central Zone 4202, according to measurements made at NGS continuously operating reference stations Collin CORS ARP, Dallas CORS ARP, Kaufman CORS ARP, Tyler CORS ARP, and Paris CORS ARP. The Kaufman County scale factor of 1.000114077 as published by the Texas Department of Transportation, Dallas District was used for this project.

A plat of even survey date herewith accompanies this legal description.

Company Name:

By:

DAL-TECH Engineering, Inc.

TBPLS Firm No. 10123500

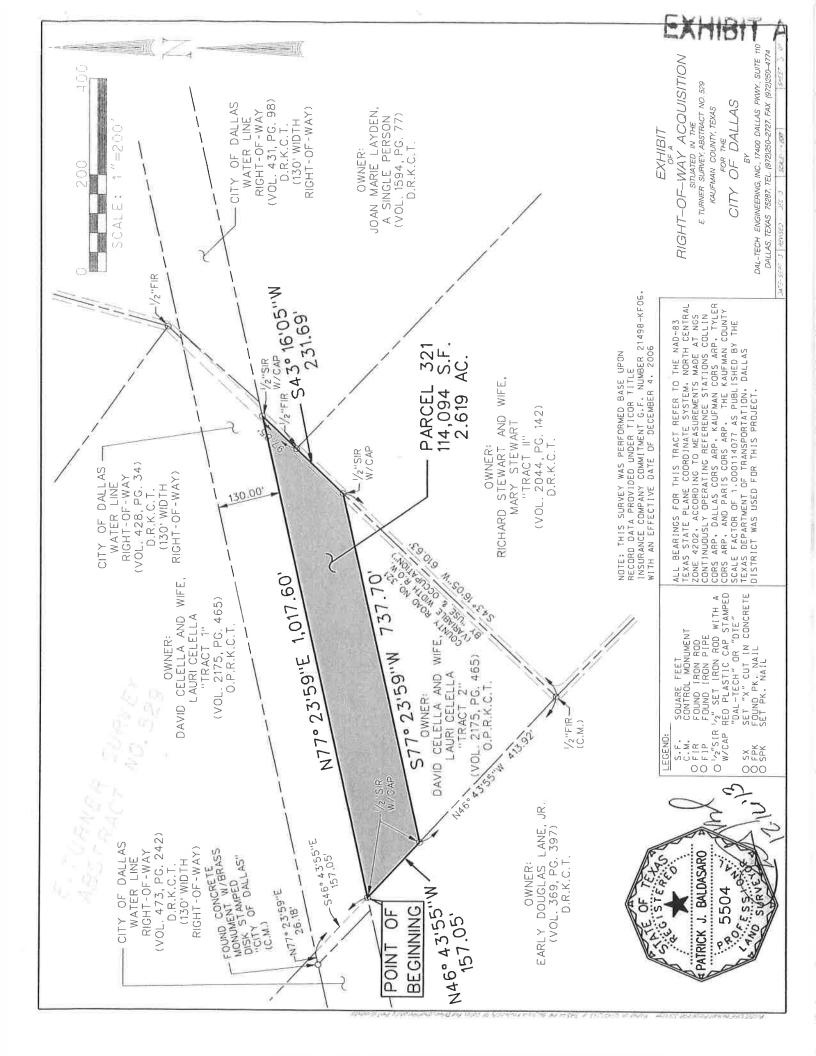
Surveyor's Name:

Patrick J. Baldasaro

Registered Professional Land Surveyor

Date:

Texas No. 5504





## City of Dallas

### Agenda Information Sheet

File #: 19-1820 Item #: 17.

**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): 6

**DEPARTMENT:** Department of Sustainable Development and Construction

**EXECUTIVE:** Majed Al-Ghafry

#### SUBJECT

Authorize an increase in the amount for the acquisition of a wastewater easement from Feizy Properties Inc., of approximately 146 square feet of land located near the intersection of Turtle Creek Boulevard and Market Center Boulevard for the Lower Eastbank Interceptor Project - Not to exceed \$365.00, increased from \$8,475.00 (\$5,475.00, plus closing costs and title expenses not to exceed \$3,000.00) to \$8,840.00 (\$5,840.00, plus closing costs and title expenses not to exceed \$3,000.00) - Financing: Wastewater Capital Improvement D Fund

#### **BACKGROUND**

This item authorizes an increase in the amount for the acquisition of a wastewater easement from Feizy Properties Inc., of approximately 146 square feet of land located near the intersection of Turtle Creek Boulevard and Market Center Boulevard for the Lower Eastbank Interceptor Project. This property will be used for the construction of a 104-inch diameter wastewater main and two 72-inch diameter wastewater mains. The consideration is based on an independent appraisal. No relocation costs are associated.

#### PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On September 11, 2019, City Council authorized the acquisition of a wastewater easement from Feizy Properties Inc., of approximately 146 square feet of land located near the intersection of Turtle Creek Boulevard and Market Center Boulevard for the Lower Eastbank Interceptor Project by Resolution No. 19-1393.

#### FISCAL INFORMATION

Wastewater Capital Improvement D Fund - \$365.00

Resolution No. 19-1393 \$8,475.00 Additional Amount (this action) \$ 365.00

Total Authorized Amount \$8,840.00

### **OWNER**

Feizy Properties Inc.

John Feizy, President

<u>MAP</u>

Attached

**BLK 36/7888** 

A RESOLUTION AUTHORIZING THE ACQUISITION OF REAL PROPERTY FOR A NEGOTIATED PRICE HIGHER THAN THE AUTHORIZED PURCHASE AMOUNT.

WHEREAS, the Dallas City Council by the FIRST RESOLUTION authorized acquisition, by purchase, of the PROPERTY INTERESTS in the PROPERTY held by OWNER for the PROJECT (all said capitalized terms being defined below); and

WHEREAS, OWNER refused the FIRST RESOLUTION PURCHASE AMOUNT, but has agreed to the SETTLEMENT AMOUNT stated herein; and

WHEREAS, the City Council desires to authorize the City Manager to acquire the PROPERTY INTERESTS in the PROPERTY for the negotiated PURCHASE AMOUNT stated herein.

Now, Therefore,

#### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That the following definitions shall apply to this resolution:

"CITY": The City of Dallas

"FIRST RESOLUTION": Resolution No. 19-1393 approved by the Dallas City Council on September 11, 2019 authorized the acquisition by purchase of a tract of land containing approximately 146 square feet for a purchase amount of \$8,475.00 (\$5,475.00, plus closing costs and title expenses not to exceed \$3,000.00)

"PROJECT": Lower East Bank Interceptor Project

- "USE": The construction, use, and maintenance of a pipeline or lines for the transmission of treated water together with such appurtenant facilities as may be necessary, provided, however to the extent fee title to the PROPERTY is acquired, such title and the PROPERTY shall not be limited to or otherwise deemed restricted to the USE herein provided.
- "OWNER": Feizy Properties Inc., provided, however, that the term "OWNER" as used in this resolution means all persons having an ownership interest, regardless of whether those persons are actually named herein.
- "PROPERTY INTEREST": Fee Simple, subject to the exceptions, reservations, covenants, conditions and/or interests, if any provided in the conveyance instrument more particularly described in Exhibit "B" attached hereto and made a part hereof for all purposes.

#### **SECTION 1.** (continued)

"PROPERTY": Approximately 146 square feet of land located in Dallas County, Texas, and being the same property more particularly described in Exhibit "A", attached hereto and made a part hereof for all purposes, and any and all improvements, rights and appurtenances appertaining hereto.

"FIRST RESOLUTION PURCHASE AMOUNT": \$5,475.00

"SETTLEMENT AMOUNT": \$5,840.00

"CLOSING COSTS AND TITLE EXPENSES": Not to exceed \$3,000.00

"REVISED AUTHORIZED AMOUNT": \$8,840.00

**SECTION 2.** That the City Manager, and/or the City Manager's designees, is hereby authorized and directed to consummate and accept the purchase, grant, and conveyance to the CITY of the PROPERTY INTERESTS in and to the PROPERTY pursuant to the conveyance instrument approved as to form by the City Attorney and to execute, deliver and receive such other usual and customary documents necessary, appropriate and convenient to consummating the transaction.

**SECTION 3.** That to the extent the PROPERTY is being purchased wholly or partly with bond proceeds CITY has obtained an independent appraisal of the PROPERTY'S market value.

**SECTION 4.** That OWNER has been provided with a copy of the Landowner's Bill of Rights as contemplated by applicable state statute.

**SECTION 5.** That in the event this acquisition closes, the Chief Financial Officer is hereby authorized and directed to draw a warrant in favor of the OWNER, or the then current owner of record, or the title company closing the transaction described herein in the SETTLEMENT AMOUNT and CLOSING COSTS AND TITLE EXPENSES payable as follows:

Wastewater Capital Improvement D Fund, Fund 2116, Department DWU, Unit PS40, Activity MPSA, Program 716358, Object 4250, Encumbrance/Contract No. CX-DWU-2019-00010998, in an amount not to exceed \$8,475.00

Wastewater Capital Improvement D Fund, Fund 2116, Department DWU, Unit PS40, Activity MPSA, Program 716358, Object 4250, Encumbrance/Contract No. CX-DWU-2019-00010998, in an amount not to exceed \$365.00.

**SECTION 6.** That the CITY is to have possession and/or use, as applicable, of the PROPERTY at closing; and the CITY will pay any title expenses and closing costs. All costs and expenses described in this section shall be paid from the previously described funds.

**SECTION 7.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED AS TO FORM:

CHRISTOPHER J. CASO, Interim City Attorney

BY: Assistant City Attorney

EXHIBIT A

#### 146 SQUARE FOOT (0.003 ACRES) PERMANENT WASTE WATER EASEMENT SAMUEL LOCKHART SURVEY, ABSTRACT NO. 817

Being a 146 square foot or 0.003 acre permanent waste water easement situated in the Samuel Lockhart Survey, Abstract No. 817, City of Dallas, Dallas County, Texas, said permanent waste water easement being a portion of Lot 6, Block 36/7888 of Trinity Industrial District Installment No. 13, an addition to the City of Dallas, Texas, as recorded in Volume 23, Page 165 of the Map Records of Dallas County, Texas, and being a portion of a tract of land conveyed to Feizy Properties, Inc. as recorded in Volume 2001162, Page 5381 of the Deed Records of Dallas County, Texas, said 0.003 acre permanent waste water easement being more particularly described by metes and bounds as follows:

**COMMENCING** at a 5/8 inch iron rod with plastic cap stamped "Gorrondona & Associates" found (controlling monument) for the southeasterly corner of said Lot 1. Block 36/7888 of said Trinity Industrial District Installment No. 13 Addition and the southwesterly corner of Lot 7, Block 36/7888 of said Trinity Industrial District Installment No. 13 Addition, said 5/8 inch iron rod with plastic cap stamped "Gorrondona & Associates" also being in the northwesterly right-of-way line of Turtle Creek Boulevard (a variable width right-of-way) and the beginning of a non-tangent curve to the right having a radius of 309.44 feet, a central angle of 12 degrees 40 minutes 54 seconds, and whose chord bears North 00 degrees 36 minutes 08 seconds West, a distance of 68.35 feet, THENCE Northerly with said non-tangent curve to the right, with the westerly line of said Lot 7 and with the easterly line of said Lot 1, a distance of 68,49 feet to a 5/8 inch iron rod with plastic cap stamped "Gorrondona & Associates" set for the southeasterly corner of said Lot 6 and the POINT OF BEGINNING of the herein described tract:

#### THENCE

North 78 degrees 21 minutes 54 seconds West, with the southerly line of said Lot 6 and with the northerly line of said Lot 1, a distance of 5.04 feet to a 5/8 inch iron rod with plastic cap stamped "Gorrondona & Associates" set for the southeasterly corner of a 0.3373 acre (by deed) tract of land conveyed to The City of Dallas as recorded in Instrument No. 201100174952 of the Official Public Records of Dallas County, Texas and the beginning of a non-tangent curve to the right having a radius of 291.70 feet, a central angle of 05 degrees 49 minutes 44 seconds, and whose chord bears North 08 degrees 21 minutes 52 seconds East, a distance of 29.66 feet, from which a 1/2 inch iron rod found (controlling monument) for the most northerly northeast corner of said Lot 1 and the southwesterly corner of said Lot 6, said 1/2 inch iron rod also being in the easterly line of the Old Channel of the Trinity River, bears North 78 degrees 21 minutes 54 seconds West, a distance of 26.26 feet;

THENCE

Northerly with said non-tangent curve to the right and with the easterly line of said 0.3373 acre tract of land, an arc distance of 29.68 feet to a 5/8 inch iron rod with plastic cap stamped "Gorrondona & Associates" set for corner;

THENCE

South 60 degrees 16 minutes 39 seconds East, a distance of 5.39 feet to a 5/8 inch iron rod with plastic cap stamped "Gorrondona & Associates" set for corner in the easterly line of said Lot 6 and the westerly line of said Lot 7, said 5/8 inch iron rod with plastic cap stamped "Gorrondona & Associates" also being the beginning of a non-tangent curve to the left having a radius of 309.44 feet, a central angle of 5 degrees 11 minutes 03 seconds, and whose chord bears South 08 degrees 19 minutes 50 seconds West, a distance of 27.99 feet;

THENCE

Southeasterly with said non-tangent curve to the left, with the easterly line of said Lot 6 and with the westerly line of said Lot 7, an arc length of 28.00 feet to the **POINT OF BEGINNING**, and containing 146 square feet or 0.003 acres of land, more or less.

**NOTE**: All bearings and coordinates are referenced to the Texas State Plane Coordinate System, North Central Zone 4202, with horizontal datum of NAD83, with a Surface Factor for this project of 1.000136506. Distances and areas shown are surface.

#### \* SURVEYOR'S CERTIFICATE \*

TO ALL PARTIES INTERESTED IN TITLE TO THE PREMISES SURVEYED, I DO HEREBY STATE THAT THE ABOVE LEGAL DESCRIPTION WAS PREPARED FROM PUBLIC RECORDS AND FROM AN ACTUAL AND ACCURATE SURVEY UPON THE GROUND AND THAT SAME IS TRUE AND CORRECT.

Date of Survey: October 17, 2018

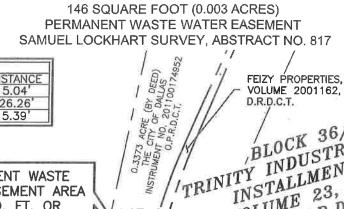
Lyndon M. Hodgin

Registered Professional Land Surveyor,

Texas No. 4584

Texas Firm No. 10106903





LOT 7

LOT 6

C. C. S.

Exhibit A

	LINE TABLE	
LINE	BEARING	DISTANCE
L-1	N 78°21'54"W	5.04'
L-2	N 78'21'54"W	26.26
L-3	S 60'16'39"E	5.39'

FEIZY PROPERTIES, INC. VOLUME 2001162, PAGE 5381

PERMANENT WASTE WATER EASEMENT AREA 146 SQ. FT. OR 0.003 ACRES

// BLOCK 36/7888
/TRINITY INDUSTRIAL DISTRICT INSTALLMENT NO. VOLUME 23, PAGE M.R.D.C.T.

AZOFF IRVING, CO TRUSTEE RED OAK TRUST INSTRUMENT NO. 201100016593

SEE

DETAIL "A"

TURTLE CREEK BLVD. WARRAGE WOTH RIGHT-OF-WAY

LOT 1

STAMPED "GORRONDONA

P.O.C. FND. 5/8"IR W/CAP & ASSOCIATES" (CM)



MONUMENT FOUND (AS NOTED) MAGNAIL SET "X" CUT SET EASEMENT LINE (AS NOTED) PROPOSED EASEMENT LINE PROPERTY LINE (AS NOTED) DEED RECORDS D.R.D.C.T. DALLAS COUNTY, TEXAS

OFFICIAL PUBLIC RECORDS DALLAS COUNTY, TEXAS

NOT TO SCALE 50 25 0

SCALE IN FEET

DETAIL "A"

P.O.B.

50

CURVE TABLE										
CURVE	RADIUS	DELTA ANGLE	CHORD BEARING	CHORD LENGTH	ARC LENGTH					
C-1	309.44	12*40'54"	N 00'36'08"W	68.35	68,49					
C-2	291.70	5'49'44"	N 08'21'52"E	29.66'	29.68					
C-3	309.44	5'11'03"	S 08'19'50"W	27.99'	28.00'					

O.P.R.D.C.T.

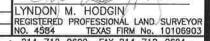


#### NOTES:

1. A LEGAL DESCRIPTION OF EVEN DATE ACCOMPANIES THIS PLAT.

ALL BEARINGS AND COORDINATES ARE REFERENCED TO THE TEXAS STATE 2. PLANE COORDINATE SYSTEM, NORTH CENTRAL ZONE 4202, WITH HORIZONTAL DATUM OF NADB3, WITH A SURFACE FACTOR FOR THIS PROJECT OF 1.000136506. DISTANCES AND AREAS SHOWN ARE SURFACE.

GS&P1701.00	DRAWN BY: BD	GS&P1701.00_RIVERFRONT_6E_R00.DWG
DATE: OCTODED 17 2010	DACE 7 OF 7	COME. 1.FO



OF STER

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GORRONDONA & ASSOCIATES, INC. • 1701 NORTH MARKET STREET, SUITE 450, LB 5, DALLAS, TX. 75202 • 214-712-0600 FAX 214-712-0604



### **WASTEWATER EASEMENT**

THE STATE OF TEXAS

§ KNOW ALL PERSONS BY THESE PRESENTS:

COUNTY OF DALLAS

That Feizy Properties, LTD., a Texas limited partnership, successor by conversion from Feizy Properties, Inc., a Texas corporation, acting by and through its general partner, Feizy Management, LLC, a Texas limited liability corporation (hereinafter called "Grantor" whether one or more natural persons or legal entities) of the County of Dallas, State of Texas, for and in consideration of the sum of FIVE THOUSAND EIGHT HUNDRED FORTY AND 00/100 DOLLARS (\$5,840.00) to the undersigned in hand paid by the City of Dallas, 1500 Marilla Street, Dallas, Texas, 75201, a Texas municipal corporation (hereinafter called "City"), the receipt of which is hereby acknowledged and confessed, and the further benefits to be derived by the remaining property as a result of projected public improvements, has granted, sold and conveyed and does hereby grant, sell and convey unto City, its successors and assigns, an easement for the purpose of laying, constructing, maintaining, repairing and replacing a City wastewater main or mains and appurtenances and such additional main or mains and appurtenances as are needed in the future in, under, through, across and along all that certain lot, tract or parcel of land described in Exhibit A, attached hereto and made a part hereof by reference for all purposes.

The City is acquiring this property for the purpose of laying, constructing, maintaining, repairing and replacing a City wastewater main or mains and appurtenances, and such additional main or mains and appurtenances as are needed in the future, according to such plans and specifications as will, in City's opinion, best serve the public purpose. The payment of the purchase price shall be considered full and adequate compensation for the easement rights herein granted.

Should one or more of the Grantors herein be natural persons and not joined by their respective spouse, it is conclusively presumed that the land herein conveyed is not the residence or business homestead of such Grantor(s). Should one or more of the Grantors herein be a legal entity other than a natural person, it shall be conclusively presumed that the person signing on behalf of such a party has been duly and legally authorized to so sign and there shall be no necessity for a seal or attestation.

The City shall have all other rights and benefits necessary or convenient for the full enjoyment or use of the rights herein granted, including, but without limiting the same to, the right of ingress and egress over and across said property to and from said easement for the purpose of constructing, reconstructing, maintaining, inspecting or repairing said main or mains and appurtenances.

The City shall have the right to remove and keep removed from the permanent easement herein granted any and all structures, fences, trees, shrubs, growths or other obstructions which may endanger or interfere with the construction, reconstruction, maintenance, repair or operation of the said main or mains. (Grantor, its successors or assigns, shall not place or store any material upon, or cover, bury, pave over or otherwise obstruct any cleanout, valve, meter or manhole located within the herein described permanent easement.)

Grantor, its successors or assigns, shall not be permitted to plant trees or shrubs of any



kind within the boundaries of the herein described permanent easement.

All expenses in the construction and maintenance of said main or mains and appurtenances shall be borne by the City. In the construction of said main or mains and appurtenances, should the City find it necessary to remove any improvements now on the above-described property, all of those expenses shall also be borne by the City. Upon completion of construction, all surplus excavation, debris, trash or litter resulting from construction shall be cleaned up and hauled off the premises, and the easement property, including any fences disturbed, shall be restored to its original contour and condition.

Nothing in this easement shall be construed as a waiver by the City of any connection charge or charges imposed by ordinance or Charter of the City of Dallas.

#### SPECIAL PROVISIONS: NONE

TO HAVE AND TO HOLD the above described easement, together with all and singular the rights and appurtenances thereto in anywise belonging unto City, its successors and assigns forever, and Grantor binds Grantor and Grantor's heirs, executors, administrators or successors, to Warrant and Forever Defend all and singular the said easement unto City, its successors and assigns, against every person whomsoever lawfully claiming, or to claim the same or any part thereof.

EXECUTED this \_\_\_\_\_, \_\_

Properties, <b>I</b> nc., a Texa	a Texas limited partnersh s corporation, acting by a exas limited liability corpo	nd through its general	•

BY: Feizy Management, LLC., a Texas limited liability company, its general partner.

BY: \_\_\_\_\_\_ John Feizy, Sole Member

#### FOR ACKNOWLEDGMENT:

John Feizy, sole member of Feizy Management, LLC., a Texas limited liability company, on its behalf, as general partner of Feizy Properties, LTD., a Texas limited Partnership, on its behalf, successor by conversion from Feizy Properties, Inc., a Texas corporation.

APPROVED AS TO FORM: CHRISTOPHER J. CASO, Interim City Attorney

Assistant City Attorney
Wastewater Easement Page 2 of 3



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Wastewater Easement Log No. 47152

EXHIBIT A

# 146 SQUARE FOOT (0.003 ACRES) PERMANENT WASTE WATER EASEMENT SAMUEL LOCKHART SURVEY, ABSTRACT NO. 817

Being a 146 square foot or 0.003 acre permanent waste water easement situated in the Samuel Lockhart Survey, Abstract No. 817, City of Dallas, Dallas County, Texas, said permanent waste water easement being a portion of Lot 6, Block 36/7888 of Trinity Industrial District Installment No. 13, an addition to the City of Dallas, Texas, as recorded in Volume 23, Page 165 of the Map Records of Dallas County, Texas, and being a portion of a tract of land conveyed to Feizy Properties, Inc. as recorded in Volume 2001162, Page 5381 of the Deed Records of Dallas County, Texas, said 0.003 acre permanent waste water easement being more particularly described by metes and bounds as follows:

COMMENCING at a 5/8 inch iron rod with plastic cap stamped "Gorrondona & Associates" found (controlling monument) for the southeasterly corner of said Lot 1, Block 36/7888 of said Trinity Industrial District Installment No. 13 Addition and the southwesterly corner of Lot 7, Block 36/7888 of said Trinity Industrial District Installment No. 13 Addition, said 5/8 inch iron rod with plastic cap stamped "Gorrondona & Associates" also being in the northwesterly right-of-way line of Turtle Creek Boulevard (a variable width right-of-way) and the beginning of a non-tangent curve to the right having a radius of 309.44 feet, a central angle of 12 degrees 40 minutes 54 seconds, and whose chord bears North 00 degrees 36 minutes 08 seconds West, a distance of 68.35 feet, THENCE Northerly with said non-tangent curve to the right, with the westerly line of said Lot 7 and with the easterly line of said Lot 1, a distance of 68.49 feet to a 5/8 inch iron rod with plastic cap stamped "Gorrondona & Associates" set for the southeasterly corner of said Lot 6 and the POINT OF BEGINNING of the herein described tract;

#### THENCE

North 78 degrees 21 minutes 54 seconds West, with the southerly line of said Lot 6 and with the northerly line of said Lot 1, a distance of 5.04 feet to a 5/8 inch iron rod with plastic cap stamped "Gorrondona & Associates" set for the southeasterly corner of a 0.3373 acre (by deed) tract of land conveyed to The City of Dallas as recorded in Instrument No. 201100174952 of the Official Public Records of Dallas County, Texas and the beginning of a non-tangent curve to the right having a radius of 291.70 feet, a central angle of 05 degrees 49 minutes 44 seconds, and whose chord bears North 08 degrees 21 minutes 52 seconds East, a distance of 29.66 feet, from which a 1/2 inch iron rod found (controlling monument) for the most northerly northeast corner of said Lot 1 and the southwesterly corner of said Lot 6, said 1/2 inch iron rod also being in the easterly line of the Old Channel of the Trinity River, bears North 78 degrees 21 minutes 54 seconds West, a distance of 26.26 feet;

De 11/14/18

THENCE

Northerly with said non-tangent curve to the right and with the easterly line of said 0.3373 acre tract of land, an arc distance of 29.68 feet to a 5/8 inch iron rod with plastic cap stamped "Gorrondona & Associates" set for corner;

THENCE

South 60 degrees 16 minutes 39 seconds East, a distance of 5.39 feet to a 5/8 inch iron rod with plastic cap stamped "Gorrondona & Associates" set for corner in the easterly line of said Lot 6 and the westerly line of said Lot 7, said 5/8 inch iron rod with plastic cap stamped "Gorrondona & Associates" also being the beginning of a non-tangent curve to the left having a radius of 309.44 feet, a central angle of 5 degrees 11 minutes 03 seconds, and whose chord bears South 08 degrees 19 minutes 50 seconds West, a distance of 27.99 feet;

**THENCE** 

Southeasterly with said non-tangent curve to the left, with the easterly line of said Lot 6 and with the westerly line of said Lot 7, an arc length of 28.00 feet to the **POINT OF BEGINNING**, and containing 146 square feet or 0.003 acres of land, more or less.

**NOTE**: All bearings and coordinates are referenced to the Texas State Plane Coordinate System, North Central Zone 4202, with horizontal datum of NAD83, with a Surface Factor for this project of 1.000136506. Distances and areas shown are surface.

#### \* SURVEYOR'S CERTIFICATE \*

TO ALL PARTIES INTERESTED IN TITLE TO THE PREMISES SURVEYED, I DO HEREBY STATE THAT THE ABOVE LEGAL DESCRIPTION WAS PREPARED FROM PUBLIC RECORDS AND FROM AN ACTUAL AND ACCURATE SURVEY UPON THE GROUND AND THAT SAME IS TRUE AND CORRECT.

Date of Survey: October 17, 2018

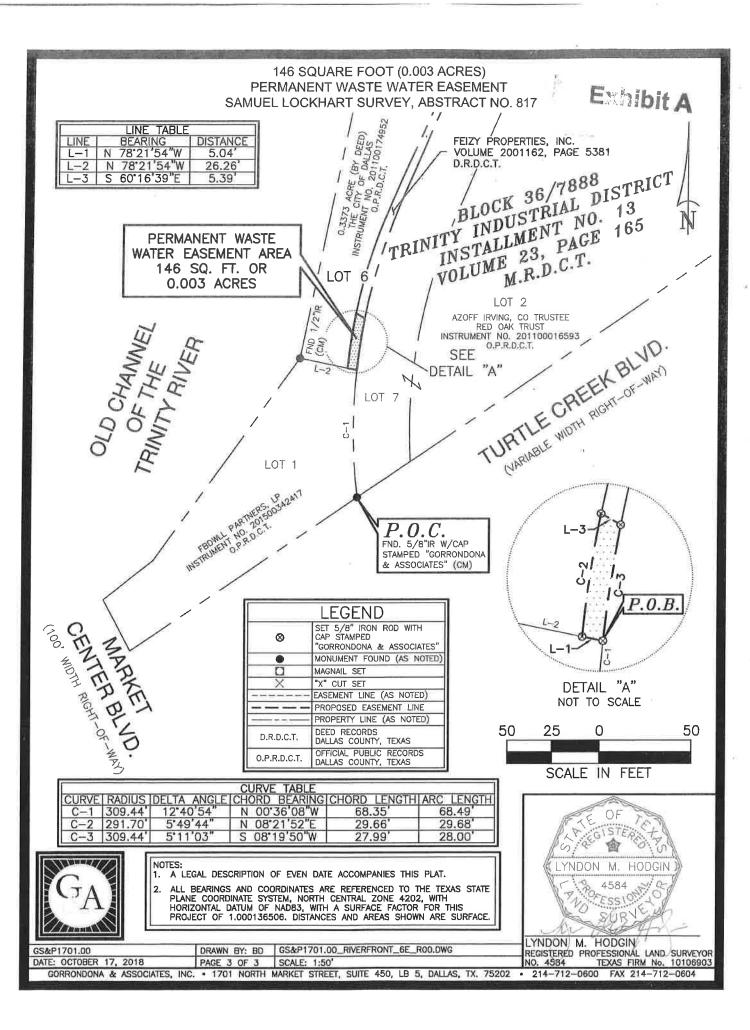
Lyndøn M. Hodgin

Registered Professional Land Surveyor,

Texas No. 4584

Texas Firm No. 10106903







## City of Dallas

### Agenda Information Sheet

**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): 11

**DEPARTMENT:** Department of Sustainable Development and Construction

**EXECUTIVE:** Majed Al-Ghafry

#### SUBJECT

Authorize an increase in the purchase amount for the acquisition of an access easement from Price London Park, L.P., of approximately 3,475 square feet of land located near the northwest side of an interior roadway of London Park Condominiums, north of Arapaho Road for the McKamy and Osage Branch Wastewater Interceptor Project - Not to exceed \$23,114.00, increased from \$22,460.00 to \$45,574.00 (\$42,074.00, plus closing costs and title expenses not to exceed \$3,500.00) - Financing: Sewer Construction Fund

#### **BACKGROUND**

This item authorizes an increase in the purchase amount for the acquisition of an access easement from Price London Park, L.P., of approximately 3,475 square feet of land located near the northwest side of an interior roadway of London Park Condominiums for the McKamy and Osage Branch Wastewater Interceptor Project. This property will be used as a point of access to accommodate for improvements and relocation of the McKamy and Osage Branch wastewater line. The consideration is based on an independent appraisal. No relocation costs are associated.

#### PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On February 28, 2018, City Council authorized acquisition from Price London Park, L.P., of an access easement of approximately 3,475 square feet of land located near the northwest side of an interior roadway of London Park Condominiums, north of Arapaho Road for the McKamy and Osage Branch Wastewater Interceptor Project by Resolution No. 18-0334.

#### FISCAL INFORMATION

Sewer Construction Fund - \$23,114.00

Resolution No. 18-0334 \$22,460.00 Additional Amount (this action) \$23,114.00

Total Authorized Amount \$45,574.00

### **OWNER**

Price London Park, L.P.

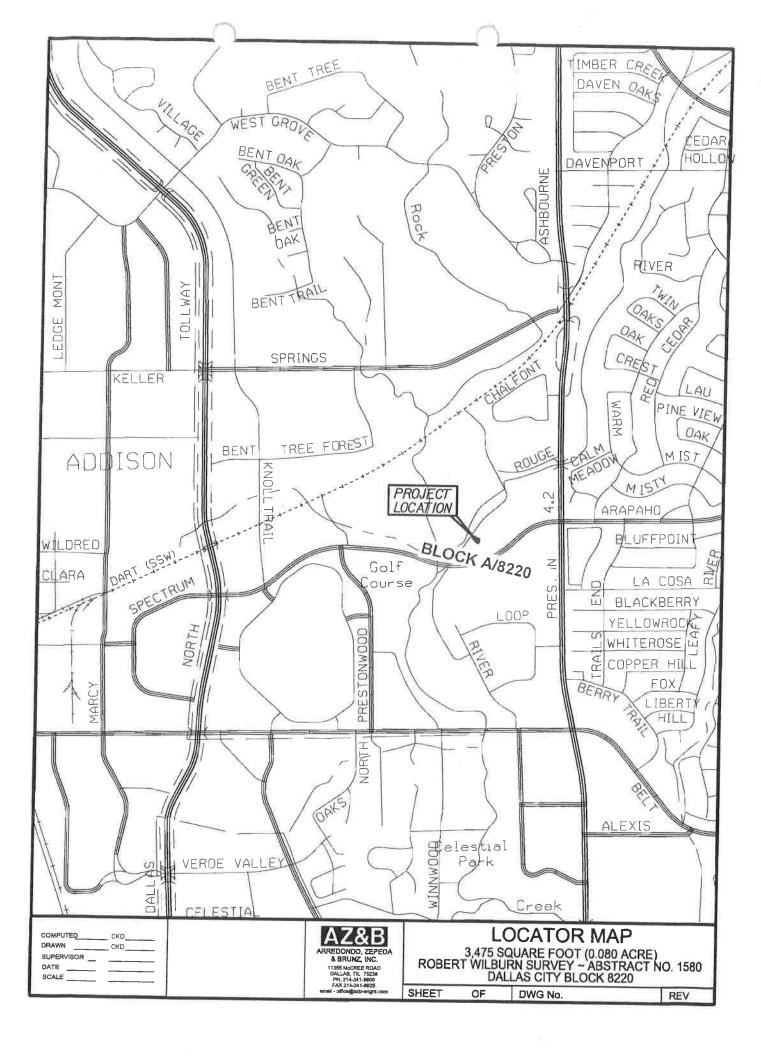
Price Millennium Eight, L.P.

Price London Park GP, Inc.

Michael J. Ochstein, President

#### **MAP**

Attached



# A RESOLUTION AUTHORIZING THE ACQUISITION OF REAL PROPERTY FOR A NEGOTIATED PRICE HIGHER THAN THE AUTHORIZED PURCHASE AMOUNT.

WHEREAS, the Dallas City Council by the FIRST RESOLUTION authorized the necessity of acquiring real property and authorizing its purchase for public use, of the PROPERTY INTERESTS in the PROPERTY held by OWNER for the PROJECT (all said capitalized terms being defined below); and

**WHEREAS,** OWNER refused the FIRST RESOLUTION PURCHASE AMOUNT, but has agreed to the SETTLEMENT AMOUNT stated herein; and

WHEREAS, the City Council desires to authorize the City Manager to acquire the PROPERTY INTERESTS in the PROPERTY for the negotiated PURCHASE AMOUNT stated herein.

Now, Therefore,

#### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That the following definitions shall apply to this resolution:

"CITY": The City of Dallas

"FIRST RESOLUTION": Resolution No. 18-0334 approved by the Dallas City Council on February 28, 2018 authorized the necessity of acquiring real property and authorizing its purchase for public use of approximately 3,475 square feet for a purchase amount of \$19,960.00.

"PROJECT": McKamy and Osage Branch Wastewater Interceptor Project

- "USE": The construction, use, and maintenance of a pipeline or lines for the transmission of wastewater together with such appurtenant facilities as may be necessary, provided, however to the extent fee title to the PROPERTY is acquired, such title and the PROPERTY shall not be limited to or otherwise deemed restricted to the USE herein provided.
- "OWNER": Price London Park, L.P., provided, however, that the term "OWNER" as used in this resolution means all persons having an ownership interest, regardless of whether those persons are actually named herein.
- "PROPERTY INTEREST": Easement, subject to the exceptions, reservations, covenants, conditions and/or interests, if any provided in the conveyance instrument more particularly described in Exhibit "B" attached hereto and made a part hereof for all purposes.

#### **SECTION 1.** (continued)

"PROPERTY": Approximately 3,475 square feet of land for an access easement located in Dallas County, Texas, and being the same property more particularly described in Exhibit "A", attached hereto and made a part hereof for all purposes, and any and all improvements, rights and appurtenances appertaining hereto.

"FIRST RESOLUTION PURCHASE AMOUNT": \$19,960.00

"SETTLEMENT AMOUNT": \$23,114.00

"CLOSING COSTS AND TITLE EXPENSES": Not to exceed \$3,500.00

"REVISED AUTHORIZED AMOUNT": \$45,574.00

**SECTION 2.** That the City Manager, and/or the City Manager's designees, is hereby authorized and directed to consummate and accept the purchase, grant, and conveyance to the CITY of the PROPERTY INTERESTS in and to the PROPERTY pursuant to the conveyance instrument approved as to form by the City Attorney and to execute, deliver and receive such other usual and customary documents necessary, appropriate and convenient to consummating the transaction.

**SECTION 3.** That to the extent the PROPERTY is being purchased wholly or partly with bond proceeds CITY has obtained an independent appraisal of the PROPERTY'S market value.

**SECTION 4.** That OWNER has been provided with a copy of the Landowner's Bill of Rights as contemplated by applicable state statute.

**SECTION 5.** That in the event this acquisition closes, the Chief Financial Officer is hereby authorized and directed to draw a warrant in favor of the OWNER, or the then current owner of record, or the title company closing the transaction described herein in the SETTLEMENT AMOUNT and CLOSING COSTS AND TITLE EXPENSES payable as follows:

Sewer Construction Fund, Fund 0103, Department DWU, Unit CS40, Activity MPSA, Program 706028, Object 4250, Encumbrance/Contract No. CX-DWU-2017-00002351, in an amount not to exceed \$22,460.00.

Sewer Construction Fund, Fund 0103, Department DWU, Unit CS40, Program 706028, Object 4250, Encumbrance/Contract No. CX-DWU-2020-00012272, in an amount not to exceed \$23,114.00.

#### **SECTION 5.** (continued)

The SETTLEMENT AMOUNT and the CLOSING COSTS and TITLE EXPENSES together shall not exceed the REVISED AUTHORIZED AMOUNT.

**SECTION 6.** That the CITY is to have possession and/or use, as applicable, of the PROPERTY at closing; and the CITY will pay any title expenses and closing costs. All costs and expenses described in this section shall be paid from the previously described funds.

**SECTION 7.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED AS TO FORM:

CHRISTOPHER J. CASO, Interim City Attorney

BY: /4

Assistant City Attorney

## Exhibit A

**BEING** an 3,475 square foot (0.080 acre) parcel of land situated in the ROBERT WILBURN SURVEY, ABSTRACT NO. 1580, in Official City Block No. 8220 in the City of Dallas, Dallas County, Texas, said parcel being part of Lot 2, Block A/8220 of London Park Apartments Addition, an addition to the City of Dallas according to the plat thereof recorded in Volume 78090, Page 1388 of the Deed Records of Dallas County, Texas, (D.R.D.C.T.), also being a part of a called 0.274 acre tract of land described in a deed to Price London Park, L.P. recorded in Instrument Number 200600419125 of the Official Public Records of Dallas County, Texas (O.P.R.D.C.T.), and being more particularly described as follow;

**COMMENCING** at a 5/8-inch steel rod found (controlling monument - Texas State Plane Grid Coordinates – N=7,037,546.27, E=2,487,746.37) at the end of a curve in the common northerly line of said Lot 2 and southerly line of a called 5.5451 acre tract of land designated "Tract IV" described in a deed to Providence Texas Capital Corporation, Inc. recorded in Volume 97076, Page 4407 D.R.D.C.T.

THENCE South 38 degrees 42 minutes 59 seconds West, along said common line, at a distance of 82.50 feet passing the north corner of said 0.274 acre tract of land, continuing along the common northerly line of said 0.274 acre tract of land the, the northerly line of said Lot 2 and southerly line of said called 5.5451 acre tract of land, a total distance of 122.29 feet to the beginning of a non-tangent curve to the right;

THENCE continuing along said common line and along said non-tangent curve to the right with a radius of 498.22 feet, a central angle of 05 degree 20 minutes 37 seconds, Southwestwardly, an arc length of 46.47 feet with a chord bearing and distance of South 41 degrees 29 minutes 14 seconds West for 46.45 feet to a 1/2-inch steel rebar with a cap marked "AZ&B" set for the **POINT OF BEGINNING**;

**THENCE** departing said common line over and across said Lot 2 and said called 0.274 acre tract of land, the following three (3) courses and distances;

1. South 35 degrees 54 minutes 25 seconds East, a distance of 32.92 feet to a 1/2-inch steel rebar with a cap marked "AZ&B" set for the beginning of a non-tangent curve to the left;



## Exhibit A

- 2. Along said non-tangent curve to the left with a radius of 62.13 feet, a central angle of 49 degrees 19 minutes 29 seconds, Eastwardly, and arc length of 53.49 feet with a chord bearing and distance of South 75 degrees 17 minutes 10 seconds East for 51.85 feet to a 1/2-inch steel rebar with a cap marked "AZ&B" set for the end of said curve;
- 3. South 73 degrees 08 minutes 14 seconds East, a distance of 10.30 feet to a 1/2-inch steel rod with a cap marked "AZ&B" set for corner in the southeasterly line of said called 0.274 acre tract of land, said corner being in a non-tangent curve to the left;

**THENCE** continuing over and across said Lot 2, along the southeasterly line of said 0.274 acre tract of land and along said non-tangent curve to the left with a radius of 132.35 feet, a central angle of 22 degrees 14 minutes 26 seconds, Southwardly, an arc length of 51.37 feet with a chord bearing and distance of South 07 degrees 42 minutes 34 seconds West for 51.05 feet to an "X" in concrete set for the most southerly southeast corner of said called 0.274 acre tract of land;

**THENCE** South 54 degrees 57 minutes 12 seconds West, continuing over and across said Lot 2, along the southerly line of said 0.274 acre tract of land, a distance of 3.66 feet to a 1/2-inch steel rod with a cap marked "AZ&B" set for corner, from which 5/8-inch steel rod found (controlling monument - Texas State Plane Grid Coordinates — N=7,037,062.69, E=2,487,855.34) for the common southwest corner of said Lot 2 and northeast corner of said Lot 1, bears the following two courses and distances, 1) South 54 degrees 57 minutes 12 seconds West, a distance of 28.63 feet, and 2) South 35 degrees 10 minutes 46 seconds East, a distance of 295.44 feet;

**THENCE** departing said common line over and across said Lot 2 and said called 0.274 acre tract of land, the following three (3) courses and distances;

- 1. North 81 degrees 22 minutes 27 seconds West, a distance of 16.75 feet to a 1/2-inch steel rod with a cap marked "AZ&B" set for corner;
- 2. North 44 degrees 06 minutes 55 seconds West, a distance of 75.32 feet to a 1/2-inch steel rod with a cap marked "AZ&B" set for corner;

## Exhibit A

North 35 degrees 07minutes 40 seconds West, a distance of 28.47 feet to a 3. 1/2-inch steel rod with a cap marked "AZ&B" set for corner in a non-tangent curve in the common northerly line of said called 0.274 acre tract of land, the northerly line of said Lot 2 and southerly line of said called 5.5451 acre tract of land, from said point a 5/8-inch steel rod found (controlling monument - Texas State Plane Grid Coordinates - N=7,037,397.08, E=2,487,619.64) for the common west corner of said called 0.274 acre tract of land, west corner of said Lot 2, north corner of said Lot 1 being in the southerly line of said called 5.5451 acre tract of land, bears along the common northerly line of said called 0.274 acre tract of land, the northerly line of said Lot 2, the southerly line of said called 5.5451 acre tract of land, bears along said non-tangent curve to the right with a radius of 498.22 feet, a central angle of 00 degrees 33 minutes 55 seconds, Southwestwardly, an arc length of 4.92 feet with a chord bearing and distance of South 47 degrees 00 minutes 24 seconds West for 4.92 feet;

THENCE along the common northerly line of said called 0.274 acre tract of land, the northerly line of said Lot 2, and southerly line of said called 5.5451 acre tract of land, and along said non-tangent curve to the left with a radius of 498.22 feet, a central angle of 02 degrees 33 minutes 54 seconds, Northeastwardly , an arc length of 22.30 feet with a chord bearing and distance of North 45 degrees 26 minutes 29 seconds East for 22.30 feet to the **POINT OF BEGINNING** and containing 3,475 square feet (0.080 acre) of land, more or less.

Basis of bearings and source of coordinates is the Texas State Plane Coordinate System, North American Datum of 1983 (NAD83), North Central Zone No. 4202, as determined by GPS observations using the WDS-VRS network.

A survey plat of even date accompanies this property description.

I, the undersigned, a Registered Professional Land Surveyor in the State of Texas, do hereby certify that this description and the accompanying survey plat were prepared from an actual survey made on the ground in the month of September 2014.

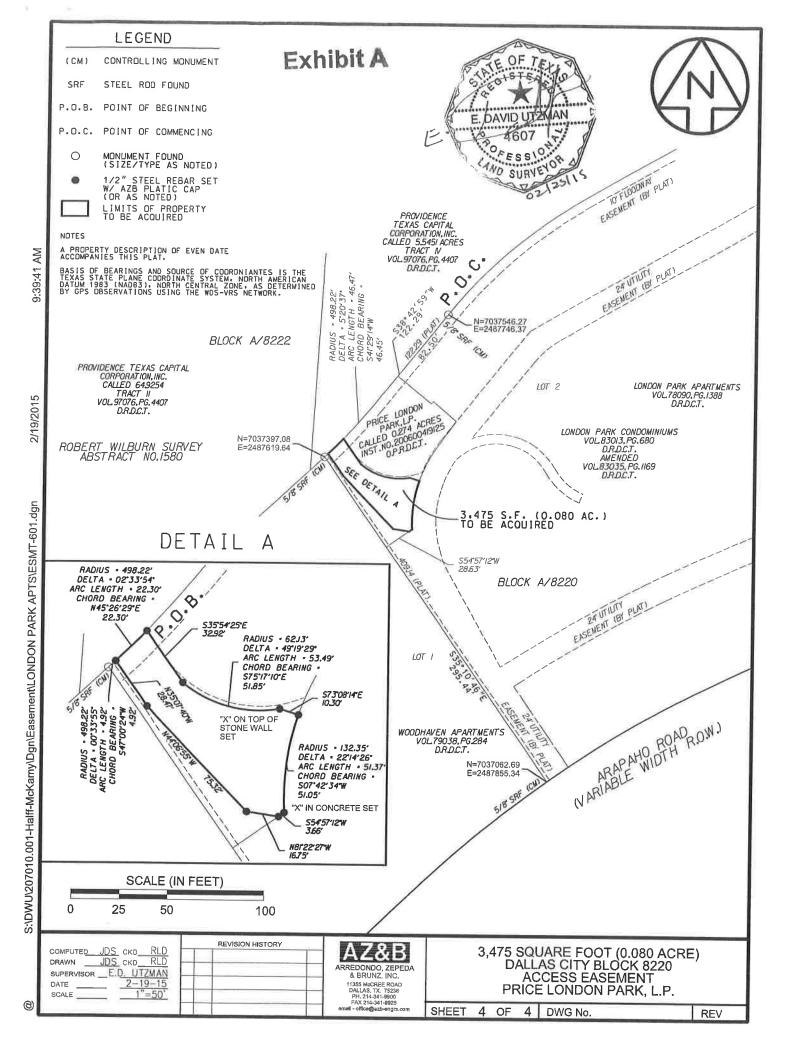
DAVID UTZMAN

E. David Utzman

Registered Professional Land Su

No. 4607

ა<u>2/25//5</u> Date



## ACCESS EASEMENT EXHIBIT B

THE STATE OF TEXAS §
COUNTY OF DALLAS §

KNOW ALL PERSONS BY THESE PRESENTS:

That Price London Park, L.P., a Texas limited partnership (hereinafter called "Grantor" whether one or more natural persons or legal entities) of the County of Dallas, State of Texas, for and in consideration of the sum of FORTY-TWO THOUSAND SEVENTY-FOUR AND NO/100 DOLLARS (\$42,074.00) to the undersigned in hand paid by the City of Dallas, a Texas municipal corporation, (hereinafter called "City"), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed by Grantor, has granted, sold and conveyed and does hereby grant, sell and convey unto City and its successors and assigns, an easement on, over, and across all that certain lot, tract or parcel of land described in Exhibit "A", attached hereto and made a part hereof by reference for all purposes, (the "Easement Property"), for the purpose of providing free and uninterrupted pedestrian and vehicular ingress to and egress from that certain lot, tract or parcel of land described in Exhibit "B", attached hereto and made a part hereof by reference for all purposes, (the "Dominant Estate Property"), to and from Arapaho Road, a public thoroughfare, and for the benefit of the Dominant Estate Property, together with all and singular the rights and appurtenances thereto in any way belonging (collectively, the "Easement"). The consideration stated above for the Easement herein conveyed shall be considered full compensation for same and for any diminution in value that may result to Grantor's remaining property by virtue of project proximity thereto, grade alignment, utility installation, or the alteration of drainage patterns and facilities.

The Easement is appurtenant to and runs with all or any portion of the Dominant Estate Property, whether or not the Easement is referenced or described in any conveyance of all or such portion of the Dominate Estate Property. The Easement is for the benefit of City and City's successors and assigns who at any time own the Dominant Estate Property or any interest in the Dominant Estate Property (as applicable, "Holder"). The duration of the Easement is perpetual unless and until formally abandoned by written action of Holder. The Easement is irrevocable by Grantor.

Grantor, its successors and assigns, covenant and agree to all of the following:

- To construct, install, and maintain improvements that provide access to the Dominant Estate Property under, upon or across any portion of the Easement Property (collectively, the "Access Improvements") at Grantor's sole expense.
- 2) To construct the Access Improvements in accordance with City-approved plans and in compliance with the City of Dallas's Drainage Design Manual.
- To maintain the Easement Property and any improvements made thereon in a neat, clean, and repaired condition.
- 4) Any work on the Access Improvements must be approved in writing by Holder before proceeding.
- 5) All matters concerning the configuration, construction, installation, maintenance, replacement, and removal of the Access Improvements are at Grantor's discretion, subject to Holder's prior written approval.

Holder has the right (but not the obligation) to eliminate any encroachment into the Easement Property at Grantor's sole expense.

# EXHIBIT B

Should Grantor herein be a natural person and not joined by Grantor's spouse, it is conclusively presumed that the land herein conveyed is not the residence or business homestead of such Grantor and spouse. Should Grantor herein be a legal entity other than a natural person, it shall be conclusively presumed that the person signing on behalf of such a party has been duly and legally authorized to so sign and there shall be no necessity for a seal or attestation.

Nothing in this Easement shall be construed as a waiver by City of any connection charge or charges imposed by ordinance or Charter of the City of Dallas. The access easement herein granted shall not be construed or deemed to be a public street or alley right-of-way dedication.

This Easement may be enforced by restraining orders and injunctions (temporary or permanent) prohibiting interference and commanding compliance. Restraining orders and injunctions will be obtainable on proof of the existence of interference or threatened interference, without the necessity of proof of inadequacy of legal remedies or irreparable harm, and will be obtainable only by the parties to or those benefitted by this agreement; provided, however, that the act of obtaining an injunction or restraining order will not be deemed to be an election of remedies or a waiver of any other rights or remedies available at law or in equity. It is not a waiver of or consent to default if the nondefaulting party fails to declare immediately a default or delays in taking any action. Pursuit of any remedies set forth in this agreement does not preclude pursuit of other remedies in this agreement or provided by law.

This agreement binds and inures to the benefit of the parties and their respective heirs, successors, and permitted assigns. This agreement contains the complete agreement of the parties and cannot be varied except by written agreement of the parties. The parties agree that there are no oral agreements, representations, or warranties that are not expressly set forth in this agreement.

This agreement will be construed under the laws of the state of Texas, without regard to choice-of-law rules of any jurisdiction. Venue is in the county or counties in which the Easement Property is located.

If any provision in this agreement is for any reason unenforceable, to the extent the unenforceability does not destroy the basis of the bargain among the parties, the unenforceability will not affect any other provision hereof, and this agreement will be construed as if the unenforceable provision had never been a part of the agreement. Whenever context requires, the singular will include the plural and the neuter will include the masculine or feminine gender, and vice versa. This agreement will not be construed more or less favorably between the parties by reason of authorship or origin of language.

TO HAVE AND TO HOLD the above described Easement, together with all and singular the rights and appurtenances thereto in anywise belonging unto City, its successors and assigns forever, and Grantor binds Grantor and Grantor's heirs, executors, administrators or successors, to Warrant and Forever Defend all and singular the said Easement unto the City of Dallas, its successors and assigns, against every person whomsoever lawfully claiming, or to claim the same or any part thereof.

EXECUTED this $\_$	day of	,2019.
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# EXHIBIT B

# Price London Park, L.P., a Texas limited partnership

By: Price Millennium Eight, L.P., a Texas limited partnership, its general partner

> By: Price London Park GP, Inc. A Texas corporation, its general partner

> > By: Michael J. Ochstein, President

#### **ACKNOWLEDGMENT**

STATE OF TEXAS

COUNTY OF DALLAS

This instrument was acknowledged before me on \_\_\_\_\_\_ by Michael J. Ochstein, President of Price London Park GP, Inc., a Texas corporation general partner of Price Millennium Eight, L.P., a Texas limited partnership, general partner of Price London Park L.P., a Texas limited partnership on behalf of said limited partnership.

Notary Public, State of TEXAS

After recording return to:
City of Dallas, Department of Sustainable Development and Construction
Real Estate Division
320 East Jefferson Boulevard, Room 203
Dallas, Texas 75203

attn: LOIS KING

Log No. 42652 Block A/8220

Rev 9-20-11

### Exhibit A

BEING an 3,475 square foot (0.080 acre) parcel of land situated in the ROBERT WILBURN SURVEY, ABSTRACT NO. 1580, in Official City Block No. 8220 in the City of Dallas, Dallas County, Texas, said parcel being part of Lot 2, Block A/8220 of London Park Apartments Addition, an addition to the City of Dallas according to the plat thereof recorded in Volume 78090, Page 1388 of the Deed Records of Dallas County, Texas, (D.R.D.C.T.), also being a part of a called 0.274 acre tract of land described in a deed to Price London Park, L.P. recorded in Instrument Number 200600419125 of the Official Public Records of Dallas County, Texas (O.P.R.D.C.T.), and being more particularly described as follow;

**COMMENCING** at a 5/8-inch steel rod found (controlling monument - Texas State Plane Grid Coordinates - N=7,037,546.27, E=2,487,746.37) at the end of a curve in the common northerly line of said Lot 2 and southerly line of a called 5.5451 acre tract of land designated "Tract IV" described in a deed to Providence Texas Capital Corporation, Inc. recorded in Volume 97076, Page 4407 D.R.D.C.T.

THENCE South 38 degrees 42 minutes 59 seconds West, along said common line, at a distance of 82.50 feet passing the north corner of said 0.274 acre tract of land, continuing along the common northerly line of said 0.274 acre tract of land the, the northerly line of said Lot 2 and southerly line of said called 5.5451 acre tract of land, a total distance of 122.29 feet to the beginning of a non-tangent curve to the right;

THENCE continuing along said common line and along said non-tangent curve to the right with a radius of 498.22 feet, a central angle of 05 degree 20 minutes 37 seconds, Southwestwardly, an arc length of 46.47 feet with a chord bearing and distance of South 41 degrees 29 minutes 14 seconds West for 46.45 feet to a 1/2-inch steel rebar with a cap marked "AZ&B" set for the **POINT OF BEGINNING**;

**THENCE** departing said common line over and across said Lot 2 and said called 0.274 acre tract of land, the following three (3) courses and distances;

 South 35 degrees 54 minutes 25 seconds East, a distance of 32.92 feet to a 1/2-inch steel rebar with a cap marked "AZ&B" set for the beginning of a non-tangent curve to the left;



### Exhibit A

- 2. Along said non-tangent curve to the left with a radius of 62.13 feet, a central angle of 49 degrees 19 minutes 29 seconds, Eastwardly, and arc length of 53.49 feet with a chord bearing and distance of South 75 degrees 17 minutes 10 seconds East for 51.85 feet to a 1/2-inch steel rebar with a cap marked "AZ&B" set for the end of said curve:
- 3. South 73 degrees 08 minutes 14 seconds East, a distance of 10.30 feet to a 1/2-inch steel rod with a cap marked "AZ&B" set for corner in the southeasterly line of said called 0.274 acre tract of land, said corner being in a non-tangent curve to the left;

THENCE continuing over and across said Lot 2, along the southeasterly line of said 0.274 acre tract of land and along said non-tangent curve to the left with a radius of 132.35 feet, a central angle of 22 degrees 14 minutes 26 seconds, Southwardly, an arc length of 51.37 feet with a chord bearing and distance of South 07 degrees 42 minutes 34 seconds West for 51.05 feet to an "X" in concrete set for the most southerly southeast corner of said called 0.274 acre tract of land;

THENCE South 54 degrees 57 minutes 12 seconds West, continuing over and across said Lot 2, along the southerly line of said 0.274 acre tract of land, a distance of 3.66 feet to a 1/2-inch steel rod with a cap marked "AZ&B" set for corner, from which 5/8-inch steel rod found (controlling monument - Texas State Plane Grid Coordinates - N=7,037,062.69, E=2,487,855.34) for the common southwest corner of said Lot 2 and northeast corner of said Lot 1, bears the following two courses and distances, 1) South 54 degrees 57 minutes 12 seconds West, a distance of 28.63 feet, and 2) South 35 degrees 10 minutes 46 seconds East, a distance of 295.44 feet;

**THENCE** departing said common line over and across said Lot 2 and said called 0.274 acre tract of land, the following three (3) courses and distances;

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- 2. North 44 degrees 06 minutes 55 seconds West, a distance of 75.32 feet to a 1/2-inch steel rod with a cap marked "AZ&B" set for corner;

## Exhibit A

3. North 35 degrees 07minutes 40 seconds West, a distance of 28.47 feet to a 1/2-inch steel rod with a cap marked "AZ&B" set for corner in a non-tangent curve in the common northerly line of said called 0.274 acre tract of land, the northerly line of said Lot 2 and southerly line of said called 5.5451 acre tract of land, from said point a 5/8-inch steel rod found (controlling monument - Texas State Plane Grid Coordinates - N=7,037,397.08, E=2,487,619.64) for the common west corner of said called 0.274 acre tract of land, west corner of said Lot 2, north corner of said Lot 1 being in the southerly line of said called 5.5451 acre tract of land, bears along the common northerly line of said called 0.274 acre tract of land, the northerly line of said Lot 2, the southerly line of said called 5.5451 acre tract of land, bears along said non-tangent curve to the right with a radius of 498.22 feet, a central angle of 00 degrees 33 minutes 55 seconds, Southwestwardly, an arc length of 4.92 feet with a chord bearing and distance of South 47 degrees 00 minutes 24 seconds West for 4.92 feet;

THENCE along the common northerly line of said called 0.274 acre tract of land, the northerly line of said Lot 2, and southerly line of said called 5.5451 acre tract of land, and along said non-tangent curve to the left with a radius of 498.22 feet, a central angle of 02 degrees 33 minutes 54 seconds, Northeastwardly , an arc length of 22.30 feet with a chord bearing and distance of North 45 degrees 26 minutes 29 seconds East for 22.30 feet to the POINT OF BEGINNING and containing 3,475 square feet (0.080 acre) of land, more or less.

Basis of bearings and source of coordinates is the Texas State Plane Coordinate System, North American Datum of 1983 (NAD83), North Central Zone No. 4202, as determined by GPS observations using the WDS-VRS network.

A survey plat of even date accompanies this property description.

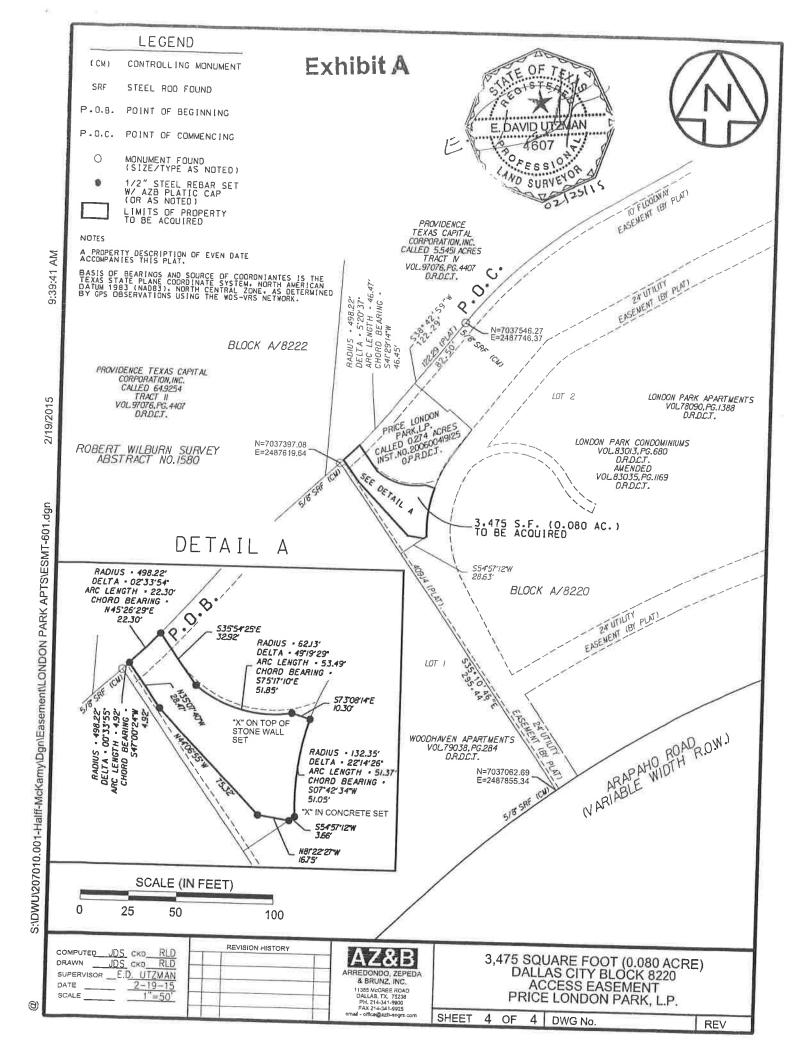
I, the undersigned, a Registered Professional Land Surveyor in the State of Texas, do hereby certify that this description and the accompanying survey plat were prepared from an actual survey made on the ground in the month of September 2014.

E. David Utzman

Registered Professional Land

No. 4607

<u>ు2/25//5</u> Date





# City of Dallas

# Agenda Information Sheet

File #: 19-736 Item #: 19.

**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): 2

**DEPARTMENT:** Department of Sustainable Development and Construction

**EXECUTIVE:** Majed Al-Ghafry

#### SUBJECT

An ordinance granting a private license to Taylor Street 2111, L.P., for the use of a total of approximately 1,245 square feet of aerial space to install, occupy and maintain two blade signs, six awnings without a premise sign and one awning with a premise sign over portions of Taylor Street and Pearl Expressway rights-of-way near its intersection with Taylor Street - Revenue: General Fund \$3,000.00 annually and \$600.00 one-time fee, plus the \$20.00 ordinance publication fee

#### **BACKGROUND**

This item grants a private license to Taylor Street 2111, L.P., for the use of a total of approximately 1,245 square feet of aerial space to install, occupy and maintain two blade signs, six awnings without a premise sign and one awning with a premise sign over portions of Taylor Street and Pearl Expressway rights-of-way near its intersection with Taylor Street. The use of this area will not impede pedestrian or vehicular traffic. The term of this license is 40 years.

The licensee will indemnify the City and carry general liability insurance naming the City as an additional insured.

## PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

## FISCAL INFORMATION

Revenue: General Fund \$3,000.00 annually and \$600.00 one-time fee, plus the \$20.00 ordinance publication fee

# **OWNER**

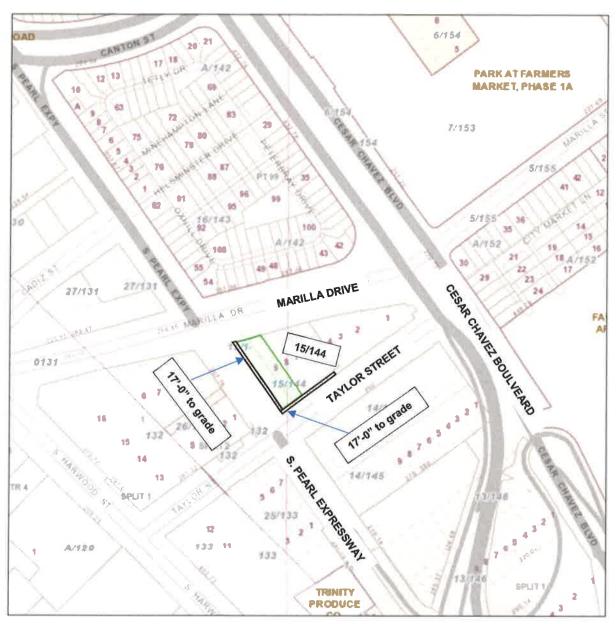
Taylor Street 2111, L.P.

Taylor Street 2111 GP, LLC, Managing Member

Brian Bergersen, Manager

# <u>MAP</u>

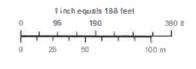
Attached



This product is for informational purposes only and may not have been prepared for or be sustable for legal, engineering, or surveying purposes. It does not represent an on-the ground survey and represents only the approximate relative tocation of properly boundaries.







DCAD, NCTCOG, USGS, Esti.Inc



<b>ORDINANCE</b>	NO.	
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An ordinance granting a private license to Taylor Street 2111, L.P., to install, occupy, and maintain portions of Taylor Street and Pearl Expressway rights-of-way located near its intersection with Taylor Street adjacent City Block 15/144 within the limits hereinafter more fully described, for the purpose of two blade signs, six awnings without a premise sign and an awning with a premise sign; providing for the terms and conditions of this license; providing for the annual and one-time fee compensation to be paid to the City of Dallas; providing for payment of the publication fee; and providing an effective date of this license and ordinance.

#### 0000000

# BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That a private license, hereinafter referred to as "license", subject to the restrictions and conditions of this ordinance, is hereby granted to Taylor Street 2111, L.P., a Texas limited partnership, its successors and assigns, hereinafter referred to as "**GRANTEE**", to occupy, maintain and utilize for the purpose set out hereinbelow the tracts of land described in Exhibit A, hereinafter referred to as "licensed area" which is attached hereto and made a part hereof.

**SECTION 2.** That this license is granted for a term of forty (40) years, unless sooner terminated according to other terms and provisions herein contained.

SECTION 3. That GRANTEE shall pay to the City of Dallas the sum of THREE THOUSAND AND NO/100 DOLLARS (\$3,000.00) annually for the license herein granted for the two blade signs and an awning with premise, said sum to become due and payable on the 2<sup>nd</sup> day of January each year, in advance, during the term hereof; provided, however, that the first payment due hereunder in the sum of THREE THOUSAND AND NO/100 DOLLARS (\$3,000.00) shall be paid prior to the final passage of this ordinance and shall cover the consideration for 2020. In addition, in accordance with the special fees established by Section 43-115.1 of the Dallas City Code, GRANTEE shall pay to the City of Dallas a one-time license fee in the sum of SIX HUNDRED AND NO/100 DOLLARS (\$600.00), for the license herein granted for the six awnings without premise, said sum to be paid prior to the final passage of this ordinance and shall cover the total

# **SECTION 3.** (continued)

consideration for said purpose during the license term. Such annual and one-time fee consideration, collectively, shall be in addition to and exclusive of any other taxes or special assessments required by law to be paid by **GRANTEE**. Should **GRANTEE** fail to pay the above stated annual fee within sixty (60) days of the due date, the Director of Department of Sustainable Development and Construction may terminate this license. All sums payable to the City of Dallas hereunder shall be paid to the Chief Financial Officer of the City of Dallas and deposited in General Fund, Fund 0001, Department DEV, Unit 1181, Revenue Code 8200. In the event **GRANTEE**'s check for the license fee is dishonored, **GRANTEE** shall pay to the City a processing fee of \$25.00 for each dishonored check. Additionally, all monies owed to the City under this license shall be subject to the assessment of interest at a rate of 10 percent a year from the day after any monies become due until it is paid in full, in accordance with Section 2-1.1 of the Dallas City Code.

**SECTION 4.** That the licensed area shall be used by **GRANTEE** for the following purpose under the direction of the Director of Department of Sustainable Development and Construction of the City of Dallas: installing, occupying and maintaining two (2) blade signs, six (6) awnings without premise and an awning with premise.

**SECTION 5.** That this license is subject to the provisions set forth in Exhibit B, attached hereto and made a part hereof.

**SECTION 6.** That this license is nonexclusive and is made expressly subject and subordinate to the right of the City to use the licensed area for any public purpose. The Governing Body of the City of Dallas reserves the right by Resolution duly passed by said Governing Body, to terminate and cancel this license upon giving **GRANTEE** sixty (60) days notice of its intent to cancel. Upon termination, all rights granted hereunder shall thereupon be considered fully terminated and cancelled and the City of Dallas shall not be held liable by reason thereof. Said Resolution shall be final and shall not be subject to review by the Courts. **GRANTEE** shall have the right of cancellation upon giving the City of Dallas sixty (60) days written notice of its intention to cancel, and in either event upon the termination or cancellation by the City or **GRANTEE**, as the case may be, this license shall become null and void and **GRANTEE** or anyone claiming any rights under this

# **SECTION 6.** (continued)

instrument shall remove, to the extent required by the Director of Department of Sustainable Development and Construction, any improvements and encroachments from the licensed area at **GRANTEE**'s expense. Failure to do so shall subject **GRANTEE** to the provisions contained in Exhibit B, Subsection (a). All work shall be done at the sole cost of **GRANTEE** and to the satisfaction of the Director of Department of Sustainable Development and Construction.

**SECTION 7.** That the license is subject to the following conditions, terms and reservations:

- (a) **GRANTEE** shall acknowledge Atmos and AT&T have active facilities in the licensed area and **GRANTEE** shall be responsible for all costs to relocate said facilities if conflicts exists.
- (b) GRANTEE shall adhere to sign requirements per Dallas City Code and signs must meet the requirements for the Farmers Market (Market Center subdistrict) Special Permit Sign District (SPSD).

**SECTION 8.** That upon the effectiveness of this ordinance, the Director of Department of Sustainable Development and Construction, or designee, is hereby authorized to execute a NOTICE OF LICENSE and to file same in the deed records of Dallas County, Texas. Additionally, the Director of Department of Sustainable Development and Construction, or designee, is hereby authorized to execute a cancellation of Notice of License upon termination by the City or **GRANTEE** and to file such cancellation of Notice of License in the deed records of Dallas County, Texas.

**SECTION 9.** That the terms and conditions contained in this ordinance shall be binding upon **GRANTEE**, its successors and assigns.

**SECTION 10.** That this license may not be assigned without prior written approval from the Director of Department of Sustainable Development and Construction, or designee. Such assignment shall recite that it is subject to the terms, restrictions and conditions contained in this ordinance. The assignee shall deliver evidence of ownership of property abutting the license area and a copy of the assignment, along with the assignee's written acceptance of the provisions of this ordinance, to the Director of Department of Sustainable Development and Construction within 10 days of such assignment; said

# **SECTION 10.** (continued)

assignment and written acceptance shall be forwarded to the City Secretary of the City of Dallas. Should **GRANTEE** fail to obtain prior written approval for assignment of this license or fail to provide the City of Dallas with the required written acceptance and a copy of the assignment, the Director of Department of Sustainable Development and Construction, or designee, may terminate this license.

SECTION 11. That the City Secretary is hereby authorized and directed to certify a copy of this ordinance for recordation in the Deed Records of Dallas County, Texas, which certified copy shall be delivered to the Director of Department of Sustainable Development and Construction, or designee. Upon receipt of the fees pursuant to Section 3 of this ordinance, an acceptable certificate of insurance and the fee for publishing this ordinance which GRANTEE shall likewise pay, the Director of Department of Sustainable Development and Construction, or designee, shall deliver to GRANTEE the certified copy of this ordinance. The Director of Department of Sustainable Development and Construction, or designee, shall be the sole source for receiving certified copies of this ordinance for one year after its passage.

**SECTION 12.** That this ordinance is also designated for City purposes as Contract No. DEV-2019-00009745.

**SECTION 13.** 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: CHRISTOPHER J. CASO, Interim City Attorney	KRIS SWECKARD, Director Department of Sustainable Development and
BY: Assistant City Attorney	Construction  BY: Luta Wellams  Assistant Director
Passed	

M. Oak Heaves for Perrit

10.3/10 Heaved for Perrit

10.3/10 Revelop to 10.0

10.0/17 Heaved for Perrit

10.0/17 For Combination

10.0/17 For Combination LANSCATE ARCHITECTURE Prajet Owner: Spectrum Properties 1414 Em Street Sule 200 baller, 17 3/3/2/22 214.379 #600 seure and Revisions; EXHIBIT A 2) Blade signs at 45' angle > (1) N W. comer Marilla & Pearl > (1) S W comer Pearl & Taylor Awnings: A-E. G

> Awnings: A-E. G

(1) Awning with small lettering

> Awning: F MARITER STREET D A SITE AND TREE PROTECTION PLAN 0000 133 115 Awn'g G 85 s.f. 10'-3" AFF TLA REQUEST for awnings centered over political egress on street level restaurant/retail 0-0000 C CODE COMPLIANCE LECEND ROW TLA locations LOG # 47296 Awrig F 56 s.1.13.
AFF (small lettering on top of ewning 10'-8" AFF TOTAL 26 PARKENS STACES REQUIRED
63 GANAGE SPACES PROVIDED
25 SLAKFALE SPACES PROVIDED
54 SHEET L2.01 THAIRLY COMPAGE ON STIDES (A. B.S. BOARD PETT HONDOD
SECTION OF STATE PROPERTY

CONTRACT

CONTRA TREES PROVIDED TO THE SERVANDE SERVENDE 20 HOWTS SATE SHEET 12.01 11414 D ORDINANCE REQUIREMENTS - DALLAS - PD 357 (1) Blade Sign at 45 angle, 9 167s f., 17'-0" AFF (1) Blade Sign at 45 angle, 9,167 s.f., 14\*6\* AFF Awn'g D 57 33 s.f. 10'-4" AFF Awn'g A 25.33 s.f 10:3" AFF 2. PANEINA SPACE PER 2,000 ENILDING SCHARE FOOTAGE 6,712 SO ET TOTAL Awr/g B 85 s f 10'-3" AFF Awnig C 85 s f 10"-4" AFF 350 31.94 31.9 31.9 LIGHTING - 20 POINTS LIGHT POLES BUILDING PACADY LIGHTING H THEIR CONCESS - IN PARTY TATING, RELEAT AN 1447 TOTAL RIGHT OF MAY STREET TREES 2 DAIRM THE CATTORNING THREAD . 4" PINE STRINGE F TRE PRESENTION NOTES
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SPECTAUM OF PROFESSIES Taylor Lofts Dellas, Texas Mider Belshaw Project Number: 1807

SITE PLAN

Sheet Number:

C

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6

D SEASONAL COLOR - IN POINTS 374 K LINEAR PEET OF R.O.N. 154

UTAL BUILD

C PLALIC PARK 5 POINTS PER 2X0 SQUANE FEET

TAYLOR STREET

11.01

A STATE OF S

2

B CODE COMPLIANCE PLAN

#### LICENSE AGREEMENT

Pearl Street

Adjacent to Lot 10, Block 15/144 Revised Map of Railroad Addition John Grigsby Survey, Addition No. 495 City of Dallas, Dallas County, Texas EXHIBIT A-TRACT 1

BEING a 0.016 acre (690 square foot) tract of land situated in Pearl Street, closed and vacated by Ordinance #23182 Volume 97127, Page 1664 Deed Records, Dallas Country, Texas, John Grigsby Survey, Abstract No. 495, Dallas Dallas County, Texas, subsequently reopened by Ordinance #29040 and adjacent to Lot 10, Block 15/144 Revised Map of Railroad Addition, an addition to the City of Dallas as recorded in Volume 4, Page 350, Map Records, Dallas County, Texas and being more particularly described as follows:

BEGINNING at an "x" cut in concrete found for the south corner of a tract of land described in deed to TAYLOR STREET 2111, LP as recorded in Instrument No. 201200383129 Official Public Records of Dallas County, Texas, said "x" also being at the intersection of the northeasterly line of said Pearl Street (an 80 foot public right-of-way) (Volume 4, Page 350, Map Records, Dallas County, Texas) and the northwesterly line of Taylor Street (a variable width public right-of-way) (Volume 4, Page 350, Map Records, Dallas County, Texas);

THENCE South 54'00'00" West departing said northeasterly line of Pearl Street and traveling over and across said Pearl Street for a distance of 4.00 feet to an "x" cut in concrete set for corner;

THENCE North 36.00'00" West for a distance of 173.21 feet to an "x" cut in concrete set for corner:

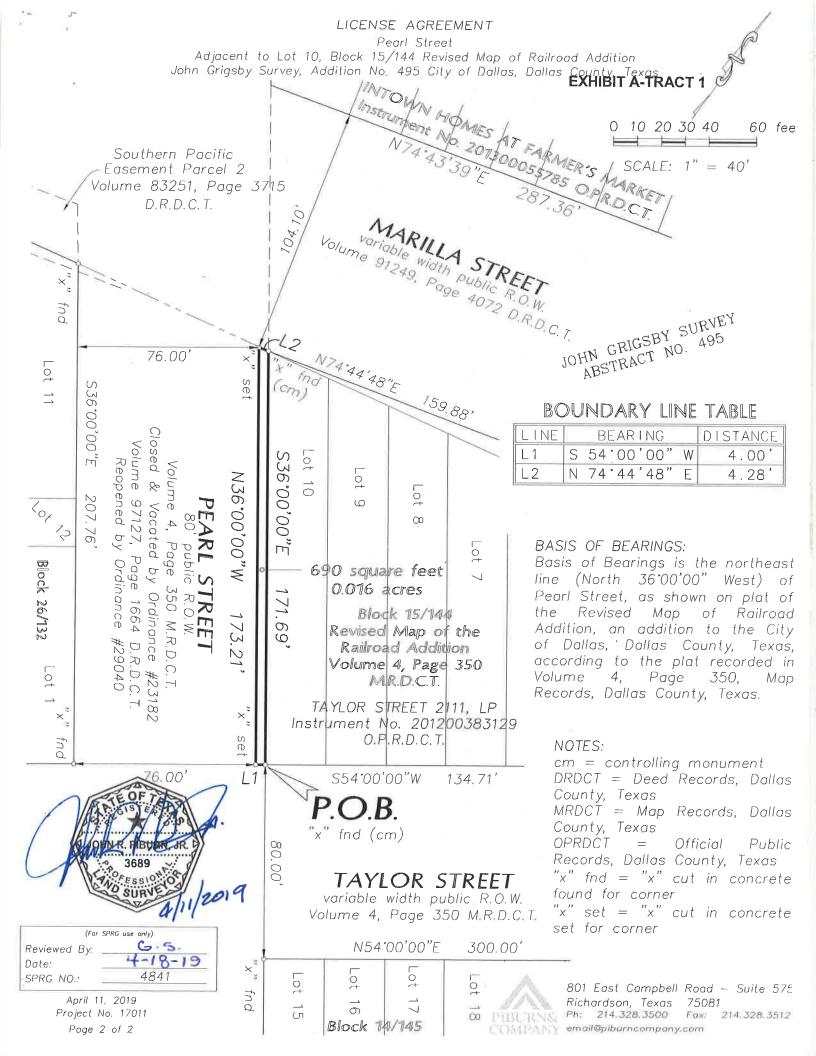
THENCE North 74'44'48" East for a distance of 4.28 feet to an "x" cut in concrete found for west corner of aforementioned TAYLOR STREET 2111, LP tract. said "x" also being at the intersection of the aforementioned northeasterly line of Pearl Street and the southeasterly line of Marilla Street (a variable width public right-of-way) (Volume 91249, Page 4072 Deed Records, Dallas Country, Texas);

THENCE South 36.00'00" East along the common line between said TAYLOR STREET 2111, LP tract and said northeasterly line of Pearl Street for a distance of 171.69 feet to the POINT OF BEGINNING and containing 0.016 acres, or 690 square feet of land, more or less.

Basis of Bearings is the northeast line (North 36'00'00" West) of Pearl Street, as shown on plat of the Revised Map of Railroad Addition, an addition to the City of Dallas, Dallas County, Texas, according to the plat recorded in Volume 4, Page 350, Map Records, Dallas County, Texas.

(For SPRG use only) 6.5. Reviewed By: 4-18-19 Date: SPRG NO .:





#### LICENSE AGREEMENT

Taylor Street
Adjacent to Block 15/144
Revised Map of Railroad Addition
John Grigsby Survey, Addition No. 495
City of Dallas, Dallas County, Texas

#### **EXHIBIT A-TRACT 2**

BEING a 0.013 acre (555 square foot) tract of land situated in the John Grigsby Survey, Abstract No. 495, Dallas Dallas County, Texas and being a portion of Taylor Street (a variable width public right—of—way) (Volume 4, Page 350, Map Records, Dallas County, Texas), also being adjacent to Lots 5—10, Block 15/144 Revised Map of Railroad Addition, an addition to the City of Dallas as recorded in Volume 4, Page 350, Map Records, Dallas County, Texas and being more particularly described as follows:

BEGINNING at an "x" cut in concrete found for the south corner of said Lot 10, said "x" also being at the existing intersection of the northwesterly line of said Taylor Street and the northeasterly line of Pearl Street (an 80 foot public right—of—way) (Volume 4, Page 350, Map Records, Dallas County, Texas);

THENCE North 54°00'00" East along the southeasterly line of said Lot. 10, continuing along the southeasterly lines of aforementioned Lots 9 through 5 for a total distance of 134.71 feet to an "x" cut in concrete found for west corner of a portion of said Taylor Street abandoned by Ordinance No. 30553;

THENCE South 36.00'00" East for a distance of 4.00 feet to an "x' cut in concrete set for corner;

THENCE South 54'00'00" West for a distance of 138.71 feet to an "x' cut in concrete set for corner;

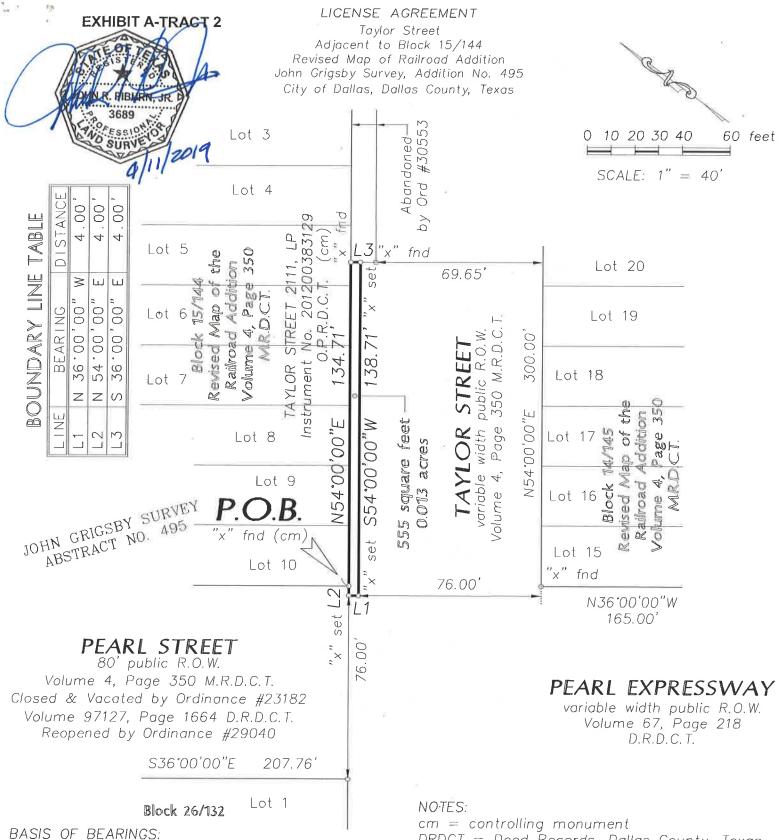
THENCE North 36.00'00" West for a distance of 4.00 feet to an "x" cut in concrete set for corner;

THENCE North 54.00'00" East for a distance of 4.00 feet to the POINT OF BEGINNING and containing 0.013 acres, or 555 square feet of land, more or less.

Basis of Bearings is the northeast line (North 36'00'00" West) of Pearl Street, as shown on plat of the Revised Map of Railroad Addition, an addition to the City of Dallas, Dallas County, Texas, according to the plat recorded in Volume 4, Page 350, Map Records, Dallas County, Texas.

3689 SURVE 1/2019

801 East Campbell Road — Suite 575 Richardson, Texas 75081 Ph: 214.328.3500 Fax: 214.328.3512 email@piburncompany.com



Basis of Bearings is the northeast line (North 36.00'00" West) of Pearl Street, as shown on plat of the Revised Map of Railroad Addition, an addition to the City of Dallas, Dallas County, Texas, according to the plat recorded in Volume 4, Page 350, Map Records, Dallas County, Texas.

> Reviewed By: 4-18-19 Date: 4840 SPRG NO .:

DRDCT = Deed Records, Dallas County, Texas MRDCT = Map Records, Dallas County, Texas OPRDCT = Official Public Records, Dallas County, Texas

"x" fnd = "x" cut in concrete found for corner "x" set = "x" cut in concrete set for corner

That this license is granted subject to the following additional conditions, terms and reservations:

- That at such time as this license is terminated or canceled for any reason whatsoever, GRANTEE, upon orders issued by the City acting through the Director of Sustainable Development and Construction, or designee, shall remove all installations, improvements and appurtenances owned by it situated in, under or attached to the licensed area, and shall restore the premises to its former condition in accordance with the requirements of the Director of Sustainable Development and Construction at the sole cost of GRANTEE. In the event, upon termination of this license, GRANTEE shall fail to remove its installations, improvements and appurtenances and to restore the licensed area in compliance with orders issued by City, or such work is not done to the satisfaction of the Director of Sustainable Development and Construction, then in either event the City shall have the right to do all work necessary to restore said area to its former condition or cause such work to be done, and to assess the cost of all such work against GRANTEE; in neither event shall the City of Dallas be liable to GRANTEE on account thereof.
- (b) It is further understood that if and when the City of Dallas, in the exercise of its discretion, shall determine that the grade of any street, sidewalk or parkway should be modified or changed, or that any other work should be done in connection with any public improvement which will affect the licensed area, and/or any of GRANTEE's installations and improvements thereon, any modifications or changes to GRANTEE's facilities in the licensed area or in construction or reconstruction of any public improvement attributable to GRANTEE's use of the licensed area and/or its installations and improvements thereon, shall be made at the sole expense of GRANTEE and to the satisfaction of the Director of Sustainable Development and Construction.
- At such time as this license is granted, it is agreed, and a condition hereof, that GRANTEE shall procure and keep in full force and effect Commercial General Liability Insurance coverage issued by an insurance company authorized and approved by the State of Texas, acceptable to the City of Dallas and issued in the standard form approved by the Texas Department of Insurance. The insured provisions of this policy must name the City of Dallas as an additional insured protecting the City of Dallas against any and all claims for damages to persons or property as a result of or arising out of the use, operation and maintenance by GRANTEE of the licensed area and GRANTEE's installations, improvements, landscaping and equipment in connection therewith and located therein. The Commercial General Liability coverage must include, but not limited to, Premises/Operations, Independent Contractors and Contractual Liability with minimum combined bodily injury (including death) and property damage limits of not less than \$500,000 per occurrence and \$500,000 annual aggregate. This insurance shall also include coverage for underground, explosion and collapse hazards (i.e. not excluded). If this insurance is written on a claims-made form, coverage shall be continuous (by renewal or extended reporting period) for not less than

twelve (12) months following termination of this license and removal of the installations, improvements and appurtenances and restoration of the licensed area pursuant to paragraph (a) above. Coverage, including any renewals, shall contain the same retroactive date as the original policy applicable to this license. The City of Dallas reserves the right to review the insurance requirements set forth herein during the effective term of the license and to adjust insurance coverages and their limits when deemed necessary and prudent by the City of Dallas' Risk Management based upon changes in statutory law, court decisions, or the claims history of the industry as well as the City of Dallas.

- 1. GRANTEE agrees that with respect to the above required insurance, all insurance contracts and certificates of insurance will contain and state, in writing, that coverage shall not be canceled, nonrenewed or materially changed except after thirty (30) days written notice by certified mail to Department of Sustainable Development and Construction.
- 2. GRANTEE shall carry said insurance at its expense and shall furnish the City of Dallas proof of such insurance. In the event said insurance should terminate during the licensing term hereof, or GRANTEE fails to furnish proof of insurance coverage in accordance with the specifications as required by this section, the Director of Sustainable Development and Construction, or designee, may terminate the license granted herein.
- (d) GRANTEE is prohibited from using the licensed area in any manner which violates Federal, State or local laws, regulations, rules and orders, regardless of when they become or became effective, including without limitation, those related to health, safety, noise, environmental protection, waste disposal and water and air quality, and shall provide satisfactory evidence of compliance upon the request of the City of Dallas. Should any discharge, leakage, spillage, emission or pollution of any type occur upon or from the licensed area due to GRANTEE's use and occupancy thereof, GRANTEE, at its expense, shall be obligated to clean up the licensed area to the satisfaction of the City of Dallas and any governmental body having jurisdiction thereover. The City of Dallas may, at its option, clean the licensed area. If the City of Dallas elects to do so, GRANTEE shall promptly pay to the City of Dallas the reasonable cost of such cleanup upon receipt of bills therefore. GRANTEE agrees that the indemnity provisions contained in paragraph (g) herein shall be fully applicable to the requirements of this paragraph, in event of GRANTEE's breach of this paragraph, or as a result of any such discharge, leakage, spillage, emission or pollution arising out of the GRANTEE's use of the licensed area.
- (e) This license is subject to all State laws, the provisions of the Charter of the City of Dallas as it now exists, or may hereafter be adopted or amended, and the ordinances of the City of Dallas now in effect or those which may hereafter be passed or adopted. The City of Dallas shall have the right to increase or decrease the compensation to be charged for the use contemplated by this grant in

- accordance with the provisions of the Dallas City Code as it now exists, or as may hereafter be adopted or amended.
- The Governing Body of the City of Dallas reserves the right, at any time without notice, to terminate and cancel this license, by resolution, upon a finding by the Governing Body that this license is inconsistent with the public use of the property or whenever the purpose or use of the license is likely to become a nuisance and all rights granted hereunder shall thereupon be considered fully terminated and canceled and the City of Dallas shall not be held liable by reason thereof. The decision of the Governing Body of the City in this matter shall be final and binding upon all parties insofar as the City's determination as to whether the **GRANTEE's** use of this license constitutes a nuisance or is inconsistent with the public use of the property.
- As a condition hereof, GRANTEE agrees and is bound to defend, indemnify and hold the City of (g) Dallas, its officers, agents and employees, harmless against any and all claims, lawsuits, judgments, costs and expenses for bodily injury (including death), property damage or other harm for which recovery of damages is sought, suffered by any person or persons, that may arise out of or be occasioned by the use, occupancy and maintenance of the licensed area or GRANTEE's installations and improvements within the licensed area, from any act or omission of any representative, agent, customer and/or employee of GRANTEE, or by GRANTEE's breach of any of the terms or provisions of this license, or by any negligent or strictly liable act or omission of GRANTEE, its officers, agents, employees or contractors in the use, occupancy and maintenance of GRANTEE's installations and improvements within the licensed area; except that the indemnity provided for in this paragraph shall not apply to any liability resulting from the sole negligence or fault of the City of Dallas, its officers, agents, employees or separate contractors, and in the event of joint and concurring negligence or fault of both the GRANTEE and the City of Dallas, responsibility and liability, if any, shall be apportioned comparatively in accordance with the laws of the State of Texas, without, however, waiving any governmental immunity available to the City of Dallas under Texas law and without waiving any defenses of the parties under Texas law. This obligation to indemnify and defend shall also include any claim for damage that any utility or communication company, whether publicly or privately owned, may sustain or receive by reason of GRANTEE's use of the licensed area or GRANTEE's improvements and equipment located thereon. In addition to the foregoing, GRANTEE covenants and agrees never to make a claim of any kind or character whatsoever against the City of Dallas for damage of any kind that it may suffer by reason of the installation, construction, reconstruction, operation or maintenance of any public improvement, utility or communication facility on the licensed area, whether presently in place or which may in the future be constructed or installed, including but not limited to, any water or wastewater mains or storm sewer facilities, regardless of whether such damage is due to

flooding, infiltration, backflow or seepage caused from the failure of any installation, natural causes, City's negligence, or from any other cause whatsoever.

(h) This license is subject to any existing utilities or communication facilities, including drainage, presently located within the licensed area, owned and/or operated by the City of Dallas or any utility or communications company, public or private, and to any vested rights presently owned by an utility or communications company, public or private, for the use of the licensed area for facilities presently located within the boundaries of said licensed area. It is the intent of the foregoing that this permission herein is made expressly subject to the utilization of the licensed area for communication and utility purposes, both public and private, including drainage, over, under, through, across and along the licensed area. No buildings shall be constructed or placed upon, over or across the licensed area in such a manner as to interfere with the operation of any utilities and communication facilities. All and any communication company and utility, both public and private, shall have the right to remove and keep removed all or parts of any buildings which may in any way endanger or interfere with the construction, maintenance or efficiency of its respective systems within the licensed area. All communication companies and utilities, both public and private, shall have the full right to remove and keep removed all parts of any buildings, fences, trees, or other improvements or growths which in any way may endanger or interfere with the construction, maintenance and efficiency of its respective system and shall at all times have the full right of ingress and egress to or from and upon the licensed area for the purpose of constructing. relocating, inspecting, patrolling, maintaining and adding to or removing all or part of its respective systems without the necessity at any time of procuring the permission of anyone.





# City of Dallas

# Agenda Information Sheet

File #: 20-7 Item #: 20.

STRATEGIC PRIORITY: Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): 11, 12

**DEPARTMENT:** Department of Transportation

**EXECUTIVE:** Majed Al-Ghafry

#### SUBJECT

Adopt a resolution authorizing the City Manager to execute an Interlocal Agreement between the City of Dallas and Dallas Area Rapid Transit (DART) for the prohibition of freight services on DART's Cotton Belt Line of approximately a three-mile section from the Dallas City Limit at the Dallas North Tollway to the Dallas City Limit west of Waterview Parkway - Financing: No cost consideration to the City

#### **BACKGROUND**

DART is currently designing and planning the construction and operation of a 26-mile rail line between Dallas Fort Worth International Airport and the City of Plano known as the Cotton Belt Project (the "Project"). The project was recently renamed as the Silver Line. The Project alignment follows the existing Cotton Belt rail line that passes through the cities of Plano, Richardson, Dallas, Addison, Coppell and Carrollton. A portion of the Project alignment that passes through the northern part of the City is an approximate three-mile section between the Dallas City Limit at the Dallas North Tollway to the Dallas City Limit west of Waterview Parkway that is in close proximity to schools, parks, and mixed-use development, and has several at-grade street crossings within the aforementioned limits as well as in the Cypress Waters Development Area.

As part of public outreach and a thorough project review, local communities provided input to DART and to the City noting their concerns about the Project's impacts. These comments were incorporated in the environmental review process which culminated in the Federal Transit Administration's (FTA) issuance of a Record of Decision (ROD) and Final Environmental Impact Statement (FEIS) to DART. The FEIS included a provision noting the Surface Transportation Board's decision approving the abandonment of freight service for 5.34 miles of the existing Cotton Belt rail line, including the portion of the rail line that passes through the northern part of the City of Dallas. This decision was supported by the Dallas City Council by Resolution No. 18-0488 dated March 28, 2018, whereby the City's conditional support for the project included a provision that freight service would be prohibited on the Project line between Waterview Parkway and the Dallas North Tollway.

File #: 20-7 Item #: 20.

This Interlocal Agreement formalizes the prohibition of freight service on the approximate three-mile section in the northern part of the City of Dallas in accordance with Resolution No. 18-0488.

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On March 28, 2018, City Council adopted a resolution that lists support for the DART Cotton Belt Project and conditions associated with such support to mitigate the impacts of the project by Resolution No. 18-0488.

Information will be provided by memorandum to City Council on January 17, 2020.

# **FISCAL INFORMATION**

No cost consideration to the City.

**WHEREAS,** Dallas Area Rapid Transit ("DART") is currently designing and planning the construction and operation of a 26-mile rail line between Dallas Fort Worth International Airport and the City of Plano known as the Cotton Belt Project (the "Project"); and

WHEREAS, the Project alignment follows the existing Cotton Belt rail line that passes through the cities of Plano, Richardson, Dallas, Addison, Coppell, and Carrollton; and

**WHEREAS**, the portion of the Project alignment that passes through the northern part of the city of Dallas is a three-mile section that is in close proximity to schools, parks, and mixed-use development, and has several at-grade street crossings; and

**WHEREAS,** on January 22, 2010, the Surface Transportation Board, issued a decision approving the freight service abandonment of 5.34 miles of existing Cotton Belt rail line, including the portion of the rail line that includes the Project alignment that passes through the northern part of the City (the "Abandonment"); and

**WHEREAS,** on March 28, 2018, the City Council adopted Resolution No. 18-0488 (the "Resolution") that provided, among other things, that the City Council would support the Project if DART agreed to enter into an Agreement with the City assuring that freight service would never be allowed on the Project between Waterview Parkway and the Dallas North Tollway; and

**WHEREAS,** on November 8, 2018, DART obtained a Record of Decision ("ROD") and Final Environmental Impact Statement ("FEIS") from the U.S. Department of Transportation, Federal Transit Administration ("FTA"), Federal Aviation Administration ("FAA") and the Federal Railroad Administration ("FRA"), as a cooperating agency, for the Project; and

**WHEREAS**, the ROD/FEIS references the Abandonment and was issued based on such Abandonment; and

**WHEREAS**, the Parties are each a "local government" as defined in the Interlocal Cooperation Act, as amended (Chapter 791, Texas Government Code, as amended, or "the Act"), whose governmental functions include the authority to provide for public transportation within their respective jurisdictions.

Now, Therefore,

#### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That the City Manager is hereby authorized to execute an Interlocal Agreement between the City of Dallas and DART, approved as to form by the City Attorney, for the prohibition of freight services on DART's Cotton Belt Line of approximately a three-mile section from the Dallas City Limit at the Dallas North Tollway to the Dallas City Limit west of Waterview Parkway without the express written consent of the Dallas City Council and all applicable federal agencies.

**SECTION 2.** That this Interlocal Agreement will renew annually without any action from the Parties.

**SECTION 3.** That this Interlocal Agreement is designated as Contract No. TRN-2020-00012610

**SECTION 4.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



# City of Dallas

1500 Marilla Street Dallas, Texas 75201

# Agenda Information Sheet

File #: 20-39 Item #: 21.

STRATEGIC PRIORITY: Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: January 22, 2020

**COUNCIL DISTRICT(S):** 1, 4, 5, 7, 9

**DEPARTMENT:** Department of Transportation

**EXECUTIVE:** Majed Al-Ghafry

#### **SUBJECT**

Authorize payment to the Texas Department of Transportation for cost overruns related to the intersection and traffic signal improvements at six off-system locations: Illinois Avenue and Kiest Boulevard, Mockingbird Lane and Williamson Road, Elam Road and Prairie Creek Road, Corinth Street and Illinois Avenue, Jefferson Boulevard and Westmoreland Road, and Martin Luther King Jr. Boulevard and Holmes Street; in the amount of \$206,967.09 - Financing: General Fund

#### **BACKGROUND**

The Highway Safety Improvement Program (HSIP), administered by the Texas Department of Transportation (TxDOT), is designed to reconstruct and install traffic signals at high-accident intersections in the City of Dallas.

On June 28, 2017, City Council authorized a payment for the design and engineering costs of six traffic signals that included \$187,835.00 as a match by Resolution No. 17-1055:

## TxDOT Off-System Intersections:

- Illinois Avenue and Kiest Boulevard (CSJ 0918-47-180), (Upgrade), (CD 4)
- Mockingbird Lane and Williamson Road (CSJ 0918-47-182), (Upgrade), (CD 9)
- Elam Road and Prairie Creek Road (CSJ 0918-47-183), (Upgrade), (CD 5)
- Corinth Street and Illinois Avenue (CSJ 0918-47-184), (Upgrade), (CD 4)
- Jefferson Boulevard and Westmoreland Road (CSJ 0918-47-192), (Upgrade), (CD 1)
- Martin Luther King, Jr. Boulevard and Holmes Street (CSJ 0918-47-194), (Upgrade), (CD 7)

This action will authorize local matching funds of \$206,967.09 to be issued as a warrant check for State construction costs and State direct costs. The total match required is \$394,802.09.

File #: 20-39 Item #: 21.

Due to sharp increases in material costs, primarily in traffic signal poles and concrete since the original construction estimates were prepared in 2016, the lowest bid exceeded estimates by \$206,967.09.

# **ESTIMATED SCHEDULE OF PROJECT**

Begin Construction February 2020 Complete Construction December 2021

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

# **FISCAL INFORMATION**

Fund	FY 2019-20	FY 2020-21	Future Years
General Fund	\$206,967.09	N/A	N/A
Total	\$206,967.09	N/A	N/A

Council District	<u>Amount</u>
1 4 5 7	\$ 34,494.51 \$ 68,989.05 \$ 34,494.51 \$ 34,494.51
9	<u>\$ 34,494.51</u>
Total	\$206,967.09

WHEREAS, the Texas Department of Transportation (TxDOT) will construct upgrades to six existing traffic signals at: Illinois Avenue and Kiest Boulevard, Mockingbird Lane and Williamson Road, Elam Road and Prairie Creek Road, Corinth Street and Illinois Avenue, Jefferson Boulevard and Westmoreland Road, and Martin Luther King Jr. Boulevard and Holmes Street; and

**WHEREAS**, the City of Dallas issued a previous local match warrant payment in the amount of \$208,496.30 (\$20,661.30 for required State fees and \$187,835.00 for direct State engineering and constructions costs), based on a 10% local match of preliminary construction cost estimates and related fees; and

**WHEREAS**, the City of Dallas is responsible for 100% of project costs exceeding the original estimate in the amount of \$208,496.30; and

**WHEREAS**, based on construction bids received by TxDOT in November 2019, the City of Dallas cost responsibility increased by \$206,967.09.

Now, Therefore,

## BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That the City Manager is hereby authorized to issue a payment to TxDOT for cost overruns related to the intersection and traffic signal improvements at six off-system locations at: Illinois Avenue and Kiest Boulevard, Mockingbird Lane and Williamson Road, Elam Road and Prairie Creek Road, Corinth Street and Illinois Avenue, Jefferson Boulevard and Westmoreland Road, and Martin Luther King Jr. Boulevard and Holmes Street in the amount of \$206,967.09 in accordance with the terms in the Local Project Advance Funding Agreement with TxDOT authorized by previous Council Resolution No. 17-1055 on June 28, 2017, for project cost overruns.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to issue a warrant check in the amount of \$206,967.09 to TxDOT in accordance with the terms and conditions of the agreement from the General Fund, Fund 0001, Department TRN, Unit 3049, Object 4820, Vendor 020318.

**SECTION 3.** That this contract is designated as Contract No. TRN-2019-00012275.

**SECTION 4.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

November 12, 2019

CSJ: 0918-47-180, etc.
Illinois Ave at Kiest Blvd
Mockingbird Ln at Williamson Rd
Elam Rd at Prairie Creek Rd
Illinois Ave at Corinth Street Rd
Jefferson Blvd at Westmoreland Rd
MLK Blvd at Holmes St
City of Dallas
Dallas County

Mr. Gus Khankarli, P.E. Assistant Director City of Dallas Department of Transportation 1500 Marilla St, Rm L1BS Dallas, TX 75201

Dear Mr. Khankarli:

Enclosed is a copy of the bids received for the above traffic signal safety improvement project and a spreadsheet showing the City's financial commitment to this project. The City's additional cost will be **\$206,967.09** (\$394,802.09-\$187,835.00). Please submit a check to TxDOT for this amount by December 20, 2019 and a Concurrence for Award letter to us by December 2, 2019.

For further information, please contact Ms. Corrine Chandler, P.E. at (214) 319-6589. Your cooperation in completing this project is greatly appreciated.

Sincerely,

Christopher D. Blain, P.E.

District Transportation Operations Engineer

Chrityha D, Blan, PE

**Enclosures** 

# Post bid funds analysis for City of Dallas

		Signal	Authorized Funds w/o			
		Reimbursement	Signal Reimbursement		•	City responsibility
CSJ	<b>Authorized Funds</b>	Force Account	Force Account	Low bid	overrun/underrun	* see Note
0918-47-180	\$338,647.00	\$71,487.43	\$267,159.57	\$391,964.75	\$124,805.18	\$151,521.14
0918-47-182	\$266,913.00	\$54,426.40	\$212,486.60	\$166,271.00	-\$46,215.60	\$16,627.10
0918-47-183	\$314,829.00	\$71,487.43	\$243,341.57	\$314,270.75	\$70,929.18	\$95,263.34
0918-47-184	\$314,023.00	\$71,487.43	\$242,535.57	\$282,440.50	\$39,904.93	\$64,158.49
0918-47-192	\$376,448.00	\$47,812.97	\$328,635.03	\$343,442.50	\$14,807.47	\$47,670.97
0918-47-194	\$267,493.00	\$47,812.97	\$219,680.03	\$195,610.50	-\$24,069.53	\$19,561.05
Totals =	\$1,878,353.00	\$364,514.63	\$1,513,838.37	\$1,694,000.00		\$394,802.09

Note: Authorized funds include Signal Reimbursement Force Account.

City responsibility includes 10% of authorized funds (or low bid, if less) plus over-run.

Construction Escrow Funds pre-paid by city = \$187,835.00

4264,514.63 TOND FOGG DEPT TRN UNIT 8969 OC 4920 CR 19-1899 CR 19-1899



# TEXAS DEPARTMENT OF TRANSPORTATION

Briver | Business | Government | Insida FxDOT | Careers

# Tabulation of Bids for Project STP 2020(180)HES

Last Update: Wednesday, November 06, 2019

The Electronic State Business Daily (ESBD), the Electronic Bidding System, and the project proposal are the official sources of advertisement and bidding information for the State and Local Lettings. Bidders should bid the project using the information found therein, including any addenda. These sources take precedence over information from other sources, including TxDOT webpages, which are unofficial and intended for informational purposes only.

Text version of this page

County: DALLAS

**Let Date**: 11/05/19

Type: INSTALLATION OF TRAFFIC SIGNALS

Seq No: 3026

Time: 180 WORKING DAYS

Project ID: STP 2020(180)HES

Highway: CS

Contract #: 11193026

Length: 1.200

CCSJ: 0918-47-180

Limits:

Check: \$100,000

From: VARIOUS LOCATIONS

To: IN THE CITY OF DALLAS

Misc Cost: \$42,000.00

Estimate	\$1,972,006.00	% Over/Under	Compa	Company				
Bidder 1	\$1,694,000.00	-14.10%	DURABI	E SPECIALTI	ES, INC.			
Bidder 2	\$2,016,991.61	+2.28%	AMERIC	AN LIGHTIN	G AND SIGN	ALIZATIO	N, LLC	
Bidder 3	\$2,038,216.10	+3.36%	SIEMEN	S MOBILITY,	INC.			
Bidder 4	\$2,312,911.50	+17.29%	FNH CONSTRUCTION, LLC					
Item Code	De	Unit	Quantity	Unit Est.	Bidder	Unit Bid		
1046001	REMOVING CONC (PAV)	SY	378.000	75.00	1	45.000		
				*11		2	89.100	
						3	11.500	
						4	50.000	
1046015	REMOVING CO	NC (SIDEWALKS)	SY	60,000	75,00	1	25,000	
						2	45.490	
						3	14.700	

1106001	EXCAVATION (ROADWAY)	CY	307.700	60.00		30.000
		1			2	65.900
					3	
					4	50.000
1326017	EMBANKMENT (VEHICLE)(ORD	CY	60.000	75.00		20.000
	COMP)(TY A)				2	70.990
					3	1
		_			4	100.000
1626008	ROLL SODDING	SY	107.000	60,00		1
					2	13.620
					3	6,800 20.000
2546024	DELL'ODY DE VITE TO CO VOID 1000		000000	FF 66		
2516034	REWORK BS MTL (TY C) (8") (ORD COMP)	SY	266.500	55.00	1 2	1
	(COMP)				3	180.370 2.400
					4	50.000
3406011	D-GR HMA(SQ) TY-B PG64-22	TON	1.000	150.00	-	
J400011	13-01/11WA(3Q) 17-0 FO04-22	TON	1,000	150.00	1 2	2,000.000 1,202.450
					3	119.700
					4	2,000.000
3606044	CONC PVMT (CONT REINF)(FAST	SY	266,500	280.00	1	185,000
	TRK)(12")		2001000	200.00	2	406.370
					3	107.500
					4	300.000
4166031	DRILL SHAFT (TRF SIG POLE) (30	LF	22.000	345.00	1	355.000
	IN)				2	306,980
		П			3	964.700
					4	285.000
4166032	DRILL SHAFT (TRF SIG POLE) (36	LF	236.000	370.00	1	385,000
	IN)				2	434.490
	1	1 1			3	1,225.000
					4	400,000
4166034	DRILL SHAFT (TRF SIG POLE) (48	LF	44.000	450.00	1	505,000
	IN)	П			2	566.880
	li .	Ш			3	1,433,300
		$\vdash$			4	485.000
4326001	RIPRAP (CONC)(4 IN)	CA	12.600	1,200.00	1	625,000
					2	988,400
		ш			3 4	1,118.000 650.000
F000004	1400000747401				_	
5006001	MOBILIZATION	LS	1.000	150,000.00	1	70,000,000
	l.				2 3	181,252,980
		Н			4	123,131.000 235,000.000
5026001	DADDICADES CICNIC AND TRACEIC	Lu <sub>0</sub>	12.000	B 000 00		
3020001	BARRICADES, SIGNS AND TRAFFIC HANDLING	MO	12.000	8,000.00	1 2	7,500.000 10,376.400
	The work of the state of the st				3	10,273.800
					4	10,000.000
5066042002	BIODEG EROSN CONT LOGS	LF	570.000	4.00	1	1.000
	(INSTL) (18")		57.0.000	4,50	2	3.690
					3	7.200
					4	18.000
5066043002	BIODEG EROSN CONT LOGS	LF	570.000	2.00	1	0,500
	l			ಚಾರ್ಚನೆ.		

1	(REMOVE)	1	1	1	2	0.800
	1				3	2.500
					4	9,000
5296002	CONC CURB (TY II)	LF	270.000	75.00	1	45.000
		1			2	
					3	
		+-	-	-	4	35,000
5296008	CONC CURB & GUTTER (TY II)	LF	695.000	75,00		
					3	63.020 42.100
					4	50.000
5316003	CONC SIDEWALKS (6")	SY	371,000	130.00	1	70.000
3010000	de vie di benviend (d )		371,000	150.00	2	87.650
		1			3	150,100
		1	1		4	80.000
5316004	CURB RAMPS (TY 1)	EA	2.000	4,000.00	1	3,400.000
					2	2,106.450
		1	1		3	2,286.500
					4	3,000.000
5316005	CURB RAMPS (TY 2)	EA	5.000	4,000.00	1	3,400.000
					2	3,462.450
					3	2,446.600
		_			4	3,000.000
5316006	CURB RAMPS (TY 3)	EA	3.000	4,000.00	1	3,400.000
		1		,,,,,,,,,,	2	4,592.450
		1			3	1,850.600
		╄			4	3,000.000
5316008	CURB RAMPS (TY 5)	EΑ	2.000	4,000.00	1	4,600.000
		1			2	4,027.450
		1			3	2,387.800
		+			4	3,000.000
5316009	CURB RAMPS (TY 6)	EA	6.000	4,000.00	1	4,600.000
			-		2	3,462.450
					3	3,232.900 3,000.000
F245010	CURD DAY (DC /D/ D)	-	47.000			
5316010	CURB RAMPS (TY 7)	EA	17.000	4,000.00	1	3,400.000
					2	2,106.450 2,324,900
					4	3,000.000
531 <b>60</b> 17	CURB RAMPS (TY 22)	EA	3.000	5,000.00	1	5,500.000
21001	301010101010101010101010101010101010101	LA	5.000	3,000,00	2	5,722.450
					3	3,610,500
					4	3,000.000
366006	CONC MEDIAN(MONO NOSE)	SY	26.500	160.00	1	250.000
	1				2	315.100
		l			3	139,900
					4	500.000
186046	CONDT (PVC) (SCH 80) (2")	LF	805,000	14.00	1	14.000
					2	13.590
					3	31.800
					4	15.000
186047	CONDT (PVC) (SCH 80) (2") (BORE)	ĻF	80.000	25.00	1	30.000
					2	26.090
	I			Į	3	20.100

		$\vdash$			4	40.000
6186053	CONDT (PVC) (SCH 80) (3")	LF	780.000	15.00	1	15.000
		l	1 1		2	14.84
		l			3	32,80
		_			4	20,00
6186054	CONDT (PVC) (SCH 80) (3") (BORE)	LF	2,560,000	30.00	1	32,00
		l			2	26.77
		l			3	23.90
		L			4	40.00
6186058	CONDT (PVC) (SCH 80) (4")	LF	185.000	16,00	1	16.00
		1			2	16.66
		l	1 1		3	41.60
		L			4	30.00
6186059	CONDT (PVC) (SCH 80) (4") (BORE)	LF	2,560.000	35.00	1	34.00
		l			2	29.76
		1			3	28.00
					4	40.00
6206004	ELEC CONDR (NO.12) INSULATED	LF	1,440.000	1.50	1	1.00
		1			2	1.22
		l			3	3.10
					4	3.00
6206008	ELEC CONDR (NO.8) INSULATED	LF	5,500.000	1.50	1	1.00
					2	1.94
		l			3	3.30
					4	3.00
6206009	ELEC CONDR (NO.6) BARE	LF	3,925.000	2.00	1	2.00
		l			2	1.75
		l			3	3.40
					4	3.00
6206010	ELEC CONDR (NO.6) INSULATED	LF	1,130.000	2.00	1	2.00
		l			2	1.87
		l			3	3.50
					4	3,00
6246008	GROUND BOX TY C	EΑ	32.000	1,250.00	1	1,200.00
	(162911)W/APRON	l	l 1		2	1,064.20
		ı			3	1,973.80
					4	900.00
6246028	REMOVE GROUND BOX	EΑ	30,000	250,00	1	225.00
		l			2	389.53
		1			3	760.70
					4	325.00
6286187	ELC SRV TY D 120/240	EA	6,000	6,500.00	1	7,000.00
	070(NS)SS(E)PS(U)		1 1	1	2	6,446.40
			1	- 1	3	4,696.20
					4	6,500.00
6446001	IN SM RD SN SUP&AM	EA	7.000	700.00	1	750.00
	TY10BWG(1)SA(P)				2	652.08
				- 1	3	1,159.50
					4	850.00
5446004	IN SM RD SN SUP&AM	EA	6.000	700.00	1	750.00
	TY10BWG(1)SA(T)				2	669.03
		ı	1 1		3	1,159.50

6446068	RELOCATE SM RD SN SUP&AM TY	EA	1.000	500.00		300.000
	10BWG					584.280
	l .			1	1 3	1,523.400
		$\perp$				650.000
6446076	REMOVE SM RD SN SUP&AM	EΑ	3.000	150.00		
		1			2	
		1			3	
		$\perp$			4	150.000
6666035007	REFL PAV MRK TY I (W)8"(SLD) (090MIL)	LF	2,395.000	3.00	1 2	
	(OSOIVIL)	1	1		3	
					4	
6666041007	REFL PAV MRK TY I (W)12"(SLD)	LF	3,535.000	6.00	1	3,000
	(090MIL)				2	3.050
					3	5.000
					4	1
6666047007	REFL PAV MRK TY I (W)24"(SLD)	LF	982.000	7.00	1	7.000
	(090MIL)	l .		1	2	6.100
		1			3	7,700
		<u>_</u>			4	6.000
6666098007	REF PAV MRK TY I(W)18"(YLD TRI)	EA	34.000	50.00		
	(090MIL)				2	
					3	
6666224007	PAVEMENT SEALER 4"	LF	2,870.000	0.50		
0000224007	L WALINGIAL SEVECUA		2,670.000	0.30	2	0.100
		1	1		3	0.400
					4	1.000
6666226007	PAVEMENT SEALER 8"	LF	1,825.000	0.60	1	0.200
	1				2	0.170
	1				3	0.500
					4	1.000
6666228007	PAVEMENT SEALER 12"	LF	3,290.000	2.00	1	1.000
	1				2	1.130
					3 4	2.200 1,500
5666230007	PAVEMENT SEALER 24"	LF	847.000	3.00	1	2.000
		-		3.00	2	2,260
					3	2,900
					4	2.000
666231007	PAVEMENT SEALER (ARROW)	EA	29.000	30.00	1	20,000
					2	0.580
					3	32.500
		_			4	50.000
6666232007	PAVEMENT SEALER (WORD)	EA	1.000	45.00	1	24.000
					2	22.600
					3 4	41.300 80.000
666243007	PAVEMENT SEALER (YLD TRI)	EA	34.000	40.00	1	2,500
			2 11000	45.50	2	2.260
					3	28.700
					4	40.000
666299007	RE PM W/RET REQ TY I (W)4"(BRK)	LF	3,160.000	1.00	1	1.000
	(090MIL)	l l			2	0.680

					3 4	1.600
		_			4	1.500
6666302007	RE PM W/RET REQ TY I (W)4"(SLD)	LF	1,970.000	1.00	1	1.00
	(090MIL)				2	0,58
					3	1.800
		_			4	1.500
6666314007	RE PM W/RET REQ TY I (Y)4"(SLD)	LF	2,300.000	1.00	1	1,000
	(090MIL)	l			2	0,680
		l			3	2.100
		<u> </u>			4	1,500
6686077	PREFAB PAV MRK TY C (W)	EΑ	34.000	330,00	1	300.000
	(ARROW)	1			2	271.200
	1	ı			3	271,900
		_	-		4	225.000
6686085	PREFAB PAV MRK TY C (W)	EΑ	1.000	350.00	1	350.000
	(WORD)	1			2	316.400
					3	379.800
		_			4	325.000
6686094	PREFAB PAV MRK TY C (W)(BIKE	EΑ	4.000	400.00	1	195.000
	ARROW)	ı			2	169.500
		l			3	339.400
		_			4	125.000
6686096	PREFAB PAV MRK TY C (W)(BIKE	EA	4.000	400.00	1	400.000
	SYMBOL)	1			2	339,000
					3	496.700
		_			4	250,000
6726009	REFL PAV MRKR TY II-A-A	EA	24.000	7.00	1.	5,000
	}				2	4.240
					3	3.500
					4	8,000
6726010	REFL PAV MRKR TY II-C-R	EA	486,000	7.00	1	5.000
		1			2	4.240
					3	5.500
		_	-		4	6.000
6776001	ELIM EXT PAV MRK & MRKS (4")	LF	290.000	1.00	1	1.000
					2	0.680
					3	0.600
		_			4	6.000
6776002	ELIM EXT PAV MRK & MRKS (6")	LF	1,376.000	1.00	1	1.000
					2	1.020
					3	0.600
		_				2,000
6776003	ELIM EXT PAV MRK & MRKS (8")	LF	10.000	2.00	1	2.000
					2	1.360
					3 4	1.000
		_				5,000
6776005	ELIM EXT PAV MRK & MRKS (12")	LF	1,235.000	4.00	1	2,000
					2	1.700
					3	2.200
					4	2.000
6776007	ELIM EXT PAV MRK & MRKS (24")	LF	1,974.000	4.00	1	4.000
					2	3.390
					3	3.400
		V 9			4	3.000

6786001	PAV SURF PREP FOR MRK (4")	LF	7,430.000	0,50	1	0.100
	1	1			2	0.060
	1	ı			3	0.300
					4	0.500
6786004	PAV SURF PREP FOR MRK (8")	LF	2,395.000	1.00	1	0.200
	1	1			2	0.110
	1	l			3	0.400
		L			4	0,500
6786006	PAV SURF PREP FOR MRK (12")	LF	3,580.000	1.25	1	0.500
					2	0.340
	1	1			3	1.200
		_			4	0.500
6786008	PAV SURF PREP FOR MRK (24")	LF	942,000	1.50	1	1.000
		1			2	0,680
		l			3	1.600
					4	1,000
6786009	PAV SURF PREP FOR MRK	EA	34.000	25.00	1	15.000
	(ARROW)	ı			2	11.300
		1			3	19.400
		_			4	50.000
6786016	PAV SURF PREP FOR MRK (WORD)	EA	1.000	50.00	1	20.000
					2	16,950
					3	22.100
		_			4	50,000
6786022	PAV SURF PREP FOR MRK (18")	EA	34.000	20.00	1	1.000
	(YLD TRI)	1			2	1,130
	1				3	19,300
						50.000
6786026	PAV SURF PREP FOR MRK (BIKE	EA	4.000	30.00	1	13.000
	ARROW)				2	11.300 13.200
					4	50.000
C70C010	DAY CURE DOED FOO AMPLY INIVE	EA	4.000	35.00		
6786028	PAV SURF PREP FOR MRK (BIKE SYMBOL)	EA	4.000	35,00	1 2	20,000 16.950
	STAIDOC				3	25,300
					4	50.000
6786033	PAV SURF PREP FOR MRK (RPM)	EA	244.000	1.00	1	0.250
0700000	TAV SOM THEFT ON WINK (MEW)	LA	244.000	1.00	2	0.230
					3	0.900
					4	1.000
6806004006	REMOVING TRAFFIC SIGNALS	EA	6.000	6,000.00	1	5,500.000
	NEWS WITE THE STORY LES		0.000	0,000.00	2	5,972.260
					3	11,411.900
					4	6,500.000
5806005006	INS HY TRF SIG (DPT SUP CNT &	EA	6.000	20,000.00	1	16,000.000
	CAB)(ISO)			20,000.00	2	18,382.500
			- 1		3	22,597.600
					4	28,500.000
826001	VEH SIG SEC (12")LED(GRN)	EA	70.000	350.00	1	375.000
	, , , , , , , , , , , , , , , , , , , ,			- //-	2	272.360
			- 1		3	136.100
		- 1		- 1		205.000
			- 1	- 1	4	285.000

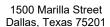
	1	1			2	272,360
					3	136.100
		-			4	285.000
6826003	VEH SIG SEC (12")LED(YEL)	EA	70.000	350,00	1	375,000
	1	l			2	272.360
	1	l			3	136.100
		-			4	285,000
6826004	VEH SIG SEC (12")LED(YEL ARW)	EA	34.000	350,00	1 2	375.000
	1	1			3	272.360
					4	136,10 285.00
6826005	VEH SIG SEC (12")LED(RED)	EA	70.000	350.00	1	375.00
0820005	VEH 3IG SEC (12 )LED(RED)	EA	70,000	330,00	2	272.36
					3	
	1				4	136,10 285,00
6026006	VEH CIC CEC /12"\\ ED/DED ADM\	EA	34.000	350.00	_	
6826006	VEH SIG SEC (12")LED(RED ARW)	EA	34,000	350,00	1 2	375.00 272.36
					3	136.10
					4	285.00
6826018	PED SIG SEC (LED)(COUNTDOWN)	EA	43.000	900.00	1	800.00
0820016	FED SIG SEC (EED)(GOONTDOWN)	LA	43.000	300.00	2	803.46
		1			3	249,20
		1			4	2,850.00
6826029	DACK DI ATE (12 III/2 SEC/ALLIA)	Γ.Δ	70,000	135.00		
0020029	BACK PLATE (12")(3 SEC)ALUM	EA	70,000	125,00	1 2	140.00 92. <b>00</b>
	1	1			3	43.20
		1			4	125,00
6826031	BACK PLATE (12")(5 SEC)ALUM	EA	17,000	150.00	1	160.00
				200100	2	114.60
	1	ı			3	59.90
					4	150.00
6846031	TRF SIG CBL (TY A)(14 AWG)(5	LF	3,020.000	1.25	1	1.00
	CONDR)	1	1		2	1.68
		1			3	3.40
		1			4	3.00
6846033	TRF SIG CBL (TY A)(14 AWG)(7	LF	1,160.000	1,50	1	1.00
	CONDR)	1			2	1.70
		l			3	3,70
					4	3.00
6846036	TRF SIG CBL (TY A)(14 AWG)(10	LF	3,165.000	3.00	1	3.00
	CONDR)	l			2	2.92
		l			3	4.40
					4	3.00
6846046	TRF SIG CBL (TY A)(14 AWG)(20	LF	3,490.000	4.00	1	4.00
	CONDR)	l			2	4.16
		l	1 1		3	5.30
			1 1		4	3.00
		_				
6846079	TRF SIG CBL (TY C)(12 AWG)(2	LF	5,895.000	1.50	1	
6846079	TRF SIG CBL (TY C)(12 AWG)(2 CONDR)	LF	5,895.000	1.50	2	1.00 1.89
6846079	•	LF	5,895.000	1.50	2 3	1.89 3.40
	CONDR)				2	1.89 3.40 3.00
6846079 6866029	•	LF EA	5,895.000 1.000	7,500.00	2 3	1.89 3.40

		1_			4	6,500,000
6866033	INS TRF SIG PL AM(S)1 ARM(32')	EA	1.000	8,000.00		
	1				2	1
	1				3	I '
#0##000	Luca Tar eve av vivigia	-			4	
6866039	INS TRF SIG PL AM(S)1 ARM(36')LUM	EA	3.000	9,500.00	1	1 '
	ARM(36 )LOM	1	1		2	1
					4	
6866047	INS TRF SIG PL AM(S)1	EA	3.000	8,700.00	1	1,000,000
	ARM(44')LUM	1			2	11,051,690
		1			3	,
		-			4	10,500.000
6866049	INS TRF SIG PL AM(S)1 ARM(48')	EA	1.000	8,300.00	1 2	9,500.000
		1			3	9,935.450 10,034.500
					4	9,500.000
6866051	INS TRF SIG PL AM(S)1	EΑ	10,000	8,900.00	1	10,500.000
	ARM(48')LUM	l			2	12,038.300
		1			3	11,224.400
		_			4	15,000.000
6866057	INS TRF SIG PL AM(S)1 ARM(55')	EA	1.000	22,000.00	1	24,497.000
	1	1			2	22,561.060
					4	23,676.200 22,000.000
6866059	INS TRF SIG PL AM(S)1	EA	1.000	24,200.00	1	27,000.000
	ARM(55')LUM				2	24,310.300
					3	26,074.400
					4	23,000.000
6866165	INS TRF SIG PL AM(S)2 ARM(44-	EA	1.000	17,000.00	1	13,250.000
	36')				2	16,979.150
					3	14,972.600 16,000.000
6876001	PED POLE ASSEMBLY	EA	22.000	2,500.00	1	2,500.000
				·	2	2,064.250
					3	1,203.000
					4	2,000.000
6886001	PED DETECT PUSH BUTTON (APS)	EA	42.000	700.00	1	700.000
	1				2 3	1,021.570 494.300
					4	1,500.000
6886003	PED DETECTOR CONTROLLER UNIT	EA	6.000	3,000.00	1	3,040.000
					2	3,554.130
					3	3,203.600
		_			4	5,000.000
7526022	TREE TRIMMING AND BRUSH	LF	60.000	50.00	1 2	15,000
	REMOVAL				3	49,410 132,700
					4	300.000
50016001	PORTABLE CHANGEABLE MESSAGE	DAY	60.000	200.00	1	150.000
	SIGN				2	135.090
			1		3	97.400
	1				4	150,000

#### Tabulation of Bids for Project STP 2020(180)HES

60656003	INSTALL GROUND MOUNTED SIGN	SF	29.000	100.00	1	50.000
	PANELS				2	55.370
					3	28.300
					4	60.000
61856002002	TMA (STATIONARY)	DAY	36.000	500.00	1	300.000
i					2	591.250
l					3	626.200
					4	550.000
62926004	RVDS(PRESENCE DET ONLY)	EA	9.000	1,050.00	1	1,000.000
1	(INSTALL ONLY)				2	1,583.950
1					3	507,100
					4	2,000.000
62926006	RVDS(PRES AND ADV DET)(INSTALL ONLY)	EA	14.000	1,050.00	1	1,000.000
					2	2,236,000
					3	507.100
					4	2,000.000

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# City of Dallas

# Agenda Information Sheet

File #: 20-11 Item #: 22.

**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): 7

**DEPARTMENT:** Department of Transportation

**EXECUTIVE:** Majed Al-Ghafry

#### SUBJECT

Authorize a decrease in the construction services contract with Roadway Solutions, Inc. for traffic signal construction of Warranted Traffic Signal Installation Group 5, to remove the construction of the traffic signal located at North Prairie Creek Road at Forney Road from the contract - Not to exceed (\$312,035.00), from \$1,297,982.00 to \$985,947.00 - Financing: Street and Transportation (A) Fund (2017 General Obligation Bond Fund)

# **BACKGROUND**

On June 26, 2019, City Council authorized a Local Transportation Project Advance Funding Agreement with the Texas Department of Transportation (Contract No. CSJ 0918-47-244) for the design of a new bridge over the existing Union Pacific Railroad tracks on Prairie Creek Road from north of Military Parkway to north of Forney Road by Resolution No. 19-0982.

On August 14, 2019, City Council authorized a construction contract with Roadway Solutions, Inc. for traffic signal construction of Warranted Traffic Signal Installation Group 5 at the following locations: North Prairie Creek Road at Forney Road; North Prairie Creek Road at Jennie Lee Lane; West Ledbetter Drive at Joseph Hardin Drive; West Illinois Avenue at Hollywood Avenue; and West Camp Wisdom Road at Eagle Ford Drive, in an amount not to exceed \$1,297,982.00, by Resolution No. 19-1105.

This action will authorize Change Order No. 1 to the construction services contract with Roadway Solutions, Inc. to decrease the funds and remove the North Prairie Creek Road at Forney Road traffic signal construction from the contract.

The current proposed design configuration for the new bridge would significantly alter the configuration of the current intersection and traffic signal located at North Prairie Creek Road at Forney Road. The traffic signal design at North Prairie Creek Road at Forney Road will be configured as part of this proposed new bridge construction project. The City reached an agreement with Roadway Solutions, Inc. to remove this traffic signal from the executed Contract No. TRN-2019-00010697.

File #: 20-11 Item #: 22.

# **ESTIMATED SCHEDULE OF PROJECT**

Begin Construction January 2020 Complete Construction December 2021

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 26, 2019, City Council authorized a Local Transportation Project Advance Funding Agreement with the Texas Department of Transportation (Contract No. CSJ 0918-47-244) for the design of a new bridge over the existing Union Pacific Railroad tracks on Prairie Creek Road from north of Military Parkway to north of Forney Road by Resolution No. 19-0982.

On August 14, 2019, City Council authorized a construction contract with Roadway Solutions, Inc. for traffic signal construction of Warranted Traffic Signal Installation Group 5 at the following five locations: North Prairie Creek Road at Forney Road; North Prairie Creek Road at Jennie Lee Lane; West Ledbetter Drive at Joseph Hardin Drive; West Illinois Avenue at Hollywood Avenue; and West Camp Wisdom Road at Eagle Ford Drive by Resolution No. 19-1105.

# FISCAL INFORMATION

Fund	FY 2020	FY 2021	Future Years
Street and Transportation (A) Fund (2017 General Obligation Bond Fund)	(\$312,035.00)	\$0.00	\$0.00
Total	(\$312,035.00)	\$0.00	\$0.00

Construction contract \$1,297,982.00 Change Order No. 1 (this action) (\$\frac{312,035.00}{}

Prjoect Total \$ 985,947.00

# M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$	
\$985,947.00	Construction	25.00%	100.00%	\$985,947.00	
This contract exceeds the M/WBE goal.					

File #: 20-11 Item #: 22.

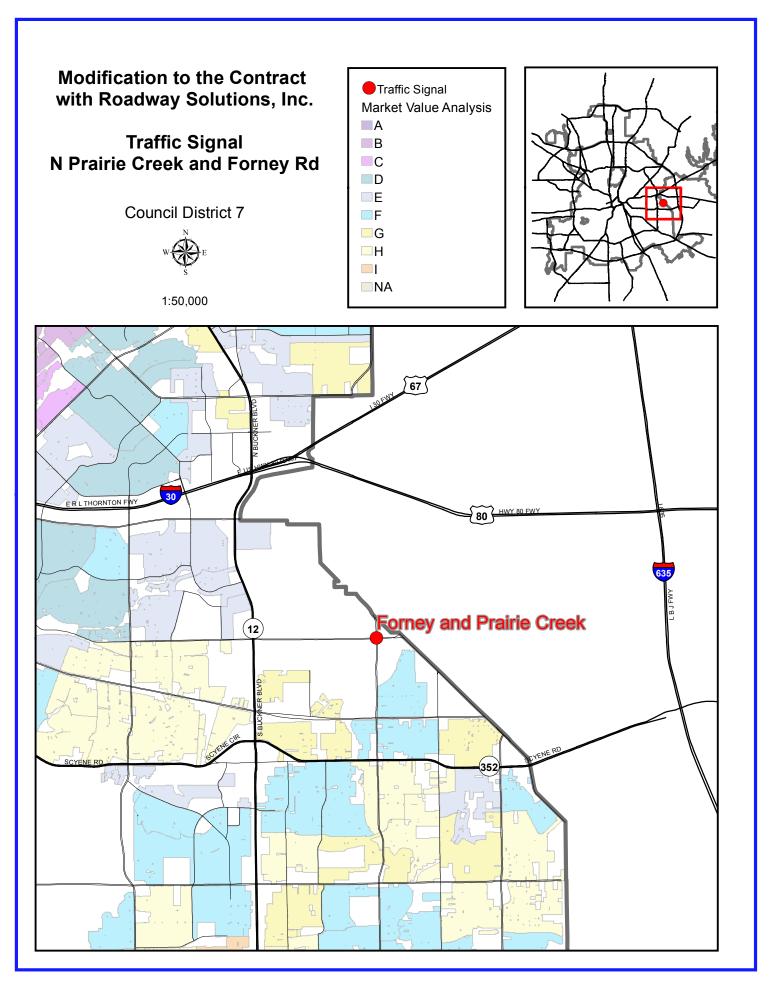
# **OWNER**

Roadway Solutions, Inc.

Morteza Gamini, Vice President

# <u>MAP</u>

Attached



WHEREAS, on June 26, 2019, City Council authorized a Local Transportation Project Advance Funding Agreement with the Texas Department of Transportation (Contract No. CSJ 0918-47-244) for the design of a new bridge over the existing Union Pacific Railroad tracks on Prairie Creek Road from north of Military Parkway to north of Forney Road, in the amount of \$20,030.00, by Resolution No. 19-0982; and

WHEREAS, on August 14, 2019, City Council authorized a construction contract with Roadway Solutions, Inc. for traffic signal construction of Warranted Traffic Signal Installation Group 5 at the following five locations: North Prairie Creek Road at Forney Road; North Prairie Creek Road at Jennie Lee Lane; West Ledbetter Drive at Joseph Hardin Drive; West Illinois Avenue at Hollywood Avenue; and West Camp Wisdom Road at Eagle Ford Drive, in an amount not to exceed \$1,297,982.00, by Resolution No. 19-1105; and

**WHEREAS**, the proposed new bridge over the existing Union Pacific Railroad tracks on North Prairie Creek Road from north of Military Parkway to north of Forney Road will significantly alter the configuration of the current intersection at North Prairie Creek Road at Forney Road thus rendering the proposed traffic signal design and construction obsolete; and

**WHEREAS**, the future signal design at North Prairie Creek Road at Forney Road will be configured as part of the proposed new bridge construction project; and

**WHEREAS**, the City and Roadway Solutions, Inc. have a mutual understanding to remove the construction of the traffic signal located at North Prairie Creek Road at Forney Road from the contract and to decrease the contract amount by \$312,035.00 from the current contract amount of \$1,297,982.00.

Now, Therefore,

#### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That a decrease in the construction services contract with Roadway Solutions Inc. (Change Order No. 1) is authorized to remove the construction of the traffic signal located at North Prairie Creek Road at Forney Road for the Warranted Traffic Signal Installation Group 5, in an amount not to exceed (\$312,035.00), decreasing the contract amount from \$1,297,982.00 to \$985,947.00.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to reduce funds in an amount not to exceed \$312,035.00 to Roadway Solutions, Inc., in accordance with the terms and conditions of the contract from the Street and Transportation (A) Fund, Fund 1V22, Department TRN, Unit VA28, Object 4820, Activity THRG, Program PB17VA28, Encumbrance/Contract No. CX-TRN-2019-00010697, Vendor 502110.

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



# City of Dallas

# Agenda Information Sheet

STRATEGIC PRIORITY: Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): 3

**DEPARTMENT:** Department of Transportation

**EXECUTIVE:** Majed Al-Ghafry

#### **SUBJECT**

Authorize a decrease in the construction services contract with Roadway Solutions, Inc. for traffic signal construction of Warranted Traffic Signal Installation Group 6, to remove the construction of the traffic signal located at Interstate Highway 20 Eastbound/Westbound at Mountain Creek Parkway from the contract - Not to exceed (\$316,275.00), from \$1,337,393.00 to \$1,021,118.00 - Financing: Street and Transportation (A) Fund (2017 General Obligation Bond Fund)

#### **BACKGROUND**

On August 14, 2019, City Council authorized a construction contract with Roadway Solutions, Inc. for traffic signal construction of Warranted Traffic Signal Installation Group 6 at the following four locations: Singleton Boulevard at Kingbridge Street; Interstate Highway 20 Eastbound/Westbound at St. Augustine Drive; Interstate Highway 20 Eastbound/Westbound at Mountain Creek Parkway; and Lemmon Avenue at Travis Street, in an amount not to exceed \$1,337,393.00, by Resolution No. 19-1106.

This action will authorize Change Order No. 1 to the construction services contract with Roadway Solutions, Inc. to decrease the funds and remove the Interstate Highway 20 Eastbound/Westbound at Mountain Creek Parkway traffic signal construction from the contract.

The intersection is located on the Interstate Highway system. The Texas Department of Transportation System notified the City of their intent to allocate state funds for the installation of the traffic signal located at Interstate Highway 20 and Mountain Creek Parkway. The notification was received after Group 6 was bid. The City reached an agreement with Roadway Solutions, Inc. to remove this traffic signal from the executed Contract No. TRN-2019-00010696.

# **ESTIMATED SCHEDULE OF PROJECT**

Begin Construction January 2020 Complete Construction December 2021 File #: 20-12 Item #: 23.

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 14, 2019, City Council authorized a construction contract with Roadway Solutions, Inc. for traffic signal construction of Warranted Traffic Signal Installation Group 6 at the following four locations: Singleton Boulevard at Kingbridge Street; Interstate Highway 20 Eastbound/Westbound at St. Augustine Drive; Interstate Highway 20 Eastbound/Westbound at Mountain Creek Parkway; and Lemmon Avenue at Travis Street by Resolution No. 19-1106.

# **FISCAL INFORMATION**

FY 2020	FY 2021	Future Years
(\$316,275.00)	\$0.00	\$0.00
(\$316.275.00)	\$0.00	\$0.00
	(\$316,275.00)	(\$316,275.00) \$0.00

Construction contract \$1,337,393.00 Change Order No. 1 (this action) (\$\frac{316,275.00}{}

Total \$1,021,118.00

# M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$	
\$1,021,118.00	Construction	25.00%	100.00%	\$1,021,118.00	
This contract exceeds the M/WBE goal.					

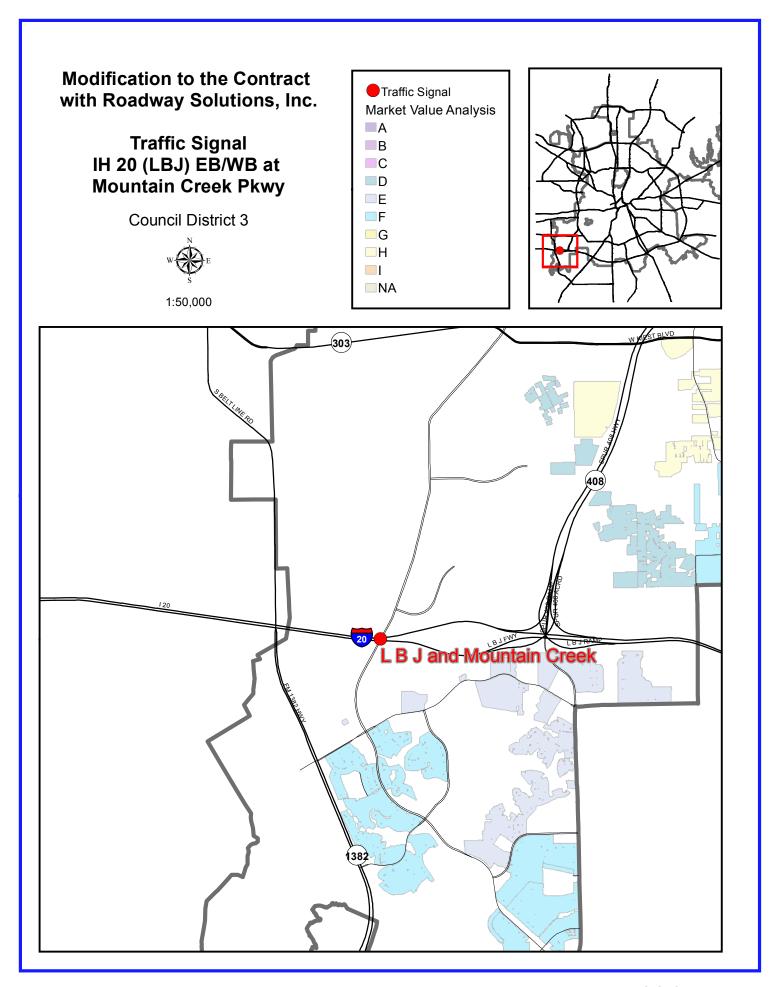
#### **OWNER**

# Roadway Solutions, Inc.

Morteza Gamini, Vice President

# MAP

Attached



WHEREAS, on August 14, 2019, City Council authorized a construction contract with Roadway Solutions, Inc. for traffic signal construction of Warranted Traffic Signal Installation Group 6 at the following four locations: Singleton Boulevard at Kingbridge Street; Interstate Highway 20 Eastbound/Westbound at St. Augustine Drive; Interstate Highway 20 Eastbound/Westbound at Mountain Creek Parkway; and Lemmon Avenue at Travis Street, in an amount not to exceed \$1,337,393.00, by Resolution No. 19-1106; and

WHEREAS, the Texas Department of Transportation has notified the City of their intent to fund and install the traffic signal at Interstate Highway 20 Eastbound/Westbound at Mountain Creek Parkway; and

**WHEREAS**, the City and Roadway Solutions, Inc. have a mutual understanding to remove the construction of the traffic signal located at Interstate Highway 20 Eastbound/Westbound at Mountain Creek Parkway from the contract and to decrease the contract amount by \$316,275.00 from the current contract amount of \$1,337,393.00.

Now, Therefore,

# BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That a decrease in the construction services contract with Roadway Solutions, Inc. (Change Order No. 1) is authorized to remove the construction of the traffic signal located at Interstate Highway 20 Eastbound/Westbound at Mountain Creek Parkway for the Warranted Traffic Signal Installation Group 6, in an amount not to exceed (\$316,275.00), decreasing the contract amount from \$1,337,393.00 to \$1,021,118.00.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to reduce funds in an amount not to exceed \$316,275.00 to Roadway Solutions, Inc., in accordance with the terms and conditions of the contract from the Street and Transportation (A) Fund, Fund 1V22, Department TRN, Unit VA28, Object 4820, Activity THRG, Program PB17VA28, Encumbrance/Contract No. CX-TRN-2019-00010696, Vendor 502110.

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.





# City of Dallas

# Agenda Information Sheet

File #: 19-2044 Item #: 24.

**STRATEGIC PRIORITY:** Government Performance and Financial Management

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): N/A

**DEPARTMENT:** Office of Budget

**EXECUTIVE:** Elizabeth Reich

\_\_\_\_\_

#### **SUBJECT**

Authorize (1) an extension through September 30, 2020 for Community Development Block Grant (CDBG) funded projects which have not met the City's twelve-month obligation or twenty-four-month expenditure requirement; (2) preliminary adoption of Reprogramming Budget No. 1 (Substantial Amendment No. 2) to the FY 2019-20 Action Plan to: (a) use unspent prior year CDBG Funds in the amount of \$2,098,680.00 for the Residential Development Acquisition Loan Program and \$400,000.00 to complete renovation of the Vickery Meadow Community Court; and (b) re-allocate funds in the Housing Opportunities for Persons with AIDS Grant/Program Administration category from the Office of Homeless Solutions to the Office of Budget in the amount of \$86,000.00; and (3) a public hearing to be held on February 26, 2020 to receive comments on the proposed use of funds for Reprogramming Budget No. 1 (Substantial Amendment No. 2) to the FY 2019-20 Action Plan Financing: This action has no cost consideration to the City (see Fiscal Information)

#### **BACKGROUND**

On August 18, 1993, Resolution No. 93-3001 established specific timeframes for the obligation and expenditure of CDBG Funds. Funds are to be obligated within 12 months and expended within 24 months of budget adoption. On March 28, 2007, Resolution No. 07-0992, enhanced the City's existing expenditure policy with additional benchmarks. Additional time to obligate and expend funds may be granted by City Council.

Timely expenditure of CDBG Funds by entitlement cities continues to be a primary concern of the U.S. Department of Housing and Urban Development (HUD). HUD requires that cities expend CDBG Funds so that at least 60 days prior to the start of a new program year, the unexpended balance of CDBG Funds should be less than 1.5 times the cities' CDBG allocation amount for the current year.

For FY 2019-20, a review of the projects based on the timely expenditure policy (including the benchmarks), identified unspent funds remaining in 5 projects recommended for extension for a total of \$276,263.00 and unspent funds remaining in 10 projects recommended for reprogramming for a total of \$2,498,680.00.

Additionally, following approval of the FY 2019-20 HUD Consolidated Plan Budget in June 2019, operating costs including staff for the Housing Opportunities for Persons with AIDS (HOPWA) Grant was moved from the Office of Homeless Solutions to the Grant Administration Division in the Office of Budget.

The Community Development Commission (CDC) Financial Monitoring/Performance Standards Committee met on December 18, 2019, to review and make recommendations to the City Manager's proposed extensions and reprogramming of CDBG Funds and no amendments were recommended.

On January 6, 2020, the CDC reviewed and approved the CDC Financial Monitoring/Performance Standards Committee's recommendation.

On January 14, 2020, the City Council's Government Performance and Financial Management (GPFM) Committee was briefed on the FY 2019-20 CDBG Extensions and Reprogramming recommendations. The GPFM Committee approved the CDBG Extensions and Reprogramming as recommended by the CDC to be used for the Residential Development Acquisition Loan Program.

The briefing to the GPFM Committee also included a recommendation for \$400,000.00 in CDBG Funds to complete renovation of the Vickery Meadow Community Court.

This item includes authorization to adopt the preliminary FY 2019-20 Action Plan Reprogramming Budget No. 1 (Substantial Amendment No. 2) and calls for a public hearing to be held on February 26, 2020. This budget will be available for public review and comment from January 23, 2020 through February 26, 2020. Notice will also be published in the newspaper of general circulation during the comment period.

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 18, 1993, City Council authorized to establish specific timeframes for the obligation and expenditure of CDBG Funds by Resolution No. 93-3001.

On March 28, 2007, City Council authorized to enhance the City's existing expenditure policy with additional benchmarks by Resolution No. 07-0992.

On January 6, 2020, the Community Development Commission recommended extending and reprogramming CDBG project funds.

The Government Performance and Financial Management Committee was briefed on the need to maintain ongoing compliance with HUD's timely expenditure policy and proposed Reprogramming Budget No. 1 (Substantial Amendment No. 2) to the FY 2019-20 Action Plan to use unspent prior year CDBG Funds in the amount of \$2,498,680.00 on January 14, 2020.

# FISCAL INFORMATION

This action has no cost consideration to the City. February 26, 2020 agenda item will include request to increase and establish appropriations in departments for Reprogramming Budget No. 1 (Substantial Amendment No. 2).

#### **CDBG - Source of Funds:**

Reprogramming Budget No. 1 (Substantial Amendment No. 2)

Unspent Prior Year CDBG Funds - \$2,498,680.00

# CDBG - Use of Funds:

- Residential Development Acquisition Loan Program \$2,098,680.00
- Vickery Meadow Community Court \$400,000.00

# **HOPWA - Source of Funds:**

Reprogramming Budget No. 1 (Substantial Amendment No. 2)

• MGT Program Administration - \$186,000.00

# **HOPWA - Use of Funds:**

- MGT Program Administration \$100,000.00
- BMS Program Administration \$86,000.00

WHEREAS, on August 18, 1993, Resolution No. 93-3001 established specific timeframes for the obligation and expenditure of Community Development Block Grant (CDBG) Funds; and

**WHEREAS**, on March 28, 2007, Resolution No. 07-0992 enhanced the City's existing expenditure policy with additional benchmarks; and

WHEREAS, at the discretion of the City Council, the timeframes may be extended for obligating and expending CDBG funded activities; and

**WHEREAS**, the Community Development Commission (CDC) Financial Monitoring/Performance Standards Committee met on December 18, 2019, to review and make recommendations to the City Manager's proposed extensions and reprogramming of CDBG Funds and no amendments were recommended; and

**WHEREAS**, on January 6, 2020, the CDC reviewed and approved the CDC Financial Monitoring/Performance Standards Committee's recommendation. Unspent funds remaining in 5 projects recommended for extension for a total of \$276,263.00 and unspent funds remaining in 10 projects recommended for reprogramming for a total of \$2,498,680.00; and

WHEREAS, on January 14, 2020, the Government Performance and Financial Management Committee was briefed on the need to maintain ongoing compliance with HUD's timely expenditure policy and proposed Reprogramming Budget No. 1 (Substantial Amendment No. 2) to the FY 2019-20 Action Plan to use unspent prior year CDBG Funds in the amount of \$2,098,680.00 for the Residential Development Acquisition Loan Program (RDALP) and \$400,000.00 to complete renovation of the Vickery Meadow Community Court; and

**WHEREAS**, following approval of the FY 2019-20 HUD Consolidated Plan Budget in June 2019, operating costs including staff for the HOPWA Grant was moved from the Office of Homeless Solutions to the Grant Administration Division in the Office of Budget.

Now, Therefore,

# BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That the Dallas City Council authorizes an extension to the timeframes for the obligation and expenditure of prior CDBG Funds to September 30, 2020, per Attachment A.

**SECTION 2.** That the Dallas City Council authorizes the release of funds from their originally budgeted purposes for Reprogramming Budget No. 1 (Substantial Amendment No. 2) to the FY 2019-20 Action Plan to use unspent prior year CDBG Funds in the amount of \$2,098,680.00 for the RDALP and \$400,000.00 to complete renovation of the Vickery Meadow Community Court per Attachment B.

**SECTION 3.** That following approval of the FY 2019-20 HUD Consolidated Plan Budget in June 2019, operating costs including staff for the HOPWA Grant was moved from the Office of Homeless Solutions to the Grant Administration Division in the Office of Budget in the amount of \$86,000.00.

**SECTION 4.** That the preliminary FY 2019-20 Action Plan Reprogramming Budget No. 1 (Substantial Amendment No. 2) be approved, as follow:

#### **CDBG - Source of Funds:**

Reprogramming Budget No. 1 (Substantial Amendment No. 2)

• Unspent Prior Year CDBG Funds - \$2,498,680.00

#### CDBG - Use of Funds:

- Residential Development Acquisition Loan Program \$2,098,680.00
- Vickery Meadow Community Court \$400,000.00

#### **HOPWA - Source of Funds:**

Reprogramming Budget No. 1 (Substantial Amendment No. 2)

• MGT Program Administration - \$186,000.00

#### **HOPWA - Use of Funds:**

- MGT Program Administration \$100,000.00
- BMS Program Administration \$86,000.00

**SECTION 5.** That a public hearing be held on February 26, 2020, before the Dallas City Council to receive comments on the FY 2019-20 Action Plan Reprogramming Budget No. 1 (Substantial Amendment No. 2).

**SECTION 6.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

# ATTACHMENT A

# CDBG Extension of Expenditures/Commitment Policy Recommended by Community Development Commission (CDC) 01/06/2020 Briefed to Government Performance and Financial Management Committee on 01/14/2020

	FY	Fund	Unit	Project Name	Amount
				•	
1	17-18	CD17	221B	Dallas Homebuyer Assistance Program	\$22,887
2	16-17	CD16	524A	Major Systems Repair Program	\$161,800
3	18-19	CD18	812C	Child Care Services Program	\$24,772
4	18-19	CD18	815C	Training for Self-Sufficiency	\$50,199
5	16-17	CD16	502A	Fair Housing Enforcement	\$16,605
				Grand Total	\$276,263

# ATTACHMENT B

# CDBG Reprogramming of Expenditures/Commitment Policy Recommended by Community Development Commission (CDC) 01/06/2020 Briefed to Government Performance and Financial Management Committee on 01/14/2020

	FY	Fund	Unit	Project Name	Amount
1	18-19	CD18	803C	South Oak Cliff Community Court	\$29,623
2	11-12	CD11	763D	Community Based Development Org - EDCO	\$53,602
3	10-11	CD10	493C	Community Based Development Org - EDCO	\$5,408
4	18-19	CD18	807C	Home Improvement and Preservation -MF Program - HIPP	\$1,978,900
5	18-19	CD18	816C	Citizens Participation/CDC Support/HUD Oversight	\$85,196
6	18-19	CD18	814C	Community Care Management Support	\$62,620
7	17-18	CD17	215B	OCC - Senior Services Program	\$4,832
8	18-19	CD18	813C	Senior Services Program	\$53,742
9	18-19	CD18	811C	Fair Housing Enforcement	\$56,911
10				Reprogrammed Funds	\$167,847
				Grand Total	\$2,498,680





# City of Dallas

# Agenda Information Sheet

File #: 19-1930 Item #: 25.

**STRATEGIC PRIORITY:** Human and Social Needs

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): All

**DEPARTMENT:** Office of Community Care

**EXECUTIVE:** Nadia Chandler-Hardy

#### **SUBJECT**

Authorize the **(1)** acceptance of a grant from the Texas Department of Criminal Justice (TDCJ) (Contract No. 696-TC-20-21-L098) in the amount of \$500,000.00 (\$250,000.00 for FY 2019-2020 and \$250,000.00 for FY 2020-2021) for re-entry services to individuals being released from TDCJ who are returning to the City of Dallas area for the period September 1, 2019 through August 31, 2021; **(2)** establishment of appropriations in an amount not to exceed \$500,000.00 in the TDCJ Re-Entry Services Grant Program Fund; **(3)** receipt and deposit of grant funds from TDCJ in an amount not to exceed \$500,000.00 in the TDCJ Re-Entry Services Grant Program Fund; and **(4)** execution of the Interlocal Agreement with TDCJ and all terms, conditions, and documents required by the agreement - Not to exceed \$500,000.00 - Financing: Texas Department of Criminal Justice Grant Funds

#### **BACKGROUND**

The Re-Entry Services Pilot Program was established during the 86th Texas State Legislative Session. Funding was appropriated within the budget for the TDCJ to enter into an agreement with the City of Dallas to establish and operate a pilot program for re-entry services to individuals released from TDCJ facilities who are returning to the Dallas area.

More than 150,000 individuals were incarcerated in Texas in 2016 and data shows that one in five of Texas inmates released are re-incarcerated within three years of release. Upon release, individuals face a myriad of barriers to the successful re-entry into society. These individuals often face limited employment opportunities, limited access to housing and are often ineligible for public benefits and other types of assistance, making it difficult to find stability and self-sufficiency. The TDCJ Re-Entry Services Grant Program will support programming to help individuals released from TDCJ facilities who are returning to the Dallas area overcome these barriers to successful reintegration by providing grants to local organizations to provide services to support successful re-entry and reintegration.

The City plans to procure services for administration of this program. Upon selection and City Council approval, the City will enter into agreements with non-profit entities, faith-based organizations, community groups and/or the private sector for the provision of services.

File #: 19-1930 Item #: 25.

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On April 27, 2016, City Council authorized the acceptance of a grant from the Texas Department of Criminal Justice (Grant No. 696-TC-16-17-L063), to develop and operate a pilot program for re-entry services for the period September 1, 2015 through August 31, 2017; and execution of the grant agreement by Resolution No. 16-0635.

City Council will be briefed by memorandum regarding this matter on January 10, 2020.

# FISCAL INFORMATION

Fund	FY 2019-20	FY 2020-21
Texas Department of Criminal Justice Grant Funds	\$250,000.00	\$250,000.00
Total	\$250,000.00	\$250,000.00

WHEREAS, during the 86th Texas State Legislative Session funding was appropriated within the budget of the Texas Department of Criminal Justice (TDCJ) to enter into an agreement with the City of Dallas to establish and operate a pilot program for re-entry services to individuals released from TDCJ facilities who are returning to the Dallas area; and

**WHEREAS**, one in five Texas inmates are re-incarcerated within three years of release; and

**WHEREAS**, there is a need to support individuals who are released from TDCJ facilities as they often face significant housing, employment and social barriers to successful reintegration in society; and

**WHEREAS**, the TDCJ Re-Entry Services Grant Program funding will support programming to help individuals released from TDCJ facilities who are returning to the Dallas area overcome these barriers.

Now, Therefore,

# BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That the City Manager is hereby authorized to accept a grant from the Texas Department of Criminal Justice (TDCJ) (Contract No. 696-TC-20-21-L098) in the amount of \$500,000.00 (\$250,000.00 for FY 2019-2020 and \$250,000.00 for FY 2020-2021) for re-entry services to individuals being released from TDCJ who are returning to the City of Dallas area for the period September 1, 2019 through August 31, 2021; and execution of the Interlocal Agreement with TDCJ and all terms, conditions, and documents required by the agreement, approved as to form by the City Attorney.

**SECTION 2.** That the City Manager is hereby authorized to establish appropriations in an amount not to exceed \$500,000.00 in the TDCJ Re-Entry Services Grant Program Fund, Fund S348, Department MGT, Unit 4500, Object 3070.

**SECTION 3.** That the Chief Financial Officer is hereby authorized to receive and deposit grant funds in an amount not to exceed \$500,000.00 in the TDCJ Re-Entry Services Grant Program Fund, Fund S348, Department MGT, Unit 4500, Revenue Code 6516.

**SECTION 4.** That the Chief Financial Officer is hereby authorized to disburse grant funds in an amount not to exceed \$500,000.00 from the TDCJ Re-Entry Services Grant Program Fund, Fund S348, Department MGT, Unit 4500, Object 3070.

- **SECTION 5.** That the City Manager is hereby authorized to reimburse to the granting agency any expenditure identified as ineligible. The City Manager shall notify the appropriate City Council Committee of expenditures identified as ineligible not later than 30 days after the reimbursement.
- **SECTION 6.** That the City Manager shall keep the appropriate City Council Committee informed of all final monitoring reports not later than 30 days after the receipt of the report.
- **SECTION 7.** That the City Manager or his designee is authorized to provide additional information, make adjustments, and take other actions related to the implementation of the grant as may be necessary to satisfy the Texas Department of Criminal Justice.
- **SECTION 8.** That the grant agreement is designated as Contract No. OCC-2020-0012153.
- **SECTION 9.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.





1500 Marilla Street Dallas, Texas 75201

# Agenda Information Sheet

File #: 20-25 Item #: 26.

**STRATEGIC PRIORITY:** Government Performance and Financial Management

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

#### SUBJECT

Authorize a one-year agreement for excess workers' compensation insurance through an Interlocal Agreement with the Texas Municipal League Intergovernmental Risk Pool, and subject to approval by the Executive Board of Texas Municipal League Intergovernmental Risk Pool effective February 1, 2020 through January 31, 2021 - Not to exceed \$800,000 - Financing: Workers' Compensation Fund

# **BACKGROUND**

This agreement will provide for one-year of excess workers' compensation insurance.

Excess workers' compensation insurance limits the City's financial exposure on employee injury claims. This insurance provides coverage for catastrophic employee injury claims that exceed an established threshold. The City purchases excess workers' compensation insurance for compensable claims that exceed an established threshold. The policy will provide benefits such as disability, death, medical, etc. to employees that have suffered an injury or illness during the course and scope of their job.

It is recommended the City enter into an Interlocal Agreement with Texas Municipal League Intergovernmental Risk Pool (TMLIRP) for excess workers' compensation coverage to be effective February 1, 2020 thru January 31, 2021, subject to the approval by the Executive Board of TMLIRP. The City will pay the first \$2.5 million for each injury.

TMLIRP is a government agency offering excess workers' compensation coverage to political subdivisions in accordance with the Texas Workers' Compensation Act. TMLIRP provides coverage to other political subdivisions such as cities, municipal utility districts, transit authorities, and public utility boards.

File #: 20-25 Item #: 26.

The Interlocal Agreement with TMLIRP is authorized by Chapter 791 of the Texas Government Code and Subchapter F, Chapter 271, Texas Local Government Code. Section 271.102 of the Texas Local Government Code authorizes a local government to participate in a Cooperative Purchasing Program with another local government or a local cooperative organization.

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On February 10, 2016, City Council authorized an Interlocal Agreement with the Texas Municipal League Intergovernmental Risk Pool; and a one-year agreement, with two one-year renewal options, for excess workers' compensation insurance through, and subject to, approval by the Executive Board of Texas Municipal League Intergovernmental Risk Pool by Resolution No. 16-0264.

On January 25, 2017, City Council authorized the first of two one-year renewal options to the Interlocal Agreement with the Texas Municipal League Intergovernmental Risk Pool for excess workers' compensation insurance through, and subject to, approval by the Executive Board of the Texas Municipal League Intergovernmental Risk Pool, effective February 1, 2017 through January 31, 2018, by Resolution No. 17-0174.

On January 10, 2018, City Council authorized an Interlocal Agreement with the Texas Municipal League Intergovernmental Risk Pool for excess workers' compensation insurance through, and subject to, approval by the Executive Board of Texas Municipal League Intergovernmental Risk Pool, effective February 1, 2018 through January 31, 2019, by Resolution No. 18-0097.

City Council was briefed by memorandum regarding this matter on January 11, 2019.

On January 23, 2019, City Council authorized an Interlocal Agreement with the Texas Municipal League Intergovernmental Risk Pool for excess workers' compensation insurance through, and subject to, approval by the Executive Board of Texas Municipal League Intergovernmental Risk Pool, effective February 1, 2019 through January 31, 2020, by Resolution No. 19-0192.

# FISCAL INFORMATION

Workers' Compensation Fund - \$800,000.00

Fund	FY 2019-20
Workers' Compensation Fund	\$800,000.00
Total	\$800.000.00

#### M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$	
\$800,000.00	Interlocal Agreement	N/A	N/A	N/A	
• The Business Inclusion and Development Plan does not apply to Interlocal Agreements.					

File #: 20-25 Item #: 26.

# **PROCUREMENT INFORMATION**

Method of Evaluation for Award Type:

Interlocal	<ul> <li>Interlocal agreements/intergovernmental agreements allow the City</li> </ul>
Agreement/Inter	to take advantage of competitively bid contracts by a State agency or
governmental	local government and enable the City to purchase goods or services
Agreement	at lower prices
	Interlocal agreements/intergovernmental agreements are an
	alternative method of meeting the requirements for competitive
	bidding or competitive sealed proposals, not an exception from that
	requirement

# **OWNER**

# **Texas Municipal League Intergovernmental Risk Pool**

Bennett Sandlin, Executive Director

WHEREAS, on February 10, 2016, City Council authorized an Interlocal Agreement with the Texas Municipal League Intergovernmental Risk Pool; and a one-year agreement, with two one-year renewal options, for excess workers' compensation insurance through, and subject to, approval by the Executive Board of Texas Municipal League Intergovernmental Risk Pool by Resolution No. 16-0264; and

WHEREAS, on January 25, 2017, City Council authorized the first of two one-year renewal options to the Interlocal Agreement with the Texas Municipal League Intergovernmental Risk Pool for excess workers' compensation insurance through, and subject to, approval by the Executive Board of the Texas Municipal League Intergovernmental Risk Pool, effective February 1, 2017 through January 31, 2018, by Resolution No. 17-0174; and

WHEREAS, on January 10, 2018, City Council authorized an Interlocal Agreement with the Texas Municipal League Intergovernmental Risk Pool for excess workers' compensation insurance through, and subject to, approval by the Executive Board of Texas Municipal League Intergovernmental Risk Pool, effective February 1, 2018 through January 31, 2019, by Resolution No. 18-0097; and

**WHEREAS,** on January 23, 2019, City Council authorized an Interlocal Agreement with the Texas Municipal League Intergovernmental Risk Pool for excess workers' compensation insurance through, and subject to, approval by the Executive Board of Texas Municipal League Intergovernmental Risk Pool, effective February 1, 2019 through January 31, 2020, by Resolution No. 19-0192.

Now, Therefore,

#### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That the City Manager is hereby authorized to execute an Interlocal Agreement with the Texas Municipal League Intergovernmental Risk Pool (VS0000075750), approved as to form by the City Attorney, for excess workers' compensation insurance through, and subject to, approval by the Executive Board of Texas Municipal League Intergovernmental Risk Pool effective from February 1, 2020 through January 31, 2021, in an amount not to exceed \$800,000.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$800,000 from the following appropriation in accordance with the agreement between the City of Dallas and Texas Municipal League Intergovernmental Risk Pool from Risk Management Program Fund, Fund 0189, Department ORM, Unit 3801, Object 3310, Encumbrance/Contract No. CX-ORM-2020-00012367.

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



# JEX NS

# City of Dallas

# Agenda Information Sheet

File #: 19-1925 Item #: 27.

**STRATEGIC PRIORITY:** Government Performance and Financial Management

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

#### **SUBJECT**

Authorize a one-year master agreement for traffic signal controller cabinets and ancillary equipment for the Department of Transportation with Consolidated Traffic Controls, Inc. through the Houston-Galveston Area Council of Governments cooperative agreement - Estimated amount of \$840,000 - Financing: General Fund

# **BACKGROUND**

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, for a specific term, which are ordered on an as needed basis according to annual budgetary appropriations. The estimated amount is intended as guidance rather than a cap on spending under the agreement, so that actual need combined with the amount budgeted will determine the amount spent under this agreement.

This master agreement will allow for the purchase of traffic signal controller cabinets and ancillary equipment for the Department of Transportation. Traffic signal controller cabinets and ancillary equipment are used for new installations and replacements. Dallas has approximately 1,380 signalized intersections and plans to add approximately 90 more in the next two years. Each intersection requires a cabinet on site to contain and protect electronic controllers and equipment. Units are purchased into inventory then issued to the appropriate operating department, capital project, or grant project as needed. The October 20, 2019 tornado damaged multiple intersections, creating a heightened need for additional controller cabinets.

The Houston-Galveston Area Council of Governments cooperative agreement is authorized by Chapter 791 of the Texas Government Code and Subchapter F, Chapter 271, Texas Local Government Code. Section 271.102 of the Texas Local Government Code authorizes a local government to participate in a Cooperative Purchasing Program with another local government or a local cooperative organization.

File #: 19-1925 Item #: 27.

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 17, 2015, City Council authorized a three-year master agreement for traffic signal control equipment and cabinets to be used by Street Services with Brown Traffic Products, Inc. by Resolution No. 15-1135.

#### FISCAL INFORMATION

General Fund - \$840,000.00 (Estimated amount)

Fund	FY 2019-20	FY 2020-21	Future Years
General Fund	\$630,000.00	\$210,000.00	\$0.00
Total	\$630,000.00	\$210,000.00	\$0.00

# M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$		
\$840,000.00	CO-OP	N/A	N/A	N/A		
<ul> <li>The Business Inclusion and Development Plan does not apply to Cooperative Purchasing</li> </ul>						
Agreements (CO-OPs).						

# PROCUREMENT INFORMATION

Method of Evaluation for Award Type:

Cooperative	Cooperative purchasing agreements enable the City to associate with State
•	agencies, other local governments, or local cooperative organizations comprised
•	of other state and local governments, to leverage market buying power and enable
	the City to purchase goods or services at lower prices
	<ul> <li>The cooperative purchasing agreement is an alternative method of meeting the requirements for competitive bidding or competitive sealed proposals, not an exception from that requirement</li> </ul>

#### **OWNER**

# Consolidated Traffic Controls, Inc.

Bobby Hale, Vice President

**WHEREAS,** on June 17, 2015, City Council authorized a three-year master agreement for traffic signal control equipment and cabinets to be used by Street Services with Brown Traffic Products, Inc., in an amount not to exceed \$4,418,925, by Resolution No. 15-1135.

Now, Therefore,

# BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That a master agreement for the purchase of traffic signal controller cabinets and ancillary equipment for the Department of Transportation is authorized with Consolidated Traffic Controls, Inc. (050249), approved as to form by the City Attorney, for a term of one year in the estimated amount of \$840,000. The amount payable pursuant to this master agreement may exceed the estimated amount but may not exceed the amount of budgetary appropriations for this master agreement during its term. The City Manager is further authorized, in the City Manager's sole discretion, to exercise an option to extend the contract for six months by filing a notice of extension with the City Secretary's Office.

**SECTION 2.** That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for traffic signal controller cabinets and ancillary equipment for the Department of Transportation. If a written contract is required or requested for any or all purchases of traffic signal controller cabinets and ancillary equipment for the Department of Transportation under the master agreement instead of individual purchase orders, the City Manager is hereby authorized to execute a contract, approved as to form by the City Attorney.

**SECTION 3.** That the Chief Financial Officer is hereby authorized to disburse funds in an estimated amount of at least \$840,000, but not more than the amount of budgetary appropriations for this master agreement during its term to Consolidated Traffic Controls, Inc. from Master Agreement Contract No. TRN-2020-00012295.

**SECTION 4.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



1500 Marilla Street

Dallas, Texas 75201





# **Agenda Information Sheet**

**STRATEGIC PRIORITY:** Government Performance and Financial Management

AGENDA DATE: January 22, 2020

**COUNCIL DISTRICT(S):** 6, Outside City Limits

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

#### **SUBJECT**

Authorize a three-year master agreement for hydrogen peroxide for the Water Utilities Department - Evonik Corporation, lowest responsible bidder of five - Estimated amount of \$1,123,500 - Financing: Dallas Water Utilities Fund

# **BACKGROUND**

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, for a specific term, which are ordered on an as needed basis according to annual budgetary appropriations. The estimated amount is intended as guidance rather than a cap on spending under the agreement, so that actual need combined with the amount budgeted will determine the amount spent under this agreement.

This agreement will provide National Sanitary Foundation 60 certified hydrogen peroxide for water treatment at the Bachman, Eastside, and Elm Fork Water Treatment Plants. Hydrogen peroxide is necessary for the enhancement of the biological filtration process. The peroxide enhancement strategy improves hydraulic performance and helps ensure that production meets both demand and quality standards set by the Environmental Protection Agency and the Texas Commission of Environmental Quality. The Water Utilities Department provides service to an estimated two million people in Dallas and surrounding communities.

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out email notifications to vendors registered under relevant commodity codes. To further increase competition, the Office of Procurement Services uses historical solicitation information, the Internet, and vendor contact information obtained from user departments to contact additional vendors. Additionally, in an effort to secure more competition, the Office of Business Diversity sent notifications to chambers of commerce and advocacy groups to ensure maximum vendor outreach.

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 10, 2016, City Council authorized a three-year master agreement for the purchase of hydrogen peroxide to be used in the water purification process with U.S. Peroxide, LLC by Resolution No. 16-1171.

# FISCAL INFORMATION

Dallas Water Utilities Fund - \$1,123,500.00 (Estimated amount)

Fund	FY 2019-20	FY 2020-21	Future Years
Dallas Water Utilities Fund	\$374,500.00	\$374,500.00	\$374,500.00
Total	\$374,500.00	\$374,500.00	\$374500.00

# Council District Amount

6 \$ 133,500.00 Outside City Limits \$ 990,000.00 Total \$1,123,500.00

# **M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$1,123,500.00	Goods	18.00%	0.00%	\$0.00
This contract does not meet the M/WBE goal, but complies with good faith efforts.				

# PROCUREMENT INFORMATION

Method of Evaluation for Award Type:

<ul> <li>Recommended vendor is based on the lowest competitive quoted price,</li> <li>who is also technically and financially capable of performing and completing</li> </ul>
the contract, and otherwise meets all material specification requirements • Negotiations are not allowed

The Office of Procurement Services received the following bids from solicitation number BC20-00011816. We opened them on October 31, 2019. We recommend the City Council award this master agreement by group to the lowest responsive and responsible bidders. Information related to this solicitation is available upon request.

<sup>\*</sup>Denotes successful bidder

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
*Evonik Corporation	299 Jeffersson Rd. Parsippany, NJ 07054	Group 1 - \$915,000.00 Group 2 - \$133,500.00 Group 3 - \$75,000.00
Evoqua Water Technologies LLC	2650 Tallevast Rd. Sarasota, FL 34243	Group 1 - \$988,200.00 Group 2 - \$144,180.00 Group 3 - \$81,000.00
Unviar USA, Inc.	8201 S. 212 <sup>th</sup> St. Kent, WA 98368	Group 1 - \$1,051,030.00 Group 2 - \$153,347.00 Group 3 - \$86,150.00
U.S. Peroxide, LLC	1375 Peachtree St. NE Suite 300N Atlanta, GA 30339	Group 1 - \$1,281,000.00 Group 2 - \$186,900.00 Group 3 - \$105,000.00
BASILEIA Group, Inc.	1102 Pinemont Dr. Suite F Houston, TX 77018	Group 1 - \$103,090,000.00 Group 2 - \$15,041,000.00 Group 3 - \$8,450,000.00

# **OWNER**

# **Evonik Corporation**

Stephen Costanzo, General Manager

**WHEREAS,** on August 10, 2016, City Council authorized a three-year master agreement for the purchase of hydrogen peroxide to be used in the water purification process with U.S. Peroxide, LLC by Resolution No. 16-1171.

Now, Therefore,

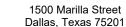
#### BE IT RESOVLED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That a master agreement for the purchase of hydrogen peroxide for the Water Utilities Department is authorized with Evonik Corporation (VC20935), approved as to form by the City Attorney, for a term of three years in the estimated amount of \$1,123,500.00. The amount payable pursuant to this master agreement may exceed the estimated amount, but may not exceed the amount of budgetary appropriations for this master agreement during its term. The City Manager is further authorized, in the City Manager's sole discretion, to exercise an option to extend the contract for six months by filing a notice of extension with the City Secretary's Office.

**SECTION 2.** That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for hydrogen peroxide for the Water Utilities Department. If a written contract is required or requested for any or all purchases of hydrogen peroxide for the Water Utilities Department under the master agreement instead of individual purchase orders, the City Manager is hereby authorized to execute a contract, approved as to form by the City Attorney.

**SECTION 3.** That the Chief Financial Officer is hereby authorized to disburse funds in an estimated amount of at least \$1,123,500.00, but not more than the amount of budgetary appropriations for this master agreement during its term to Evonik Corporation from Master Agreement Contract No. DWU-2020-00011816.

**SECTION 4.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.







# Agenda Information Sheet

File #: 20-41 Item #: 29.

**STRATEGIC PRIORITY:** Government Performance and Financial Management

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

#### **SUBJECT**

Authorize a three-year master agreement for liquid cationic polymer for the Water Utilities Department - Polydyne, Inc., only bidder - Estimated amount of \$3,663,600 - Financing: Dallas Water Utilities Fund

# **BACKGROUND**

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, for a specific term, which are ordered on an as needed basis according to annual budgetary appropriations. The estimated amount is intended as guidance rather than a cap on spending under the agreement, so that actual need combined with the amount budgeted will determine the amount spent under this agreement.

This master agreement will provide for liquid cationic polymer (LCP) for water treatment at all City water purification plants. Used as a coagulant to aid in the chemical treatment process, LCP removes suspended and colloidal particles from water. LCP also lowers the amount of ferric sulfate needed to reduce cloudiness in the water as required by Texas Commission of Environmental Quality regulations.

The Water Utilities Department (DWU) has used LCP for decades as the coagulant aid of choice and this master agreement will continue to provide National Sanitary Foundation 60 certified LCP for use at all City water purification plants. DWU is responsible for providing clean drinking water to approximately 2.3 million people in Dallas and surrounding communities.

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out email notifications to vendors registered under relevant commodity codes. To further increase competition, the Office of Procurement Services uses historical solicitation information, the Internet, and vendor contact information obtained from user departments to contact additional vendors. Additionally, in an effort to secure more competition, the Office of Business Diversity sent notifications to chambers of commerce and advocacy groups to ensure maximum vendor outreach.

File #: 20-41 Item #: 29.

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On January 23, 2013, City Council authorized a two-year master agreement for liquid cationic polymer to be used by Dallas Water Utilities with Polydyne, Inc. by Resolution No. 13-0170.

#### FISCAL INFORMATION

Dallas Water Utilities Fund - \$3,663,600.00 (Estimated amount)

Fund	FY 2020	FY 2021	Future Years
Dallas Water Utilities Fund	\$1,221,200.00	\$1,221,200.00	\$1,221,200.00
Total	\$1,221,200.00	\$1,221,200.00	\$1,221,200.00

# M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$3,663,600.00	Goods	18.00%	10.89%	\$398,880.00
• This contract does not meet the M/WBE goal, but complies with good faith efforts.				

#### PROCUREMENT INFORMATION

Method of Evaluation for Award Type:

Low Bid	<ul> <li>Recommended vendor is based on the lowest competitive quoted</li> </ul>
	price, who is also technically and financially capable of performing and
	completing the contract, and otherwise meets all material specification
	requirements
	Negotiations are not allowed

The Office of Procurement Services received the following bid from solicitation number BF20-00012098. We opened it on December 12, 2019. We recommend the City Council award this master agreement in its entirety to the only bidder.

<u>Bidder</u>	Address	<u>Amount</u>
*Polydyne, Inc.	One Chemical Plant Rd. Riceboro, GA 31323	\$3,663,600.00

Note: The Office of Procurement Services conducted a single bid review and found no exceptions.

# **OWNER**

# Polydyne, Inc.

John Pittman, President Boyd Stanley, Vice President Christopher Gannon, Secretary Mark Schlag, Treasurer **WHEREAS,** on January 23, 2013, City Council authorized a two-year master agreement for liquid cationic polymer with Polydyne, Inc., in an amount not to exceed \$4,630,500, by Resolution No. 13-0170; and

**WHEREAS**, on September 29, 2014, Administrative Action No. 14-6730 authorized to extend the master agreement for one year for liquid cationic polymer with Polydyne, Inc. from January 22, 2015 to January 23, 2016, with zero cost, having no effect on the contract amount; and

**WHEREAS**, on February 9, 2016, Administrative Action No. 16-5249 authorized to extend the master agreement for one year for liquid cationic polymer with Polydyne, Inc. from January 24, 2016 to January 23, 2017, with zero cost, having no effect on the contract amount; and

**WHEREAS**, on November 30, 2016, Administrative Action No. 16-7048 authorized to extend the master agreement for one year for liquid cationic polymer with Polydyne, Inc. from January 23, 2017 to January 23, 2018, with zero cost, having no effect on the contract amount; and

**WHEREAS**, on October 6, 2017, Administrative Action No. 17-6945 authorized to extend the master agreement for two years for liquid cationic polymer with Polydyne, Inc. from January 22, 2018 to February 23, 2020, with zero cost, having no effect on the contract amount.

Now, Therefore,

#### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

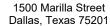
**SECTION 1.** That a master agreement for the purchase of liquid cationic polymer for the Water Utilities Department is authorized with Polydyne, Inc. (341124), approved as to form by the City Attorney, for a term of three years, in the estimated amount of \$3,663,600. The amount payable pursuant to this master agreement may exceed the estimated amount, but may not exceed the amount of budgetary appropriations for this master agreement during its term. The City Manager is further authorized, in the City Manager's sole discretion, to exercise an option to extend the agreement for six months by filing a notice of extension with the City Secretary's Office.

**SECTION 2.** That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for liquid cationic polymer for the Water Utilities Department. If a written contract is required or requested for any or all purchases of liquid cationic polymer for the Water Utilities Department under the master agreement instead of individual purchase orders, the City Manager is hereby authorized to execute a contract, approved as to form by the City Attorney.

**SECTION 3.** That the Chief Financial Officer is hereby authorized to disburse funds in an estimated amount of at least \$3,663,600, but not more than the amount of budgetary appropriations for this master agreement during its term to Polydyne, Inc. from Master Agreement Contract No. DWU-2020-00012098.

**SECTION 4.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.







# City of Dallas

# Agenda Information Sheet

File #: 20-48 Item #: 30.

**STRATEGIC PRIORITY:** Government Performance and Financial Management

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

### **SUBJECT**

Authorize a three-year master agreement with, two one-year renewal options, for compressed natural gas for equipped fleet vehicles for the Department of Equipment and Fleet Management - Clean Energy, a California corporation, registered to do business in Texas as California Clean Energy, Inc., only bidder - Estimated amount of \$2,686,250.88 - Financing: Equipment and Fleet Management Fund

### **BACKGROUND**

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, for a specific term, which are ordered on an as needed basis according to annual budgetary appropriations. The estimated amount is intended as guidance rather than a cap on spending under the agreement, so that actual need combined with the amount budgeted will determine the amount spent under this agreement.

This master agreement will provide compressed natural gas (CNG) for the City's equipped fleet vehicles for the Department of Equipment and Fleet Management. The City requires CNG fueling capability to support the City's 1,000 CNG vehicles. Currently, the City purchases an average of 40,000 gallons of CNG fuel monthly using multiple stations located throughout the Dallas area. Fuel stations are outfitted with an automated card reader system for a billing infrastructure that tracks usage, vehicle identification number, and bills the City accordingly on a monthly basis.

In addition, with an increased use of heavy-duty CNG vehicles, the City constructed two of its own CNG facilities in 2011. These stations provide overnight filling of vehicles, thus saving staff time and ensuring completely filled tanks at the beginning of each shift. These two stations provide an average of 21,000 gallons of CNG monthly.

File #: 20-48 Item #: 30.

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out email notifications to vendors registered under relevant commodity codes. To further increase competition, the Office of Procurement Services uses historical solicitation information, the Internet, and vendor contact information obtained from user departments to contact additional vendors. Additionally, in an effort to secure more competition, the Office of Business Diversity sent notifications to chambers of commerce and advocacy groups to ensure maximum vendor outreach.

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On April 22, 2015, City Council authorized Supplemental Agreement No. 1 to extend the contract for an additional nine-months and increase the maintenance and operations contract for Compressed Natural Gas (CNG) fueling facilities at the Southeast and Northwest Service Centers by Resolution No. 15-0751.

On March 23, 2016, City Council authorized to execute an acquisition contract, which resulted in a three-year master agreement with two one-year renewal for purchase of compressed natural gas for equipped fleet vehicles for Equipment and Fleet Management by Resolution No. 16-0419.

On March 23, 2016, City Council authorized to execute a three-year service contract of compressed natural gas fuel stations parts and maintenance for equipped fleet vehicles for Equipment and Fleet Management by Resolution No. 16-0420.

## FISCAL INFORMATION

Equipment and Fleet Management Fund - \$2,686,250.88 (Estimated amount)

Fund	FY 2019-20	FY 2020-21	Future Years
Equipment and Fleet Management Fund	\$895,416.96	\$895,416.96	\$895,416.96
Total	\$895,416.96	\$895,416.96	\$895,416.96

#### M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$2,686,250.88	Goods	18.00%	0.00%	\$0.00
This contract does not meet the M/WBE goal, but complies with good faith efforts.				

File #: 20-48 Item #: 30.

### PROCUREMENT INFORMATION

Method of Evaluation for Award Type:

<ul> <li>Recommended vendor is based on the lowest competitive quoted price, who is also technically and financially capable of performing and completing the contract, and otherwise meets all material specification requirements</li> </ul>
Negotiations are not allowed

The Office of Procurement Services received the following bid from solicitation number BN19-00011124. We opened it on November 22, 2019. We recommend the City Council award this master agreement in its entirety to the only bidder.

<u>Bidder</u>	Address	<u>Amount</u>
Clean Energy, a California corporation, registered to do business in Texas as California Clean Energy, Inc.	4675 MacArthur Court Suite 800 Newport Beach, CA 92660	\$2,686,250.88

Note: The Office of Procurement Services conducted a single bid review and found no exceptions.

# **OWNER**

Clean Energy, a California corporation, registered to do business in Texas as California Clean Energy, Inc.

Andrew J. Littlefair, President Barclay F. Corbus, Vice President Mitchell W. Pratt, Secretary **WHEREAS,** on February 14, 2014, Administrative Action No. 14-5349 authorized Supplemental Agreement No. 2 to the master agreement to extend the term for one year from March 9, 2014 to March 9, 2015, with zero cost, having no effect on the contract amount; and

**WHEREAS,** on December 15, 2014, Administrative Action No. 14-7200 authorized Supplemental Agreement No. 3 to the master agreement to extend the term for fourmonths from March 9, 2015 to July 4, 2015, with zero cost, having no effect on the contract amount; and

**WHEREAS**, on March 11, 2015 Administrative Action No. 15-5493 authorized Supplemental Agreement No. 4 to the master agreement to extend the term for ninemonths from July 4, 2015 to April 1, 2016, with zero cost, having no effect on the contract amount; and

**WHEREAS,** on March 23, 2016 City Council authorized a three-year master agreement for compressed natural gas for fleet vehicles, in an amount not to exceed \$2,493,963.36, by Resolution No. 16-0419; and

**WHEREAS,** on March 23, 2016 City Council authorized a service contract for compressed natural gas fuel stations parts and maintenance for fleet vehicles, in an amount not to exceed \$456,720.00, by Resolution No. 16-0420.

Now, Therefore,

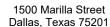
### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That a master agreement for the purchase of compressed natural gas for equipped fleet vehicles for the Department of Equipment and Fleet Management is authorized with Clean Energy, a California corporation, registered to do business in Texas as California Clean Energy, Inc. (VC14154), approved as to form by the City Attorney, for a term of three years in the estimated amount of \$2,686,250.88. The amount payable pursuant to this master agreement may exceed the estimated amount, but may not exceed the amount of budgetary appropriations for this master agreement during its term. The City Manager is further authorized, in the City Manager's sole discretion, to exercise an option to extend the contract for six months by filing a notice of extension with the City Secretary's Office.

**SECTION 2.** That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for compressed natural gas for equipped fleet vehicles for the Department of Equipment and Fleet Management. If a written contract is required or requested for any or all purchases of compressed natural gas for equipped fleet vehicles for the Department of Equipment and Fleet Management under the master agreement instead of individual purchase orders, the City Manager is hereby authorized to execute a contract, approved as to form by the City Attorney.

**SECTION 3.** That the Chief Financial Officer is hereby authorized to disburse funds in an estimated amount of at least \$2,686,250.88, but not more than the amount of budgetary appropriations for this master agreement during its term to Clean Energy, a California corporation, registered to do business in Texas as California Clean Energy, Inc. from Master Agreement Contract No. EFM-2019-00011724.

**SECTION 4.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.





# City of Dallas

# Agenda Information Sheet

File #: 20-50 Item #: 31.

**STRATEGIC PRIORITY:** Government Performance and Financial Management

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

#### **SUBJECT**

Authorize (1) a three-year master agreement with, two one-year renewal options, for the purchase of unleaded and diesel fuels based on Platts index rates for the Department of Equipment and Fleet Management - Truman Arnold Companies dba TAC Energy in an estimated amount of \$25,287,062.43, World Fuel Services, Inc. in an estimated amount of \$21,046,330.39, Ports Petroleum Co., Inc. in an estimated amount of \$16,188,561.78, and W. Douglass Distributing, LTD in an estimated amount of \$7,995,395.04, lowest responsible bidders of ten - Total estimated amount of \$86,855,208.37; and (2) an increase to the master agreement with Truman Arnold Companies dba TAC Energy in an amount not to exceed \$459,583.00, from \$40,909,089.75 to \$41,368,672.75 and Martin Eagle Oil Company, Inc. in an amount not to exceed \$212,018.00, from \$10,129,680.88 to \$10,341,698.88, for the purchase of unleaded and diesel fuels based on Platts index rates for the Department of Equipment and Fleet Management - Total amount not to exceed \$671,601.00, from \$51,038,770.63 to \$51,710,371.63 - Financing: Equipment and Fleet Management Fund (\$87,526,809.37)

### **BACKGROUND**

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, for a specific term, which are ordered on an as needed basis according to annual budgetary appropriations. The estimated amount is intended as guidance rather than a cap on spending under the agreement, so that actual need combined with the amount budgeted will determine the amount spent under this agreement.

The master agreement will allow the City to purchase multiple types of fuels for the City's fleet including unleaded, Texas low-emission diesel, bio-diesel, super unleaded 93 octane, and red dye diesel. All fuel under these agreements is priced utilizing a +/- adder to Platts' indices.

Platts' indices showing current fuel prices are generated and published for specific areas of the country on a daily basis. The pricing service is internationally recognized as an accurate and comprehensive index for establishing fuel prices.

File #: 20-50 Item #: 31.

The City's projected demand for the three-year agreement is approximately 26,065,438 gallons. Fuel is distributed to approximately 100 City sites including eight fuel islands, fire stations, sanitation locations and pump stations.

This increase to the current master agreement will allow the City to continue to purchase multiple types of unleaded and diesel fuels for the City's fleet while transitioning to a new fuel agreement including unleaded, Texas low-emission diesel, bio-diesel, super unleaded 93 octane and red dye diesel. All fuel under this agreement is priced utilizing a +/- adder to Platts' indices.

Fuel is distributed to approximately 100 City sites including eight fuel islands, fire stations, sanitation locations, and pump stations.

This agreement will allow for the purchase of the following fuel types:

- Unleaded fuel used for cars, squad vehicles, pickup trucks
- Super unleaded fuel used for police motorcycles
- Diesel fuel used for fire equipment and some heavy-duty vehicles
- Bio-diesel fuel used for sanitation fleet and other heavy-duty vehicles
- · Red dye diesel used for off-road vehicles used at the landfill

On-demand mobile fueling of unleaded and diesel fuels is included to be used in special and emergency situations. Special and emergency delivery services are priced separately to provide ondemand fueling over an extended period of time.

The successful supplier is required to provide a driver and a bobtail fuel truck on short notice at any time (365 days per year/24 hours per day) and will be responsible for pumping fuel into individual vehicles and/or tanks. The services include pumping and transporting from one City location to multiple points for dispensing into tanks or vehicles and possibly serving as a mobile fueling station.

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out email notifications to vendors registered under relevant commodity codes. To further increase competition, the Office of Procurement Services uses historical solicitation information, the Internet, and vendor contact information obtained from user departments to contact additional vendors. Additionally, in an effort to secure more competition, the Office of Business Diversity sent notifications to chambers of commerce and advocacy groups to ensure maximum vendor outreach.

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On April 23, 2014, City Council authorized a three year with two one-year renewal master agreement for the purchase of unleaded and diesel fuels based on Platts index rates for equipped fleet vehicles for the Department of Equipment and Fleet Management by Resolution No. 14-0681.

File #: 20-50 Item #: 31.

### FISCAL INFORMATION

Equipment and Fleet Management Fund - \$87,526,809.37 (Estimated amount)

Fund	FY 2019-20	FY 2020-21	Future Years
Equipment and Fleet Management Fund	\$15,114,776.04	\$14,443,175.04	\$57,968,858.29
Total	\$15,114,776.04	\$14,443,175.04	\$57,968,858.29

# **M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$86,855,208.37	Goods	18.00%	0.00%	\$0.00
This contract does not meet the M/WBE goal, but complies with good faith efforts.				

The Office of Business Diversity continues to work with all five prime contractors regarding M/WBE inclusion and anticipates two to five percent (2.00% - 5.00%) overall M/WBE participation.

## PROCUREMENT INFORMATION

Method of Evaluation for Award Type:

Low Bid	<ul> <li>Recommended vendor is based on the lowest competitive quoted price, who is also technically and financially capable of performing and completing the contract, and otherwise meets all material specification requirements</li> </ul>
	Negotiations are not allowed

The Office of Procurement Services received the following bids from solicitation number BN19-00011125. We opened them on November 8, 2019. We recommend the City Council award this master agreement to the lowest responsive and responsible bidders by group. Information related to this solicitation is available upon request.

<sup>\*</sup>Denotes successful bidders

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
*Truman Arnold Companies dba TAC Energy	100 Crescent Ct. Suite 1600 Dallas, TX 75201	Multiple Groups

File #: 20-50			Item #: 31.
*World Fuel Services, Inc.	6000 Metcalf Ave. Overland Park, KS 66202	Multiple Groups	
*Ports Petroleum Co, Inc.	1337 Blachleyville Rd. Wooster, OH 44691	Multiple Groups	
*Martin Eagle Oil Company, Inc.	2700 James St. Denton, TX 76205	Multiple Groups	
*W. Douglass Distributing, LTD	325 E. Forest Ave. Sherman, TX 75090	Multiple Groups	
Mansfield Oil Company of Gainesville, Inc.	1025 Airport Pkwy. SW Gainesville, GA 30501	Multiple Groups	
Fullidity LLC	2502 LaBranch St. Houston, TX 77004	Multiple Groups	
Sun Coast Resources, Inc.	6405 Cavalcade St., Building 1 Houston, TX 77026	Multiple Groups	
Sunoco LLC	8020 Park Ln. Dallas, TX 75321	Multiple Groups	
The Bargain Source	2516 Morningside Dr. Garland, TX 75041	Multiple Groups	

# **OWNERS**

# **Truman Arnold Companies dba TAC Energy**

Greg Arnold, President Fred Sloan, Vice President

# World Fuel Services, Inc.

Michael Crosby, President James Prosser, Vice President

# Ports Petroleum Co., Inc.

Micheal D. Ports, President Joel Teague, Vice President

# Martin Eagle Oil Company, Inc.

Stephen L. Martin, President Gary L. Martin, Vice President

File #: 20-50 Item #: 31.

# W. Douglass Distributing, LTD

Brad Douglass, President Diane McCarty, Secretary

**WHEREAS,** on April 23, 2014, City Council authorized a master agreement for unleaded and diesel fuels based on Platts index rates, in an amount not to exceed \$63,340,297.09, by Resolution No. 14-0681; and

**WHEREAS,** on April 28, 2017, Administrative Action Nos. 17-5916 and 17-5917 authorized a Supplemental Agreement No. 1 for a 36-month extension for unleaded and diesel fuels, with zero cost, having no effect on the contract amount.

Now, Therefore,

#### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That (1) a master agreement for the purchase of unleaded and diesel fuels based on Platts index rates for the Department of Equipment and Fleet Management is authorized with Truman Arnold Companies dba TAC Energy (343033) in the estimated amount of \$25,287,062.43, World Fuel Services, Inc. (VC21018) in the estimated amount of \$21,046,330.39, Ports Petroleum Co., Inc. (VS0000081419) in the estimated amount of \$16,337,858.73, Martin Eagle Oil Company, Inc. (VS0000038576) in the estimated amount of \$16,188,561.78, and W. Douglass Distributing, LTD (VS0000008853) in the estimated amount of \$7,995,395.04, approved as to form by the City Attorney, for a term of three years, with two one-year renewal options, in a total estimated amount of \$86,855,208.37. The amount payable pursuant to this master agreement may exceed the estimated amount but may not exceed the amount of budgetary appropriations for this master agreement during its term. The City Manager is further authorized, in the City Manager's sole discretion, to exercise an option to extend the contract for six months by filing a notice of extension with the City Secretary's Office; and (2) an increase in the master agreement is authorized with Truman Arnold Companies dba TAC Energy (343033) in an amount not to exceed \$459,583.00 from \$40,909,089.75 to \$41,368,672.75 and Martin Eagle Oil Company, Inc. (VS0000038576), in an amount not to exceed \$212,018.00 from \$10,129,680.88 to \$10,341,698.88, approved as to form by the City Attorney, for the purchase of unleaded and diesel fuels based on Platts index rates for equipped fleet vehicles for the Department of Equipment and Fleet Management, in a total amount not to exceed \$671,601.00, increasing the master agreement from \$51,038,770.63 to \$51,710,371.63, for a total amount of \$87,526,809.37.

**SECTION 2.** That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for unleaded and diesel fuels based on Platts index rates for the Department of Equipment and Fleet Management. If a written contract is required or requested for any or all purchases for unleaded and diesel fuels based on Platts index rates for the Department of Equipment and Fleet Management under the master agreement instead of individual purchase orders, the City Manager is hereby authorized to execute a contract, approved as to form by the City Attorney.

**SECTION 3.** That the Chief Financial Officer is hereby authorized to disburse funds in an estimated amount of at least \$86,855,208.37, but not more than the amount of budgetary appropriations for this master agreement during its term to Truman Arnold Companies dba TAC Energy, World Fuel Services, Inc., Ports Petroleum Co., Inc., Martin Eagle Oil Company, Inc., and W. Douglass Distributing, LTD from Master Agreement Contract No. EFM-2019-00011725.

**SECTION 4.** That the Chief Financial Officer is hereby authorized to disburse funds in a total amount not to exceed \$671,601.00 to Truman Arnold Companies dba TAC Energy and Martin Eagle Oil Company, Inc. from Master Agreement Contract No. POM-2020-00001423.

**SECTION 5.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



# City of Dallas

# Agenda Information Sheet

File #: 20-52 Item #: 32.

**STRATEGIC PRIORITY:** Government Performance and Financial Management

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

### **SUBJECT**

Authorize (1) Supplemental Agreement No. 2 to increase the service contract with National Waste Management Louisiana, Inc. dba NWMLA, Inc. for yard waste grinding services for the Department Sanitation Services in the amount of \$544,475, from \$2,177,900 to \$2,722,375; and (2) the ratification of \$700,000 to pay outstanding yard waste grinding service invoices associated with the October 20, 2019 tornado with National Waste Management Louisiana, Inc. dba NWMLA, Inc. - Total not to exceed \$1,244,475 - Financing: Sanitation Operation Fund (subject to appropriations)

## **BACKGROUND**

This action does not encumber funds; the purpose of a service contract is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis.

This increase to the services contract will allow for the continuation of yard waste grinding for the Department of Sanitation Services (SAN). SAN utilizes this service contract at the City's landfill and transfer stations for the grinding of yard and vegetated waste from shrub and tree trimming. Grinding is primarily used to reduce disposal volume and save airspace at the landfill. This service contract also allows for off-site yard waste grinding when delivery of the yard waste to the landfill or transfer station is not possible due to, but not limited to:

- Storm damage
- Non-weather-related emergencies
- Neighborhood clean-up projects

This increase to the current contract will allow the City to continue to receive services while a new contract is solicited.

File #: 20-52 Item #: 32.

The ratification of funds is needed to pay outstanding invoices that were a result of drastically reduced funding of the current contract. This unforeseen reduction in available funds was due to an increase of emergency services caused by the October 20, 2019 tornado. While historical actuals were used to determine the funding needs in the current contract, the unforeseen natural disaster, outpaced the original estimates.

On November 10, 2015, the City Council authorized a living wage policy that requires contractors to pay their employees a "living wage" rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County by Resolution No. 15-2141. This supplemental contract includes the most current living wage of \$11.71.

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On January 13, 2016, City Council authorized a three-year service contract for yard waste grinding services at the City's landfill and transfer stations with National Waste Management Louisiana, Inc. by Resolution No. 16-0125.

## FISCAL INFORMATION

Sanitation Operation Fund - \$1,244,475.00 (subject to appropriations)

### M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$544,475.00	Other Services	23.80%	0.00%	\$0.00
This contract does not meet the M/WBE goal, but complies with good faith efforts.				
Supplemental Agreement No. 2 - 0.00% Overall M/WBE Participation				

### **OWNER**

## National Waste Management Louisiana, Inc. dba NWMLA

Christopher Roberts, Operations Manager

WHEREAS, on January 13, 2016, City Council authorized a three-year service contract for yard waste grinding services at the City's landfill and transfer stations with National Waste Management Louisiana, Inc., in an amount not to exceed \$2,177,900, by Resolution No. 16-0125.

Now, Therefore,

### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That the City Manager is hereby authorized to **(1)** execute Supplemental Agreement No. 2 to increase the service contract with National Waste Management Louisiana, Inc. dba NWMLA, Inc. (VS88591) for yard waste grinding services for the Department of Sanitation Services, in an amount not exceed \$544,475, increasing the service contract amount from \$2,177,900 to \$2,722,375; and **(2)** the ratification of \$700,000 to pay outstanding yard waste grinding service invoices associated with the October 20, 2019 tornado with National Waste Management Louisiana, Inc. dba NWMLA, Inc., in a total amount not to exceed \$1,244,475.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$1,244,475 (subject to appropriations) from Service Contract No. BF1518.

**SECTION 3.** This is contract is designated as Contract No. POM-2020-00012615.

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.





#### 1500 Marilla Street Dallas, Texas 75201

# Agenda Information Sheet

File #: 19-1999 Item #: 33.

**STRATEGIC PRIORITY:** Government Performance and Financial Management

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

### **SUBJECT**

Authorize Supplemental Agreement No. 2 to exercise the second of two, one-year renewal options to the service contract with Results Staffing, Inc. for temporary labor for the Department of Sanitation Services - Not to exceed \$9,000,306 - Financing: Sanitation Operation Fund (subject to appropriations)

# **BACKGROUND**

This action does not encumber funds; the purpose of a service contract is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis.

This service contract provides temporary industrial labor for the Department of Sanitation Services (SAN). Temporary labor is needed to supplement SAN staff with approximately 210 industrial laborers on a daily basis to collect bulk brush, garbage, and recycling; to perform work at transfer stations and the landfill, and to assist in environmental and special service duties. The temporary workers receive daily work supervision and instruction from City staff but remain employees of the temporary agency. Temporary labor allows SAN the flexibility to adjust its workforce to meet service needs according to daily service demands.

Although Results Staffing, Inc. is a temporary employment agency, their employees have the opportunity to purchase an individual or family health care plan provided by the contractor upon hire. Additionally, the contractor provides skill enhancement and training for their employees and the opportunity to earn paid holidays and vacation.

On November 10, 2015, City Council authorized a living wage policy that requires contractors to pay their employees a "living wage" rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County by Resolution No. 15-2141. This contract renewal option includes the most current living wage of \$11.71 per hour.

File #: 19-1999 Item #: 33.

## PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 22, 2016, City Council authorized a three-year service contract, with two one-year renewal options for temporary industrial labor for Sanitation Services with Result Staffing, Inc. by Resolution No. 16-1049.

On February 13, 2019, the City Council authorized Supplemental Agreement No. 1 to exercise the first of two, one-year renewal options to the service contract with Results Staffing, Inc. for temporary industrial labor for Sanitation Services by Resolution No. 19-0274.

### FISCAL INFORMATION

Sanitation Operation Fund - \$9,000,306.00 (subject to appropriations)

Fund	FY 2019-20	FY 2020-21	Future Years
Sanitation Operation Fund	\$6,750,229.50	\$2,250,076.50	\$0.00
Total	\$6,750,229.50	\$2,250,076.50	\$0.00

### M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$9,000,306.00	Other Services	23.80%	99.11%	\$8,920,306.00
This contract exceeds the M/WBE goal.				
Supplemental Agreement No. 2 - 98.80% Overall M/WBE Participation				

### **OWNER**

Results Staffing, Inc.

Norma Devine, President

**WHEREAS,** on June 22, 2016, City Council authorized a three-year contract, with two one-year renewal options for temporary industrial labor for Sanitation Services with Results Staffing, Inc., in an amount not to exceed \$20,246,078.16, by Resolution No. 16-1049; and

**WHEREAS,** on February 13, 2019, City Council authorized Supplemental Agreement No. 1 to exercise the first of two, one-year renewal options to the service contract with Result Staffing, Inc. for temporary industrial labor for Sanitation Services, in an amount not to exceed \$8,101,820.00, by Resolution No. 19-0274.

Now, Therefore,

#### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That the City Manager is hereby authorized to execute Supplemental Agreement No. 2 to exercise the second of two, one-year renewal options to the service contract with Results Staffing, Inc. (503279), approved as to form by the City Attorney, for temporary industrial labor for the Department of Sanitation Services, in an amount not to exceed \$9,000,306.00.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$9,000,306.00 (subject to appropriations) to Results Staffing, Inc. from Service Contract No. POM-2016-00000937.

**SECTION 3.** That is resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



1500 Marilla Street Dallas, Texas 75201



# Agenda Information Sheet

File #: 20-40 Item #: 34.

**STRATEGIC PRIORITY:** Government Performance and Financial Management

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

\_\_\_\_\_\_

### SUBJECT

Authorize Supplemental Agreement No. 6 to the subscription contract with Workday, Inc. to amend the scope of services and decrease the contract amount - Not to exceed (\$366,454.79), from \$20,296,345.00 to \$19,929,890.21 - Financing: Data Services Fund

## BACKGROUND

The contract with Workday, Inc. provides licensing, configuration, hosting, maintenance, and technical support for the replacement of the City's existing human resource and payroll system. This supplemental agreement will amend the scope of services for the implementation phase of the project, reduce the costs for integration for external benefits, and add a subscription for an analytics application. These changes will result in a net decrease in total costs.

Workday resources will develop, test, and deploy reports for wage analysis, activity and pay codes, pension calculations, payroll registers, and other key reports. The Supplemental Agreement No. 6 will also add a subscription fee for Prism Analytics services during the remaining term of the contract. This analytics application provides the ability to blend and analyze Workday data and non-Workday data from multiple sources. It will include a repository to store and manage data and preparation tools for transforming and blending data from the various sources.

On November 10, 2015, the City Council authorized a living wage policy that requires contractors to pay their employees a "living wage" rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County by Resolution No. 15-2141. The current calculated living wage during the solicitation process of this contract is \$10.37; the selected vendor meets this requirement.

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On February 28, 2018, City Council authorized a six-year subscription contract with Workday, Inc. for a citywide human resource capital management system by Resolution No. 18-0372.

File #: 20-40 Item #: 34.

# FISCAL INFORMATION

Data Services Fund - (\$366,454.79)

Original Contract \$20,296,345.00
Supplemental Agreement No. 6 (this action) (\$\frac{366,454.79}{19,929,890.21}

Fund	FY 2019-20
Data Services Fund	(\$366,454.79)
Total	(\$366,454.79)

#### M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$19,929,890.21	Other Services	23.80%	23.81%	\$1,331,428.36*

- This contract exceeds the M/WBE goal.
- Supplemental Agreement No. 6 23.81% Overall M/WBE participation
- Workday, Inc. is performing professional services in the amount of \$5,591,887.00 and is subcontracting 23.81% of these services to meet the M/WBE participation goal. Software costs of \$14,350,446.00 are not applicable to the M/WBE participation goal.

#### OWNER

### Workday, Inc.

Robynne Sisco, Co-President Chano Fernandez, Co-President Rich Sauer, Secretary Alice Xu, Treasurer **WHEREAS,** on February 28, 2018, City Council authorized a six-year subscription contract with Workday, Inc. for a citywide human resource capital management system by Resolution No.18-0372; and

**WHEREAS,** on August 3, 2018, Administrative Action No. 18-6259 authorized Supplemental Agreement No. 1 to modify the payment milestone dates to reflect the actual start date for the project, and as a result, the Phase 1 go-live date to July 1, 2019; and

**WHEREAS,** on April 24, 2019, Administrative Action No. 19-5860 authorized Supplemental Agreement No. 2 to conduct a re-calibration assessment to review, refine and update the implementation project activities and remove Phase 3 from the scope; and

**WHEREAS,** on July 12, 2019, Administrative Action No. 19-6254 authorized Supplemental Agreement No. 3 to change Phase 1 go-live date to January 17, 2020; and

**WHEREAS,** on August 14, 2019, Administrative Action No. 18-6335 authorized Supplemental Agreement No. 4 to continue consulting services for implementation activities related to project management and program oversight, change management, data and configuration preparation for an additional tenant build and end to end testing; and

**WHEREAS,** on October 29, 2019, Administrative Action No. 19-6812 authorized Supplemental Agreement No. 5 to add support for payroll parallel testing, remove tasks associated with the implementation of the Benefits module and change the Phase 1 golive date to April 1, 2020.

Now, Therefore,

#### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That the City Manager is hereby authorized to execute Supplemental Agreement No. 6 to the subscription contract with Workday, Inc. (VC15306), approved as to form by the City Attorney, to amend the scope of services and decrease the contract amount, in an amount not to exceed (\$366,454.79), decreasing the subscription contract amount from \$20,296,345.00 to \$19,929,890.21.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$19,929,890.21 to Workday, Inc. from Subscription Contract No. POM-2018-00004864.

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



# City of Dallas

# Agenda Information Sheet

File #: 20-45 Item #: 35.

**STRATEGIC PRIORITY:** Government Performance and Financial Management

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): N/A

**DEPARTMENT:** Office of Strategic Partnerships & Government Affairs

**EXECUTIVE:** Kimberly Bizor Tolbert

### **SUBJECT**

Authorize the endorsement of Mayor Eric Johnson as the City of Dallas representative on the Texas Municipal League Board of Directors as a director-at-large - Financing: No cost consideration to the City

## **BACKGROUND**

The Texas Municipal League ("TML") is a statewide membership organization that represents the interests of 1,161 Texas cities. TML's purpose is to empower Texas cities to serve their citizens by providing support and a variety of services to city governments, including legal support, legislative advocacy, and facilitating dialogue and the exchange of information among Texas cities.

TML is governed by the TML Board of Directors, which is made up of elected and appointed city officials from across the state. The TML Board of Directors is comprised of a president, regional directors, affiliate directors, directors-at-large, and past presidents. The City of Dallas has a permanent director-at-large seat on the Board. TML requires that cities endorse their selected Board member through official City Council action.

The City of Dallas was one of the first 14 municipal members of TML, attending the first TML conference of cities in 1913, and the City continues to play an active role in TML's activities. Having representation on the TML Board of Directors will allow the City to continue to play an influential role in this important organization.

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

### FISCAL INFORMATION

No cost consideration to the City.

**WHEREAS,** the City of Dallas is a member of the Texas Municipal League ("TML"), a statewide organization that represents the interests of Texas cities at the state and federal levels; and

WHEREAS, the TML Board of Directors governs and conducts the affairs of TML, promotes interest in municipal government on a regional level, and facilitates the exchange of information among cities across the region; and

**WHEREAS**, the TML Board of Directors is comprised of a president, regional directors, affiliate directors, directors-at-large, and past presidents; and

**WHEREAS**, the City of Dallas has a permanent director-at-large seat on the TML Board of Directors; and

WHEREAS, only city officials of member cities may serve as directors; and

**WHEREAS**, having representation on the TML Board of Directors would provide greater influence at the regional and state levels for the City of Dallas; and

WHEREAS, TML requires that cities endorse their selected Board member through official City Council action.

Now, Therefore,

#### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That the City Council endorses Mayor Eric Johnson to represent the City of Dallas on the TML Board of Directors as a director-at-large.

**SECTION 2.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.





#### 1500 Marilla Street Dallas, Texas 75201

# Agenda Information Sheet

File #: 20-2 Item #: 36.

**STRATEGIC PRIORITY:** Quality of Life

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): All

**DEPARTMENT:** Park & Recreation Department

**EXECUTIVE:** John D. Jenkins

### **SUBJECT**

Authorize an application for a Solid Waste Implementation Grant in the amount of \$200,000.00 from the North Central Texas Council of Governments for the Dallas Park and Recreation Department Treecycling Project - Financing: This action has no cost consideration to the City (see Fiscal Information)

# **BACKGROUND**

The North Central Texas Council of Governments receives grant funding from the Texas Commission on Environmental Quality to administer the Solid Waste Implementation Grant Program in the 16-county North Central Texas region. These funds are generated by landfill tipping fees to the 24 councils of governments located in the state of Texas.

The maximum funding request for this grant program is \$200,000.00. The Dallas Parks Treecycle Project includes the purchase of one piece of equipment, a trommel, that would allow Dallas Park and Recreation Department to divert approximately 1,000 tons of chipped tree material from the municipal landfill annually and to filter chips to be used for mulching at park properties.

The trommel will be housed at Park Maintenance District 6 located at 10770 Bekay Street. Staff will be trained to use and maintain the trommel.

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On December 12, 2019, the Park and Recreation Board authorized an application for an Solid Waste Implementation Grant in the amount of \$200,000.00 from the North Central Texas Council of Governments for the Dallas Park and Recreation Department Treecycling Project.

File #: 20-2 Item #: 36.

# **FISCAL INFORMATION**

This action has no cost consideration to the City.

The entirety of the grant award received is anticipated to go toward the purchase of a trommel which has been quoted at \$200,00.00.

**WHEREAS**, the Texas Commission on Environmental Quality allocates funds generated by landfill tipping fees to the 24 councils of governments located in the state of Texas; and

WHEREAS, the North Central Texas Council of Governments (NCTCOG) allocates a portion of the funding toward local and regional Solid Waste Implementation Grants in the North Central Texas area for the 2020-2021 biennium; and

**WHEREAS**, the City of Dallas is fully eligible to receive assistance under this program for the Dallas Park and Recreation Department Treecycling Project; and

**WHEREAS**, the applicant is desirous of authorizing an official to represent and act for the applicant in dealing with NCTCOG concerning this program.

Now, Therefore,

#### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That the City of Dallas, Texas hereby certifies that it is eligible to receive assistance from this program, and that notice of the application has been posted according to local requirements.

**SECTION 2.** That the City of Dallas, Texas certifies that the Solid Waste Implementation Grant does not require a match.

**SECTION 3.** That the City of Dallas, Texas hereby authorizes and directs the Park and Recreation Department to represent and act for the City in dealing with NCTCOG for the purposes of the program, and that the Director or his or her designee is hereby officially designated as the representative in this regard.

**SECTION 4.** That the City of Dallas hereby specifically authorizes the Park and Recreation Department to make application to NCTCOG concerning the Solid Waste Implementation Grant Program.

**SECTION 5.** That the City Manager is hereby authorized to apply for a Solid Waste Implementation Grant in the amount of \$200,000.00 from NCTCOG and to execute any and all documents required by the grant, approved as to form by the City Attorney.

**SECTION 6**. That it is the intent of the City Council of the City of Dallas, Texas that all operating funds required for the Dallas Parks Treecycling Project be appropriated and funded as needed for operating costs.

**SECTION 7.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



# City of Dallas

1500 Marilla Street Dallas, Texas 75201

# Agenda Information Sheet

**STRATEGIC PRIORITY:** Quality of Life

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): 8

**DEPARTMENT:** Park & Recreation Department

**EXECUTIVE:** John D. Jenkins

\_\_\_\_\_

### **SUBJECT**

Authorize a construction contract for site drainage improvements at the Trinity River Audubon Center located at 6500 Great Trinity Forest Way - Iron T Construction, Inc., lowest responsible bidder of three - Not to exceed \$85,000.00 - Financing: Capital Construction Fund

## **BACKGROUND**

On August 30, 2019, three bids were received for site drainage improvements at the Trinity River Audubon Center. This item will authorize a construction contract with Iron T Construction, Inc., lowest responsible bidder of three.

The scope of work for the site drainage improvements at the Trinity River Audubon Center includes:

- Installation of 112 linear feet of French drain system
- Installation of 112 linear feet of waterproofing
- Installation of 234 linear feet of drain pipe

Iron T Construction, Inc. has had no contractual activities with the City of Dallas for the past three years.

### **ESTIMATED SCHEDULE OF PROJECT**

Begin Construction March 2020 Complete Construction April 2020

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On November 7, 2019, the Park and Recreation Board authorized a construction contract with Iron T Construction, Inc. for site drainage improvements at the Trinity River Audubon Center located at 6500 Great Trinity Forest Way.

### **FISCAL INFORMATION**

Fund	FY 2020	FY 2021	Future Years
Capital Construction Fund	\$85,000.00	\$0.00	\$0.00
Total	\$85,000.00	\$0.00	\$0.00

# **M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

<b>Contract Amount</b>	Category	M/WBE Goal	M/WBE%	M/WBE \$
\$85,000.00	Construction	25.00%	21.18%	\$18,000.00
This contract does not meet the M/WBE goal, but complies with good faith efforts.				

# PROCUREMENT INFORMATION

The following three bids were received and opened on August 30, 2019:

<sup>\*</sup>Denotes the successful bidder

<u>Bidders</u>	Base Bid	** <u>Alter. No. 1</u>	Total Bid
*Iron T Construction, Inc. 6204 Doreen Drive Bryant, Arkansas 72022	\$ 85,000.00	\$0.00	\$ 85,000.00
Northstar Construction, LLC Mobil Construction Company	\$ 98,700.00 \$150,000.00	\$0.00 (\$3,000.00)	\$ 98,700.00 \$147,000.00

<sup>\*\*</sup>Alternate No. 1 - provides for disposal of excavated soils on site.

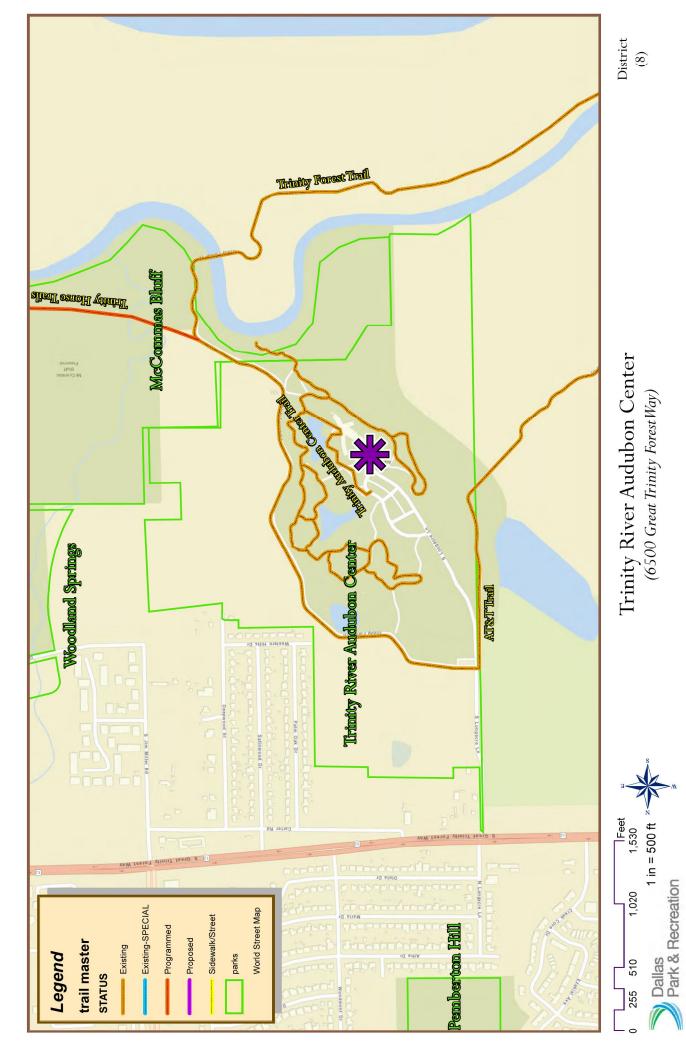
# **OWNER**

# Iron T Construction, Inc.

Travis Theobald, President

#### MAP

Attached



WHEREAS, on August 30, 2019, three bids were received for site drainage improvements at the Trinity River Audubon Center located at 6500 Great Trinity Forest Way; and

<u>Bidders</u>	Base Bid	<u>Alter. No. 1</u> **	Total Bid
Iron T Construction, Inc. Northstar Construction, LLC Mobil Construction Company	\$ 85,000.00	\$0.00	\$ 85,000.00
	\$ 98,700.00	\$0.00	\$ 98,700.00
	\$150,000.00	(\$3,000.00)	\$147,000.00

<sup>\*\*</sup>Alternate No. 1 - provides for disposal of excavated soils on site.

WHEREAS, it has been determined that acceptance of the best and final offer from Iron T Construction, Inc. for site drainage improvements at the Trinity River Audubon Center located at 6500 Great Trinity Forest Way, in an amount not to exceed \$85,000.00, is most advantageous for the City of Dallas.

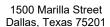
Now, Therefore,

### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That the President of the Park and Recreation Board and the City Manager are hereby authorized to execute a construction contract with Iron T Construction, Inc., approved as to form by the City Attorney, for site drainage improvements at the Trinity River Audubon Center located at 6500 Great Trinity Forest Way, in an amount not to exceed \$85,000.00.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$85,000.00 to Iron T Construction, Inc. from Capital Construction Fund, Fund 0671, Department PKR, Unit W020, Object 4599, Activity PFSI, Program PK18TRAC, Commodity 91200, Encumbrance/Contract No. CX-PKR-2019-00010988, Vendor VS100496.

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.





# City of Dallas

# Agenda Information Sheet

File #: 19-1945 Item #: 38.

STRATEGIC PRIORITY: Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): Outside City Limits

**DEPARTMENT:** Water Utilities Department

**EXECUTIVE:** Majed Al-Ghafry

### **SUBJECT**

Authorize a Facilities Extension Agreement between the City and Oncor Electric Delivery Company LLC to expand the West Electrical Substation at the Elm Fork Water Treatment Plant - Not to exceed \$1,312,051.00 - Financing: Water Construction Fund

## **BACKGROUND**

The Elm Fork Water Treatment Plant located in Carrollton, Texas was originally constructed in the 1950s and is the second largest of three water treatment plants serving the customers of Dallas Water Utilities (DWU). The existing Pump Station No. 1 was constructed in 1952 and served as the plant's original raw water and potable water pump station. Due to its age, replacement of the facility is necessary to address aging infrastructure and bring the facility up to current standards and capacity requirements. On September 27, 2017, City Council authorized the construction of a new pump station, which is currently under construction.

The construction of this new pump station will require an expansion of the Oncor West Electrical Substation located inside the Elm Fork Water Treatment Plant. A preliminary agreement with Oncor Electric Delivery Company LLC (Oncor), called a Discretionary Service Agreement, was approved by City Council on August 28, 2019, in the amount of \$871,192.00. That agreement provided funding for Oncor to proceed with design and materials procurement for the substation expansion in order to meet the pump station construction schedule for electrical service.

This council action approves a Facilities Extension Agreement (FEA) for the electrical substation expansion, which includes an increase in funding of \$1,312,051.00 for a total not to exceed \$2,183,243.00. The FEA authorizes Oncor to perform all work necessary to expand their Elm Fork West Electrical Substation. The FEA also authorizes the City to amend the existing substation easements to account for the expanded substation.

File #: 19-1945 Item #: 38.

Once the substation expansion is complete, the new pump station will need to meet electrical demand benchmarks drawn from the expanded substation. If all electrical demand benchmarks are met in accordance with the FEA, Oncor will refund the entire security deposit back to DWU. Failure to meet those demand benchmarks would result in penalties paid to Oncor, not to exceed the entire \$2,106,162.00 security deposit plus a demand penalty not to exceed \$11,850.00.

## PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 28, 2019, City Council authorized a Discretionary Service Agreement between the City and Oncor Electric Delivery Company LLC for the preliminary design and procurement of materials to expand the West Electrical Substation at the Elm Fork Water Treatment Plant by Resolution No. 19-1284.

### FISCAL INFORMATION

Fund	FY 2020	FY 2021	Future Years
Water Construction Fund	\$1,312,051.00	\$0.00	\$0.00
Total	\$1,312,051.00	\$0.00	\$0.00

Estimated Refund: Water Construction Fund \$2,146,600.31

DWU will provide a security deposit to Oncor for \$2,106,162.00. Oncor will refund the security deposit plus interest once DWU hits its benchmark numbers.

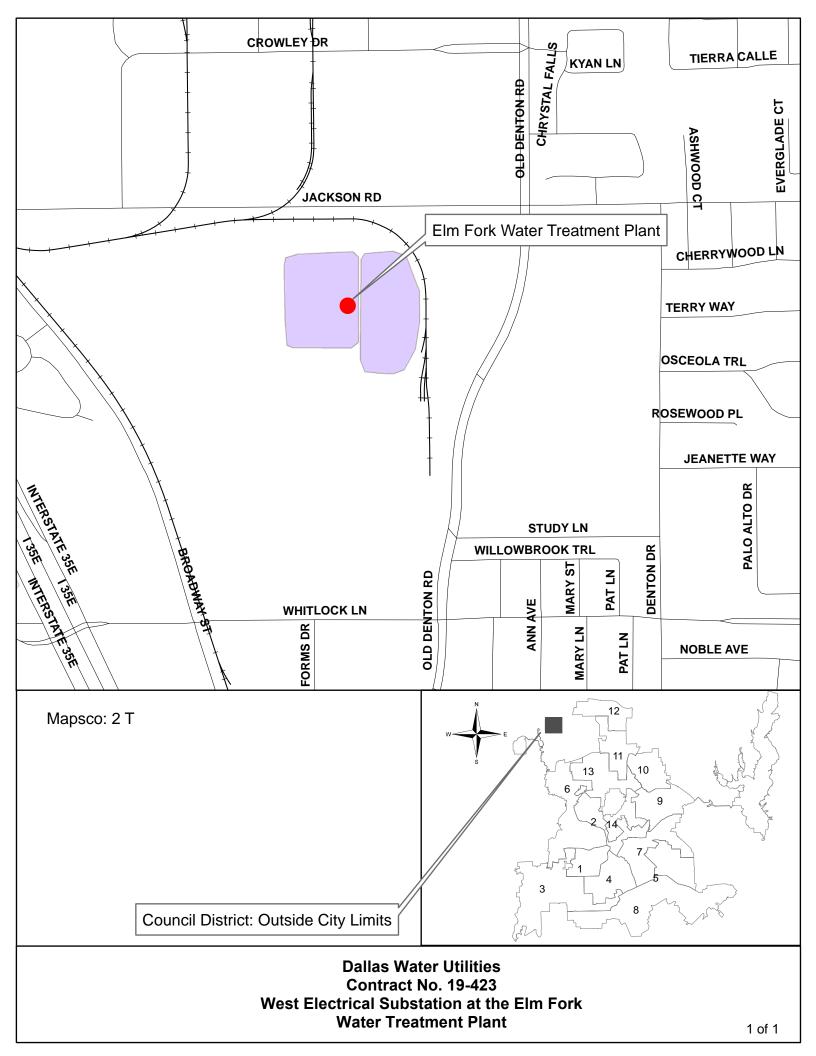
#### **OWNER**

### **Oncor Electric Delivery Company LLC**

Allen Nye, Chief Executive Officer

### **MAP**

Attached



**WHEREAS,** the West Electrical Substation at the Elm Fork Water Treatment Plant requires expansion to meet the electrical demands of the new Pump Station No. 1 and to provide improved reliability; and

**WHEREAS**, Oncor Electric Delivery Company LLC is requesting that the City of Dallas enter into a Facilities Extension Agreement as provided for in the Oncor Tariff for Retail Delivery Service approved by the Public Utility Commission of Texas for the expansion of the West Electrical Substation at the Elm Fork Water Treatment Plant; and

**WHEREAS**, the City of Dallas and Oncor Electric Delivery Company LLC believe this agreement is in the best interest of both parties.

Now, Therefore,

### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That the City Manager is hereby authorized to execute a Facilities Extension Agreement between the City and Oncor Electric Delivery Company LLC, approved as to form by the City Attorney, to expand the West Electrical Substation at the Elm Fork Water Treatment Plant, in an amount not to exceed \$1,312,051.00.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to receive and deposit funds in an estimated amount of \$2,146,600.31 from Oncor Electric Delivery Company LLC in the Water Construction Fund, Fund 0102, Department DWU, Unit CW31, Revenue Source 8488.

**SECTION 3.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$1,312,051.00 to Oncor Electric Delivery Company LLC from the Water Construction Fund, Fund 0102, Department DWU, Unit CW31, Object 3099, Program 719423, Encumbrance/Contract No. CX-DWU-2019-00010256, Vendor 399181.

**SECTION 4.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.





# City of Dallas

### Agenda Information Sheet

File #: 19-1926 Item #: 39.

STRATEGIC PRIORITY: Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: January 22, 2020

**COUNCIL DISTRICT(S):** 2, 9, 13, 14

**DEPARTMENT:** Water Utilities Department

**EXECUTIVE:** Majed Al-Ghafry

### **SUBJECT**

Authorize a construction contract for the installation of water and wastewater mains at 6 locations (list attached to the Agenda Information Sheet) - SYB Construction Company, Inc., lowest responsible bidder of five - Not to exceed \$4,293,456.25 - Financing: Water (Drinking Water) - TWDB 2019 Fund (\$2,511,641.15) and Wastewater (Clean Water) - TWDB 2019 Fund (\$1,781,815.10)

### **BACKGROUND**

This action authorizes a construction contract for the replacement and rehabilitation of approximately 9,173 feet of water and wastewater mains. This includes the installation of approximately 4,537 feet of 8-inch and 822 feet of 12-inch water mains, and approximately 2,163 feet of 8-inch, 1,260 feet of 10-inch, and 391 feet of 24-inch wastewater mains.

The existing water and wastewater mains were built between 1900 and 1962. These mains are contributing to an increase in maintenance costs as well as service interruptions. The installation of the proposed segments will improve the capacity of the water and wastewater systems and reduce maintenance costs.

The following chart illustrates SYB Construction Company, Inc.'s contractual activities with the City of Dallas for the past three years:

	<u>PBW</u>	<u>DWU</u>	<u>PKR</u>
Projects Completed	2	1	0
Change Orders	3	0	0
Projects Requiring Liquidated Damages	0	0	0
Projects Completed by Bonding Company	0	0	0

File #: 19-1926 Item #: 39.

### **ESTIMATED SCHEDULE OF PROJECT**

Begin Construction March 2020 Complete Construction September 2021

### **M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$4,293,456.25	Construction	25.00%	100.00%	\$4,293,456.25
This contract exceeds the M/WBE goal.				

### **FISCAL INFORMATION**

Fund	FY 2020	FY 2021	Future Years
Water (Drinking Water) - TWDB 2019 Fund	\$2,511,641.15	\$0.00	\$0.00
Wastewater (Clean Water) - TWDB 2019 Fund	\$1,781,815.10	\$0.00	\$0.00
Total	\$4,293,456.25	\$0.00	\$0.00

Council District	<u>Amount</u>
2	\$2,004,804.82
9	\$ 284,778.95
13	\$1,719,093.53
14	\$ 284,778.95
Total	\$4,293,456.25

### PROCUREMENT INFORMATION

The following five bids with quotes were opened on October 11, 2019:

<sup>\*</sup>Denotes successful bidder

<u>Bidders</u>	<b>Bid Amount</b>
*SYB Construction Company, Inc. 421 Compton Avenue Irving, Texas 75061	\$4,293,456.25
Joe Funk Construction, Inc.	\$4,787,703.15
Muniz Construction, Inc.	\$5,442,171.00
John Burns Construction Company of Texas, Inc.	\$5,984,152.00
Camino Construction, L.P.	\$7,179,647.00

# **OWNER**

# **SYB Construction Company, Inc.**

Brian Wood, Vice President

# MAP

Attached

# Segment List Contract No. 19-375/376 Water and Wastewater Main Installation

### **District 2**

Cadiz Street from Harwood Street to Pearl Expressway Park Avenue from Young Street to Marilla Street Ross Avenue from Annex Avenue to Fitzhugh Avenue

### **District 9**

\*Gaston Avenue from Auburn Avenue to Brendenwood Drive

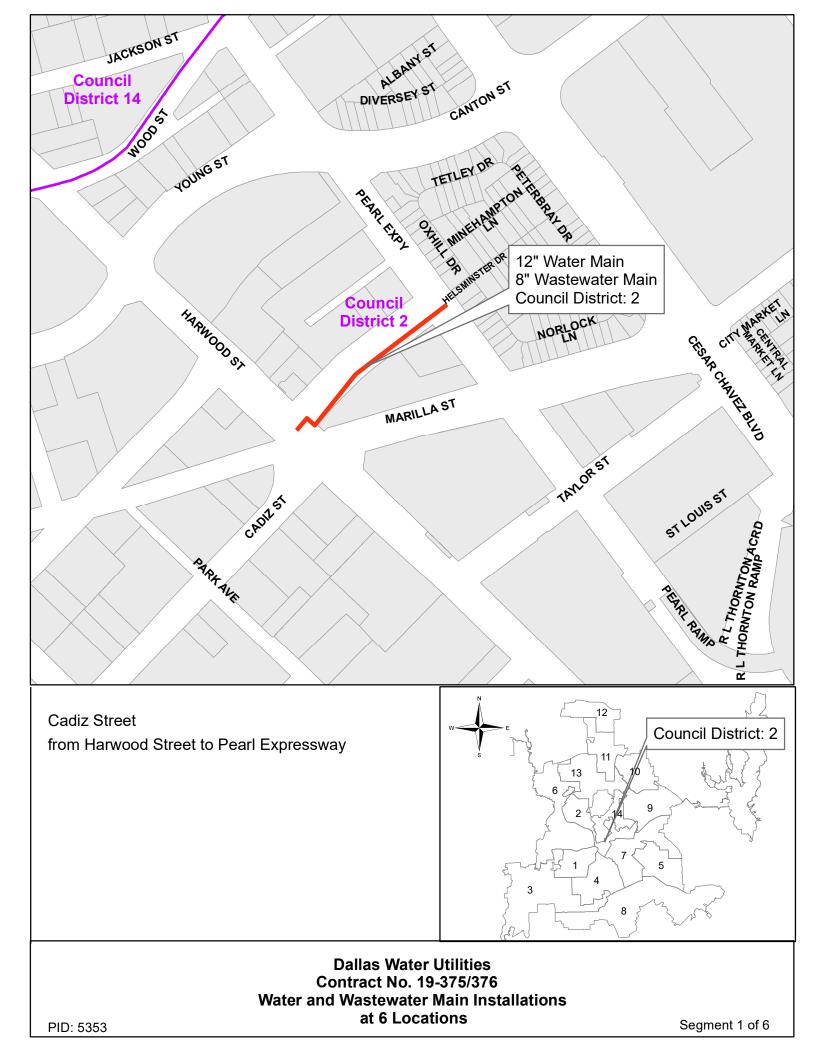
### **District 13**

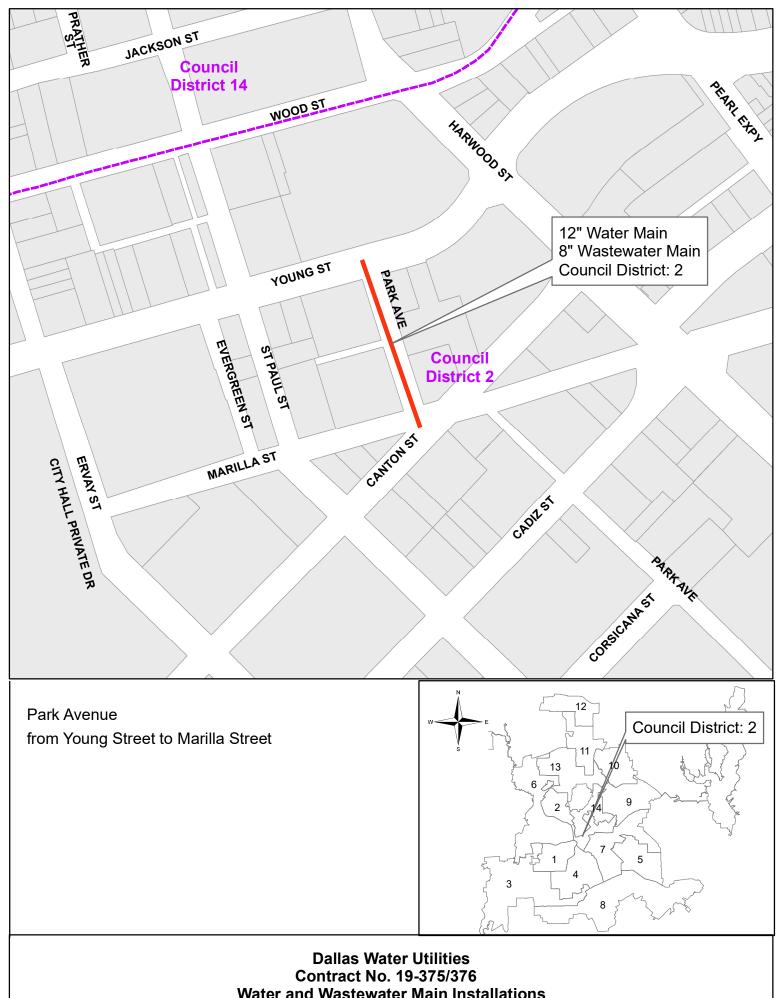
Jourdan Way from Colhurst Street to Walnut Hill Lane Joyce Way from Douglas Avenue to Preston Road

### **District 14**

\*Gaston Avenue from Auburn Avenue to Brendenwood Drive (See District 9)

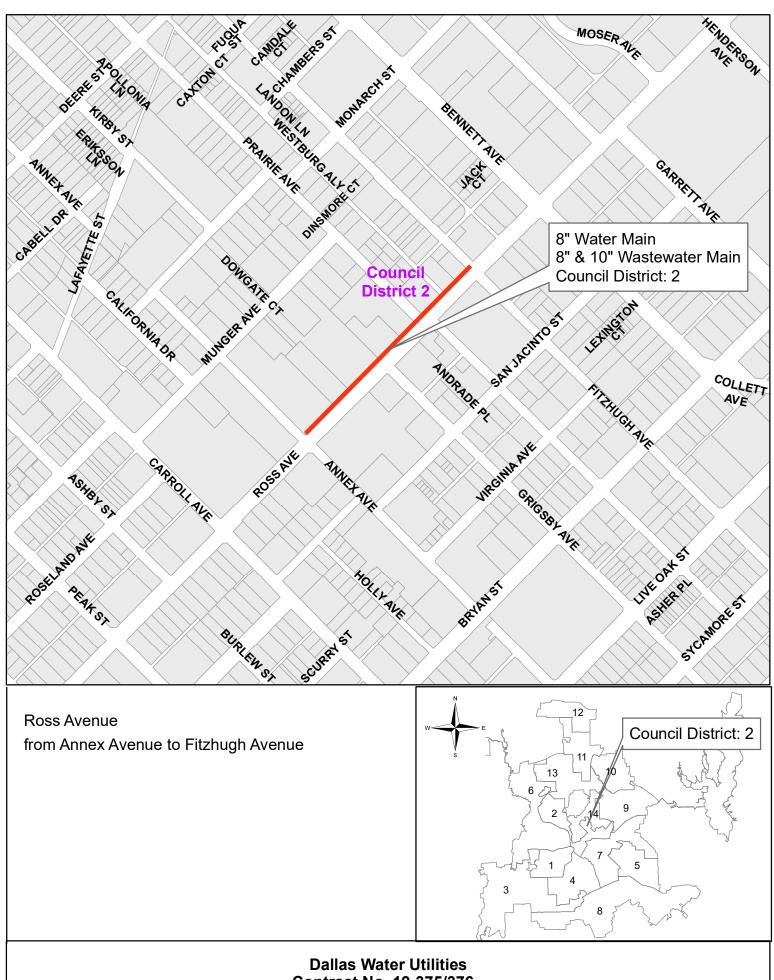
\*Project limits in more than one Council District





Water and Wastewater Main Installations at 6 Locations

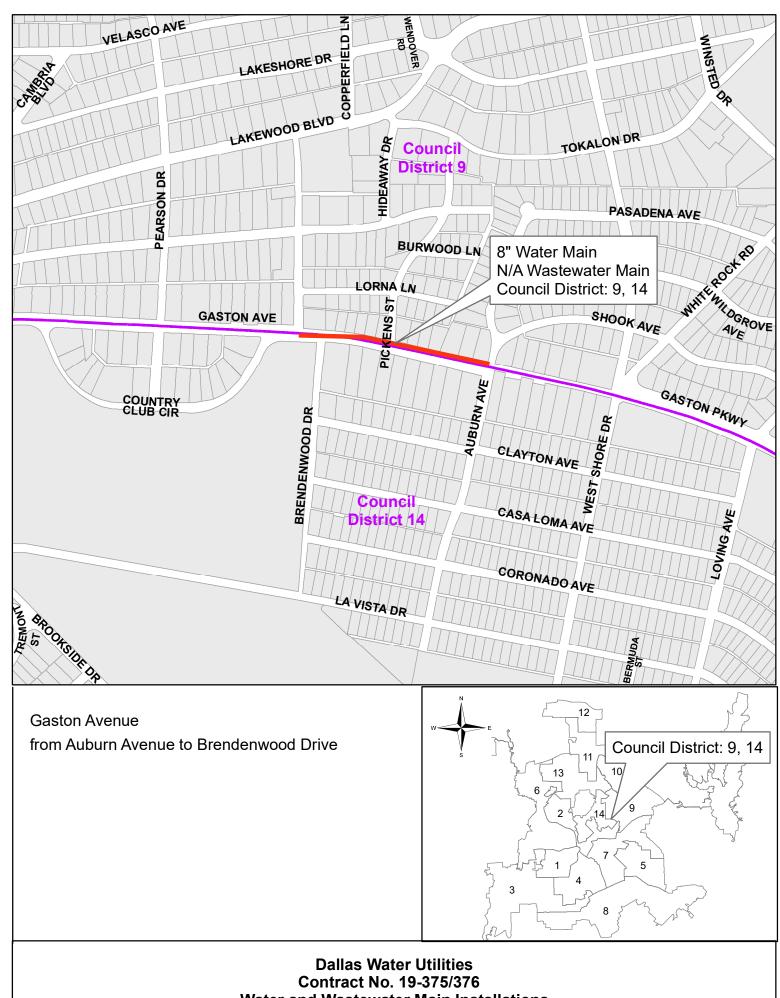
Segment 2 of 6



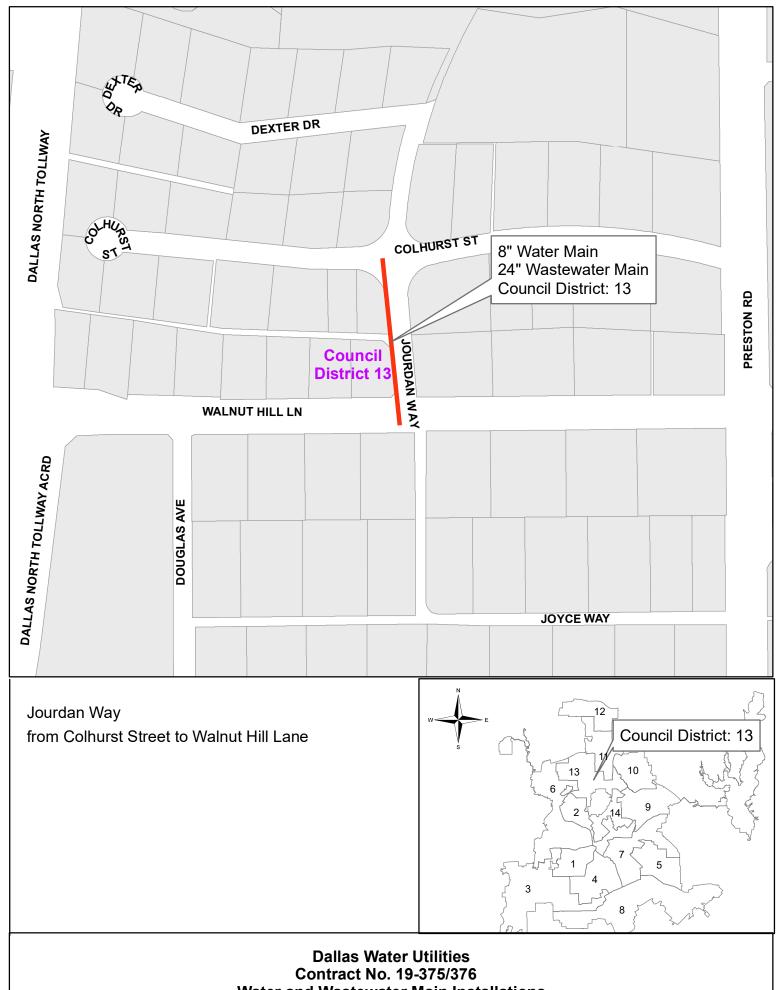
Dallas Water Utilities
Contract No. 19-375/376
Water and Wastewater Main Installations
at 6 Locations

PID: 5961

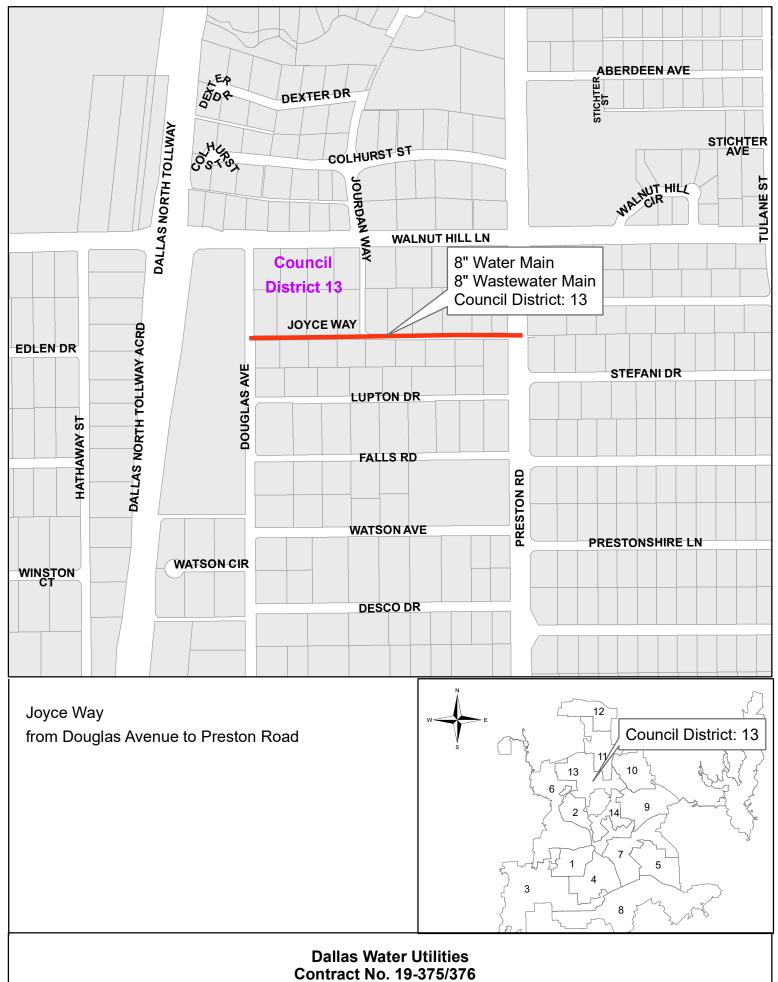
Segment 3 of 6



**Water and Wastewater Main Installations** at 6 Locations



**Water and Wastewater Main Installations** at 6 Locations



Dallas Water Utilities
Contract No. 19-375/376
Water and Wastewater Main Installations
at 6 Locations

**WHEREAS,** on October 11, 2019, five bids were received for the installation of water and wastewater mains at 6 locations, Contract No. 19-375/376, listed as follows:

<u>Bidders</u>	Bid Amount
SYB Construction Company, Inc.	\$4,293,456.25
Joe Funk Construction, Inc.	\$4,787,703.15
Muniz Construction, Inc.	\$5,442,171.00
John Burns Construction Company of Texas, Inc.	\$5,984,152.00
Camino Construction, L.P.	\$7,179,647.00

WHEREAS, the bid submitted by SYB Construction Company, Inc., 421 Compton Avenue, Irving, Texas 75061, in the amount of \$4,293,456.25, is the lowest and best of all bids received.

Now, Therefore,

### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

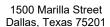
**SECTION 1.** That the bid submitted by SYB Construction Company, Inc., in the amount of \$4,293,456.25, for doing the work covered by the plans, specifications, and contract documents, Contract No. 19-375/376, be accepted.

**SECTION 2.** That the City Manager is hereby authorized to execute a construction contract with SYB Construction Company, Inc., approved as to form by the City Attorney, for the installation of water and wastewater mains at six locations, in an amount not to exceed \$4,293,456.25.

**SECTION 3.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$4,293,456.25 to SYB Construction Company, Inc., as follows:

Water (Drinking Water) - TWDB 2019 Fund	
Fund 1160, Department DWU, Unit FW40	
Object 4550, Program 719375, Vendor 507202	
Encumbrance/Contract No. CX-DWU-2020-00012100	\$ 2,511,641.15
Wastewater (Clean Water) - TWDB 2019 Fund	
Fund 1161, Department DWU, Unit FS40	
Object 4560, Program 719376, Vendor 507202	
Encumbrance/Contract No. CX- DWU-2020-00012100	<u>\$ 1,781,815.10</u>
Total amount not to exceed	\$ 4,293,456.25

**SECTION 4.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.





# City of Dallas

### Agenda Information Sheet

**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: January 22, 2020

**COUNCIL DISTRICT(S):** 9, Outside City Limits

**DEPARTMENT:** Water Utilities Department

**EXECUTIVE:** Majed Al-Ghafry

### **SUBJECT**

Authorize Supplemental Agreement No. 1 to the professional services contract with Garver, LLC to provide design and additional engineering services required for major maintenance and rehabilitation improvements at Dallas Water Utilities' raw water system facilities - Not to exceed \$4,949,190.00, from \$1,637,463.00 to \$6,586,653.00 - Financing: Water Capital Improvement E Fund

### **BACKGROUND**

The initial phase of this project identified 10 raw water facilities for evaluation based on their age and condition, impact to system, reliability, cost to operate, and frequency of repairs. The facilities included intake structures, screening equipment, pump stations, valves, and pipelines located at the Tawakoni Balancing Reservoir and at intakes along the Elm Fork of the Trinity River and three Dallas Water Utilities (DWU) water supply reservoirs: Lake Ray Hubbard, Lake Tawakoni, and Lake Fork. Services included condition assessments, prioritization of needs, cost analyses of replacement or repair, and development of a business risk exposure value for each element of the water supply system evaluated. An asset management inventory with a risk-based scoring system was developed to determine the near term and future prioritization and phasing of improvements to the raw water facilities.

Supplemental Agreement No. 1 is for the second phase of the project to provide specialized investigations and evaluations identified during the initial phase and detailed engineering designs of critical raw water facility improvements. In addition, detailed field investigations, modeling and operational assessments for the Forney Dam at Lake Ray Hubbard are included in the scope of services for the second phase of the project.

The original contract authorization also included services to design an entrance to the East Side Water Treatment Plant consistent with DWU security guidelines and other DWU water treatment facilities. The new entrance was designed to isolate entry and exit into separate traffic lanes and allow improved security by separating plant personnel entry from chemical deliveries and visitors.

File #: 19-1847 Item #: 40.

The improvements also included upgrades to be consistent with local municipality development ordinances. Supplemental Agreement No. 1 will include construction phase services associated with these improvements.

Future supplemental agreements are anticipated to provide construction phase services for all critical repairs identified in the implementation plan as well as detailed designs for other high priority raw water improvements.

### **ESTIMATED SCHEDULE OF PROJECT**

Began Services July 2017 Complete Services January 2022

### PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 14, 2017, City Council authorized an engineering services contract with Garver, LLC to perform an evaluation/study and preliminary design of major maintenance and rehabilitation improvements at Dallas Water Utilities' raw water system facilities by Resolution No. 17-0949.

### FISCAL INFORMATION

Fund	FY 2020	FY 2021	Future Years
Water Capital Improvement E Fund	\$4,949,190.00	\$0.00	\$0.00
Total	\$4,949,190.00	\$0.00	\$0.00

Evaluation/Study \$1,637,463.00 Supplemental Agreement No. 1 (this action) \$4,949,190.00

Project Total \$6,586,653.00

Council District	<u>Amount</u>	
9 Outside City Limits	\$4,443,714.00 \$ 505,476.00	
Total	\$4,949,190.00	

The estimated total construction cost for the improvements being designed under this supplemental agreement is \$23,000,000.00.

### M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$4,949,190.00	Architectural & Engineering	25.66%	25.85%	\$1,279,320.00
This contract exceeds the M/WBE goal.				
Supplemental Agreement No. 1 - 25.81% Overall M/WBE participation				

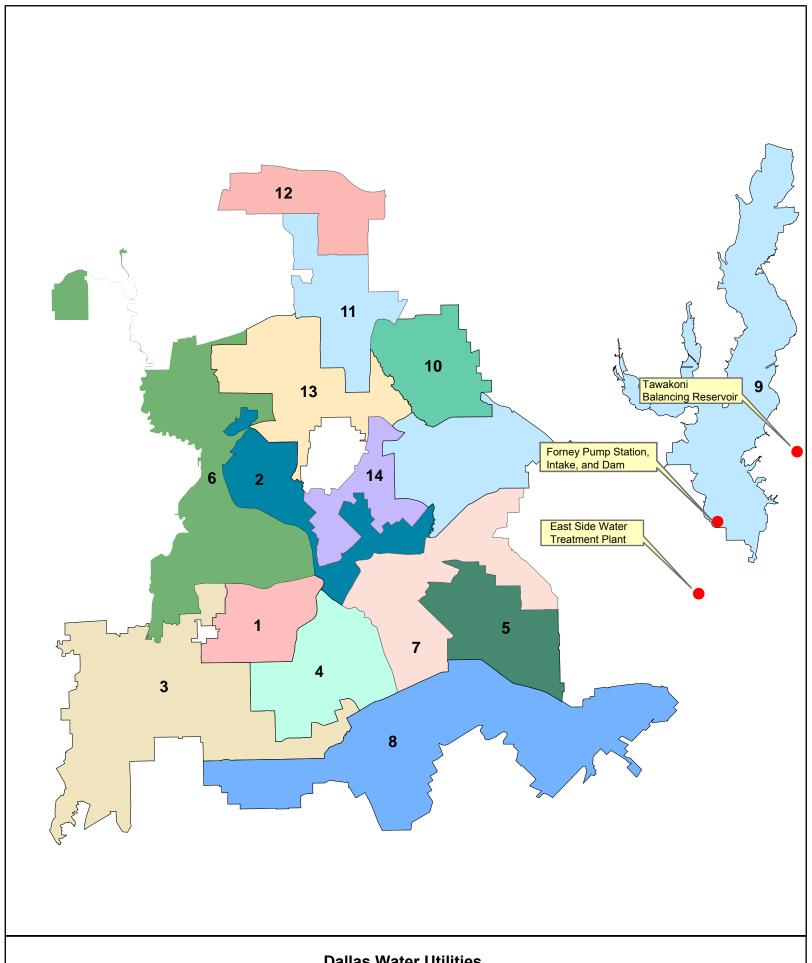
# **OWNER**

# Garver, LLC

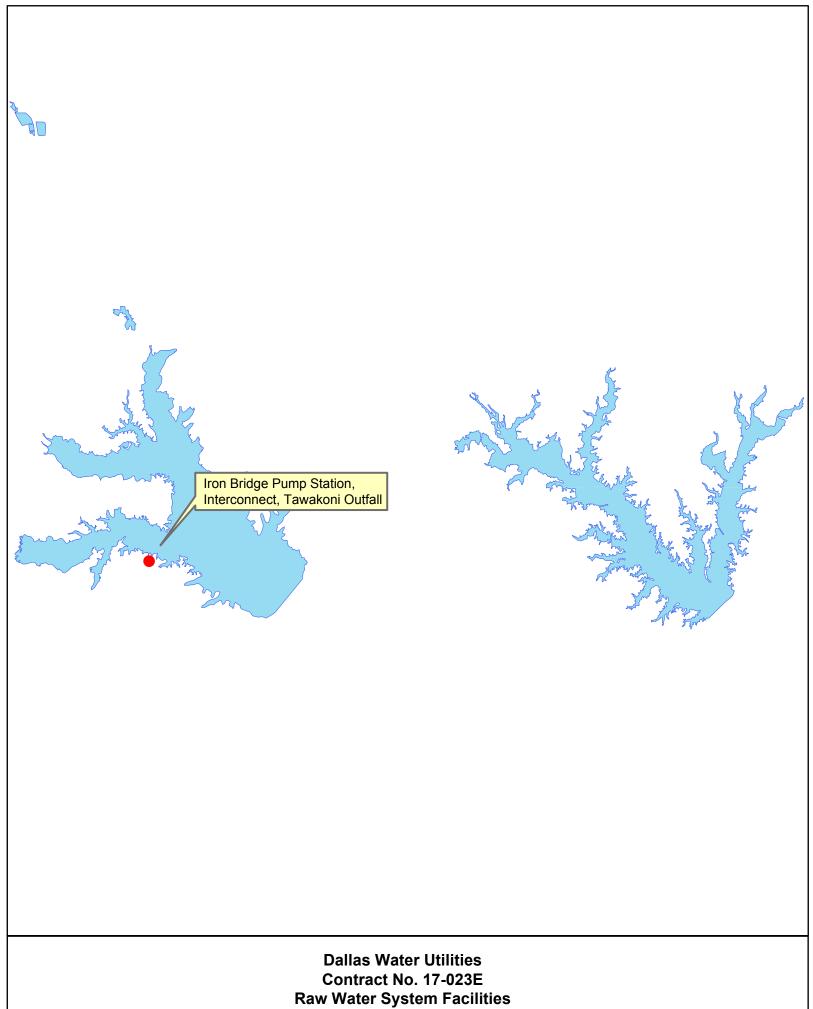
Brock Hoskins, President/Chief Executive Officer

# <u>MAP</u>

Attached



Dallas Water Utilities Contract No. 17-023E Raw Water System Facilities Supplemental Agreement # 1



**WHEREAS,** on June 14, 2017, City Council authorized an engineering services contract with Garver, LLC to perform an evaluation/study and preliminary design of major maintenance and rehabilitation improvements at Dallas Water Utilities' raw water system facilities, in an amount not to exceed \$1,637,463.00, by Resolution No. 17-0949; and

**WHEREAS,** Dallas Water Utilities has identified the need for critical raw water facility improvements and specialized investigations to identify additional improvement recommendations; and

WHEREAS, additional engineering services are required for specialized field investigation, testing, modeling, operational assessments, and development of final designs for construction; and

**WHEREAS,** Garver, LLC, 14160 North Dallas Parkway, Suite 850, Dallas, Texas 75240, has submitted an acceptable proposal to provide these engineering services; and

**WHEREAS,** Dallas Water Utilities recommends that Contract No. 17-023E be increased by \$4,949,190.00, from \$1,637,463.00 to \$6,586,653.00.

Now, Therefore,

### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That the proposed Supplemental Agreement No. 1 to the professional services contract be accepted and that Contract No. 17-023E with Garver, LLC, be revised accordingly.

**SECTION 2.** That the City Manager is hereby authorized to execute Supplemental Agreement No. 1 to the professional services contract with Garver, LLC, approved as to form by the City Attorney, to provide design and additional engineering services required for major maintenance and rehabilitation improvements at Dallas Water Utilities' raw water system facilities, in an amount not to exceed \$4,949,190.00, increasing the contract amount from \$1,637,463.00 to \$6,586,653.00.

**SECTION 3.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$4,949,190.00 to Garver, LLC from the Water Capital Improvement E Fund, Fund 3115, Department DWU, Unit PW20, Object 4111, Program 717023, Encumbrance CT- DWU717023CP, Vendor VS0000016343.

**SECTION 4.** That this contract is designated as Contract No. DWU-2017-00001889.

**SECTION 5.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



# City of Dallas

# **Agenda Information Sheet**

File #: 20-55 Item #: 41.

AGENDA DATE: January 22, 2020

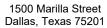
COUNCIL DISTRICT(S): N/A

**DEPARTMENT:** City Secretary's Office

### **SUBJECT**

Consideration of appointments to boards and commissions and the evaluation and duties of board and commission members (List of nominees is available in the City Secretary's Office)







### Agenda Information Sheet

File #: 20-19 Item #: 42.

**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): 8

**DEPARTMENT:** Office of Economic Development

**EXECUTIVE:** Michael Mendoza

### **SUBJECT**

Authorize a business personal property tax abatement agreement with I-20 Distribution Park Phase I LLC and Zume, Inc. or an affiliate thereof ("Zume") for a period of five years in an amount equal to the City ad valorem taxes assessed as follows: 50% for year one; 40% for year two; 30% for year three; 20% for year four; and 10% for year five in connection with a biodegradable food package processing and manufacturing facility located at 9155 Southlink Drive in Dallas, Texas, in accordance with the City's Public/Private Partnership Program - Estimated Revenue Foregone: \$2,237,750.00 over a five-year period

### **BACKGROUND**

City staff has been in discussions with Zume, Inc. ("Zume") regarding the development of a new food packaging facility. The only site under consideration in Dallas is 9155 Southlink Drive ("Project Site") which has an existing 1,044,647.00 square foot warehouse facility ("Facility").

Headquartered in California, Zume designs and manufactures sustainable compostable, perishable packaging products. Zume has been in operation over four years and has production facilities in San Francisco, Mountain View, and Camarillo, California; Seattle, Washington; Greenwich, Connecticut; and Mumbai, India.

The proposed project will involve the build-out of the Dallas project site's infrastructure and production capacity which will be used to support one of the world's largest restaurant chains as well as other client accounts. The proposed facility will also include the build-out of an agricultural waste fiber processing facility that produces a renewable material for thermoforming equipment. Commencement of operations and start of production is estimated to be Quarter 1 2020.

Investment in tenant improvements is estimated at approximately \$14,900,000.00, and investment in business personal property (furniture, fixtures, and equipment) is estimated at approximately \$235,500.000.00.

File #: 20-19 Item #: 42.

Additionally, Zume anticipates creating a minimum of 324 new full-time equivalent jobs as part of the project with an annual average annual salary of \$39,765.00 (not inclusive of bonuses, overtime, benefits, or other incentives). The primary job functions will include plant operators, supervisors, and process and equipment engineers.

The Dallas facility currently has an existing ten-year, 90% real property tax abatement (Resolution No. 17-0415, approved February 22, 2017) with the facility's property owner I-20 Distribution Park Phase I LLC in an amount equal to the City taxes assessed on 90% of the value of the real property, of which nine years remain as of December 2019. The real property tax abatement requires 51% occupancy of the facility, which will need to be fulfilled by Zume in order for the property owner to receive this incentive. Based upon the current valuation of the Dallas facility and Zume's proposed minimum investment of \$14,900,000.00 in tenant improvements, the estimated total value of the real property tax abatement is \$2,035,240.00.

To facilitate the project, staff is recommending City Council consideration of a Business Personal Property ("BPP") tax abatement for five years, in an amount equal to the City's taxes assessed as follows:

- (a) **Year 1 of the BPP abatement:** 50% of the value of the company's business personal property investment at the Company's new facility.
- (b) **Year 2 of the BPP abatement:** 40% of the value of the company's business personal property investment at the Company's new facility.
- (c) **Year 3 of the BPP abatement:** 30% of the value of the company's business personal property investment at the Company's new facility.
- (d) **Year 4 of the BPP abatement:** 20% of the value of the company's business personal property investment at the Company's new facility.
- (e) **Year 5 of the BPP abatement:** 10% of the value of the company's business personal property investment at the Company's new facility.

As conditions to receipt of this incentive, the following provisions shall be met (among other related contractual terms):

- (a) The company shall execute a minimum ten-year lease for the facility by December 31, 2020.
- (b) Zume shall invest a minimum of \$250,400,000.00 in new business personal property (Machinery, Equipment, Furniture and Fixtures) and tenant improvements (over and above the tenant allowance to be provided by the landlord in the lease), by December 31, 2021.
- (c) Zume shall create a minimum of 324 permanent, full-time positions at the Dallas location by December 31, 2021, with a minimum salary for hourly workers equal to or greater than \$15.00/hour and an annual minimum average salary for salaried workers of \$39,765.00 (salary figures are not inclusive of overtime, bonuses, benefits, or other incentives). Once these requirements are achieved, they shall remain in full force through December 31, 2031.

File #: 20-19 Item #: 42.

(d) A minimum of 40% of all jobs created in or relocated to Dallas shall be filled by residents of the City of Dallas, including new or relocating workers who choose to live in Dallas once they are hired. Local residence compliance will be conducted annually throughout the term of the incentive agreement, with the first compliance conducted once the minimum 324 full-time jobs are created. In the instance of a default, the cure period shall be six months to allow time for any necessary hiring cycle or process.

- (e) Zume shall comply with the City's Business Inclusion and Development ("BID") good faith effort goal of 25% participation by Minority/Women-owned Business Enterprises ("M/WBE") for construction and construction-related expenditures incurred by Zume in Dallas. Compliance will be coordinated with the City's Office of Business Diversity.
- (f) On or before December 31, 2021, Zume shall either (i) execute agreements with both the Dallas Independent School District ("DISD") and the Richardson Independent School District to participate as an industry partner in the Pathway to Technology Early College High School ("P-TECH") programs of each school district, or (ii) negotiate another workforce training or educational program with one or more local high schools, community colleges, or universities that is acceptable to the Director of the Office of Economic Development.
- (g) By December 31, 2021, Zume shall conduct or participate in at least two job fairs inside the City of Dallas boundaries to facilitate the recruitment and hiring of Dallas residents.
- (h) Zume shall, upon request, provide staff from the Office of Economic Development access to its headquarters to review all records and document related to the obligations contained herein to monitor compliance with the City incentive agreement.
- (i) Zume shall provide written annual reports to the Office of Economic Development certifying the progress of the terms noted herein and the associated annual compliance with the City incentive agreement.
- (j) None of the property subject to the tax abatements shall be owned or leased by a member of City Council of the City of Dallas or by a member of the City Plan Commission.
- (k) The tax abatement shall be personal to Zume and/or its affiliates and shall only be assignable upon written approval of the assignment by the City's Director of the Office of Economic Development.
- (I) Failure to comply with the terms of the incentive agreement may result in recapture and/or repayment of the incentives.
- (m) If the incentive agreement between Zume and City of Dallas is not executed within one year of the date of the council resolution approving the incentives, the resolution is void and the incentives are forfeited.

File #: 20-19 Item #: 42.

In the context of the City's Market Value Analysis ("MVA"), the proposed project site is surrounded by residential clusters identified as MVA Market Categories F, G, H and I and is proximate to several R/ECAP (Racially/Ethnically Concentrated Area of Poverty) areas.

In accordance with Section 312.207(c) of the Texas Tax Code (Property Redevelopment and Tax Abatement Act), the City posted public notice at least 30 days before the scheduled time of the City Council meeting, in the manner prescribed by the statute.

### PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On February 22, 2017, City Council authorized a real property tax abatement agreement with 1-20 Distribution Park Phase I, LLC for the purpose of granting a ten-year abatement of 90% of the taxes on added value to the real property for a proposed new speculative industrial/warehouse facility located at 8900 Blanco Road.

City Council was briefed in Executive Session to discuss the offer of a financial or other incentive for Zume under Section 551.087 of the Texas Government Code on January 6, 2020.

### FISCAL INFORMATION

Estimated Revenue Foregone: \$2,237,750.00 over a five-year period (business personal property abatement).

An estimated \$2,035,240.00 of revenue foregone over a nine-year period was previously authorized on February 22, 2017 by Resolution No. 17-0415 existing real property abatement.

Together with the existing real property tax abatement, the total incentive valuation is estimated to be up to \$4,272,990.00. The estimated net present value of City revenues is \$14,371,963.00.

### **TENANT/LEASEE**

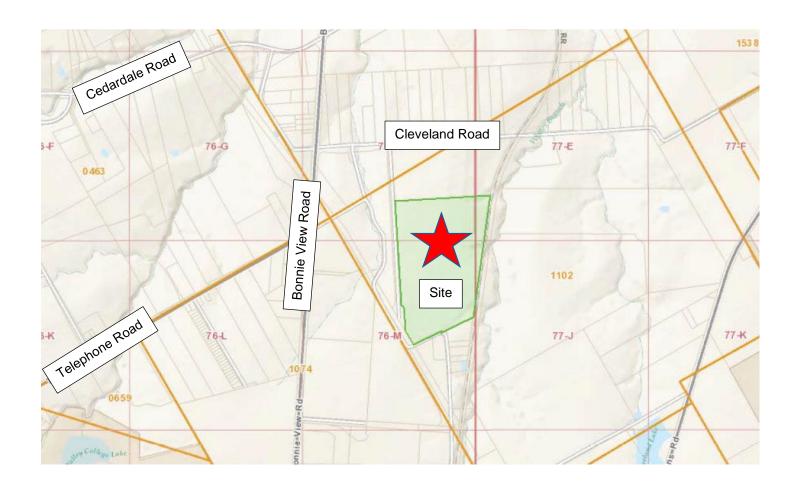
Zume, Inc. or an affiliate thereof

Alexander Garden, Chairman and Chief Executive Officer

### MAP

Attached

MAP Zume, Inc.



**WHEREAS,** the City recognizes the importance of its role in local economic development; and

**WHEREAS**, it is in the interest of the City of Dallas to support and secure the expansions and relocations of business operations within the City of Dallas and the economic vitality and employment opportunities that these business operations bring for Dallas residents; and

WHEREAS, the proposed project will not occur within the City of Dallas without an offer of economic development incentives from the City of Dallas; and

WHEREAS, pursuant to Resolution No. 19-1959, authorized by the City Council on December 11, 2019, the City: (1) authorized the continuation of its Public/Private Partnership Program - Guidelines and Criteria, which established certain guidelines and criteria for the use of City incentive programs for private development projects; and (2) established programs for making loans and grants of public money to promote local economic development and to stimulate business and commercial activity in the City of Dallas pursuant to the Economic Development Programs provisions under Chapter 380 of the Texas Local Government Code; and

**WHEREAS**, the proposed project complies with the City's Public/Private Partnership Program – Guidelines and Criteria; and

**WHEREAS,** the proposed project site is located in an existing Texas Enterprise Zone; and

**WHEREAS**, pursuant to Section 312.2011 of the Texas Tax Code, the Property Redevelopment and Tax Abatement Act provides that the designation of an area as an enterprise zone under the Texas Enterprise Zone Act constitutes designation of an area as a reinvestment zone without further hearing or other procedural requirements; and

WHEREAS, consistent with the authority granted under the Tax Abatement Act and the City's Public/Private Partnership Program - Guidelines and Criteria, staff recommends that the City enter into a business personal property tax abatement agreement and provide this incentive as a part of the City's ongoing program to promote local economic development and to stimulate business and commercial activity in the city; and

**WHEREAS**, a notice to consider approval of a business personal property tax abatement agreement with 1-20 Distribution Park Phase I, LLC and Zume, Inc. or an affiliate thereof was publicly posted at least 30 days prior to this resolution's date in accordance with Section 312.207 of the Texas Tax Code; and

WHEREAS, the City desires to enter into a business personal property tax abatement agreement with 1-20 Distribution Park Phase I, LLC and Zume, Inc. for the added value to business personal property located within the City of Dallas as further described by the map attached as Exhibit A (Map) and by the metes and bounds legal description attached as Exhibit B (Metes and Bounds - Legal Description).

Now, Therefore,

### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

**SECTION 2.** That the City Manager is hereby authorized to execute a business personal property tax abatement agreement with 1-20 Distribution Park Phase I, LLC and Zume, Inc. ("Zume") or an affiliate (collectively referred to as "Parties") thereof, approved as to form by the City Attorney, for the added value to the business personal property in accordance with the Property Redevelopment and Tax Abatement Act and the Partnership Program - Guidelines and Criteria.

**SECTION 3.** That at least seven days prior to the execution of the tax abatement agreement, notice of the City's intention to enter into the tax abatement agreement shall be delivered to the governing bodies of each other taxing unit that includes in its boundaries the business personal property that is the subject of this agreement.

**SECTION 4.** That the approval and execution of the business personal property tax abatement agreement by the City is not conditional upon approval and execution of any other tax abatement agreement by any other taxing entity.

**SECTION 5.** That the business personal property subject to the tax abatement agreement will be located on the real property depicted on the attached site map **Exhibit A** (Map) and is more particularly described by **Exhibit B** (Metes and Bounds Legal Description).

**SECTION 6.** The City of Dallas shall provide Zume a five-year abatement of the added value to the business personal property in an amount equal to the City's taxes assessed as follows:

- (a) **Year 1 of the BPP abatement:** 50% of the value of the Zume's business personal property investment at the Zume's new facility.
- (b) Year 2 of the BPP abatement: 40% of the value of the Zume's business personal property investment at the Zume's new facility.

### **SECTION 6.** (continued)

- (c) Year 3 of the BPP abatement: 30% of the value of the Zume's business personal property investment at the Zume's new facility.
- (d) **Year 4 of the BPP abatement:** 20% of the value of the Zume's business personal property investment at the Zume's new facility.
- (e) **Year 5 of the BPP abatement:** 10% of the value of the Zume's business personal property investment at the Zume's new facility.

**SECTION 7.** That the tax abatement agreement shall include, among other provisions, the following:

- (a) Zume shall execute a minimum ten-year lease with I-20 Distribution Park Phase I LLC or an affiliate thereof for the 1,044,647 square foot facility by December 31, 2020.
- (b) Zume shall invest a minimum of \$250,400,000.00 in new business personal property (Machinery, Equipment, Furniture and Fixtures) and tenant improvements (over and above the tenant allowance to be provided by the landlord in the lease), by December 31, 2021.
- (c) Zume shall create a minimum of 324 permanent, full-time positions at the Dallas location by December 31, 2021, with a minimum salary for hourly workers equal to or greater than \$15.00/hour and an annual minimum average salary for salaried workers of \$39,765.00 (salary figures are not inclusive of overtime, bonuses, benefits, or other incentives). Once these requirements are achieved, they shall remain in full force through December 31, 2031.
- (d) A minimum of 40% of all jobs created in or relocated to Dallas shall be filled by residents of the City of Dallas, including new or relocating workers who choose to live in Dallas once they are hired. Local residence compliance will be conducted annually throughout the term of the incentive agreement, with the first compliance conducted once the minimum 324 full-time jobs are created. In the instance of a default, the cure period shall be 6 months to allow time for any necessary hiring cycle or process.
- (e) Zume shall comply with the City's Business Inclusion and Development ("BID") good faith effort goal of 25% participation by Minority/Women-owned Business Enterprises ("M/WBE") for construction and construction-related expenditures incurred by Zume in Dallas. Compliance will be coordinated with the City's Office of Business Diversity.

### **SECTION 7.** (continued)

On or before December 31, 2021, Zume shall either (i) execute agreements with both the Dallas Independent School District ("DISD") and the Richardson Independent School District to participate as an industry partner in the Pathway to Technology Early College High School ("P-TECH") programs of each school district, or (ii) negotiate another workforce training or educational program with one or more local high schools, community colleges, or universities that is acceptable to the Director of the Office of Economic Development.

- (f) By December 31, 2021, Zume shall conduct or participate in at least two job fairs inside the City of Dallas boundaries to facilitate the recruitment and hiring of Dallas residents.
- (g) Zume shall, upon request, provide staff from the Office of Economic Development access to its headquarters to review all records and documents related to the obligations contained herein to monitor compliance with the City incentive agreement.
- (h) Zume shall provide written annual reports to the Office of Economic Development certifying the progress of the terms noted herein and the associated annual compliance with the City incentive agreement.
- (i) A description of the kind, number, location, and costs of all proposed tenant improvements shall be provided to the Office of Economic Development by Zume.
- (j) None of the property subject to the tax abatement shall be owned or leased by a member of City Council of the City of Dallas or by a member of the City Plan Commission.
- (k) The tax abatement shall be personal to Zume and/or its affiliates and shall only be assignable upon written approval of the assignment by the City's Director of the Office of Economic Development.
- (I) The Dallas City Council may terminate or modify the tax abatement agreement if the property owner fails to comply with the tax abatement agreement.
- (m) Failure to comply with the terms of the incentive agreement may result in a recapture and/or repayment of the incentives.
- (n) If the incentive agreement between the Parties and City of Dallas is not executed within one year of the date of the council resolution approving the incentives, the resolution is void and the incentives are forfeited.

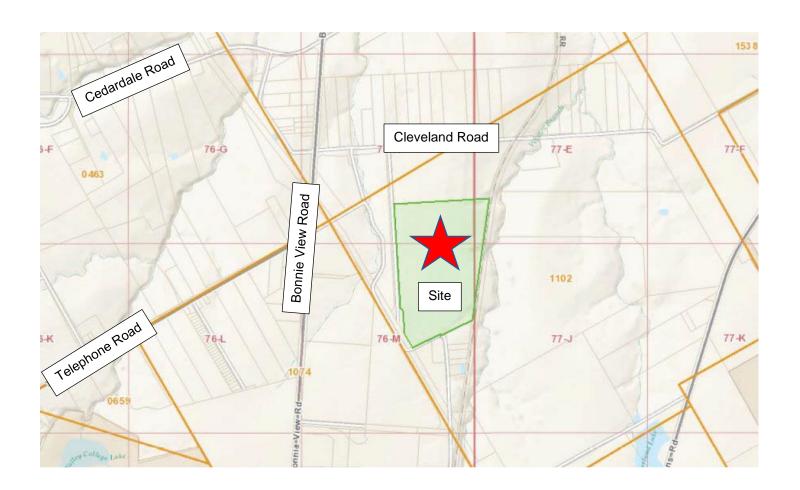
## **SECTION 7.** (continued)

(o) The Director may, at his or her sole discretion, extend the deadlines noted herein for a period of up to six months for just cause.

**SECTION 8.** That the tax abatement agreement is designated as Contract No. ECO-2020-00012280.

**SECTION 9.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

EXHIBIT A MAP Zume, Inc.



# EXHIBIT B METES and BOUNDS LEGAL DESCRIPTION

TRACT 1 66.0790 ACRES

**BEING** a tract of land situated in the Caswell C. Overton Survey, Abstract No. 1102, City of Dallas, Dallas County, Texas; being part of City of Dallas Block No. 8279; and being part of a tract of land described in Special Warranty Deed to 2ML Real Estate Interests, Inc. (formerly known as The Grocers Supply Co. Inc., by The State of Texas Certificate of Merger filed for record in The Office of the Secretary of State of Texas on December 19, 2014), recorded in Instrument No. 201300382390 of the Official Public Records of Dallas County, Texas; and being more particularly described as follows:

**COMMENCING** at a 5/8" iron rod with plastic cap stamped "KHA" found at the intersection of the south right-of-way line of Cleveland Road (a variable width right-of-way) and the west right-of-way line of the M.K. & T. Railroad (a 100-foot wide right-of-way); said point also being the southeast corner of that tract of land described in Special Warranty Deed to the City of Dallas recorded in Instrument No. 201300277027 of said Official Public Records; and being at the beginning of a non-tangent curve to the left having a central angle of 19°35'23", a radius of 2873.89 feet, a chord bearing and distance of South 20°20'35" West, 977.82 feet;

**THENCE** in a southwesterly direction, with said west right-of-way line of M.K. & T. Railroad and said curve to the left, an arc distance of 982.60 feet to a point at the beginning of a tangent curve to the left having a central angle of 3°44'40", a radius of 2873.89 feet, a chord bearing and distance of South 8°40'34" West, 187.78 feet, for the **POINT OF BEGINNING**;

**THENCE** continuing with said west right-of-way line of M.K. & T. Railroad, the following courses and distances:

In a southwesterly direction, with said curve to the left, an arc distance of 187.82 feet to a 5/8-inch iron rod with "BOHANNAN HUSTON INC" cap found at the end of said curve; South 6°48'13" West, a distance of 1,800.68 feet to a 5/8-inch iron rod found for the northeast corner of a tract of land being described in Warranty Deed to Charles Dennie Ozymy and wife, Terese Ozymy recorded in Volume 88121, Page 3678 of the Deed Records of Dallas County, Texas;

**THENCE** with the north line of said Ozymy tract, South 62°51′56″ West, passing at a distance of 488.19 feet the northwest corner of said Ozymy tract and the east line of Blanco Road (a generally recognized public road, no record found), continuing along said approximate centerline of Blanco Road, in all a total distance of 1,073.75 feet to a nail found for corner in an east line of a tract of land described in Deed to Dallas Power & Light Company recorded in Volume 70131, Page 423 and Volume 69095, Page 793 Deed Records of Dallas County, Texas

**THENCE** with said east line of the Dallas Power & Light Company tract, North 31°22'30" West, a distance of 310.13 feet to a point for corner;

**THENCE** departing said east line of the Dallas Power & Light Company tract, the following courses and distances:

North 4°22'39" West, a distance of 358.49 feet to a point for corner;

# EXHIBIT B METES and BOUNDS LEGAL DESCRIPTION

North 49°22'39" West, a distance of 43.77 feet to a point for corner; North 4°22'39" West, a distance of 1699.00 feet to a point for corner; North 85°37'21" East, a distance of 1553.49 feet to the **POINT OF BEGINNING** and containing 66.0790 acres or 2,878,402 square feet of land.

Bearing system based on the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983.





# City of Dallas

### Agenda Information Sheet

File #: 20-20 Item #: 43.

**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): 2

**DEPARTMENT:** Office of Economic Development

**EXECUTIVE:** Michael Mendoza

### SUBJECT

Authorize (1) a development agreement with HW Commerce Office LP and/or its affiliates ("Developer") in an amount not to exceed \$2,576,125.00, payable from current and future Deep Ellum Tax Increment Financing ("TIF") District Funds, in consideration of The Stack Deep Ellum Project on property currently addressed at 2700, 2712, and 2718 Commerce Street in Tax Increment Financing Reinvestment Zone Number Twelve ("Deep Ellum TIF District"); and (2) an increase in appropriations in an amount not to exceed \$2,576,125.00 in the Deep Ellum TIF District Fund - Not to exceed \$2,576,125.00 - Financing: Deep Ellum TIF District Fund (subject to current and future appropriations from tax increments)

### **BACKGROUND**

HW Commerce Office LP, a Texas limited partnership led by Hines (a global real estate investment, development, and management firm founded in 1957), with equity investment from Westdale Properties (a Dallas based real estate investment company) and Canadian investor Ivanhoé Cambridge, has submitted an incentive application to the City of Dallas Office of Economic Development to support The Stack Deep Ellum Project ("Project").

The Project is planned to include the construction of a 16-level mixed-use building consisting of 195,000 square feet of Class A office space (7-levels), 15,000 square feet of ground floor retail space, and 638 structured parking spaces (8-levels). The property, located at 2700, 2712, and 2718 Commerce Street, has previously been used as a surface parking lot and has been owned by Westdale Properties since 2005. The total development cost of the Project is estimated at \$106,000,000.00.

The City's Urban Design Peer Review Panel ("UDPRP") is an independent group of professional designers selected by the City Manager with expertise in architecture, landscape architecture, engineering, and urban planning. Review by the UDPRP is required for all projects requesting TIF funding assistance. In February 2019, the Project was reviewed by the UDPRP. The UDPRP was encouraged by the overall architectural design of the Project to fit into the neighborhood's existing

File #: 20-20 Item #: 43.

historical fabric (e.g. additional garage façade architectural elements). The UDPRP also recommended enhancing the western façade along Henry Street, providing greater design detail to the street-level experience, and shifting the ingress/egress garage access alignment at Pryor Street to create a more striking street-level use at this terminating vista.

As a result of the UDPRP's recommendations, the Developer has made several changes to the Project such as moving the garage entrance and enhancing the street experience, thereby satisfying the UDPRP comments.

The City also engaged an independent outside underwriter to extensively review the Project and the Developer's incentive application requesting \$11,131,000.00 in TIF funding. The underwriter concluded the following: the development team is highly qualified and experienced; the equity investors have substantial capacity to provide the required equity and handle any unforeseen circumstances that might arise during construction; the Project does not have additional permanent debt capacity beyond the \$74,800,000.00 assumed by the Developer; the operating assumptions used in the projection of Project income are consistent with third-party appraisals and market studies; the Project is viable but risky; cost estimates for the Project are reasonable; the Developer's requested amount of TIF funding is justified due to specific extraordinary development costs (e.g. extensive environmental remediation of the site; burial of overhead utilities; double-stack manholes; enhanced design of façade; enhanced streetscape); and the Developer's requested amount of TIF funding is justified based on the reasonableness of projected internal rates of return. In summary, the outside underwriter concluded that TIF funding of \$11,131,000.00 was justified.

Using the outside underwriting as a guide, the Office of Economic Development negotiated a detailed Letter of Intent with the Developer for an amount not to exceed \$2,576,125.00. On November 15, 2019, the Developer agreed to and executed the detailed Letter of Intent.

Staff's recommended \$2,576,125.00 in TIF funds will be used for TIF eligible expenditures including water, wastewater, stormwater, utilities, paving, streetscape, lighting, and environmental remediation of the site. Funds could be shifted among TIF eligible expenditure categories, with verification of actual expenditures as long as the total TIF payment does not exceed \$2,576,125.00.

The Project meets several goals and objectives of the Deep Ellum TIF District Project Plan including, but not limited to, the following:

- Creating additional taxable value attributed to new private investment
- Attracting new private development including retail space and office/commercial space
- Improving the pedestrian environment through sidewalk improvements, landscaping, lighting and design standards
- Providing funding for environmental remediation and interior/exterior demolition assistance to encourage redevelopment of land within the Deep Ellum TIF District
- Upgrading basic infrastructure including storm drainage, water/wastewater lines, and burial of overhead utilities to support redevelopment in the District
- Directing overall development of the Deep Ellum TIF District through the application of design guidelines for public improvements and private development
- Encouraging infill development and structured parking

File #: 20-20 Item #: 43.

City Council's approval of this item will authorize the City Manager to execute a development agreement as well as any other related documents.

### **ESTIMATED SCHEDULE OF PROJECT**

Began Construction December 2019
Complete Construction March 2022

### PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 22, 2005, City Council held a public hearing and authorized the establishment of Tax Increment Financing Reinvestment Zone Number Twelve (Deep Ellum TIF District) by Resolution No. 05-1971; Ordinance No. 26043, as amended.

On April 12, 2006, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Deep Ellum TIF District by Resolution No. 06-1077; Ordinance No. 26304, as amended.

On September 10, 2014, City Council held a public hearing and amended the Project Plan and Reinvestment Zone Financing Plan for the Deep Ellum TIF District by Resolution No. 14-1519; Ordinance No. 29469.

On December 3, 2019, the Deep Ellum TIF District Board of Directors reviewed the proposed The Stack Deep Ellum Project and recommended City Council authorization of a development agreement with HW Commerce Office LP and/or its affiliates.

The Economic Development Committee was briefed regarding this matter on January 6, 2020.

### FISCAL INFORMATION

Deep Ellum TIF District Fund - \$2,576,125.00 (subject to current and future appropriations from tax increments)

### OWNER/DEVELOPER

#### **HW Commerce Office LP**

Ben Brewer, Managing Director

#### MAP

Attached

# The Stack Deep Ellum Map



The Stack Deep Ellum Project located at 2700, 2712, and 2718 Commerce Street

**WHEREAS**, the City recognizes the importance of its role in local economic development; and

**WHEREAS**, on June 22, 2005, City Council held a public hearing and authorized the establishment of Tax Increment Financing Reinvestment Zone Number Twelve (the "Deep Ellum TIF District") in accordance with the Tax Increment Financing Act, as amended (V.T.C.A. Tax Code, Chapter 311, hereafter the "Act") to promote development and redevelopment in the Deep Ellum area through the use of tax increment financing by Resolution No. 05-1971; Ordinance No. 26043, as amended; and

WHEREAS, on April 12, 2006, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Deep Ellum Tax Increment Financing ("TIF") District by Resolution No. 06-1077; Ordinance No. 26304, as amended; and

**WHEREAS,** on September 10, 2014, City Council held a public hearing and amended the Project Plan and Reinvestment Zone Financing Plan for the Deep Ellum TIF District by Resolution No. 14-1519; Ordinance No. 29469; and

**WHEREAS**, on December 3, 2019, the Deep Ellum TIF District Board of Directors reviewed the proposed The Stack Deep Ellum Project and recommended City Council authorization of a development agreement with HW Commerce Office LP and/or its affiliates, in an amount not to exceed \$2,576,125.00; and

WHEREAS, to further implement the Deep Ellum TIF District Project Plan and Reinvestment Zone Financing Plan, the City desires to enter into a development agreement with HW Commerce Office LP and/or its affiliates in an amount not to exceed \$2,576,125.00, payable from current and future Deep Ellum TIF District Funds ("TIF Subsidy"), in consideration of The Stack Deep Ellum Project on property currently addressed at 2700, 2712, and 2718 Commerce Street.

Now, Therefore,

# BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That the City Manager is hereby authorized to execute a development agreement with HW Commerce Office LP and/or its affiliates ("Developer") in an amount not to exceed \$2,576,125.00, payable from current and future Deep Ellum TIF District Funds, in consideration of The Stack Deep Ellum Project ("Project") on property currently addressed at 2700, 2712, and 2718 Commerce Street in Tax Increment Financing Reinvestment Zone Number Twelve (Deep Ellum TIF District), approved as to form by the City Attorney, thereby confirming the Deep Ellum TIF District Board of Director's recommendation of the dedication of future tax increment revenues, in an amount not to exceed \$2,576,125.00 as shown in **Exhibit A**.

**SECTION 2.** That the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct.

**SECTION 3.** That the City Manager is hereby authorized to increase appropriations in an amount not to exceed \$2,576,125.00 in the Deep Ellum TIF District Fund, as referenced in SECTION 4.

**SECTION 4.** That the Chief Financial Officer is hereby authorized to disburse funds to HW Commerce Office LP and/or its affiliates from the Deep Ellum TIF District Fund (subject to current and future appropriations from tax increments), as follows:

Deep Ellum TIF District Fund Fund 0056, Department ECO, Unit W497, Object 4550 Activity DETI, Program DETIF0007 Encumbrance/Contract No. CX-ECO-2020-00012403 Vendor VS100637, in an estimated amount of

\$ 425,000.00

Deep Ellum TIF District Fund Fund 0056, Department ECO, Unit W497, Object 4599 Activity DETI, Program DETIF0007 Encumbrance/Contract No. CX-ECO-2020-00012403 Vendor VS100637, in an estimated amount of

\$ 505,625.00

Deep Ellum TIF District Fund Fund 0056, Department ECO, Unit W497, Object 3072 Activity DETI, Program DETIF0007 Encumbrance/Contract No. CX-ECO-2020-00012403 Vendor VS100637, in an estimated amount of

\$1,645,500.00

For a total amount not to exceed

\$2,576,125.00

Funds may be shifted from one category to another as long as the total amount of TIF funding does not exceed \$2,576,125.00, as shown in **Exhibit A**.

**SECTION 5.** That the Developer shall design, fund and/or construct The Stack Deep Ellum Project and related public infrastructure improvements on and adjacent to property currently addressed at 2700, 2712, and 2718 Commerce Street in the Deep Ellum TIF District as described in SECTION 7 and in substantial conformance with **Exhibit B**.

**SECTION 6.** That nothing in this resolution shall be construed to require the City to approve payment from any source of City funds other than the Deep Ellum TIF District Fund and/or Tax Increment Bonds. Any funds expended under the development agreement that remain unpaid upon termination of the Deep Ellum TIF District, due to lack or unavailability of Deep Ellum TIF District Funds, shall no longer be considered project costs of the Deep Ellum TIF District or the City, and the obligation of the Deep Ellum TIF District to pay Developer shall automatically expire.

**SECTION 7.** That in addition to the conditions set out in the sections above, the development agreement is hereby expressly made subject to all of the following contingencies which must be performed or occur:

- A. Developer shall invest and document a minimum of \$73,800,000.00 in private improvements in the Project, including site preparation and construction hard costs (excluding site acquisition/contribution, soft costs, financing, leasing, and marketing) (Exhibit D). The Developer shall provide verification of all expenditures utilized to satisfy the minimum private investment requirement. Costs incurred prior to November 15, 2019, the final execution date of the Letter of Intent, shall not be eligible to count toward the minimum private investment.
- B. The Project shall include a minimum of 185,000 square feet of office space, of which a minimum of 50% must be occupied prior to TIF payment.
- C. The Project shall include a minimum of 18,000 square feet of leasable retail space, of which a minimum of 50% must be occupied prior to TIF payment.
- D. Developer shall obtain a building permit by March 31, 2020. A demolition or foundation permit may constitute meeting the obligation of this requirement.
- E. Construction of the Project, including associated public improvements/streetscape improvements, shall be substantially complete by March 31, 2022 as evidenced by letter of acceptance, certificate of completion, or similar documentation from the City.
- F. 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, based on the management entity's comparable experience managing other commercial or mixed-use projects, such approval not being unreasonably withheld.
- G. Developer shall execute an Operating and Maintenance Agreement for all non-standard TIF eligible improvements prior to TIF payment. Compliance with the executed Operating and Maintenance Agreement shall be required of all future Developers for the entire 20-year period of the Operating and Maintenance Agreement. If Developer chooses to forgo the TIF funding, Developer shall remain responsible for the maintenance of the non-standard public improvements through the term of the Operating and Maintenance Agreement. The maintenance obligations under the development agreement (and the Operating and Maintenance Agreement) is assignable to a new Developer of all or a portion of the Property or to the manager of a public improvement district or a property Developer's association with the written consent of the Director, which consent shall not be unreasonably withheld.

# **SECTION 7.** (continued)

- H. The Developer shall make a good faith effort to comply with City's Business Inclusion and Development goal of 25% participation by certified Minority/Women-owned Business Enterprises for all hard construction expenditures, excluding tenant finishout not funded by Developer, of the Project (i.e. public and private improvements) and meet all reporting requirements. See Exhibit C.
- I. Until the Project has passed final building inspection and all required paperwork for TIF payment has been submitted, Developer shall submit to the Office of Economic Development quarterly status reports (Exhibit E) for ongoing work on the Project as well as pubic improvements. Such status reports will be due no later than thirty (30) calendar days after the end of each calendar quarter after the City Council approval date, if any.
- J. The Urban Design Peer Review Panel ("UDPRP") is an independent group of professional designers selected by the City Manager with expertise in architecture. landscape architecture, engineering, and urban planning. Review by the UDPRP is required for all projects requesting TIF funding assistance. Following a formal review of Developer's initial Project submittal on February 22, 2019, the UDPRP provided urban design advice for the Project (thereby satisfying the initial requirement for UDPRP review related to Developer's application for TIF funding assistance). Developer shall construct the Project (public and private improvements) in substantial conformance with the conceptual site plan and conceptual renderings approved by the City's Department of Planning and Urban Design ("PUD") as shown in Exhibit B. The Director of the Office of Economic Development may authorize minor modifications to the conceptual site plan and conceptual renderings which may arise during the development process due to local, state, or federal regulatory requirements so long as the minor modifications are in substantial conformance with the spirit and intent of the UDPRP advice. Modifications to the conceptual site plan and conceptual renderings, should the Director determine they are material, shall require review by the UDPRP. As the final step in the urban design process and prior to permit approval, Developer shall provide a set of permit drawings for the Project to PUD for internal review and approval to ensure compliance with UDPRP recommendations and responses. PUD shall complete the review of the permit drawings within ten (10) business days of Developer's submission.
- K. Upon completion, the Project shall be consistent in general form, material and character with the conceptual design for both the private development and public improvements approved by the Deep Ellum TIF Board and City Council.

# **SECTION 7.** (continued)

- L. Developer shall submit to the City a written plan describing (i) how Developer shall use and document best efforts to recruit and hire residents of the city of Dallas and (ii) how Developer shall 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 shall describe how Developer 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 shall 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.
- M. Developer shall not appeal the property's Dallas Central Appraisal District valuation below a minimum of \$72,000,000.00 for a period of ten (10) years from construction completion.
- N. Developer shall own and control the property and the Project until a certificate of occupancy, defined in Section 7E above, or other equivalent evidence of completion has been issued by the City for the Project.
- O. The Director of the Office of Economic Development may authorize minor modifications to the Project including a reduction of the minimum square footage requirement of less than 10%, development mix and/or an extension of the Project deadlines up to 12 months.

**SECTION 8.** That Developer shall work to minimize Project construction impacts on adjacent businesses and traffic circulation and shall abide by the following conditions unless specifically modified by mutual agreement of Developer and the City:

- A. Developer shall ensure that the Project's General Contractor ("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. Developer has submitted a satisfactory remote parking/shuttling plan, with accompanying construction parking map. Any changes to the remote parking/shuttling plan must be reviewed and approved by the Office of Economic Development, not to be unreasonably withheld.
- B. Developer shall abide by the requirements of the Dallas City Code, as well as all applicable state, federal and local laws, codes and regulations.
- C. 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.

# **SECTION 8.** (continued)

- D. Any necessary closure of Commerce Street for construction as listed above will be limited to Monday through Wednesday between the hours of 10:00 a.m. and 2:00 p.m.
- E. Large crane operations that require street closure shall be scheduled to limit street closures to no more than three consecutive days, or before 11:00 a.m. on any other day.
- F. Construction hours shall be limited to normal hours allowed by the Dallas City Code, but construction shall cease on weekdays by 7:00 p.m. and Saturday by 5:00 p.m. Limited exceptions to these hours may be approved by mutual consent and with reasonable advanced notice.
- G. Reasonable advanced notice shall be given of utility shut off, which shall be limited to short periods between 7:00 a.m. and 11:00 a.m.
- H. To the extent permitted by applicable law, Developer shall post signage, along with road closure and construction signage, detailing alternative public parking options.
- I. Developer shall establish security measures such as fences and guards and shall clear trash and debris during construction. Developer shall promptly repair any damage caused to the surrounding streets by Project related construction activity.
- J. Developer shall locate dumpsters behind construction fencing on private property to minimize visibility.

**SECTION 9.** That payment of the TIF Subsidy is subject to the availability of tax increment. If the appraised value of the property in the Deep Ellum TIF District remains constant or decreases in value from the base year value, the TIF Subsidy for that year may be reduced or unpaid due to the lack of available increment. The TIF Subsidy shall be paid solely from the Tax Increment Fund, if and when tax increments are received and available for such purpose, during the life of the Deep Ellum TIF District (including collection of the 2027 tax year increments in calendar year 2028), subject to the limitations on repayment of the TIF Subsidy provided in the development agreement.

**SECTION 10.** That assuming all other conditions for payment have been met, the City of Dallas will administer the payment of the TIF Subsidy for the Project annually, pursuant to the Deep Ellum TIF District Increment Allocation Policy attached hereto as **Exhibit F**.

**SECTION 11.** That prior to completing all obligations in SECTION 7 required to begin receiving payment of the TIF Subsidy, the Developer may assign the TIF development agreement only to a direct affiliate with the Director of the Office of Economic Development prior approval, but in no case shall this Section supersede Section 7N.

# **SECTION 11.** (continued)

After completing all obligations in SECTION 7 required to begin receiving payment of the TIF Subsidy, an assignment of the obligations of the TIF development agreement, in whole or in part, shall require the written approval of the Director of the Office of Economic Development (which approval shall not be unreasonably withheld). If the Director, in his or her sole discretion, allows the Developer to assign the TIF development agreement, however, the terms and conditions of the TIF development agreement shall be binding upon the successors and assigns. Such assignment shall not be effective unless or until the assignee assumes and expressly agrees to perform, observe, and fulfill all the terms, covenants, conditions, and obligations required to be performed and fulfilled by Developer under the TIF development agreement from and after the date of assignment.

Any receivables due under the TIF development agreement may be assigned and transferred by Developer or assignee upon providing the Director of the Office of Economic Development with written notice within 30 calendar days of such assignment. Developer and assignee have the right, from time to time, to collaterally assign, pledge, grant a lien or security interest in, or otherwise encumber any of their respective rights, title, interest under the TIF development agreement for the benefit of their respective lenders without the consent of, but with written notice to, the Director of the Office of Economic Development. The collateral assignment, pledge, grant of lien or security interest, or other encumbrance shall not, however, obligate the lender to perform any obligations or incur any liability under the TIF development agreement unless the lender agrees in writing to perform such obligations or incur such liability.

Upon dissolution or termination of the assignee, however, the terms and conditions of the TIF development agreement shall revert to the Developer.

**SECTION 12.** That prior to or contemporaneously with the execution of the TIF development agreement, Developer shall provide evidence of binding commitments of all capital sources necessary to complete the Project.

**SECTION 13.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

# **EXHIBIT A**

# The Stack Deep Ellum TIF District Budget

The TIF-funded improvements include 1) water/wastewater/stormwater utility work and related soft costs, 2) paving/street/streetscape upgrades and related soft costs and 3) environmental remediation, for a total in not to exceed \$2,576,125, from the Deep Ellum TIF District. The TIF financial contribution to the Project could be less if final, actual TIF eligible costs are less or adequate increment does not accrue to the TIF fund.

The budget shown below outlines anticipated TIF payment for the Project. Payments will be based on actual expenditures for the Project. No interest shall accrue on any portion of the TIF funding. Soft costs paid to a third-party and directly related to the public improvements are eligible for TIF payment and such costs are accounted for in the budget.

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 may 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.

# EXHIBIT B

# **DEEP ELLUM BOMB FACTORY OFFICE**

Dallas, Texas

UDPRP Presentation, February 22, 2019

### **Project Description**

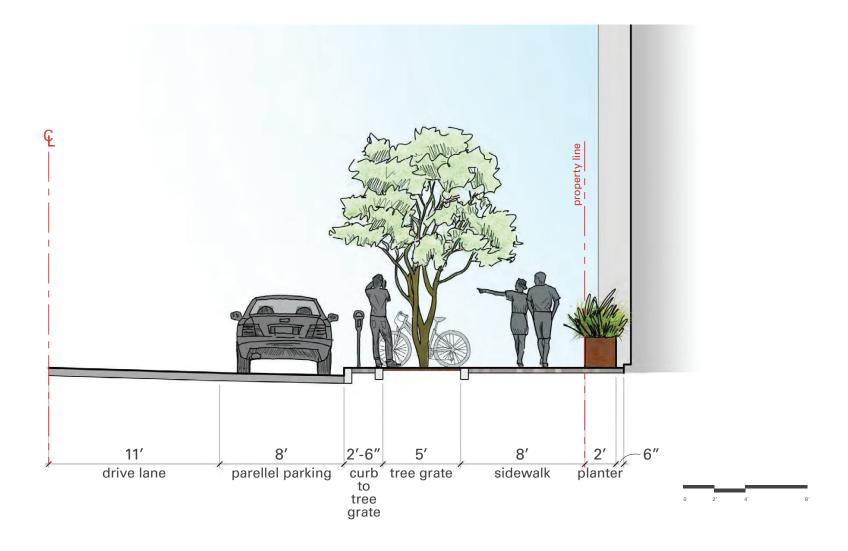
Deep Ellum Bomb Factory Office is 16-level mixed-use creative office project in Deep Ellum. The building is intended to relate to the historically significant context of the neighborhood while also serving as an innovative model for future development in the district. It will provide the much needed parking relief for the district and will activate a key site along the Commerce Street corridor.

The massing is split horizontally between a 9-level public parking podium and a 7-level office tower. The podium levels are clad in masonry veneer on the primary street-facing elevations, detailed in a traditional historic manner. Careful attention has been given to the design of the first 25' in height from the ground in order to contribute to the memorable and enjoyable pedestrian experience of the neighborhood. An amenity level with a large wrap-around balcony delineates between the podium and tower masses as the tower steps back from the podium facade in order to minimize the appearance of the upper massing.

The building is pursuing LEED Gold or better, Gold Fitwel, WiredScore, and WELL Building certifications, positioning it as an exemplary development that is sustainable and supportive of the health and welfare of its occupants.





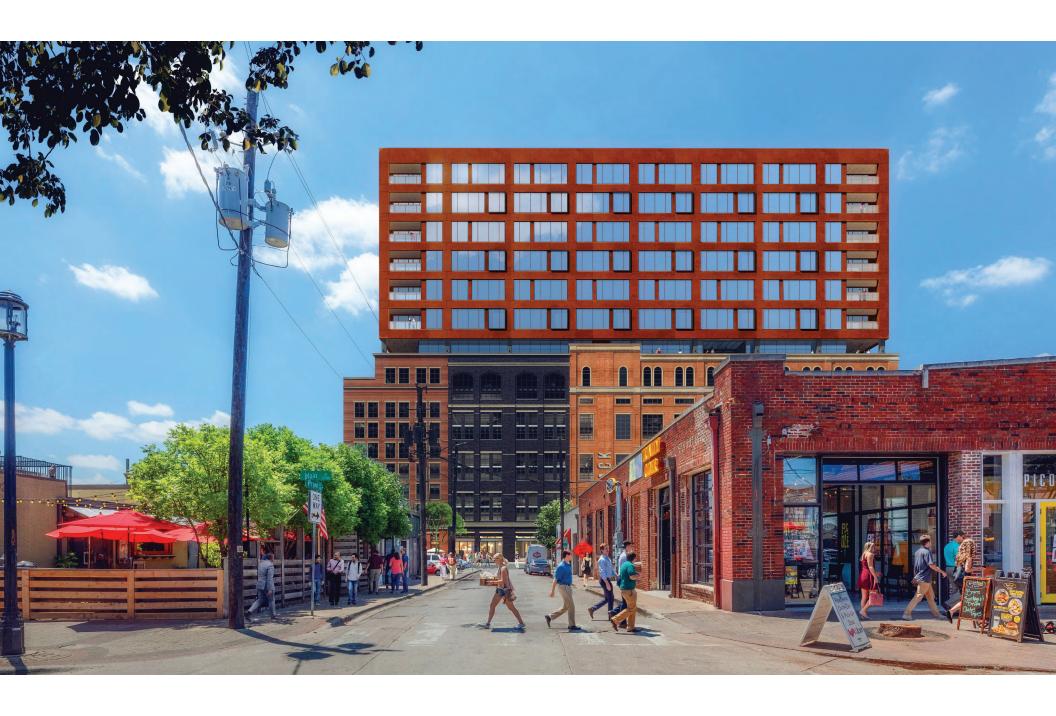






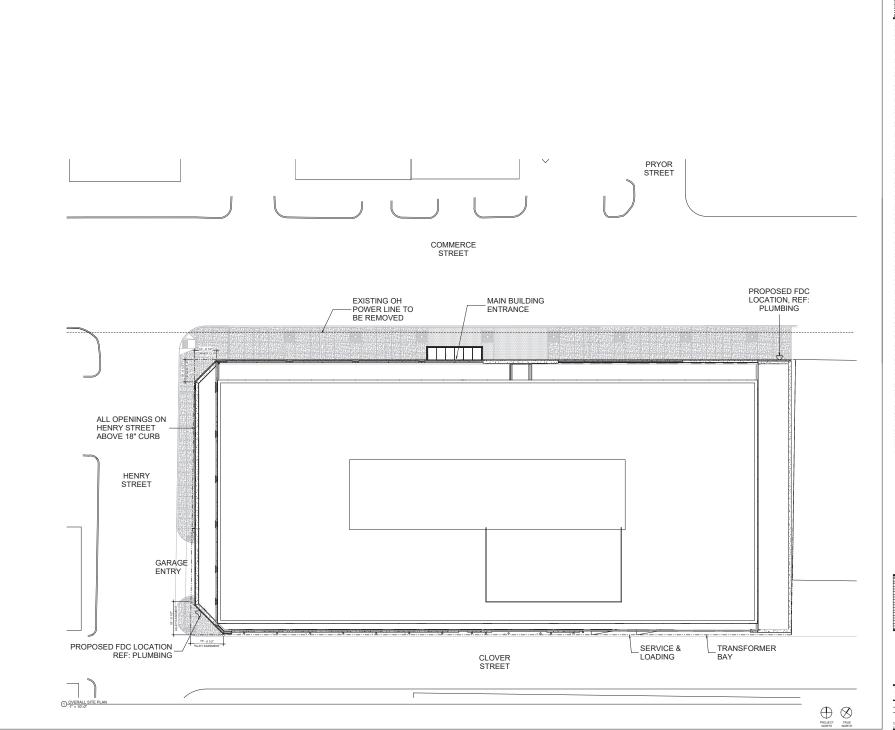
STREET SECTION







sidewalk café license is granted, such sidewalk café should have a minimum depth of four feet (the distance between the railing and the façade of the adjacent building) and should have a minimum three-foot high railing at the perimeter. A minimum sidewalk clear zone (unobstructed flat, level, and clear surface without tree grates or other potential obstructions) of seven feet of open sidewalk should be maintained between the sidewalk café to the curb.





Personn Hahn 11621 Spring Cypress Road, Suite D Tomball, TX 77377 Contact: Tom Williams 972.832.4232

FITNESS CONSULTANT Trophy Fitness 5555 E. Mockingbird Lane Suite 200 Dellas, TX 75206 Contact: Kelley Gray 214.506.2136

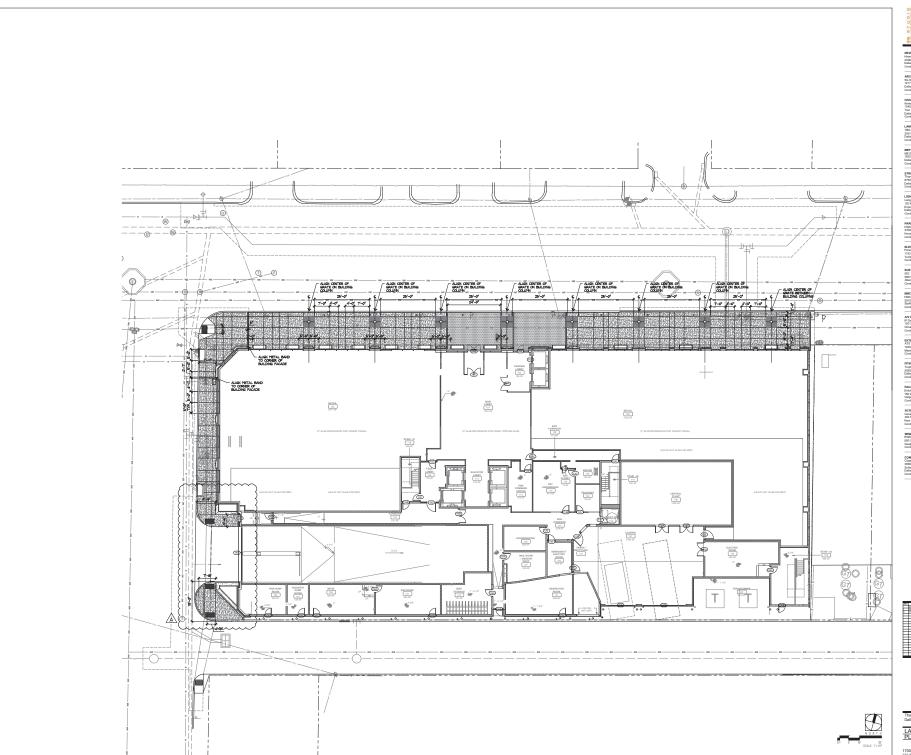
ACOUSTIC CONSULTANT Cerami 404 Fifth Avenue, 8th Floor New York, NY 10018 Contact: Jim Perry 212.616.4177





SITE PLAN

A10.00





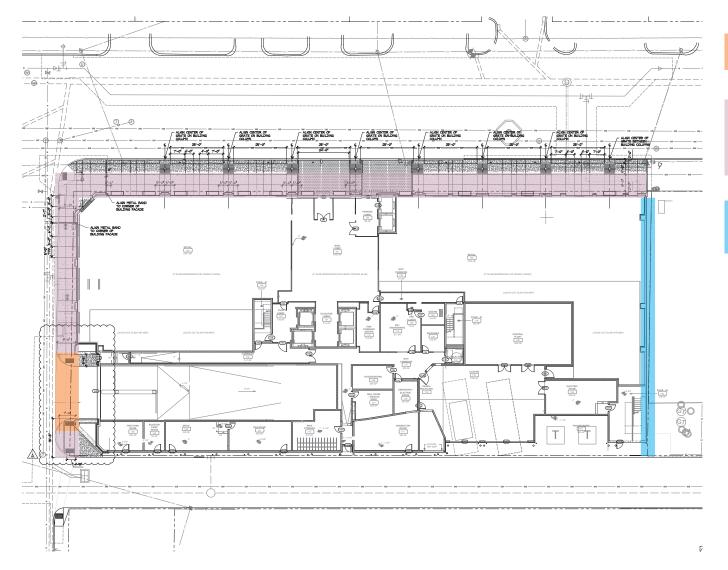
MEP ENGINEER
ME Engineers
ME Engineers
1023 Market Center Bhrd, Suite 415
Dallas, TX 75200
Contact: Dave Shriley 214-741-1559
STRUCTURAL ENGINEER
Thornton Tonassel
Thornton Tonassel
Dallas, TX 75201 Expensionsy, Suite





LANDSCAPE LAYOUT
PLAN

LS2.01

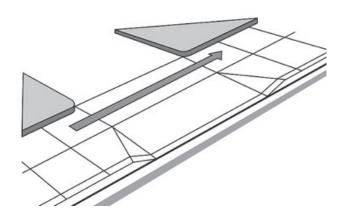


# **Primary Design Considerations**

- Sidewalk should be clear, continuous, and level across parking garage entry driveway cut. See next page for examples. UDPRP Advice Summary [5]
- 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]

# Sidewalk Design





# **East Facade Design**

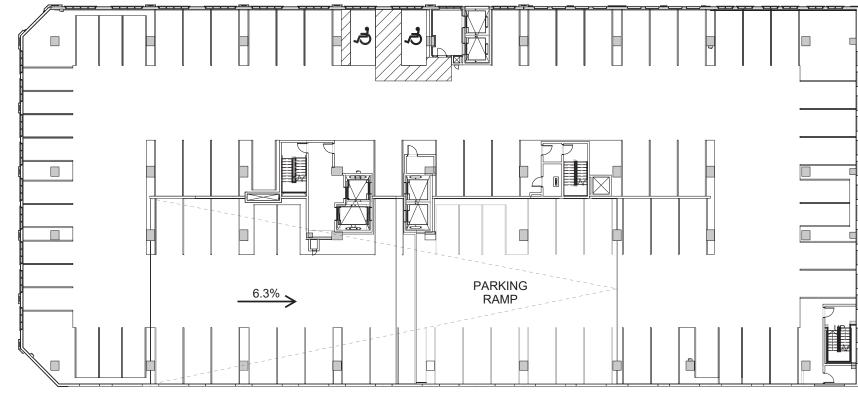








# **COMMERCE STREET**

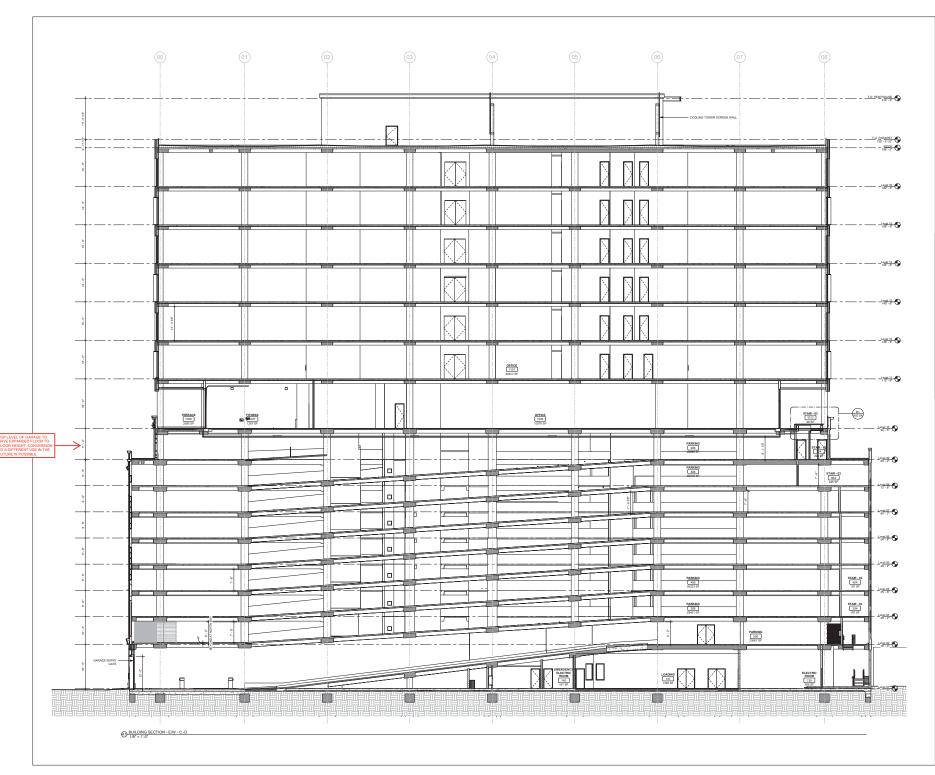


1" = 20'-0"

**HENRY STREET** 

TYP. PARKING







ARCHITECT 5G Studio Collaborative, LLC 1217 Main St., Suite 500 Dallas, TX 75202 Conlact: Yen Ong 214-670-0050

CIVE ENGINEER Nimby - Horn, Inc. 13455 Neel Road Yeo Califris Office Tower, Suite 700 Dallas, TX 75240 Corriact: Brad Mosa 972-775-1316

LANDSCAPE ARCHITECT TBG Partners 2001 Byan 16/9450 Dallas, TX 75201 Contact: Will Jones 214-744-0757

LIGHTING CONSULTANT Lang Lighting 120 Knox Place 4645 N. Central Expressions Datiss, TX 75202 Contact: Andy Lang 214.780.0700

PARKING CONSULTANT HWA Parking 3700 W Sam Houston Play South Houston, TX 77042 Contact: Matt Strickland 888.708.7275

ELEVATOR CONSULTANT

Personn Hahn 11621 Spring Cypress Road, Suite D Tomball, TX 77377 Contact: Tom Williams 972.832.4232

BUSTANABILITY CONSULTANT
SIG
SEOT Glamidge brive, NE
Allaria, GA
Cortiect: Leaven Perdiation 494.641.8572
BMCS / SECURITY CONSULTANT
161A Corosilina
5010 Weigel #1507
Cortiect: Briss Vestzey 832.944.8023

A/V IT CONSULTANT P Design Group 1201 Case Street Ornaha, Nebraska 68102 Contact: Gabriel Erdel 402.346.7007

EXTERIOR BUILDING MAINTENANCE

A15 1049 Triad Court Marietta, GA 30062 Contact: Kevin Scumy 678.444.2966

FITNESS CONSULTANT
Trophy Fitness
5655 E. Mockinghind Lane Suite 200
Dallas, TX 79206
Contact: Kelley Gray 214,906,2136

FACADE CONSULTANT Entuitive 150 5th Avenue SW, Suite 1610 Calgary, AB T29' 3193 Contact: David Leonard 403.604,1252

ACOUSTIC CONSULTANT Cerami 404 Fifth Avenue, 5th Floor New York, NY 10018 Contact: Jim Petry 212.616.4177

600 Southgate Drive Guelph, ON N1G 4P6 Contact: Jason Munn 519.823.1311 COMMESSIONING CONSULTANT Cogent Commissioning 3639 McKinney Ave Suite 155-2036 Dallas, TX 7204 Contact: Steve Connelly 972.261.67

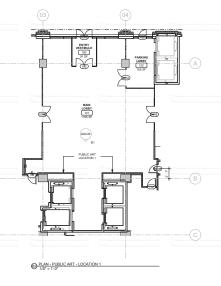


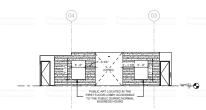


BUILDING SECTIONS

A50.01

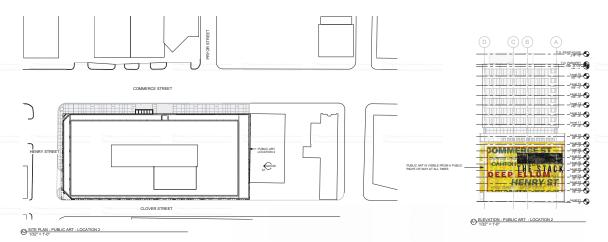
# **PUBLIC ART LOCATION 1**





(E) ELEVATION - PUBLIC ART - LOCATION 1

# **PUBLIC ART LOCATION 2**



### 51P-269.105(a)(I)(3)(A)(i)

(i) Public art or streetscape improvements. (Total possible points = 5) One point is awarded for each one-tenth of a percen: of the value of improvements stated in the building permit application that is allocated to public art or to streetscape improvements, but not both, up to a maximum of five points. In order to qualify for public art points, the public art must be visible from a public right-of-way at all times, or located in the first floor lobby of a structure and accessible to the public during normal business hours.

PUBLIC ART POINTS TOTAL			
PUBLIC ART VALUATION COMBINED VALUE OF LOCATION 1 & LOCATION 2	VALUE OF IMPROVEMENTS STATED IN BUILDING PERMIT APPLICATION	% OF PUBLIC ART VALUATION TO VALUE OF IMPROVEMENTS STATED IN BUILDING PERMIT APPLICATION	POINTS AWARDED
\$295,000	\$59,000,000	295,000 / 59,000,000 = 0.005	(1 PT / 0.001) * 5 = 5 PTS



DEVELOPER Hines 2200 Ross Avenue, Suite 4200W Dallas, TX 75201

Contact: Corbin Eckel 972-716-

CIVE. ENGINEER Kimley - Horn, Inc. 13435 Noel Road Two Galleria Office Tower, Suite 700

Contact: Brad Moss 972-770-1316

LANDSCAPE ARCHITECT
TBG Partners
2001 Roses St 81440

MEP ENGINEER
ME Engineers
1825 Market Center Blvd, Suite 415
Dalles, TX 75207

1825 Market Center Blvd, Suite 415 Delles, TX 75207 Contact: Drew Shivley 214-741-1589

STRUCTURAL ENGINEER
Thomton Tomasetti
8750 North Central Expressway, Suite 700

Contact: Joel Barron 972-387-8393

LIGHTING CONSULTANT

Lang Lighting

Lang Lighting 120 Knox Place 4645 N. Central Expressivary Delise, TX 75202 Contact: Andy Lang 214.780.0700

PARKING CONSULTANT HWA Parking 3700 W Sam Houston Plony South Healthon TX 77042

> ELEVATOR CONSULTANT Persohn Hahn 11621 Spring Cypress Road, Suite D

> Contact: Tom Williams 972.832.4232 SUSTAINABILITY CONSULTANT RIC

5507 Glannidge Drive, NE Adlanta, GA Contact: Lauren Pendleton 404.641.8872

BMCS / SECURITY CONSULTANT HMA Consulting 5010 Wright Road, Suite 150 Stafford, TX 77477

AV IT CONSULTANT IP Design Group 1201 Cass Street Ornsha, Nebraska 68102

EXTERIOR BUILDING MAINTENANCE

ATS 1049 Triad Court Mariette, GA 30062 Contact: Kevin Soury 678,444,2966

FITNESS CONSULTANT Trophy Fitness 5005 E. Mockinghird Lane Suite 200 Dallas, TX 79206 Contact: Kellay Gray 214, 906, 2136

Entuitive 150 9th Avenue SW, Suite 1610 Calgary, AB T2P 3H9 Contact: David Leonard 403.604.1252

ACOUSTIC CONSULTANT Cerami 404 Fifth Avenue, 8th Floor New York, NY 10018

WIND TESTING CONSULTANT RWDI 600 Southgate Drive Gwelsh, ON N1G 489

COMMISSIONING CONSULTANT Cogent Commissioning 3839 McKinney Ave Suite 155-2036 Delles, TX 75204

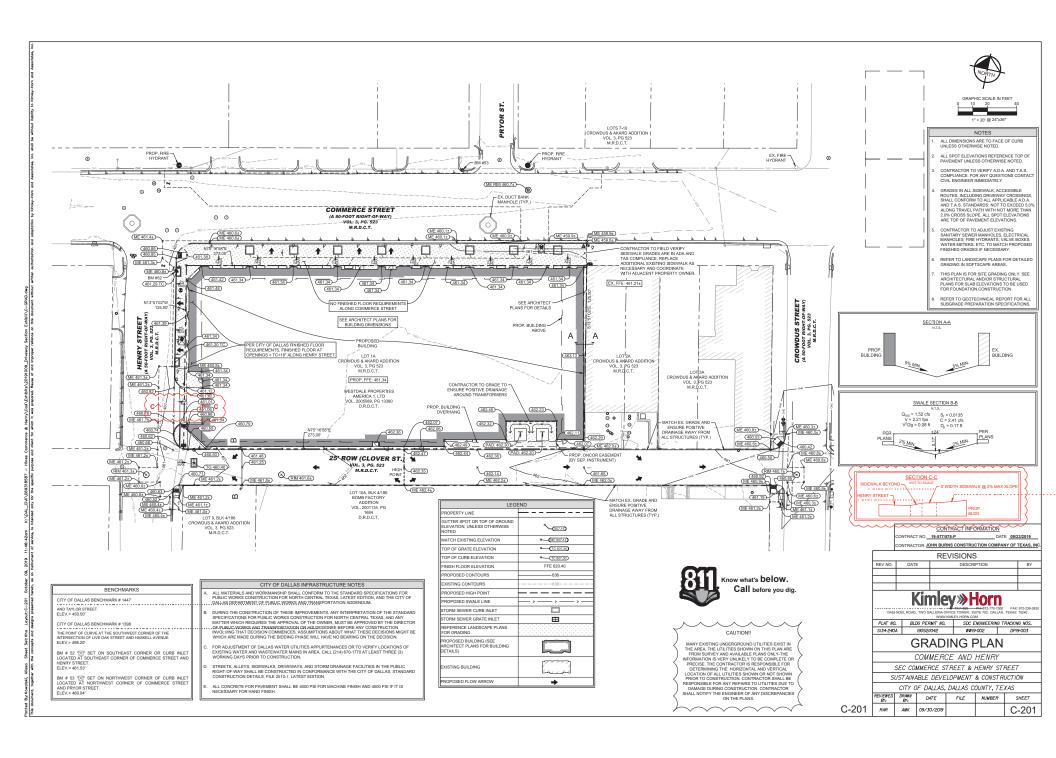




The Stack - Deep Ellum

PROJECT DATA

G00.06





2001 bryan st. suite 1450 dallas, texas 75201

(214) 744 0757 tbgpartners.com

10/09/2019

To whom it concerns,

As currently designed, the street trees on The Stack Deep Ellum streetscape are Chinese Pistache trees (Pistacia chinensis) and are designed to be 30 feet on center. In the contract documents, we have specified them to be 200 gallon, 6" caliper trees with 17' minimum height, 8' spread, and 7' clear for immediate impact along Commerce. In their urban growing condition, within the tree well designed and documented, we anticipate their mature size to be around 25' high with a 16' spread, pending any further disturbance to the tree.

Sincerely,

Will D. Jones

Principal

# **Exhibit C**



# CITY OF DALLAS Business Inclusion and Development Affidavit

It is the policy of the City of Dallas to involve qualified Minority and Women-Owned Business Enterprises (M/WBEs) to the greatest extent feasible on the City's construction, procurement and professional services contracts. The City and its contractors shall not discriminate on the basis of race, color, religion, national origin, or sex in the award and performance of contracts. In consideration of this policy, the City of Dallas has adopted the Business Inclusion and Development Plan (BID Plan) for all City of Dallas contracts.

# M/WBE Participation Goals

The BID Plan establishes subcontracting goals and requirements for all prospective bidders to ensure a reasonable degree of M/WBE participation in City contracts. It is the goal of the City of Dallas that a certain percentage of work under each contract be executed by one or more M/WBEs.

On May 14, 1997 the City Council adopted the following M/WBE participation goals without consideration for a specific ethnicity or gender (Resolution Number 97-1605):

Other	Other	
<u>Professional</u>	<u>Services</u>	Goods
36.30%	23.80%	18.00%
	Professional	<u>Professional</u> <u>Services</u>

The apparent low bidder/most advantageous proposer shall agree to meet the established goals or must demonstrate and document a "good faith effort" to include M/WBEs in subcontracting opportunities. The apparent low bidder/most advantageous proposer who fails to adequately document good faith efforts to subcontract or purchase significant material supplies from M/WBEs may be denied award of the contract by the City based on the contractor's failure to be a "responsive" or "responsible" bidder.

By signing below, I agree to provide the City of Dallas, Business Development & Procurement Services department with a completed copy of all required forms provided within the Business Inclusion and Development document package. I understand that if I fail to provide all of the required documents within five (5) business days after notification, my bid may be deemed "non-responsive" and I may be denied award of the contract. Intentional misrepresentation could result in criminal prosecution.

(Note: Please use the Tab button, mouse or arrows to move from one section to the next. Please DO NOT use the "Enter" key.)

Bid Number:

Company name:

Typed or Printed Name of Certifying Official of Company

Date

Signature of Certifying Official of Company

Title

Rev. 1 -1/29/10 Doc#BDPS-FRM-203



# CITY OF DALLAS ETHNIC WORKFORCE COMPOSITION REPORT

(Note: Please use the Tab button, mouse or arrows to move from one section to the next. Please DO NOT use the "Enter" key.) Company name: Address: Bid #: Telephone Number:\_ Ext. **Email Address: Employee** Total No. White **Black** Hispanic Other Classification **Employees** F F Male **Female** M M F M F M Administrative/ Managerial Professional Technical Office/Clerical Skilled Semiskilled Unskilled Seasonal Totals: Intentional misrepresentation could result in criminal prosecution. Officer's Signature **Title** 

Date

**Typed or Printed Name** 



# CITY OF DALLAS SUBCONTRACTOR INTENT FORM

(Note: Please use the Tab button, mouse or arrows to move from one section to the next. Please DO NOT use the "Enter" key.) TO: City of Dallas Business Development & Procurement Services gfe@dallascityhall.com Project Name: Bid # Contract Bid Amount: M/WBE/DBE Participation Amount: \$ and % will provide the following M/WBE Subcontractor on the project good(s)/service(s) prime contractor on the project M/WBE subcontractor is currently certified by the following agency: M/WBE Certification Number: Certification must be kept current / valid for the entire duration of this contract. Failure to comply with this provision could be subject to removal from contract. The undersigned intends to enter into a formal agreement with the subcontractor listed, conditioned upon being awarded the City of Dallas contract. If any changes are made to this list, the prime contractor must submit to the City's Program Manager and Business Inclusion and Development Group for approval a Change of M/WBE subcontractor /supplier form with documented explanations prior to any changes. Failure to comply with this provision could result in termination of the contract, sanctions against the prime contractor, and/or ineligibility for future City contracts. Officer's Signature (Prime Contractor) Officer's Signature (M/WBE/DBE Subcontractor) Printed Name (Prime Contractor) Printed Name (M/WBE/DBE Subcontractor) Title (Prime Contractor) Title (M/WBE/DBE Subcontractor)

Date

Date



# CITY OF DALLAS CONTRACTOR'S AFFIDAVIT SCHEDULE OF WORK AND ACTUAL PAYMENT FORM

Bid/Contract #:	
lame:	
Project Name:	

Instructions:

Column 1: List type of work to be performed by Prime and 1st tier subcontractors.

Column 2: City of Dallas Vendor Number for Prime and Subcontractors/Suppliers (If none, register online: www.bids.dallascityhall.org). ALL Prime and Subcontractors/Suppliers must be

registered with the City of Dallas. Column 3: List name of firm; M/WBE Certification Number (if applicable).

Column 4: List firm(s); contact name; address; telephone number.

Column 5: List ethnicity of firm(s) owner as B=African American; H=Hispanic; I=Asian Indian; N=Native American; P=Asian Pacific; W=Woman; NON=other than M/WBE.

local (Outside Dallas county limits).

Column 7:

Indicate dollar amount of value of work for the Prime contractor, subcontractors,

Column 6: Indicate firm's location as L=local (within Dallas county limits);

N=Non-

and suppliers.

Column 8: Indicate percentage of total contract amount.

Column 9: Indicate total payments to date.

Column 10: Indicate payments during current pay period.

Payment this Period (\$) [10] Payments to Date € 6 Percent (%) #VALUE! #DIV/0! #DIV/0! #DIV/0i #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0i #DIV/0i #REF! #REF! #REF! <u>@</u> Value of Work (\$) 2 **Z** © Name of Firm & M/WBE Contact Name Address, City, State, Zip Type of Firm [2] 4 & Tel. Number Certification (If 3 Applicable) Vendor Number City of Dallas [2] Type of Work Ξ

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Period (\$)	(\$)			ρZ	;	& Tel. Number	Vendor Number Certification (If Applicable)	Number
Payment this	Payments to Date	Percent (%)	Value of Work (\$)	7	Type of Firm	Name of Firm & M/WBE Contact Name Address, City, State, Zip Type of Firm	Name of Firm & M/WBE	City of Dallas

contract. If any changes are made to this list, the Prime contractor must submit to the City for approval a revised schedule with documented The undersigned intends to enter into a formal agreement with the subcontractors listed, conditioned upon being awarded the City of Dallas explanations for the changes. Failure to comply with this provision could result in termination of the contract, sanctions against the Prime contractor, and/or ineligibility for future City contracts.

Title:	Date:
Officer's Signature:	Printed Name:

Page 2 of 2

# **EXHIBIT D**

Project Budget		
Here	A	Davasant
Uses	Amount	Percent
Land	\$ 5,118,300	4.8%
Hard Costs (including tenant improvements)	\$79,061,474	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	\$106,175,579	100%

The total private investment of the Project is anticipated to be \$106,175,579. The required private investment in the Project is a minimum of \$73,800,000, including site preparation and construction hard costs (excluding site acquisition/contribution, soft costs, financing, leasing, and marketing). The Developer shall provide verification of all expenditures utilized to satisfy the minimum private investment requirement. Costs incurred prior to November 15, 2019, the final execution date of the Letter of Intent, shall not be eligible to count toward the minimum private investment.

# Exhibit E

Quarterly Project Status Report
Prepared by
HW Commerce Office LP

Project Name:
Report Period:
From: To:
Project Start Date:
Required Completion Date:
Current Completion Date:
Number of units completed:
Briefly describe Project progress during this period:
Which documents did you submit to the City of Dallas Business Development & Procurement Services? When?
Which documents did you submit to the City of Dallas Fair Housing Department? When?
Describe any issues of concern with the City of Dallas (Office of Economic Development/Business Development & Procurement Services/ Fair Housing Department/Public Work and Transportation etc.)?
Attach 4-8 current construction progress pictures from four sides of the Project.
Ву:
PRINT NAME:

# TIF Increment Allocation Policy Deep Ellum TIF District Approved by the TIF Board August 5, 2014 Revised by the TIF Board March 3, 2015

It is important for the City of Dallas to encourage as many projects as possible in the Deep Ellum TIF District (the "Deep Ellum TIF District"). In that spirit, after priority expenditures that benefit the district as a whole, Deep Ellum TIF District funds will be allocated to Developers proportionately, based on the increment created by the Project (as defined below) and Related Projects/Developers (as defined below) within the District, after payment of administrative expenses.

# **Definitions:**

**Project (TIF-eligible)** - development or redevelopment that adds taxable real property value at a particular site or is a space or facility of public benefit such as open space, trails or cultural facilities. The Project has been approved for TIF funds and all requirements set forth in the development agreement have been completed.

**Developer** – A person or entity that has completed all requirements for a TIF-eligible Project as set out in the fully executed development agreement for the Project.

**Related Project/Developer** – if a Developer or a Developer's affiliates (as defined in a development agreement) has other development or redevelopment projects in addition to a TIF-eligible Project, increment from those Related Project(s) may be included in Individual Increment for reimbursement of the TIF-eligible Project expenses. A Developer of a TIF-eligible Project must have at least 50% ownership in any Related Project. These requirements will be further specified in a development agreement where applicable.

Related Projects must create new taxable real property value for the District based on the following criteria:

- New development on previously vacant land or demolished structures.
- Redevelopment or major modification of an existing building if this results in an increased taxable value of 50% or more of the original building or any increase in the floor area of an original building if the expansion is over 50% for residential projects, over 65% for mixed-use projects, and over 75% for office/showroom projects.

**Total Increment** – the annual amount of increment deposited into the TIF fund from the participating jurisdictions.

**Individual Increment** – the portion of the increment that a Project or Related Project creates each year.

**Net Individual Increment –** Individual Increment less the Project's and/or Related Project's portion of Administrative Expenses each year. This portion will be based on the ratio of Individual Increment to Total Increment.

**Administrative Expenses** – the City will take a share of TIF revenue from this District for the amount it bills to the District for costs necessary for administration of the TIF District program, which may include charges from other departments, each year.

**District-Wide Improvements** – improvements that are not specific to a single development site such as gateways, trails, open space, public facilities, or utility/streetscape improvements benefiting multiple properties or blocks.

**Shared Increment** – the Total Increment less (1) Administrative Expenses, (2) a set-aside for District-Wide Improvements, (3) Catalyst Project Set-Asides and (4) the sum of the Individual Increments of all eligible Developers.

**Available Cash** - cash in the Deep Ellum TIF District fund that is not already allocated, encumbered, or otherwise set aside for other purposes.

# Procedure:

Annually, after the Total Increment has been deposited in the TIF fund, the fund will pay or set aside Administrative Expenses as a first priority prior to any other funds being allocated. A set-aside for District-Wide improvements will be the second funding priority. These funds are intended to be used for projects benefitting the district as a whole and/or be used to leverage funding from non-TIF related sources. Catalyst Project reimbursement will be the third funding priority. These funds are intended to provide incentives related to the Deep Ellum Core District.

After Administrative Expenses, District-Wide Improvement and Catalyst project allocations have been paid or set aside, Developers approved for TIF funding from the Deep Ellum TIF District will be eligible to receive their Net Individual Increment.

In addition to their Net Individual Increment, Developers will be eligible to receive a portion of any Shared Increment. The Shared Increment allotted to an eligible Developer shall be a ratio of an eligible Developer's Individual Increment to the sum of the Individual Increments for all Projects eligible for reimbursement for that year.

Dallas Central Appraisal District (DCAD) certified values for each tax year will be the data source used to determine values for the increment allocation procedure. However, no increment allocation will be made unless a total Project or specific phase as defined in a development agreement is completed by May 1<sup>st</sup> of a given year, as evidenced by City approval of all supporting documents required in the development agreement. The City's Director of Economic Development will make the final determination in applying future available revenues in the TIF Fund among Projects.

# **Pre-existing Agreements**

The Deep Ellum TIF District has a previous outstanding agreement related to the Reel FX expansion and related streetscape improvements. Funding exists to cover these reimbursements/expenditures. This agreement will be fully funded prior to implementation of this policy.

# **District-Wide Improvement Set-Aside**

The TIF Board shall set-aside 5% of any Shared increment for District-Wide Improvements after administrative expenses. Specific improvement projects are to be determined and the amount of this set aside will be reviewed annually based on updated financial projections and District needs.

# <u>Catalyst Projects – Deep Ellum Core increment set-aside</u>

The TIF Board shall set-aside for projects located in the core area of Deep Ellum that make substantial improvements and maintain existing buildings, courtyards and alleys.

A set aside of 10% of any Shared increment shall be allocated to the Deep Ellum Crossroads Project for Catalyst Project reimbursement. This set-aside will be funded after administrative expenses and the District-Wide Set-Aside accounts have been fully funded out of general increment. A set aside of 5% of any Shared increment shall be allocated to the Westdale redevelopment Westdale 2800 DE project. An additional set-aside for the redevelopment of the old Dallas High School/Crozier Tech site shall be capped at 5% of any Shared Increment.

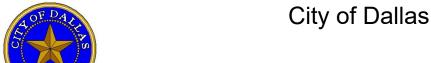
These redevelopment projects will benefit the Deep Ellum area as a whole and provide a model for future redevelopment efforts in the area. The small buildings create a large part of the character of the district as a whole, yet are prohibitively costly to improve. These projects will be eligible to receive their own increment in addition to this set-aside, subject to successful completion of all contractual requirements.

# Notes:

In general, the assignment of increment will be done annually, after each participating jurisdiction has deposited its annual increment into the TIF fund. Upon completion of a Project, developers are eligible to be reimbursed for TIF eligible expenditures from Available Cash currently in the TIF fund, if any.

If the appraised value of the remaining property in the TIF District decreases in value despite new development and as additional TIF Projects are approved and completed, the TIF subsidy for Projects that year may be reduced or unpaid. Similarly, if the sum (1) Administrative Expenses, (2) a set-aside for District-Wide Improvements, (3) Catalyst Project Set-Asides and (4) the sum of the Individual Increments of all eligible Developers, then the Individual Increments shall be allotted on a proportional basis based on the ratio of each Developer's Individual Increment to the sum of the Individual Increments for that year. If there is no revenue available after administrative expenses, there will be no increment payments that year.

At its discretion, the Deep Ellum TIF Board may make modifications or corrections to this Policy to increase its effectiveness.



1500 Marilla Street Dallas, Texas 75201

# Agenda Information Sheet

File #: 20-35 Item #: Z1.

**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): 6

**DEPARTMENT:** Department of Sustainable Development and Construction

**EXECUTIVE:** Majed Al-Ghafry

# **SUBJECT**

A public hearing to receive comments regarding an application for and an ordinance granting an amendment to and the renewal of Specific Use Permit No. 2078 for an industrial (outside) potentially incompatible use limited to concrete and asphalt crushing on property zoned an IM Industrial Manufacturing District on the east line of Luna Road, north of Ryan Road

Recommendation of Staff and CPC: Approval for a five-year period, subject to a revised site plan and conditions

Z189-263(PD)

#### **HONORABLE MAYOR & CITY COUNCIL**

**WEDNESDAY, JANUARY 22, 2020** 

ACM: Majed Al-Ghafry

FILE NUMBER: Z189-263(PD) DATE FILED: April 30, 2019

**LOCATION:** East line of Luna Road, north of Ryan Road

COUNCIL DISTRICT: 6 MAPSCO: 22 P

SIZE OF REQUEST:  $\pm 26.71$  acres CENSUS TRACT: 99.00

**REPRESENTATIVE:** Santos Martinez, La Sierra Planning Group

**APPLICANT/OWNER:** ALMC Recycling Ventures LLC

**REQUEST:** An application for an amendment to and the renewal of

Specific Use Permit No. 2078 for an industrial (outside) potentially incompatible use limited to concrete and asphalt crushing on property zoned an IM Industrial Manufacturing

District.

**SUMMARY:** The purpose of this request is to amend the approved SUP

site plan to reflect off-street parking spaces, an office structure and a proposed drive approach for an existing concrete and asphalt crushing facility [Orange Crush] and continue operations on the site. There will be no

manufacturing or mixing of these materials on site.

CPC RECOMMENDATION: Approval for a five-year period, subject to a revised

site plan and conditions.

**STAFF RECOMMENDATION:** Approval for a five-year period, subject to a revised

site plan and conditions.

#### **BACKGROUND INFORMATION:**

- On May 21, 2014, the City Council approved SUP No. 2078 for an industrial (outside) potentially incompatible use limited to concrete or asphalt crushing for a five-year period. [Expiration date: May 28, 2019].
- The applicant's request for an amendment to and renewal of Specific Use Permit No. 2078 for an industrial (outside) potentially incompatible use will allow for the business to continue to operate on the 26.71 acre site.
- The request is currently developed with an office building and equipment used to crush concrete and asphalt and store the materials on site.

**Zoning History:** There have been two zoning changes requested in the area within the past five years.

- 1. Z167-248 On September 13, 2017, the City Council approved an IM Industrial Manufacturing District and Specific Use Permit No. 2261 for a metal salvage facility use on property zoned an IR Industrial Research District on the east line of Luna Road, north of Ryan Road.
- 2. Z123-210 On May 21, 2014, the City Council approved an IM Industrial Manufacturing District and Specific Use Permit No. 2078 for an outside industrial potentially incompatible use on property zoned an IR Industrial Research District on the east line of Luna Road, north of Ryan Road.

#### **Thoroughfares/Streets:**

Thoroughfare/Street	Туре	Existing ROW	Proposed ROW
Luna Road	Principal Arterial	60 ft.	60 ft.

#### Traffic:

The Engineering Division of the Department of Sustainable Development and Construction has reviewed the request and determined that the proposed development will not have a negative impact on the surrounding street system. The analysis is based upon the traffic worksheet the applicant provides during the application submittal.

#### **STAFF ANALYSIS:**

**COMPREHENSIVE PLAN:** The <u>forwardDallas! Comprehensive Plan</u> was adopted by the City Council in June 2006. The <u>forwardDallas! Comprehensive Plan</u> outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request.

#### Z189-263(PD)

While the applicant's request does not fully comply with the goals and policies of the Comprehensive Plan; it is staff's opinion that a short time period can be supported to allow the proposed industrial use to continue to be reviewed for compatibility with the existing surrounding land uses.

#### **Trinity River Corridor Comprehensive Land Use Plan:**

The site lies within the boundary of the Southward Industrial Study Area (Area 22) of the Trinity River Corridor Land Use Plan. This approximate 1,550-acre area is generally bounded by Overton Road, I45/Loop 12, and Simpson Stuart Road. The future land use module is Community Corridor, which envisions a primary land use consisting of retail-community and office-regional serving development. The land use opportunity for the immediate area surrounding the site is Commercial-Freeway and Industrial-Light.

More specifically, the site lies within the Elm Fork District Plan of the Trinity River Corridor Land Use Plan. The Elm Fork District contains a mix of light industrial, heavy industrial, office, and commercial corridor uses adjacent to collection of parks, river bottom wetlands, and trails along the Elm Fork of the Trinity River. The Land Use Plan for the Elm Fork District affirms its role as a location for industrial activities and businesses in Dallas. With the recommended conditions, the use conforms to the Plan.

#### **Land Uses:**

	Zoning Land Use	
Site	IM	Concrete batch plant
North	IM	Undeveloped
East	IM, DR Z056-130 Concrete and asphalt crus	
South	IM, SUP No. 2261 Metal Salvage Facility	
Southeast	IR	Undeveloped
West	IR	Undeveloped

#### **Land Use Compatibility:**

The 26.71 acre site is zoned an IM Industrial Manufacturing District and developed with a one-story office, crushing equipment, and a concrete pad.

Previously, the applicant operated a concrete or asphalt crushing facility east of the request site on Spangler Road (SUP No. 1609). All materials were crushed and removed before the end of January 2014 in preparation for the opening of new city soccer fields [Soccer Park at Elm Fork]. Specific Use Permit No. 1609 expired, on June 22, 2012.

The request site is contiguous to a variety of industrial uses and several undeveloped tracts of land.

The applicant is requesting an amendment to relocate and downsize the existing office, relocate nine off-street parking spaces, reducing the existing 40,000 square feet (200

Z189-263(PD)

feet x 200 feet) of equipment area to 24,000 square feet (400 feet x 60 feet) and reflect one of the existing drive approaches shown on the plan as proposed.

To mitigate the potential noise and dust problems associated with the crushing operation, the applicant has and will maintain a 6-foot berm adjacent to Luna Road and along a portion of the northern and southern property lines. The applicant will also maintain the equipment approximately 570 feet from the existing road, ensure that the crushed materials will not be stored within 200 feet of the eastern, northern and southern property lines and will limit the stockpiling of the crush materials to a maximum height of 60 feet, in the location as shown on the site plan.

The general provisions for a Specific Use Permit in Section 51A-4.219 of the Dallas Development Code specifically state: (1) The SUP provides a means for developing certain uses in a manner in which the specific use will be consistent with the character of the neighborhood; (2) Each SUP application must be evaluated as to its probable effect on the adjacent property and the community welfare and may be approved or denied as the findings indicate appropriate; (3) The city council shall not grant an SUP for a use except upon a finding that the use will: (A) complement or be compatible with the surrounding uses and community facilities; (B) contribute to, enhance, or promote the welfare of the area of request and adjacent properties; (C) not be detrimental to the public health, safety, or general welfare; and (D) conform in all other respects to all applicable zoning regulations and standards. The regulations in this chapter have been established in accordance with a comprehensive plan for the purpose of promoting the health, safety, morals, and general welfare of the city.

In general, the applicant's request for an amendment to and renewal of Specific Use Permit No. 2078 for the industrial (outside) not potentially incompatible use is consistent with the general provisions for a Specific Use Permit and with the surrounding zoning that is intended to provide for development of industrial uses. However, while in general staff is in support of the applicant's request, staff cannot support a time period of ten years with eligibility of automatic renewals for additional ten year periods.

The SUP was originally approved for a five year period and previously held an SUP on an alternate site for even shorter time periods, one year and two-year with eligibility of one-year automatic renewals, respectively. Because the site has required compliance with air and stormwater regulations, staff believes a five-year renewal period without automatic renewal permits staff to address the continued existence of the use and compliance with governmental regulations.

#### **Landscaping:**

Any new development on the property will require landscaping per Article X, as amended of the Dallas Development Code.

Z189-263(PD)

#### Parking:

The off-street parking requirement for an industrial (outside) use is one space per every 600 square feet of floor area, plus one space per every 600 square feet of outside manufacturing area.

The request is to amend the SUP to decrease the floor area of the existing 2,600-square-foot office use to a 500-square-foot office use and the existing 40,000-square-foot equipment area to a 24,000-square-foot equipment area. The site will require a total of 40 off-street parking spaces and the site provides the 40 spaces required.

#### **Market Value Analysis:**

Market Value Analysis (MVA), is a tool to aid residents and policy-makers in understanding the elements of their local residential real estate markets. It is an objective, data-driven tool built on local administrative data and validated with local experts. The analysis was prepared for the City of Dallas by The Reinvestment Fund. Public officials and private actors can use the MVA to more precisely target intervention strategies in weak markets and support sustainable growth in stronger markets. The MVA identifies nine market types (A through I) on a spectrum of residential market strength or weakness. As illustrated in the attached MVA map, the colors range from purple representing the strongest markets (A through C) to orange, representing the weakest markets (G through I). The area of request is neither within an identifiable MVA cluster, nor adjacent to an "MVA cluster.

**CPC ACTION:** 

**December 12, 2019** 

**Motion:** It was moved to recommend **approval** of an amendment to and renewal of Specific Use Permit No. 2078 for an industrial (outside) potentially incompatible use limited to concrete and asphalt crushing for a five-year period, subject to a revised site plan and revised conditions (as briefed) on property zoned an IM Industrial Manufacturing District on the east line of Luna Road, north of Ryan Road.

Maker: Carpenter Second: Murphy

Result: Carried: 12 to 0

For: 12 - MacGregor, Hampton, Johnson, Shidid,

Carpenter, Blair, Jung, Schultz, Schwope,

Murphy, Garcia, Rubin

Against: 0

Absent: 2 - Brinson, Housewright

Vacancy: 1 - District 3

Notices: Area: 500 Mailed: 11 Replies: For: 1 Against: 0

**Speakers**: For: Santos Martinez, 12 Tangier Terrace, Angel Fire, NM, 87710

Against: None

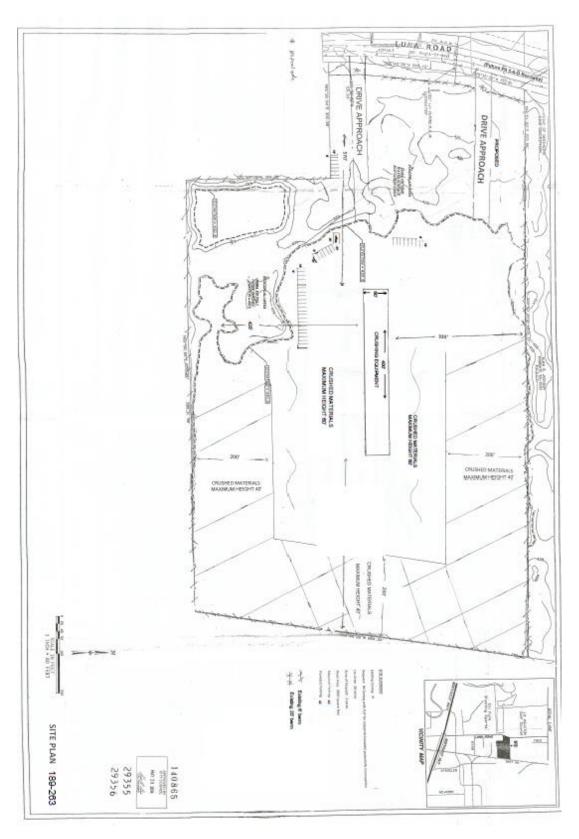
# LIST OF OFFICERS ALMC Recycling Ventures LLC

• Zachery Weir, Sole manager

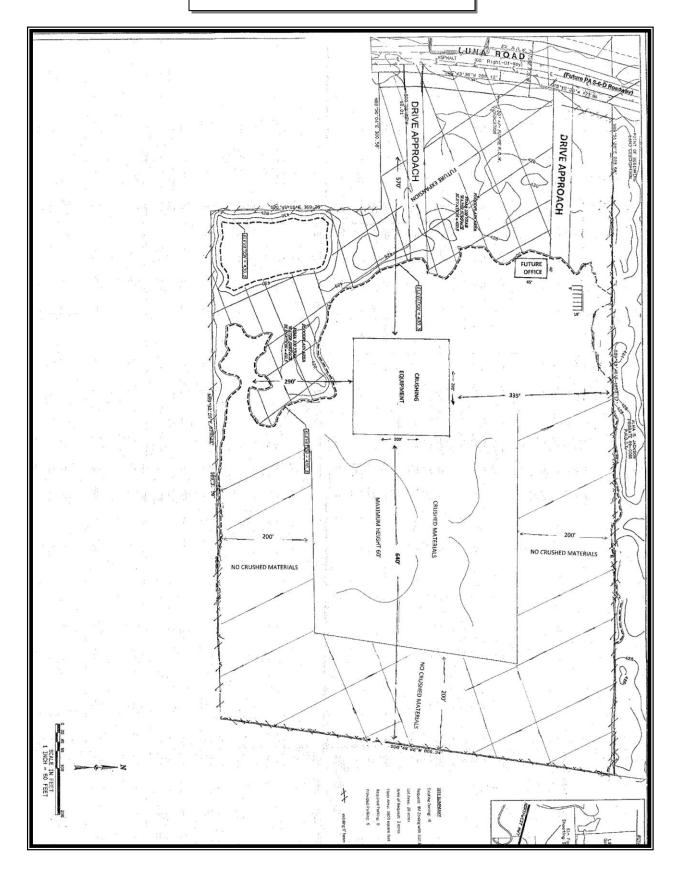
#### **CPC RECOMMENDED CONDITIONS**

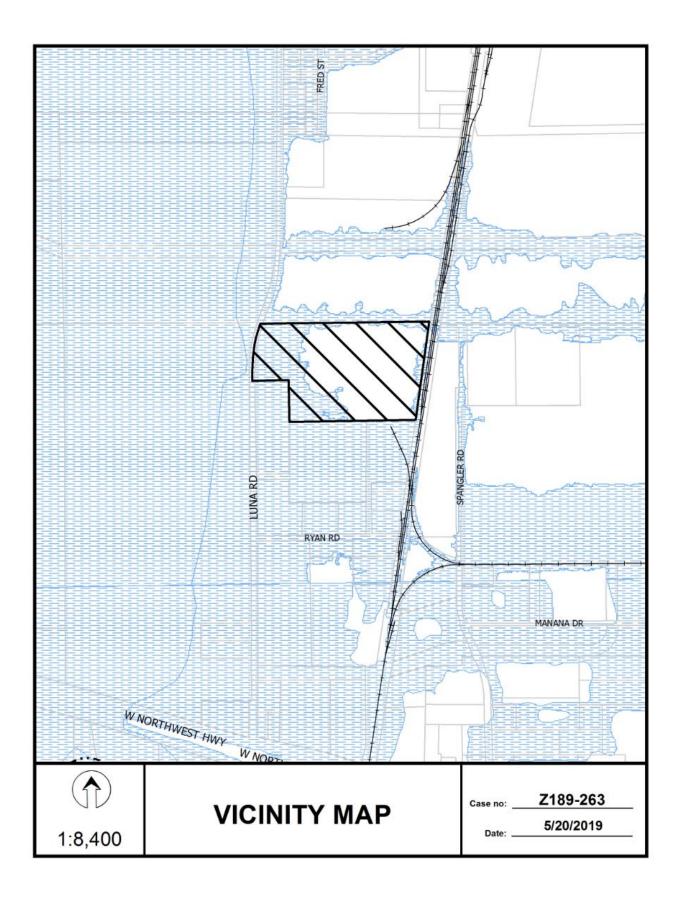
- 1. <u>USE</u>: The only use authorized by this specific use permit is a potentially incompatible industrial (outside) use, limited to concrete and asphalt crushing.
- 2. <u>SITE PLAN</u>: Use and development of the Property must comply with the attached site plan.
- 3. <u>TIME LIMIT</u>: This specific use permit expires on \_\_\_\_ (five-years from the passage of this ordinance).
- 4. <u>FENCING</u>: The Property must be fenced and gated along Luna Road as shown on the attached site plan.
- 5. <u>GROUND AND DUST CONTROL</u>: The Property, including any stockpiles, must be sprinkled with water or chemicals as necessary to achieve maximum control of dust emissions.
- 6. <u>INGRESS/EGRESS</u>: Ingress and egress may only be provided in the two locations shown on the attached site plan.
- OFF-STREET PARKING: All parking and vehicle maneuvering areas must comply with Division 51-4.300, "Off-Street Parking and Loading Regulations," of the Dallas City Code, as amended.
- 8. <u>ROAD REPAIR</u>: The operator, or its successors or assigns, is responsible for repairing holes or other surface damages on Luna Road caused by operation of the concrete crushing facility. The road repairs must conform to City of Dallas standards as approved by the director of public works and transportation.
- 9. <u>STOCKPILE HEIGHT</u>: The maximum stockpile stacking height is 60 feet in the areas shown on the site plan.
- 10. <u>WHEEL WASHING:</u> <u>When Luna Road is approved per Engineering standards</u>, a wheel washing area must be provided in the locations shown on the attached site plan. All vehicles exiting the Property must ensure that mud and other earth materials are removed from the exterior of the vehicles before entering Luna Road.
- 11. <u>MAINTENANCE</u>: The Property must be properly maintained in a state of good repair and neat appearance.
- 12. <u>GENERAL REQUIREMENTS</u>: Use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the City of Dallas."

#### **PROPOSED SITE PLAN**

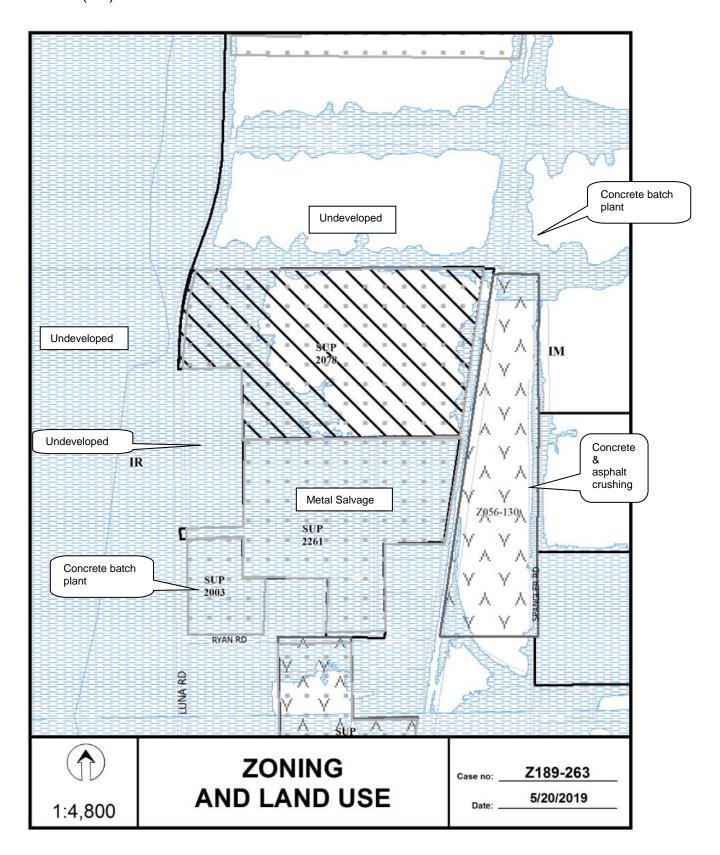


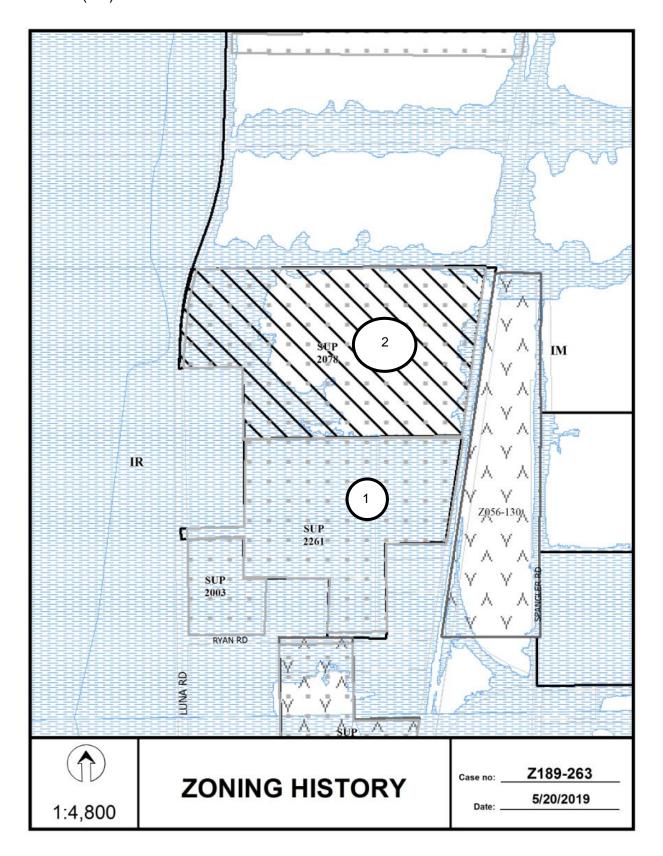
#### **EXISTING SITE PLAN**

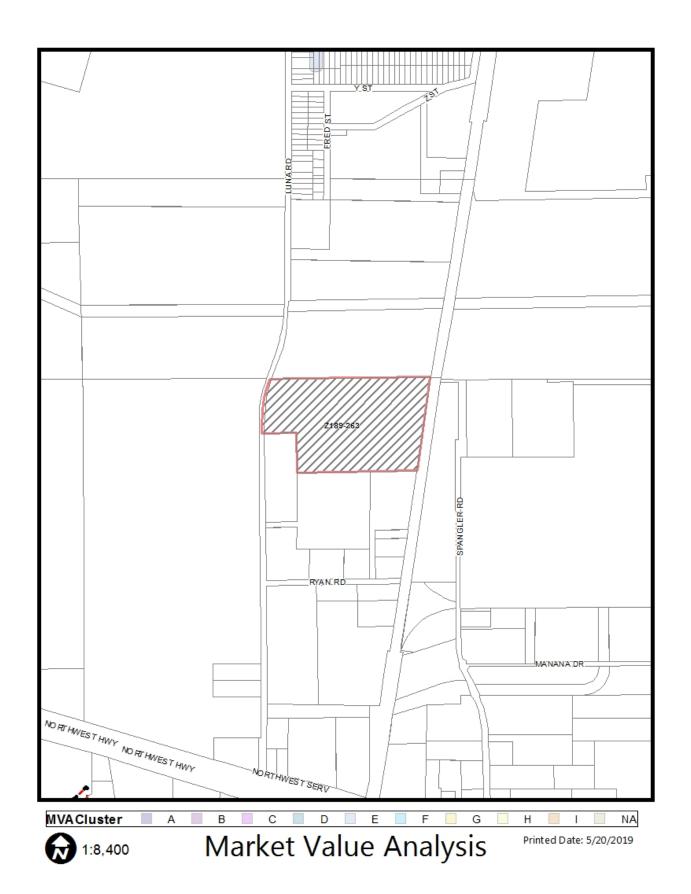




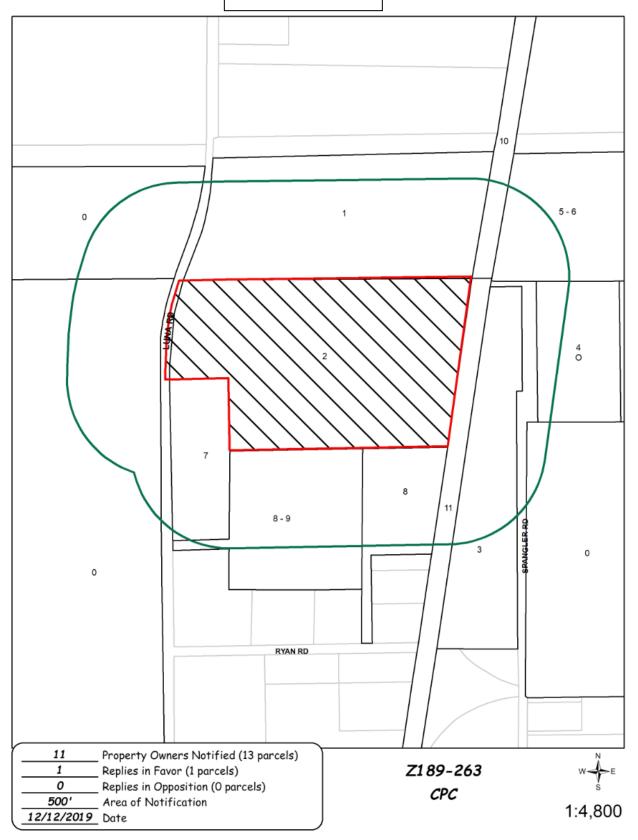








### **CPC** Responses



12/11/2019

# Reply List of Property Owners Z189-263

11 Property Owners Notified 1 Property Owners in Favor 0 Property Owners Opposed

Reply	Label #	Address	Owner
	1	10900 LUNA RD	JACKSON ALMA S ET AL
	2	10850 LUNA RD	ALMC RECYCLING VENTURES LLC
	3	10801 SPANGLER RD	FLORIDA SPANGLER LLC
O	4	10940 SPANGLER RD	TRICYCLE LANE LLC
	5	2101 WALNUT HILL LN	JACKSON ALMA S ET AL
	6	2101 WALNUT HILL LN	WASHMON ENTERPRISES INC
	7	10850 LUNA RD	LUNA VANOD B TRUST PART M
	8	10848 LUNA RD	WEST SHIELD PARTNERS LLC
	9	10848 LUNA RD	WEST SHIELD PARTNERS LLC
	10	10912 LUNA RD	DART
	11	2300 AL LIPSCOMB WAY	BNSF RAILWAY



## City of Dallas

#### Agenda Information Sheet

File #: 20-36 Item #: Z2.

**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): 2

**DEPARTMENT:** Department of Sustainable Development and Construction

**EXECUTIVE:** Majed Al-Ghafry

#### **SUBJECT**

A public hearing to receive comments regarding an application for and an ordinance granting a Planned Development District for IR Industrial Research District uses and general merchandise or food store greater than 3,500 square feet use on property zoned an IR Industrial Research District on the west corner of Mockingbird Lane and Maple Avenue

Recommendation of Staff: Denial

Recommendation of CPC: Approval, subject to a conceptual plan, Phase I development plan and

conditions Z189-304(CY)

#### HONORABLE MAYOR AND CITY COUNCIL

WEDNESDAY, JANUARY 22, 2020

ACM: Majed Al-Ghafry

FILE NUMBER: Z189-304(CY) DATE FILED: July 10, 2019

**LOCATION:** West corner of Mockingbird Lane and Maple Avenue

COUNCIL DISTRICT: 2 MAPSCO: 34 N

SIZE OF REQUEST: 2.7 acres CENSUS TRACT: 4.06

**REPRESENTATIVE:** William S. Dahlstrom, Jackson Walker, LLP

**APPLICANT:** Mockingbird Venture Partners, LLC

**OWNER:** Greenway-Mockingbird LP

**REQUEST:** An application for a Planned Development District for IR

Industrial Research District uses and general merchandise or food store greater than 3,500 square feet use on property

zoned an IR Industrial Research District.

**SUMMARY:** The purpose of the request is to allow for a general

merchandise or food store greater than 3,500 square feet use but limited to a maximum 7,000 square feet. The applicant proposes to also modify the front yard setback, reduce the parking requirement for retail and personal service uses [except for restaurant use]; and to modify the sign regulations. The proposed Planned Development District will be subject to a conceptual plan and a development plan for each phase of

the development.

CPC RECOMMENDATION: Approval, subject to a conceptual plan, Phase I

development plan and conditions.

STAFF RECOMMENDATION: Denial.

#### **BACKGROUND INFORMATION:**

- The area of request is zoned an IR Industrial Research District. A portion of the 2.7-acre site is currently undeveloped and the remainder contains two one-story buildings containing vacant suites and restaurant uses.
- The purpose of the request is to allow for a general merchandise or food store greater than 3,500 square feet use by right but limited to a maximum 7,000 square feet, reduce the front yard setback along Maple avenue and Mockingbird Lane, reduce the parking requirement for retail and personal service uses [except for restaurant use]; and to modify the sign regulations.
- The applicant proposes the Planned Development District to be subject to a conceptual plan, a Phase I development plan and require a City Plan Commission approved development plan for Phase II of the development prior to the issuance of a building permit.

**Zoning History:** There have been two zoning changes in the area in the past five years including the area of request.

- Z156-279 On November 9, 2016, City Council approved an amendment to Planned Development District No. 759 on property generally bounded by West Mockingbird Lane, Forest Park Road, Empire Central and Maple Avenue, north, west and southwest of the area of request.
- Z167-308 On September 26, 2018, City Council deferred indefinitely an application to amend Planned Development District No. 917 on property located on the northwest line of Manor Way, between Maple Avenue and Denton Drive, east of the area of request.

#### **Thoroughfares/Streets:**

Thoroughfare/Street	Туре	Existing ROW	Proposed ROW
West Mockingbird Lane	Minor Arterial	100 feet	100 feet
Maple Avenue	Minor Arterial	60 feet	60 feet

#### Traffic:

The Engineering Division of the Sustainable Development and Construction Department has reviewed the requested renewal and determined it will not significantly impact the surrounding street system.

#### **STAFF ANALYSIS:**

#### **Comprehensive Plan:**

The <u>forwardDallas! Comprehensive Plan</u> was adopted by the City Council in June 2006. The <u>forwardDallas! Comprehensive Plan</u> outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request.

The applicant's request does not comply with the following goals and policies of the Comprehensive Plan.

#### LAND USE ELEMENT

#### **GOAL 1.2** PROMOTE DESIRED DEVELOPMENT.

Policy 1.2.2 Establish clear and objective standards for land use planning.

#### **ECONOMIC ELEMENT**

#### **GOAL 2.1** PROMOTE BALANCED GROWTH

Policy 2.1.1 Ensure zoning is flexible enough to respond to changing economic conditions.

#### **Land Use:**

	Zoning	Land Use
Site	IR Industrial Research	Undeveloped, vacant building, restaurant with drive-through service, restaurant without drive-through service
Northwest	IR Industrial Research and PD No. 759 (Subdistrict 1)	Warehouse, undeveloped land.
Northeast	IR Industrial Research	Restaurant with drive-through service
East	IR Industrial Research	Vehicle display, sale and service, vacant building, mini-warehouse
Southeast	MU-2 Mixed-Use	Multifamily
Southwest	PD No. 759 (Subdistrict 1)	Vacant building
West	PD No. 759 (Subdistrict 1)	Undeveloped land

#### **Land Use Compatibility:**

The 2.7-acre area of request is zoned IR Industrial Research District and is partially developed with two one-story buildings containing a restaurant with drive-through service, a restaurant without drive-through service and additional vacant suites. The northeast portion of the site is undeveloped.

Uses surrounding the area of request include a vacant building to the southwest, undeveloped tracts of land to the west and northwest, a warehouse use is also to the northwest. Restaurant with drive-through service uses are to the northeast across Maple Avenue and a vehicle display sale and service, a vacant building and a mini-warehouse use are located to the east. Lastly, a large multifamily use is found to the northeast across West Mockingbird Lane.

The new PD District proposes to modify the following regulations in the IR District:

<u>Use Regulations</u>: The existing use regulations allow for a general merchandise or food store use but limits the floor area to 3,500 square feet or less. The applicant proposes to allow for general merchandise or food store greater than 3,500 square feet use by right; however, the applicant proposes to limit its floor area to 7,000 square feet<sup>1</sup>. According to the applicant, the purpose of introducing this use is to allow for the development of a new grocery store on the portion of the site that is currently undeveloped.

<u>Front yard Setback:</u> The applicant proposes a minimum front yard setback of five feet along Maple Avenue and Mockingbird Lane. According to the applicant, the purpose of this part of the request is to provide for a more urban district with buildings pulled to the street; however, the existing buildings do not conform with this intent as they are as far as approximately 60 feet from the property line abutting West Mockingbird Lane.

<u>Off-street parking:</u> The request includes reducing the current parking requirement for retail and personal service uses excluding restaurant uses. The proposed parking ratio is four spaces per 1,000 square feet of floor area [or one space per 250 square feet of floor area].

The off-street parking regulations in the existing zoning district establish specific requirements for each use allowed in a zoning district. The requirements for the uses within the retail and personal service category, vary from one space per 200 square feet of floor area for some uses such as the proposed general merchandise or food store greater than 3,500 square feet, to 1 space per 600 square feet of floor area for other uses.

<u>Sign regulations</u>: The existing sign regulations for the IR Industrial Research District correspond to those of the business districts regulations. These regulations establish that only one detached sign is allowed per street frontage other than expressways; and that

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<sup>&</sup>lt;sup>1</sup> The Dallas Development Code defines general merchandise or food store greater than 3,500 square feet as a retail store with a floor area greater than 3,500 square feet but less than 100,000 square feet for the sale of general merchandise or food.

detached signs on the same premise must be at least 200 feet apart. [Sec. 51A-7.304(b)(4) and (5)].

The applicant's request includes modifying the sign regulations to allow for one additional monument sign [defined in the code as a detached sign] for Phase I of the development with no limitation as to the required distance between detached signs. The purpose of this request is to allow for the proposed monument sign to be installed on the same premise and adjacent to an existing detached non-premise sign which would not comply with the current regulations.

Additionally, the proposed sign regulations for the PD would reduce the minimum distance required between detached signs on the same premise for phase II of the development from 200 feet to 100 feet. While the site within Phase II has two street frontages that under the current regulations would allow for the site to have one detached sign per street frontage, the applicant proposes to reduce the distance to provide flexibility on the location of each sign along each frontage.

#### Rationale for staff's recommendation of denial.

Staff does not support the applicant's request to create a PD for a site that is more than 50 percent developed because it is not consistent with the purpose of this customized zoning of providing flexibility to accommodate innovative developments while providing for public benefits. It appears the primary purpose of the request is to allow for an additional detached sign for the portion of the area of request already developed.

The existing IR zoning regulations did not impede the development of 1.59 acres of the 2.7-acre site. It was only after this portion of the area of request was developed that the need to have one additional detached sign prompted the request to create a new planned development district. It is staff's opinion that that there are other alternatives to allow for most of what the applicant seeks to achieve.

Seeing that the surrounding area is transitioning to include a wider mix of uses with less industrial uses, staff considers that a request for a retail or a mixed-use zoning district could be more appropriate. These districts allow for the proposed general merchandise or food store greater than 3,500 square feet use.

With regard to parking, the Dallas Development Code provides for off-street parking reductions via board of adjustment, and by providing bicycle parking that could be applicable to the site. Additionally, for the proposed general merchandise store limited to 7,000 square feet, a maximum of 35 parking spaces would be required with the current parking rations [7,000 / 200 = 35 spaces]. Staff considers that this is a requirement that could be accommodated on the portion of the area of request that remains undeveloped.

As a reference, and according to building inspection's records, the one-story building developed on the 1.10-acre portion of Phase I is approximately 7,900 square feet and the site was able to accommodate approximately 70 off-street parking spaces. It is staff's opinion that a proposed 7,000-square-foot general merchandise or food store in the 1.13-

acre undeveloped site could accommodate the required 35 off-street parking spaces without having to require a parking reduction.

Lastly, the Dallas Development Code also provide for exceptions to the sign regulations via Board of Adjustment to allow for the additional detached sign, and while it would still be required that the proposed detached sign be located 200 feet from the existing billboard, staff considers the site's long frontage particularly along Mockingbird Lane allows for the proposed monument sign to meet this requirement.

#### **Development Standards:**

	SETB	ACKS			Lot		
DISTRICT	Front	Side/Rear	Density	Height	Coverage	PRIMARY Uses	
Existing: IR	15'	30' when adjacent to residential, other no minimum	No Maximum*	200' with RPS	80%	Industrial, wholesale distribution & storage, supporting office and retail	
Proposed: PDD No.	5' along Maple and Mockingbird Lane Ave. other, 15'	No change	No change	No change	No change	Industrial, wholesale distribution & storage, supporting office and retail plus GMFS>3,500sf	

<sup>\*</sup>Residential uses not allowed

#### Parking:

As previously mentioned, the request includes reducing the current parking requirement for retail and personal service uses excluding restaurant uses. The proposed parking ratio is of four spaces per 1,000 square feet of floor area [or one space per 250 square feet of floor area].

At this ratio, for the proposed 7,000-square foot general merchandise use, a total of 28 parking spaces would be required, a reduction of seven parking spaces if the existing parking requirements would apply.

The Engineering Division reviewed a parking demand analysis submitted with this application and has no objections to the proposed parking ratio.

#### **Landscaping:**

The proposed Planned Development District will require development to comply with Article X.

#### **Market Value Analysis**

<u>Market Value Analysis (MVA)</u>, is a tool to aid residents and policy-makers in understanding the elements of their local residential real estate markets. It is an objective, data-driven tool built on local administrative data and validated with local experts. The

#### Z189-304(CY)

analysis was prepared for the City of Dallas by The Reinvestment Fund. Public officials and private actors can use the MVA to more precisely target intervention strategies in weak markets and support sustainable growth in stronger markets. The MVA identifies nine market types (A through I) on a spectrum of residential market strength or weakness. As illustrated in the attached MVA map, the colors range from purple representing the strongest markets to orange, representing the weakest markets. Site is not within an identifiable MVA Category; however, it is in proximity to an "E" MVA Cluster to the southeast across W Mockingbird Lane.

#### LIST OF OFFICERS

#### Mockingbird Venture Partners, LLC

Mockingbird Venture partners, LLC

A Delaware Limited Liability Company

Sole Managing Member: Highridge Asset Management, Inc.

A California Corporation.

#### Highridge Asset Management, Inc.

•	John S. Long	President
-	OCITI C. ECITA	1 100100110

• Steven A Berlinger Executive VP/CFO

Jack L Mahoney

VP

• Eugene S. Rosenfield VP

Parviz Vaghti
 VP

• Linda Kasai VP/Secretary

#### Highridge Asset Management, LLC - Directors

- John S. Long
- Steven A Berlinger

#### **LIST OF OFFICERS**

Greenway-Mockingbird, LP

Greenway-Mockingbird, LP

A Texas Limited Partnership

General Partner: Greenway-Mockingbird GP, LLC

A Texas Limited Liability Company

Greenway-Mockingbird GP, LLC - Officers

• Gerald Stool Manager.

#### CPC Action September 19, 2019

**Motion:** In considering an application for a Planned Development District for IR Industrial Research District uses and general merchandise or food store greater than 3,500 square feet use on property zoned an IR Industrial Research District on the west corner of Mockingbird Lane and Maple Avenue, it was moved to **hold** this case under advisement until October 17, 2019.

Maker: Schulte
Second: Housewright
Result: Carried: 11 to 0

For: 11 - MacGregor, Schulte, Johnson, Shidid,

Carpenter, Brinson, Jung, Housewright,

Schultz, Murphy, Ridley

Against: 0

Absent: 2 - Criss, Tarpley

Vacancy: 2 - District 8, District 12

**Notices:** Area: 500 Mailed: 21 **Replies:** For: 1 Against: 0

**Speakers:** For: None

For (Did not speak): Jonathan Vinson, 2323 Ross Ave., Dallas, TX, 75201

Against: None

#### CPC Action October 17, 2019

**Motion:** In considering an application for a Planned Development District for IR Industrial Research District uses and general merchandise or food store greater than 3,500 square feet use on property zoned an IR Industrial Research District on the west corner of Mockingbird Lane and Maple Avenue, it was moved to **hold** this case under advisement until November 7, 2019.

Maker: Hampton Second: Housewright Result: Carried: 13 to 0

For: 13 - MacGregor, Hampton, Johnson, Shidid,

Carpenter, Brinson, Blair, Jung\*, Housewright,

Schultz, Schwope, Murphy, Ridley

Against: 0 Absent: 0

Vacancy: 2 - District 3, Place 15

\*out of the room, shown voting in favor

Notices: Area: 500 Mailed: 21 Replies: For: 3 Against: 0

Speakers: None

#### CPC Action November 7, 2019.

**Motion:** In considering an application for a Planned Development District for IR Industrial Research District uses and general merchandise or food store greater than 3,500 square feet use on property zoned an IR Industrial Research District on the west corner of Mockingbird Lane and Maple Avenue, it was moved to **hold** this case under advisement until December 12, 2019.

Maker: Hampton Second: Carpenter

Result: Carried: 14 to 0

For: 14 - MacGregor\*, Hampton, Johnson, Shidid,

Carpenter, Brinson, Blair, Jung\*, Housewright\*, Schultz, Schwope, Murphy, Ridley\*, Rubin

Against: 0 Absent: 0

Vacancy: 1 - District 3

\*out of the room, shown voting in favor

Notices: Area: 500 Mailed: 21 Replies: For: 3 Against: 0

Speakers: None

#### CPC Action December 12, 2019

**De minimus Significant Change Motion:** In considering the requirement in Section 5(m)(1)(B) of the CPC Rules of Procedure, the finding is it <u>does not</u> apply because the impact of the applicant's proposed change in the Commission's judgment is *de minimus* in nature.

Maker: Hampton Second: Jung

Result: Carried: 12 to 0

For: 12 - MacGregor, Hampton, Johnson, Shidid,

Carpenter, Blair, Jung, Schultz, Schwope,

Murphy, Garcia, Rubin

Against: 0

Absent: 2 - Brinson, Housewright

Vacancy: 1 - District 3

**Motion:** It was moved to recommend **approval** of a Planned Development District for IR Industrial Research District uses and general merchandise or food store greater than 3,500 square feet use, subject to a revised Phase I development plan, conceptual plan and conditions on property zoned an IR Industrial Research District on the west corner of Mockingbird Lane and Maple Avenue

Maker: Hampton Second: Johnson

Result: Carried: 12 to 0

For: 12 - MacGregor, Hampton, Johnson, Shidid,

Carpenter, Blair, Jung, Schultz, Schwope,

Murphy, Garcia, Rubin

Against: 0

Absent: 2 - Brinson, Housewright

Vacancy: 1 - District 3

Notices: Area: 500 Mailed: 21 Replies: For: 3 Against: 0

**Speakers**: For: Jonathan Vinson, 2323 Ross Ave., Dallas, TX, 75201

For (Did not speak): George Ramirez, Address not given

Against: None

#### **CPC RECOMMENDED CONDITIONS**

"ARTICLE \_\_\_"

			PD				
SEC. 51P	101.	LEGISLATI	VE HIST(	ORY.			
PD	was esta	blished by Ordinar	nce No	, passed	l by the Dal	llas City Counc	il on
PD _	is establ	PROPERTY ished on property lize of PD is	located at t	he west com	ner of Mapl	le Avenue and V	West
SEC. 51P	103.	DEFINITION	NS AND II	NTERPRE	TATIONS		
(a) this article.	Unless oth	erwise stated, the d	lefinitions a	and interpre	tations in C	hapter 51A app	ly to
(b) article are to		nerwise stated, all sions, or sections is			, divisions,	or sections in	this
(c)	This distri	ct is considered to	be a nonres	sidential zor	ning district	i.	
SEC. 51P	104.	EXHIBITS.					
The fo	ollowing exh	nibits are incorpora	ted into thi	is article:			
	(1) Ex	hibitA: conce	ptual plan				
	(2) Ex	hibitB: phase	I developn	nent plan			
SEC. 51P	105.	CONCEPTU	AL PLAN	ī			
	ere is a conf	use of the Prope lict between the te	•				

Z189-304(CY)

#### SEC. 51P- .106. DEVELOPMENT PLAN

- (a) <u>Phase I.</u> Development and use of the Property must comply with the development plan (Exhibit\_B). If there is a conflict between the text of this article and the development plan, the text of this article controls.
- (b) <u>Phase II.</u> A development plan must be approved by the city plan commission before the issuance of any building permit that authorize work in this phase. If there is a conflict between the text of this article and the development plan, the text of this article controls.

#### SEC. 51P-\_\_\_\_.107. MAIN USES PERMITTED.

- (a) Except as provided in this section, the only main uses permitted are those main uses permitted in the IR Industrial/Research District, subject to the same conditions applicable in the IR Industrial/Research District, as set out in Chapter 51A. For example, a use permitted in the IR Industrial/Research District only by specific use permit (SUP) is permitted in this district only by SUP; a use subject to development impact review (DIR) in the IR Industrial/Research District is subject to DIR in this district; etc.
  - (b) The following additional main use is permitted by right:

-- General merchandise or food store greater than 3,500 square feet [limited to a maximum of 7,000 square feet].

#### SEC. 51P-\_\_\_\_.108. ACCESSORY USES.

As a general rule, an accessory use is permitted in any district in which the main use is permitted. Some specific accessory uses, however, due to their unique nature, are subject to additional regulations in Section 51A-4.217. For more information regarding accessory uses, consult Section 51A-4.217.

#### SEC. 51P-\_\_\_\_.109. YARD, LOT, AND SPACE REGULATIONS.

(Note: The yard, lot, and space regulations in this section must be read together with the yard, lot, and space regulations in Division 51A-4.400. If there is a conflict between this section and Division 51A-4.400, this section controls.)

- (a) <u>In general.</u> Except as provided in Subsection 51P-\_\_\_.109(b) below, the yard, lot, and space regulations for the IR Industrial/Research District apply.
- (b) <u>Front yard setback:</u> Minimum front yard setback along Mockingbird Lane and Maple Avenue is five feet.

Z189-304(CY)

SEC. 51P110.	OFF-STREET PARKING AND LOADING.
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- (a) Except as provided below, consult the use regulations contained in Division 51A-4.200 for the specific off-street parking/loading requirements for each use.
- (b) The required parking for retail and personal service uses, except for restaurant uses, is 4.0 spaces per 1,000 square feet of floor area.

#### SEC. 51P- .111. ENVIRONMENTAL PERFORMANCE STANDARDS.

See Article VI.

#### SEC. 51P- .112. LANDSCAPING.

- (a) Landscaping shall be provided in accordance with Article X.
- (b) Plant materials must be maintained in a healthy, growing condition.

#### SEC. 51P-\_\_\_\_.113. SIGNS.

- (a) Signs must comply with the provisions for business zoning districts in Article VII.
- (b) In phase I, one additional monument sign is permitted in the location shown on the conceptual plan. Such monument sign may be a maximum of 7 feet in height and 6 feet in width. Section 51A-7.304(b)(5) does not apply.
- (c) In phase II, one monument sign is permitted along each street frontage for a maximum of two monument signs. Monument signs on the same premise may be a minimum of 100 feet apart.

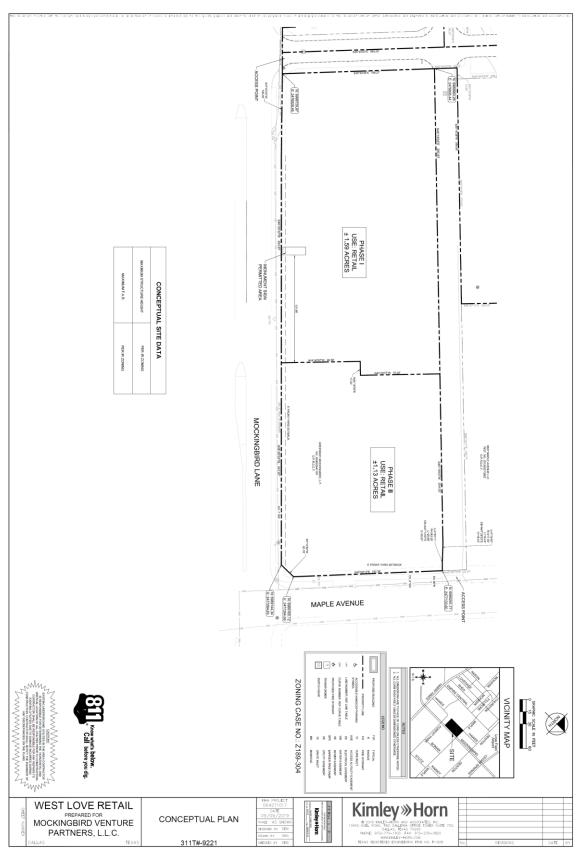
#### SEC. 51P- .114. ADDITIONAL PROVISIONS.

- (a) The Property must be properly maintained in a state of good repair and neat appearance.
- (b) Development and use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the city.

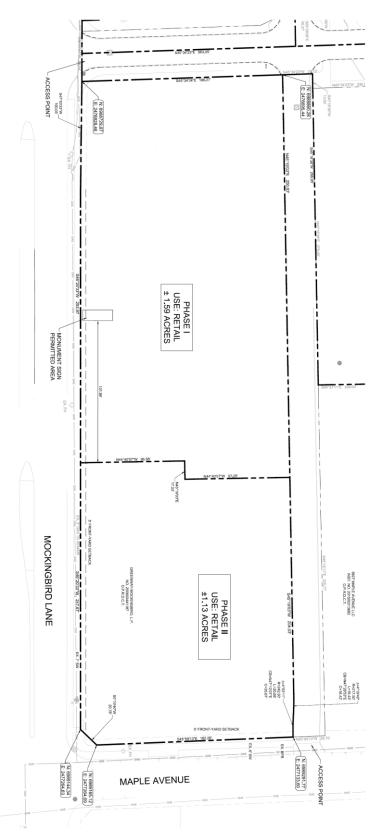
#### SEC. 51P-\_\_\_.115. COMPLIANCE WITH CONDITIONS.

- (a) All paved areas, permanent drives, streets, and drainage structures, if any, must be constructed in accordance with standard city specifications, and completed to the satisfaction of the director of public works and transportation.
- (b) The building official shall not issue a building permit to authorize work, or a certificate of occupancy to authorize the operation of a use, until there has been full compliance with this article, the Dallas Development Code, the construction codes, and all other ordinances, rules, and regulations of the city."

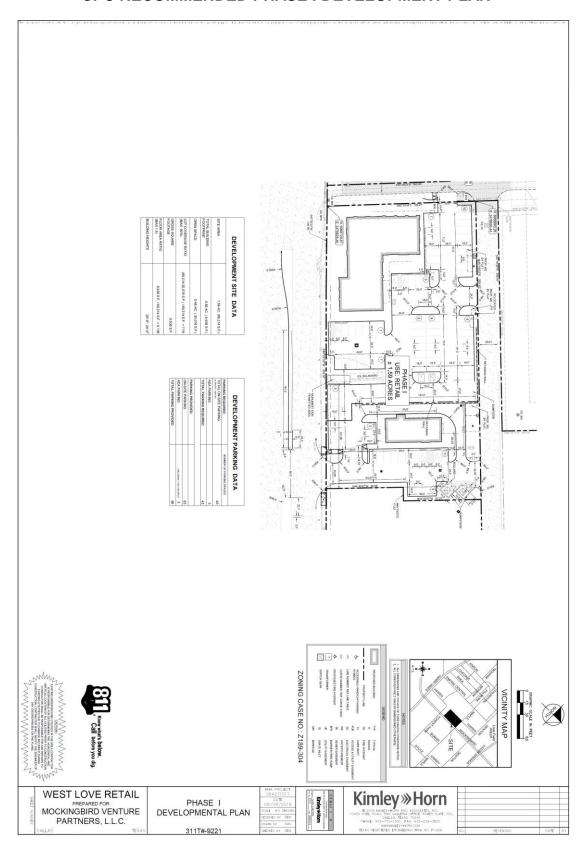
#### **CPC RECOMMENDED CONCEPTUAL PLAN**



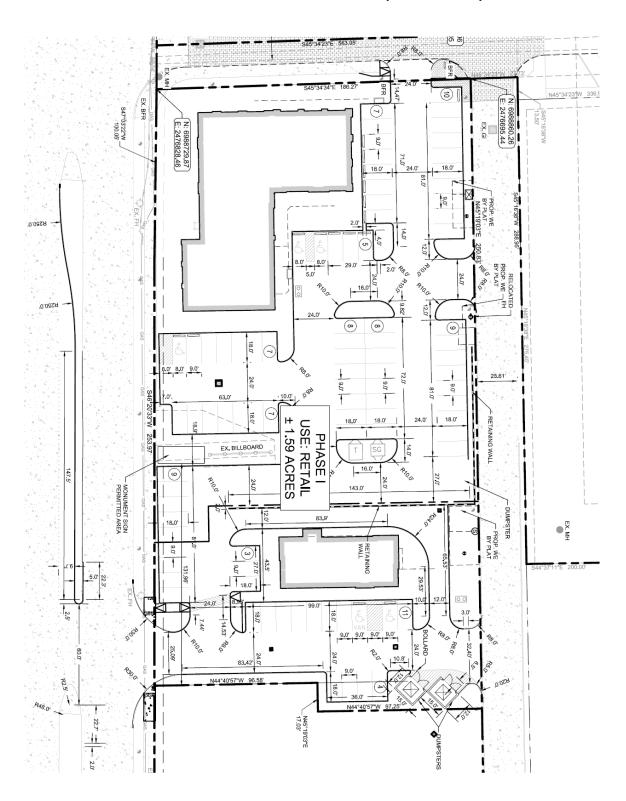
# **CONCEPTUAL PLAN (ENLARGED)**

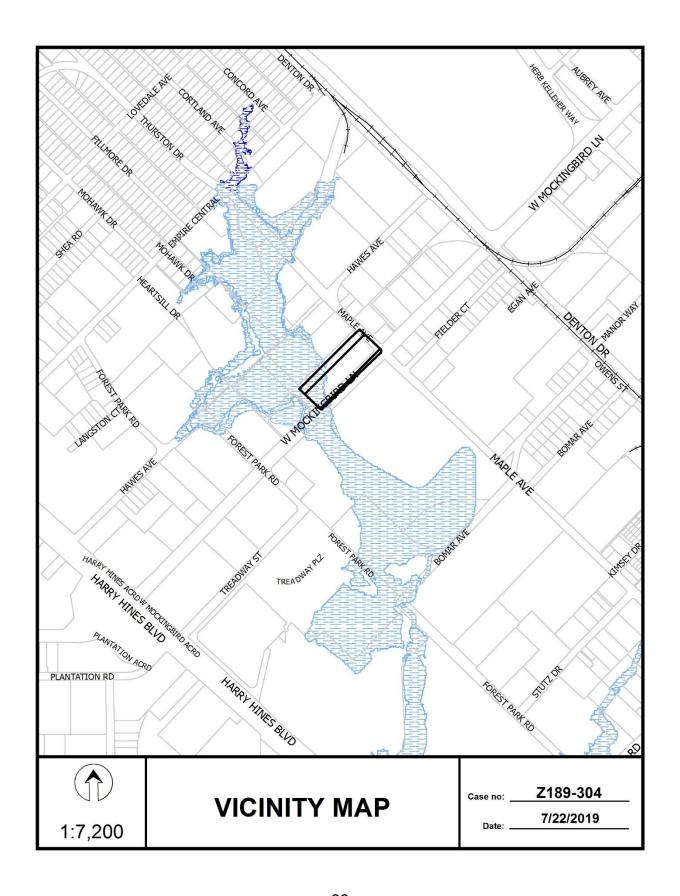


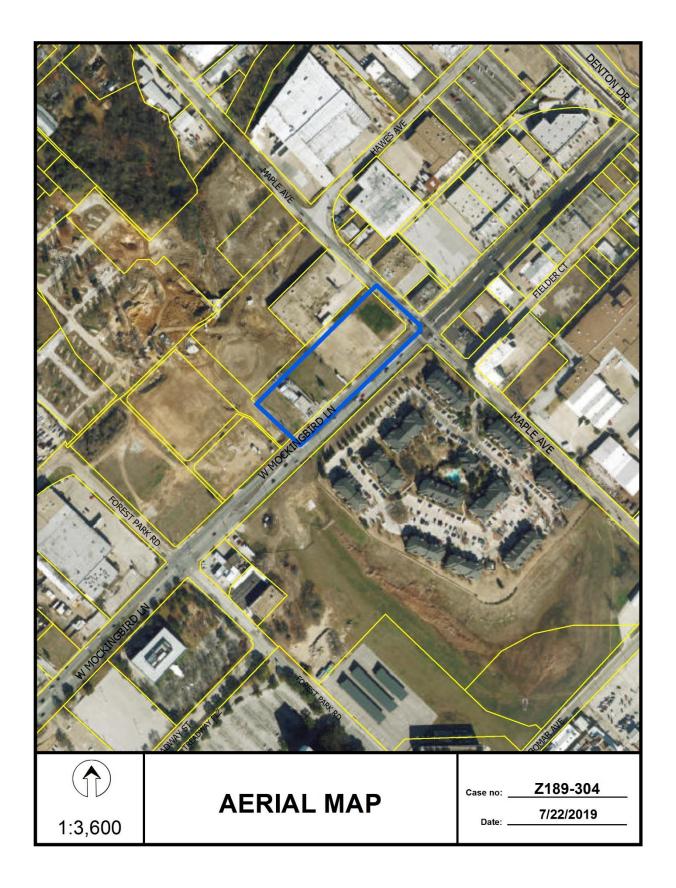
# **CPC RECOMMENDED PHASE I DEVELOPMENT PLAN**

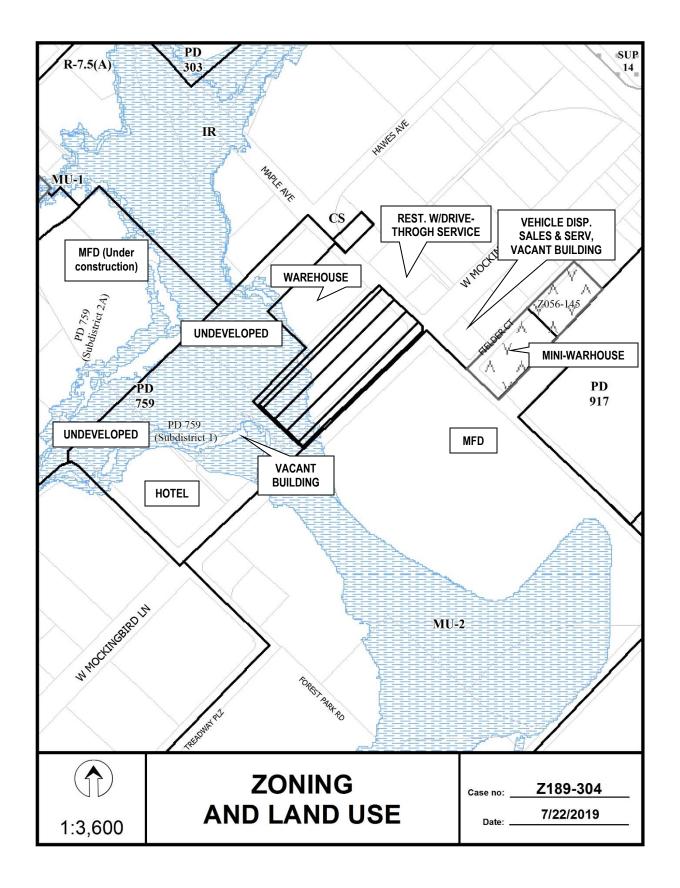


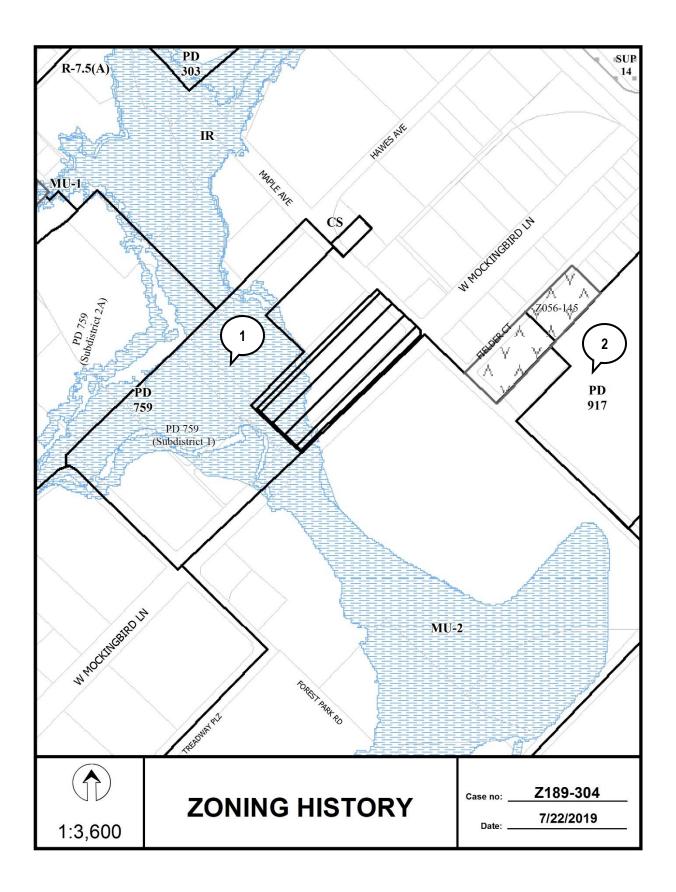
# PHASE I DEVELOPMENT PLAN (ENLARGED)

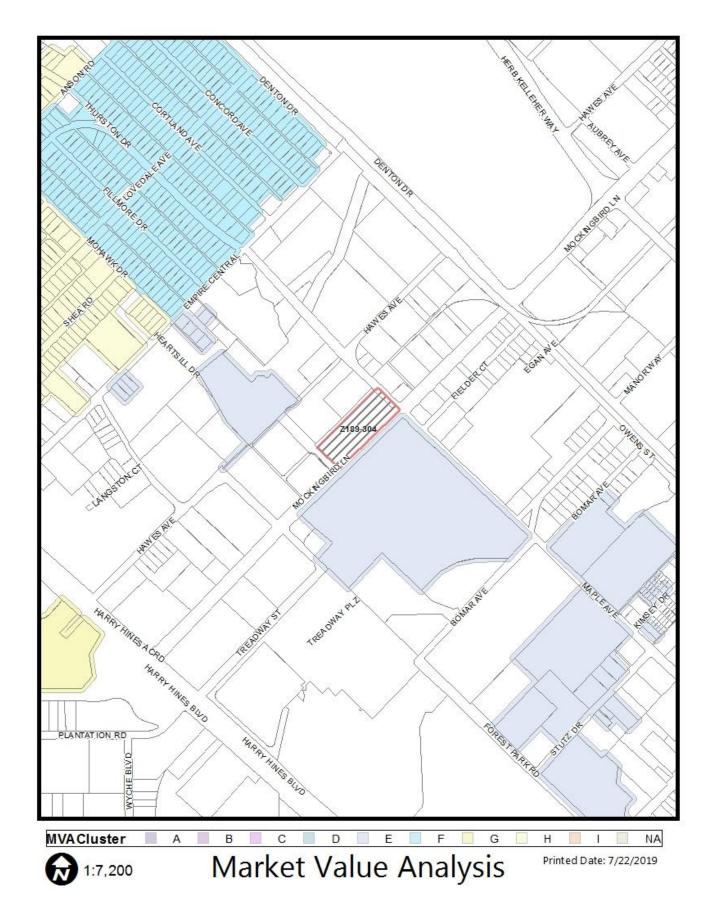


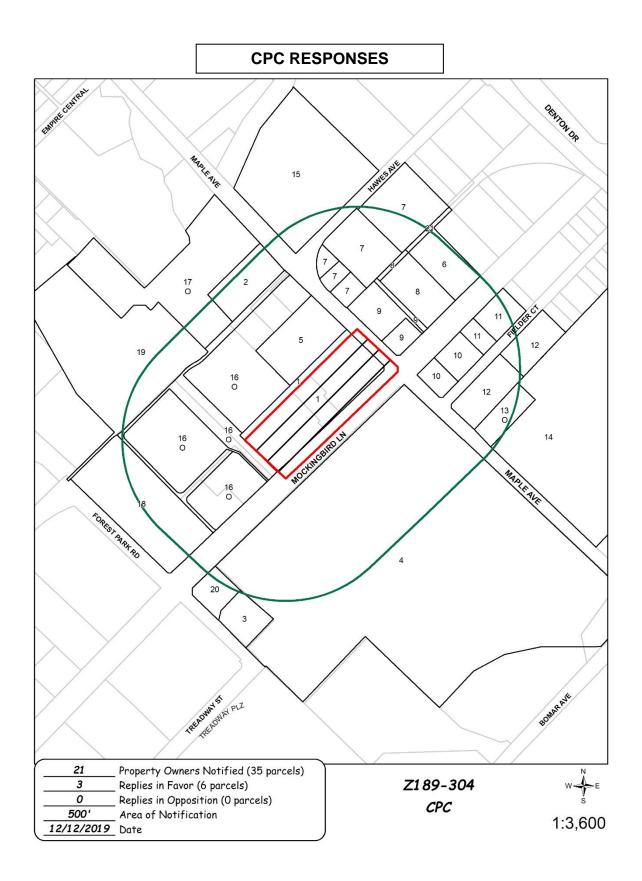












12/11/2019

# Reply List of Property Owners 2189-304

21 Property Owners Notified 3 Property Owners in Favor 0 Property Owners Opposed

Reply	Label #	Address		Owner	
	1	6619	MAPLE AVE	GREENWAY-MOCKINGBIRD LP	
	2	6707	MAPLE AVE	TEXAS UTILITIES ELEC CO	
	3	6516	FOREST PARK RD	TAYLOR THOMAS W	
	4	6535	MAPLE AVE	BOARD OF REG OF UNIV OF TX SYSTEM	
	5	6627	MAPLE AVE	6627 MAPLE AVENUE LLC	
	6	2601	W MOCKINGBIRD LN	SPC MOCKINGBIRD DEPOT	
	7	6638	MAPLE AVE	SOUTHWEST AIRLINES CO	
	8	2525	W MOCKINGBIRD LN	LG MAPLE MOCKINGBIRD LLC	
	9	2525	W MOCKINGBIRD LN	MOORE MARGARET T REV TRUST	
	10	2500	W MOCKINGBIRD LN	MELNIC LTD	
	11	2526	W MOCKINGBIRD LN	TREVINO PPTIES LTD	
	12	6434	MAPLE AVE	6434 MAPLE PLACE LP	
O	13	6418	MAPLE AVE	FURSTENBERG INV LLC	
	14	6333	DENTON DR	DLF DENTON LLC	
	15	6700	MAPLE AVE	AN LUXURY IMPORTS LTD	
O	16	2375	W MOCKINGBIRD LN	MOCKINGBIRD VENTURE PARTNERS LL	
O	17	6751	MAPLE AVE	MOCKINGBIRD VENTURE PARTNERS	
	18	2333	W MOCKINGBIRD LN	M&M HOTEL VENTURE LLC	
	19	2293	HAWES AVE	JEFFERSON WEST LOVE OWNER LLC	
	20	2304	W MOCKINGBIRD LN	BRIGHT SEA INVESTMENTS LLC	
	21	2608	W MOCKINGBIRD LN	REARDEN INVESTMENT PARTNERS IV	



1500 Marilla Street Dallas, Texas 75201

# Agenda Information Sheet

File #: 20-37 Item #: Z3.

**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): 14

**DEPARTMENT:** Department of Sustainable Development and Construction

**EXECUTIVE:** Majed Al-Ghafry

\_\_\_\_\_\_\_

## **SUBJECT**

A public hearing to receive comments regarding an application for and an ordinance granting an amendment to Planned Development Subdistrict No. 134 for O-2-D Office Subdistrict; retirement housing; and convalescent and nursing homes, hospice care, and related institutions uses within Planned Development District No. 193, the Oak Lawn Special Purpose District with a D Liquor Control Overlay, on the north line of Herschel Avenue, east of Throckmorton Street

Recommendation of Staff: Approval, subject to a revised development plan and staff's recommended conditions

Recommendation of CPC: Approval, subject to a revised development plan and conditions

Z189-312(SM)

**WEDNESDAY, JANUARY 22, 2020** 

**ACM: Majed Al-Ghafry** 

FILE NUMBER: Z189-312(SM) DATE FILED: July 17, 2019

**LOCATION:** North line of Herschel Avenue, east of Throckmorton Street

COUNCIL DISTRICT: 14 MAPSCO: 35 T

SIZE OF REQUEST: Approx. 0.6582 acres CENSUS TRACT: 6.03

**REPRESENTATIVE:** Robert Reeves, Robert Reeves & Associates

APPLICANT/OWNER: SBM Forward, LLC

**REQUEST:** An application for an amendment to Planned Development

Subdistrict No. 134 for O-2-D Office Subdistrict; retirement housing; and convalescent and nursing homes, hospice care, and related institutions uses within Planned Development District No. 193, the Oak Lawn Special

Purpose District with a D Liquor Control Overlay.

**SUMMARY:** The purpose of the request is to retract the previously

approved barber and beauty shop and massage establishment allowances to construct a 13-story retirement housing and assisted living development with a central

dining room and a maximum floor area ratio of 5.5:1.

**CPC RECOMMENDATION:** Approval, subject to a revised development plan and

conditions.

STAFF RECOMMENDATION: Approval, subject to a revised development plan and

staff's recommended conditions.

## **BACKGROUND INFORMATION:**

 The site consists of the following four residential structures according to Dallas Central Appraisal District Records:

<u>Address</u>	Floor Area (SF)	No. Stories	Year Built	
4205 Herschel Ave	2,681	2	1930	
4209 Herschel Ave	1,976	1	1930	
4215 Herschel Ave	5,328	2	1960	
4217 Herschel Ave	1,506	1	1930	

- The surface parking lot in the rear of the aforementioned structures appeared in aerial photography between the years 1979 and 1989.
- On September 27, 2017, the City Council approved Planned Development Subdistrict No. 134 for O-2-D Office Subdistrict, barber and beauty shop, and massage establishment uses with a D Liquor Control Overlay and terminated existing deed restrictions. The terminated deed restrictions required that when development voluntarily demolished 50 percent or more of the westernmost structure, construction was limited to 36 feet in height and was limited to residential uses.
- On June 20, 2019, the City Plan Commission approved a waiver to the two-year waiting period to allow this application to be submitted.

**Zoning History**: There has not been any zoning changes in the surrounding area in the last five years.

## Traffic:

The Engineering Division of the Sustainable Development and Construction Department has reviewed the request, including maintaining access to the alley for the existing buildings and the requested parking reduction, and determined that the proposed development will not have a negative impact on the surrounding street system.

Thoroughfare/Street	Function	ROW	
Herschel Avenue	Local	60 feet	

# **Comprehensive Plan**:

The <u>forwardDallas! Comprehensive Plan</u> was adopted by the City Council in June 2006. The <u>forwardDallas! Comprehensive Plan</u> outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request. The applicant's request complies with the following land use goals and policies of the Comprehensive Plan:

## **ECONOMIC ELEMENT**

## GOAL 2.1 PROMOTE BALANCED GROWTH

Policy 2.1.1 Ensure that zoning is flexible enough to respond to changing economic conditions.

Planning for balanced growth in a dynamic economic environment calls for flexible zoning regulations to enable the City to respond to changing markets and to better facilitate development that aligns with economic priorities.

## **URBAN DESIGN ELEMENT**

## GOAL 5.1 PROMOTE A SENSE OF PLACE, SAFETY AND WALKABILITY

Policy 5.1.3 Encourage complementary building height, scale, design and character.

<u>Area Plans</u>: The Oak Lawn Special Purpose District and the Oak Lawn Plan include the following objectives:

- (1) To achieve buildings more urban in form.
- (2) To promote and protect an attractive street level pedestrian environment with continuous street frontage activities in retail areas.
- (3) To encourage the placement of off-street parking underground or within buildings similar in appearance to non-parking buildings.
- (4) To promote development appropriate to the character of nearby neighborhood uses by imposing standards sensitive to scale and adjacency issues.

## Z189-312(SM)

- (5) To use existing zoned development densities as a base from which to plan, while providing bonuses to encourage residential development in commercial areas.
- (6) To discourage variances or zoning changes which would erode the quantity or quality of single-family neighborhoods or would fail to adhere to the standards for multiple-family neighborhoods and commercial areas.
  - (7) To promote landscape/streetscape quality and appearance.

The applicant's request to amend PDS No. 134 meets the above listed objectives. The proposed development complies with the first objective because it will remove the nonconforming parking and allowances for massage establishments and barber and beauty shops to construct a mid-rise tower. The second objective is not applicable since the underlying subdistrict is an office district and not a retail district. The proposed development plan shows the parking to be underground with a minimal amount of surface parking for convenience and therefore the request complies with the third objective. The podium-style setback conditions promote appropriate development with the nearby neighborhoods and therefore complies with the fourth objective. The request outlines a tiered floor area bonus that encourages residential development in an office subdistrict and therefore complies with the fifth objective. Finally, the request complies with the last two objectives because, simply stated, the existing zoning restrictions are remaining but with only a few exceptions as described in staff's analysis below.

## **STAFF ANALYSIS:**

# **Surrounding Land Uses:**

	Zoning within PDD No. 193	Land Use		
Site	PDS No. 134	Vacant barber and beauty shop, massage establishment and residential		
North	MF-1	Single Family, duplex, multiple family		
<b>East</b> O-2-D, PDD No. 205		Multiple family, Mixed Use		
South	O-2-D, DR No. Z034-289	Multiple family		
West	PDS No. 59	Duplex		

# **Land Use Compatibility:**

Adjacent surrounding land uses include mixed residential to the north, multiple family to the east and south, and duplexes to the west. The request site contains four structures that were originally built to house residential uses; however, the structures have been converted into barber and beauty shop and massage establishment uses over the past 28 or more years and are now vacant. Staff supports the applicant's request to eliminate the provisions in the existing Planned Development Subdistrict because the applicant intends to demolish the existing structures and convert the site to a retirement housing and assisted living (termed *convalescent*, *nursing home*, *hospice care*, *and related institutions* in PDD No. 193) development.

The applicant proposes to construct a building for assisted living in the lower stories and retirement housing in the upper stories with a common dining area for both uses in one of the lowest levels of the building. The O-2 Office Subdistrict of PDD No. 193 allows retirement housing uses without central dining facilities by right and retirement housing uses with common dining facilities and assisted living uses by Specific Use Permit. Staff supports the applicant's requested uses that would have required a Specific Use Permit because an assisted living facility and a retirement housing use with a central dining area are not foreseen to be detrimental to surrounding properties and because the site must comply with a development plan, which will address how the site is developed in relation to surrounding properties.

# **Development Standards:**

DISTRICT	Front	SETBACKS Side/Rear	FAR	Height	Lot Coverage
Existing PDS No.134 (O-2 Subdistrict base)	10' for single family and duplex 20' for other uses	0' for single family; 5/10' for duplex; 10' with additional setbacks above 36' for other uses, max 50 feet for residential uses, max 85 feet for other	4:1; 4.5:1 when 1:1 FAR is residential	240'	75%
CPC Recommended Amendment to PDS No.134	10' for single family and duplex 20' for other uses	0' for single family; 5/10' for duplex; 10' with additional setbacks above 36' for other uses, max 50 feet for <b>assisted</b> <b>living and</b> residential uses, max 85 feet for other	4:1; 4.5:1 when 1:1 FAR is residential 5.0:1 when 2:1 FAR is residential 5.5:1 when 3:1 FAR is residential 140 units/suites max	240'	75%

The applicant requests three modifications to the development standards which include 1) a 20-foot front yard setback, 2) classifying assisted living as a residential use to simplify the side and rear yard setbacks for the west and north property lines, and 3) a

Z189-312(SM)

tiered floor area ratio increase which depends on the amount of residential and assisted living uses.

## **Minimum Front Yard:**

Except for single family structures, the O-2 Subdistrict of PDD No. 193 requires a 20-foot front yard setback for portions of a building below 36 feet in height and an additional setback is currently required for portions of a building which exceed 36 feet, up to a maximum overall front yard setback of 50 feet when perpendicularly across from a TH Townhouse Subdistrict, which only extends 25 feet on the west portion of the site.

CPC supports the applicant's request for a flat 20-foot front yard setback for all portions of the building. However, staff does not support this portion of the request because it is not considered to be a suitable transition because it abuts PDS No. 59 to the west, which limits buildings to a maximum height of 36 feet. However, staff can support an additional 10-foot front yard setback, or a total of 30 feet from the front lot line, for portions of a structure above 36 feet because it would encourage a podium-tower design that is consistent with development within the Oak Lawn Special Purpose District when high-rise towers abut low-lying residential areas. Additionally, the development plan for PDD No. 205 to the east, which does not have residential subdistrict adjacency, has additional setbacks on Hershel Street which range from approximately 25 to 27 feet for the upper portions of the building which staff sees as comparable with the staff recommended 30-foot front yard setback for portions of the subject site which exceed 36 feet in height and therefore a suitable transition from PDS No. 59 to the west.

## Minimum Side and Rear Yard:

The O-2 Office Subdistrict in PDD No. 193 has the following provision for side and rear yard setbacks which abut TH and MF-1 Subdistricts (emphasis added)

An additional setback must be provided for that side (rear) yard that is equal to the height of the portion of the building that exceeds 36 feet in height, up to a maximum total setback of 85 feet; except the maximum total setback is only 50 feet if the floor area in the "encroachment bonus" does not exceed the total floor area on the building site devoted to residential uses. For purposes of this paragraph, "encroachment bonus" means the portion of the building over 36 feet in height that would violate the additional setback requirements of this paragraph but for this exception. The additional and maximum total setbacks are measured from the nearest lot line of the nearest building site in the TH, MF-1, or MF-2 subdistrict and are only required for the portion of the building that: (A) is

perpendicularly across from the TH, MF-1, or MF-2 subdistrict; and (B) exceeds 36 feet in height.<sup>1</sup>.

Since assisted living (or convalescent, nursing home, hospice care, and related institutions) is categorized as a medical use in PDD No. 193, an O-2 Subdistrict would require up to a maximum side and rear yard setback of 85 feet for this use. However, staff supports the applicant's request to consider it as a residential use, for purposes of establishing additional side and rear yard setbacks because the occupants of the assisted living facility would reside at the building, which is similar to a residential use. Additionally, since a 15-foot-wide alley separates the subject site from the MF-1 building sites to the north, the O-2 Subdistrict would have allowed a residential tower to have a 35-foot additional rear yard setback.

## Floor Area Ratio (FAR):

The maximum floor area ratio (FAR) for the O-2 Office Subdistrict is 4:1 with a provision to allow an additional 0.5:1 FAR when the FAR for residential uses is a minimum of 1:1. For purposes of calculating residential FAR, the applicant proposes to consider assisted living (or convalescent, nursing home, hospice care, and related institutions) as residential uses and to allow incremental FAR bonuses based upon the proportion of the building that is assisted living and residential uses. Staff supports the applicant's request to incremental increases in maximum FAR for three reasons. First, although only the Central Area and I-2 Industrial Subdistricts of PDD No. 193 have maximum FAR limitations that exceed those of the O-2 Office Subdistricts, the applicant's proposed incremental FAR bonuses are proposed at the same rate as the O-2 Office Subdistrict as shown on the development standards table on a previous page. Additionally, the proposed project will construct up to 140 dwelling units where none have existed before which helps alleviate the City's housing shortage. Finally, the applicant's proposed development plan prohibits aboveground parking structures. Because parking is excluded from the development's overall floor area, aboveground parking structures increase building bulk beyond that of a building where parking is concealed underground.

## Landscaping:

Except for one provision to accommodate a deed restriction which was terminated in conjunction with the creation of PDS No. 134, landscaping must be provided in accordance with Part I of PDD No. 193, the Oak Lawn Special Purpose District. The applicant has decided to not withdraw the original request to allow new construction that exceeds 34 feet in height, which is now 24 feet in height, within 50 feet of the western

<sup>&</sup>lt;sup>1</sup> Reference Sections 51P-193.119(c)(1) and 51P-193.120(c)(1)

Z189-312(SM)

Property line, to trigger a minimum 25-foot landscape buffer. Therefore, the applicant will provide the currently required 25-foot landscape buffer area. Staff supports the applicant's request to comply with the existing landscaping provision because it creates a landscape buffer to the adjacent property.

## Parking:

The applicant requests to repeal the parking reductions that were previously approved for the exiting barber and beauty shops and the massage establishments because the applicant proposes to demolish those structures which are now vacant. The applicant also requests to update the parking requirements for retirement housing to Chapter 51A's requirement. PDD No. 193 requires a minimum of 0.7 spaces per dwelling unit or suite, plus one space per 300 square feet of floor area not in a dwelling unit or a suite. Chapter 51A requires a minimum of one space for each suite or dwelling unit. The applicant requests this reduction because, when the hallways, service areas, and communal spaces of the anticipated building are parked at one space per 300 square feet, the requirement is excessive. On September 26, 2012, the retirement housing parking requirements in Chapter 51A were updated by City Council from the PDD No. 193 standard to the ratio of the applicant's request.

The Engineering Division of the Sustainable Development and Construction Department has reviewed the request for the parking requirement update and determined that the request will not have a negative impact on the surrounding properties and it is consistent with how parking is required in the areas of the City that are governed by Chapter 51A.

## **Market Value Analysis:**

<u>Dallas Market Value Analysis (MVA)</u>, is a tool to aid residents and policy-makers in understanding the elements of their local residential real estate markets. It is an objective, data-driven tool built on local administrative data and validated with local experts. The analysis was prepared for the City of Dallas by The Reinvestment Fund. Public officials and private actors can use the MVA to more precisely target intervention strategies in weak markets and support sustainable growth in stronger markets. The MVA identifies nine market types (A through I) on a spectrum of residential market strength or weakness. As illustrated in the attached MVA map, the colors range from purple representing the strongest markets (A through C) to orange, representing the weakest markets (G through I). Although the area of request is not within an identifiable MVA cluster, it is surrounded with a "C" MVA cluster to the north, south, and west.

# LIST OF OFFICERS

# SBM Forward, LLC

Dale Foster

Graham Acquisitions, Inc.

Dean Castelhano, Manager

# CPC Action September 19, 2019

**Motion:** In considering an application for an amendment to Planned Development Subdistrict No. 134 for O-2 Office Subdistrict with a D Liquor Control Overlay; retirement housing; and convalescent and nursing homes, hospice care, and related institutions uses within Planned Development District No. 193, the Oak Lawn Special Purpose District on the north line of Herschel Avenue, east of Throckmorton Street, it was moved to **hold** this case under advisement until October 17, 2019.

Maker: Ridley Second: Schultz

Result: Carried: 12 to 0

For: 12 - MacGregor, Schulte, Criss, Johnson, Shidid,

Carpenter, Brinson, Jung, Housewright,

Schultz, Murphy, Ridley

Against: 0

Absent: 1 - Tarpley

Vacancy: 2 - District 8, District 12

**Notices:** Area: 500 Mailed: 202 **Replies:** For: 2 Against: 19

**Speakers**: For: Robert Reeves, 900 Jackson St., Dallas, TX, 75202

Against: Stephen Collins, 4300 Throckmorton St., Dallas, TX, 75219

# CPC Action October 17, 2019

**Motion:** In considering an application for an amendment to Planned Development Subdistrict No. 134 for O-2 Office Subdistrict with a D Liquor Control Overlay; retirement housing; and convalescent and nursing homes, hospice care, and related institutions uses within Planned Development District No. 193, the Oak Lawn Special Purpose District on the north line of Herschel Avenue, east of Throckmorton Street, it was moved to **hold** this case under advisement until November 21, 2019.

Maker: Ridley Second: Murphy

Result: Carried: 13 to 0

For: 13 - MacGregor, Hampton, Johnson, Shidid,

Carpenter, Brinson, Blair, Jung, Housewright,

Schultz, Schwope, Murphy, Ridley

Against: 0 Absent: 0

Vacancy: 2 - District 3, Place 15

Notices: Area: 500 Mailed: 202 Replies: For: 3 Against: 26

**Speakers**: For: Robert Reeves, 900 Jackson St., Dallas, TX, 75202

Against: None

# CPC Action November 21, 2019

**Motion:** In considering an application for an amendment to Planned Development Subdistrict No. 134 for O-2 Office Subdistrict with a D Liquor Control Overlay; retirement housing; and convalescent and nursing homes, hospice care, and related institutions uses within Planned Development District No. 193, the Oak Lawn Special Purpose District on the north line of Herschel Avenue, east of Throckmorton Street, it was moved to **hold** this case under advisement until December 12, 2019.

Maker: Garcia
Second: MacGregor
Result: Carried: 12 to 0

For: 12 - MacGregor, Johnson, Shidid, Carpenter,

Brinson, Blair, Jung, Schultz, Schwope,

Murphy, Garcia, Rubin

Against: 0

Absent: 2 - Hampton, Housewright

Vacancy: 1 - District 3

Notices: Area: 500 Mailed: 199 Replies: For: 3 Against: 26

**Speakers**: For: Robert Reeves, 900 Jackson St., Dallas, TX, 75202

Against: None

# CPC Action December 12, 2019

**De minimus Significant Change Motion:** In considering the requirement in Section 5(m)(1)(B) of the CPC Rules of Procedure, the finding is it <u>does not</u> apply because the impact of the applicant's proposed change in the Commission's judgment is *de minimus* in nature.

Maker: Garcia Second: Johnson

Result: Carried: 12 to 0

For: 12 - MacGregor, Hampton, Johnson, Shidid,

Carpenter, Blair, Jung, Schultz, Schwope,

Murphy, Garcia, Rubin

Against: 0

Absent: 2 - Brinson, Housewright

Vacancy: 1 - District 3

Motion: It was moved to recommend approval of an amendment to Planned Development Subdistrict No. 134 for O-2-D Office Subdistrict; retirement housing; and convalescent and nursing homes, hospice care, and related institutions uses, subject to a revised development plan and staff's recommended conditions with the following changes: 1) Section S134.109, follow the applicant's request for a minimum 20-foot front yard; 2) add a new subsection "(c)" in Section S134.110 to read as follows: "For convalescent, nursing home, hospice care, and related institutions, 0.45 parking spaces for each suite or dwelling unit is required."; 3) add a new subsection "(c)(3)" to Section S134.109 to read: "When floor area ratio exceeds 4.5, compliance with S-134.113.1 is required."; and 4) add a new section "S-134.113.1" to read: "UPPER STORY ARCHITECTURAL TREATMENTS." (a) Applicability. This section only applies when floor area ration exceeds 4.5. (b) Upper story architecture treatments. For the top two stories and on all facades of a building, two of the following architectural treatments is required. (1) Contrasting façade colors from the middle portion of the building which include the fourth and higher stories of a building and exclude the top three stories. (2) Belt course, cornices, finials, gargoyles, statuettes, cove detailing and other architectural features which project more than nine inches on the top two stories. (3) Vertical striping which creates a contrasting vertical stripe that contrasts in color, or is articulated a minimum of 12 inches in depth. (4) Accent lighting at the top edge of all facades." within Planned Development District No. 193, the Oak Lawn Special Purpose District with a D Liquor Control Overlay, on the north line of Herschel Avenue, east of Throckmorton Street.

> Maker: Garcia Second: MacGregor

# Z189-312(SM)

Result: Carried: 12 to 0

For: 12 - MacGregor, Hampton, Johnson, Shidid,

Carpenter, Blair, Jung, Schultz, Schwope,

Murphy, Garcia, Rubin

Against: 0

Absent: 2 - Brinson, Housewright

Vacancy: 1 - District 3

Notices: Area: 500 Mailed: 199 Replies: For: 8 Against: 26

Speakers: For: Robert Reeves, 900 Jackson St., Dallas, TX, 75202

Ryan Carron, 130 E. Randolph St., Chicago, IL, 60601 Dale Foster, 5640 Bryn Mawr Dr., Dallas, TX, 75209 Brenda Kronenberg, 3321 Cole Ave., Dallas, TX, 75204

Against: None

#### **CPC** Recommended Amendments to

## Division S-134. PD Subdistrict 134.

#### SEC. S-134.101. LEGISLATIVE HISTORY.

PD Subdistrict 134 was established by Ordinance No. 30658, passed by the Dallas City Council on September 27, 2017.

#### SEC. S-134.102. PROPERTY LOCATION AND SIZE.

PD Subdistrict 134 is established on property located on the north line of Hershel Avenue, east of Throckmorton Street and west of Oak Lawn Avenue. The size of PD Subdistrict 134 is 0.6582 acres.

## SEC. S-134.103. DEFINITIONS AND INTERPRETATIONS.

- (a) Unless otherwise stated, the definitions and interpretations in Chapter 51 and Part I of this article apply to this division. If there is a conflict, this division controls. If there is a conflict between Chapter 51 and Part I of this article, Part I of this article controls. In this division,
- (1) [MAJOR MODIFICATION means reconstruction of an original building or an expansion of floor area of an original building by a minimum of 50 percent.
- (2) MASSAGE ESTABLISHMENT and MASSAGE mean a massage establishment or massage as defined by Texas Occupation Code Chapter 455, as amended.
- (3) NEW CONSTRUCTION means construction of a main structure that is not an original building.
- (4) ORIGINAL BUILDING means a structure existing on September 27, 2017, the date of the establishment of this district, but does not include a structure that has undergone a major modification.] ASSISTED LIVING FACILITY means a permanent residential facility which furnishes (in single or multiple facilities) food, shelter, laundry, and other assistance in activities of daily living to five or more persons who are not related by blood, marriage, or adoption to the owner or proprietor of the establishment. Assisted living facilities must be licensed as Assisted Living Facilities under Chapter 247 of the Texas Health and Safety Code. Assisted living facilities do not include other licensed health facilities under Subtitle B, "Licensing of Health Facilities," of Title 4, "Health Facilities," of the Texas Health and Safety Code, specifically nursing homes.
  - (2[5]) SUBDISTRICT means a subdistrict of PD 193.
- (b) Unless otherwise stated, all references to articles, divisions, or sections in this division are to articles, divisions, or sections in Chapter 51.

(c) This subdistrict is considered to be a nonresidential zoning district.

## **SEC. S-134.104. EXHIBIT.**

The following exhibit is incorporated into this division: Exhibit S-134A: <u>development</u> [conceptual] plan.

## SEC. S-134.105. RESERVED [CONCEPTUAL PLAN.

Development and use of the Property must comply with the conceptual plan (Exhibit S 134A). If there is a conflict between the text of this division and the conceptual plan, the text of this division controls.]

## SEC. S-134.106. DEVELOPMENT PLAN.

Development and use of the Property must comply with the development plan (Exhibit S-134A). If there is a conflict between the text of this division and the development plan, the text of this division controls. [(a) Except as provided in this section, a development plan must be approved by the city plan commission before the issuance of any building permit to authorize work in this subdistrict. If there is a conflict between the text of this division and the development plan, the text of this division controls.

(b) For development and use of the Property within an original building or for work that does not meet the standards of a major modification, no development plan is required, and the provisions of Section 51A-4.702 regarding submission of or amendments to a development plan, site analysis plan, conceptual plan, development schedule, and landscape plan do not apply.]

#### SEC. S-134.107. MAIN USES PERMITTED.

- (a) Except as provided in this section, the only main uses permitted in this subdistrict are those main uses permitted in the O-2 Office Subdistrict, subject to the same conditions applicable in the O-2 Office Subdistrict, as set out in Part I of this article. For example, a use permitted in the O-2 Office Subdistrict only by specific use permit (SUP) is permitted in this subdistrict only by SUP; a use subject to development impact review (DIR) in the O-2 Office Subdistrict is subject to DIR in this subdistrict; etc.
- (b) The following main uses are permitted by right [when located within an original building]:
- -- <u>Convalescent and nursing homes, hospice care, and related institutions</u>
  [<u>Limited to an assisted living facility.</u>] [<del>Barber and beauty shop</del>].

-- <u>Retirement housing [Including a common dining facility]</u> [Massage establishment].

#### SEC. S-134.108. ACCESSORY USES.

As a general rule, an accessory use is permitted in any subdistrict in which the main use is permitted. Some specific accessory uses, however, due to their unique nature, are subject to additional regulations in Section 51P-193.108. For more information regarding accessory uses, consult Section 51P-193.108.

## SEC. S-134.109. YARD, LOT, AND SPACE REGULATIONS.

(Note: The yard, lot, and space regulations in this section must be read together with the yard, lot, and space regulations in Part I of this article. If there is a conflict between this section and Part I of this article, this section controls.)

- (a) <u>In general.</u> Except as provided in this section, the yard, lot, and space regulations for the O-2 Office Subdistrict apply.
- (b) <u>Convalescent and nursing homes, hospice care, and related institutions and residential uses.</u>

## CPC recommended:

(1) <u>Front yard</u>. Except as provided in this paragraph, minimum front yard is <u>20 feet</u>. [For purposes of determining yard, lot, and space regulations, this subdistrict is considered one lot].

# Staff recommended:

- (1) Front yard. Except as provided in this paragraph, minimum front yard is 20 feet. For portions of a building exceeding 36 feet in height, minimum front yard setback is 30 feet. [For purposes of determining yard, lot, and space regulations, this subdistrict is considered one lot].
- (2) <u>Side and rear yard</u>. The following side and rear yard setbacks apply to the west and north property lines
- (A) Except as provided in this paragraph, minimum side and rear yard is 10 feet.
- (B) When a building exceeds 36 feet in height, the maximum setback is 50 feet for that portion of a building over 36 feet in height.
- (3) <u>Density</u>. A maximum dwelling units or suites is 140. A minimum of 30 percent of the total dwelling units must be for convalescent and nursing homes, hospice care,

## and related institutions uses.

## (c) Floor area ratio.

- (1) When the combined floor area for convalescent and nursing homes, hospice care, and related institutions and residential uses on a lot is twice the lot area and when all off-street parking and loading is provided at or below grade, maximum floor area ratio is 5.0:1.
- (2) When the combined floor area for convalescent and nursing homes, hospice care, and related institutions and residential uses on a lot is equal to or greater than three times the lot area and when all off-street parking and loading is provided at or below grade, maximum floor area ratio is 5.5:1.
- (3) When floor area ratio exceeds 4.5, compliance with S-134.113.1 is required.
- $(\underline{d}[e])$  <u>Height.</u> Maximum structure height within 50 feet of the western Property line is 36 feet.

## SEC. S-134.110. OFF-STREET PARKING AND LOADING.

- (a) Except as provided in this section, consult Part I of this article for the specific off- street parking and loading requirements for each use.
- (b) For a retirement housing use, one parking space for each suite or dwelling unit is required [barber and beauty shop and a massage establishment located in an original building:
  - (1) One parking space per 372 square feet of floor area is required.
  - (2) No loading space is required.
- (c) For convalescent and nursing homes, hospice care, and related institutions, 0.45 parking space per dwelling unit or suite is required.
  - (d) For parking purposes, this subdistrict is considered one lot.

## SEC. S-134.111. RESERVED. [NONCONFORMING STRUCTURES.

- (a) <u>In general</u>. Except as provided in this section, consult Part I of this article for the specific requirements for nonconforming structures.
- (b) <u>Nonconforming structures</u>. A person may, without board approval, cause a structure to become nonconforming as to the yard, lot, and space regulations by converting the

use of an original building to a barber and beauty shop or a massage establishment.

## SEC. S-134.112. ENVIRONMENTAL PERFORMANCE STANDARDS.

See Article VI.

## SEC. S-134.113. LANDSCAPING.

- (a) Except as provided in this section, landscaping and screening must be provided in accordance with Part I of this article.
  - (b) For landscaping purposes, this subdistrict is considered one lot.
- (c) Landscaping is not required when nonpermeable coverage of the lot is increased by 1,000 square feet or less.
- (d) Except for alley access, a screening fence or wall with a minimum height of six feet must be constructed along the north Property line prior to the issuance of a certificate of occupancy.
- (e) For new construction that exceeds 24 feet in height within 50 feet of the western Property line, a minimum 25-foot landscape buffer is required. The landscape buffer area must include a minimum 60 percent landscape site area and a general planting area that is at least one-half of the landscape site area.
  - (f) Plant materials must be maintained in a healthy, growing condition.

## SEC. S-134.113.1. UPPER STORY ARCHITECTURAL TREATMENTS.

- (a) Applicability. This section only applies when floor area ratio exceeds 4.5.
- (b) <u>Upper story architectural treatments</u>. For the top two stories and on all facades of a building, two of the following architectural treatments are required.
- (1) Contrasting facade colors from the middle portion of the building which include the fourth and higher stories of a building and exclude the top three stories.
- (2) Belt courses, cornices, finials, gargoyles, statuettes, cove detailing and other architectural features which project more than nine inches on the top two stories.
  - (3) Vertical striping which creates a contrasting vertical stripe that contrasts in

color or is articulated a minimum of 12 inches in depth.

(4) Accent lighting at the top edge of all facades.

## SEC. S-134.114. SIGNS.

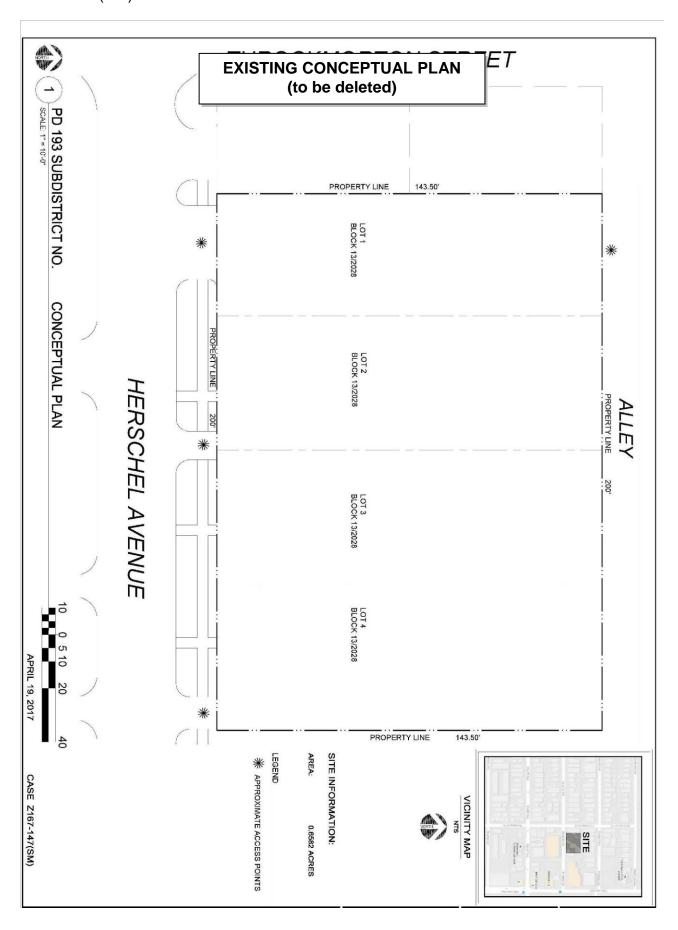
Signs must comply with the provisions for non-business zoning districts in Article VII.

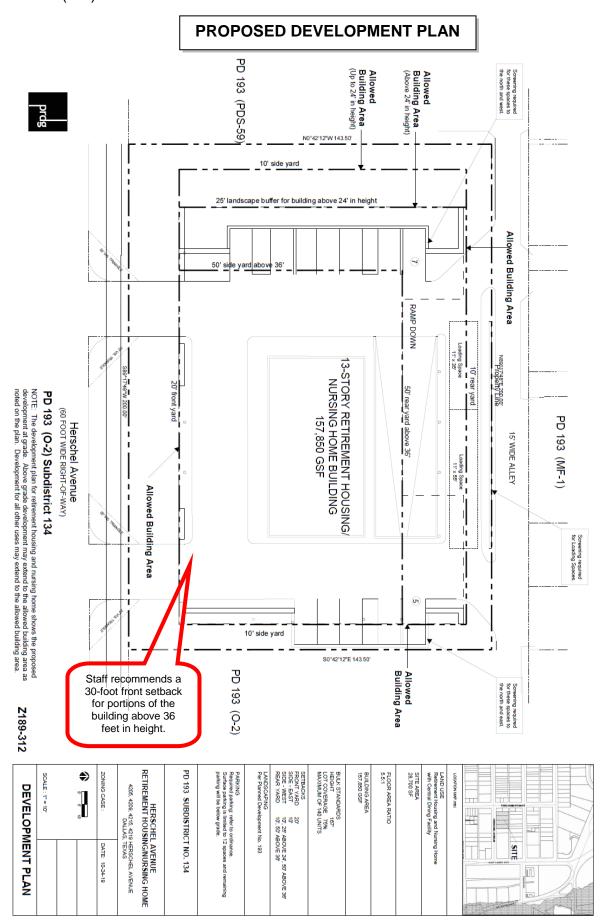
## SEC. S-134.115. ADDITIONAL PROVISIONS.

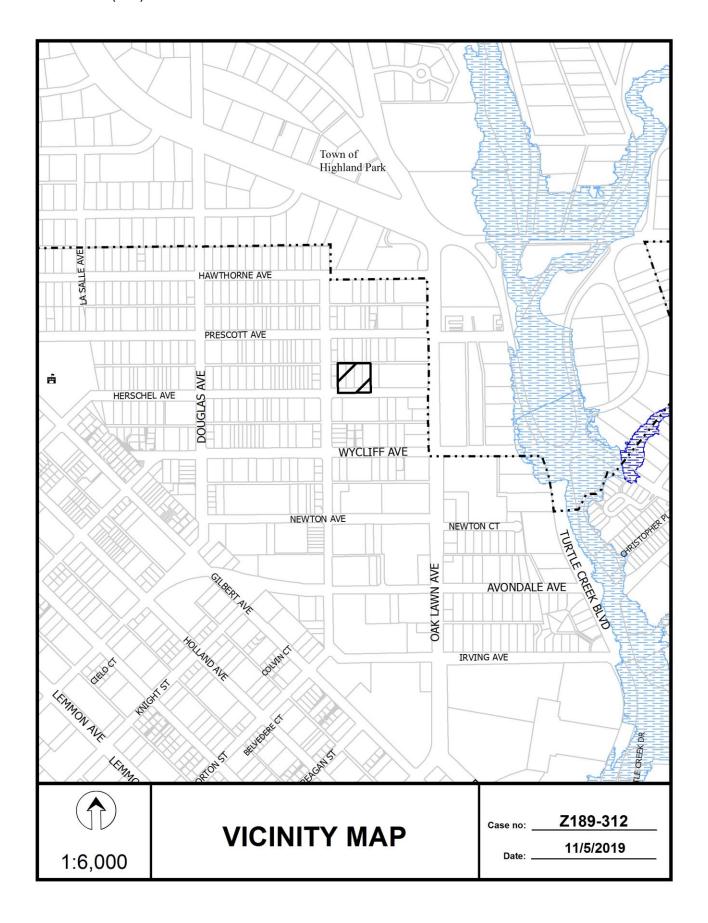
- (a) The Property must be properly maintained in a state of good repair and neat appearance.
- (b) Development and use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the city.
- (c) Development and use of the Property must comply with Part I of this article. (Ord. 30658)

## SEC. S-134.116. COMPLIANCE WITH CONDITIONS.

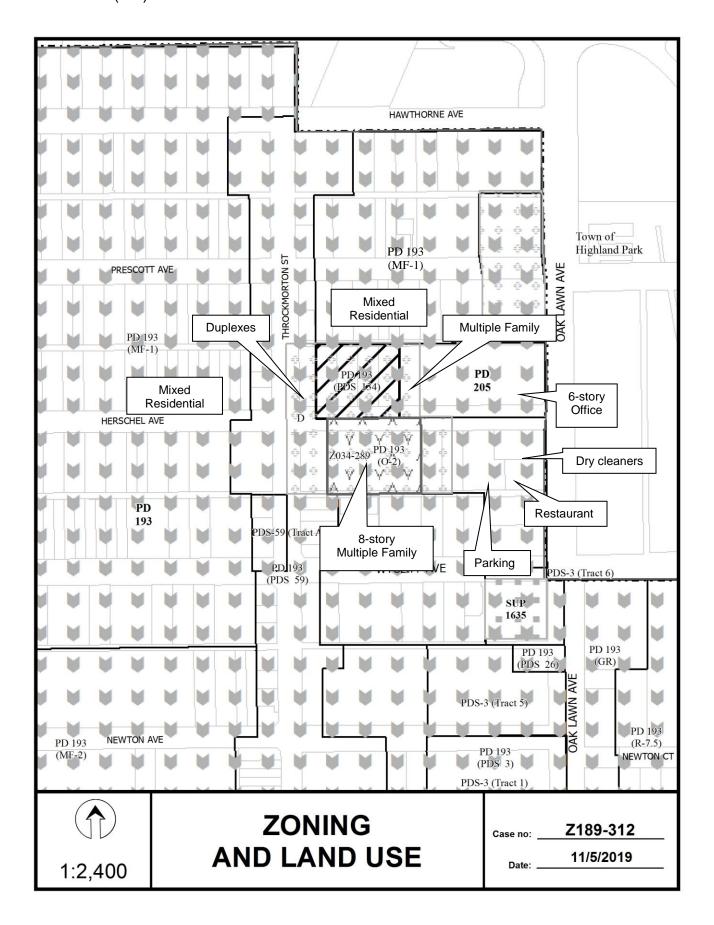
- (a) All paved areas, permanent drives, streets, and drainage structures, if any, must be constructed in accordance with standard city specifications, and completed to the satisfaction of the city.
- (b) The building official shall not issue a building permit to authorize work, or a certificate of occupancy to authorize the operation of a use, in this subdistrict until there has been full compliance with this division, the Dallas Development Code, the construction codes, and all other ordinances, rules, and regulations of the city.

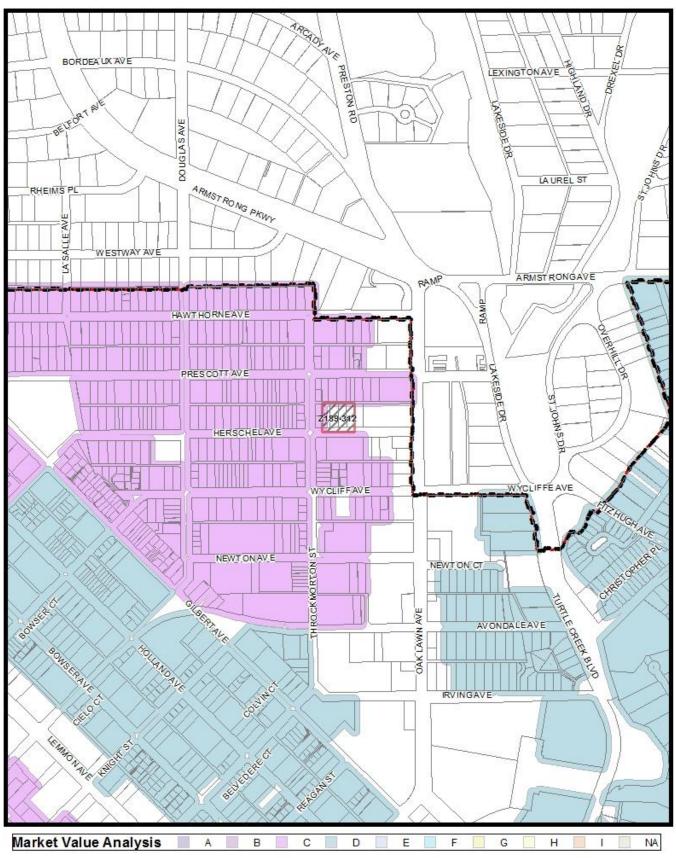








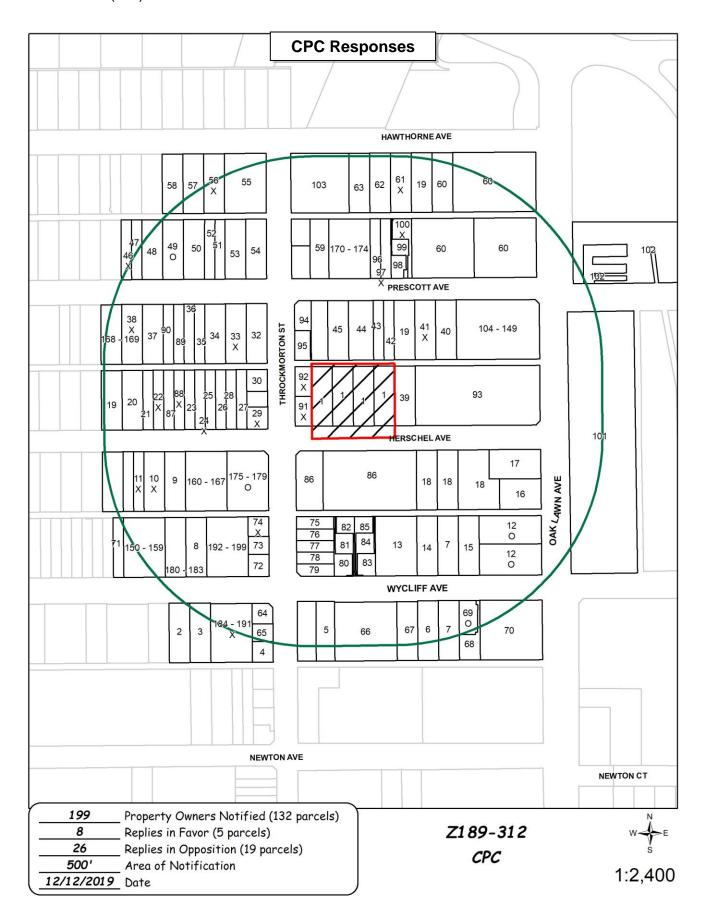




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Market Value Analysis

Printed Date: 11/5/2019



# Reply List of Property Owners Z189-312

199 Property Owners Notified 8 Property Owners in Favor 26 Property Owners Opposed

Reply	Label #	Address	Owner	
	1	4205	HERSCHEL AVE	SBM FORWARD LLC
	2	4138	WYCLIFF AVE	MONTANA ROBERT CHARLES III
	3	4142	WYCLIFF AVE	SANDERS JEAN L & JOSEPH LEV
	4	4117	THROCKMORTON ST	ISENMANN GLENN D
	5	4206	WYCLIFF AVE	KHALAF AMAR &
	6	4222	WYCLIFF AVE	DIOCESE OF THE SOUTH
	7	4226	WYCLIFF AVE	KOSTER PROPERTIES LTD
	8	4143	WYCLIFF AVE	TRAN ANH & LANANH
	9	4138	HERSCHEL AVE	SBRJWM LTD
Χ	10	4134	HERSCHEL AVE	WEIGL FAMILY LP
X	11	4130	HERSCHEL AVE	WALKER DEBORAH
O	12	4201	OAK LAWN AVE	DOWELL CAM F JR
	13	4217	WYCLIFF AVE	PHOL INVESTMENT INC
	14	4223	WYCLIFF AVE	TOPSPIN DEVELOPMENT LP
	15	4233	WYCLIFF AVE	DOWELL CAM F JR
	16	4217	OAK LAWN AVE	C & S RESTAURANTS INC
	17	4225	OAK LAWN AVE	4225 OAK LAWN LP
	18	4232	HERSCHEL AVE	STREET LEISA
	19	4125	HERSCHEL AVE	HERSCHEL HAWTHORNE LLC
	20	4129	HERSCHEL AVE	SIMONSON LEE ANN & RICHARD A
	21	4133	HERSCHEL AVE	SIMONSON RICHARD & LEE ANN
Χ	22	4135	HERSCHEL AVE	OLSEN BRENDA S
	23	4143	HERSCHEL AVE	4143 HERSCHEL SERIES
Χ	24	4145	HERSCHEL AVE	VIEHMAN JAMES K & POLLY G
	25	4147	HERSCHEL AVE	4147 HERSCHEL SERIES
	26	4149	HERSCHEL AVE	KESSING KEVIN W

Reply	Label #	Address		Owner		
	27	4153	HERSCHEL AVE	OAK LAWN PROPERTIES LLC		
	28	4151	HERSCHEL AVE	JARVIS BRENDA		
X	X 29 4155		HERSCHEL AVE	WALHOOD PRESTON STEVEN &		
	30	4159	HERSCHEL AVE	ALLEN L M CONSULTING LLC		
X	31	4157	THROCKMORTON ST	NEEDHAM RONDA M		
	32	4152	PRESCOTT AVE	PEARLE MARY JEAN		
Χ	33	4148	PRESCOTT AVE	HOLMES JOHN B		
	34	4144	PRESCOTT AVE	ROSS ANNADELE H		
	35	4142	PRESCOTT AVE	RASANSKY JEFFREY H		
	36	4140	PRESCOTT AVE	PACYNA LEO J JR &		
	37	4134	PRESCOTT AVE	SYMNS GLADYS JENELLE		
Χ	38	4130	PRESCOTT AVE	HADDOCK JOHN PHILIP JR & CHRISTINE ELIZABETH		
	39	4221	HERSCHEL AVE	HEED CYNTHIA LOUISE		
	40	4226	PRESCOTT AVE	TOMLIN F GERALD SR &		
Χ	41	41 4224 PRESCOTT		PRESPLEXES LLC		
42		4216	PRESCOTT AVE	ARAGHIZADEH FARSHID Y		
	43 4214		PRESCOTT AVE	PARKS JAMES KRISTIAN &		
	44	4210	PRESCOTT AVE	DU REVT PRESCOTT INVESTMENT LLC &		
	45	4206	PRESCOTT AVE	REILLY JOHN G		
X	46	4129	PRESCOTT AVE	NELSONBROWN SUSAN E		
	47 4131 PRESCOTT AVE		PRESCOTT AVE	RONAN TIM EDWARD		
	48	4135	PRESCOTT AVE	TOLAND JANICE J		
O	49	4137	PRESCOTT AVE	GRAY EDWARD W &		
	50	4143	PRESCOTT AVE	FILMORE DIANA FELDER TR &		
	51	4147	PRESCOTT AVE	HICKOK KRAMER AUSTIN		
	52	4145	PRESCOTT AVE	SIMPSON STEPHEN G		
	53	4149	PRESCOTT AVE	FLETCHER BLDG PARTNERS LP		
	54	4153	PRESCOTT AVE	KRAUSS ANDRES M &		
	55	4150	HAWTHORNE AVE	FSG LLC		
Χ	56	4144	HAWTHORNE AVE	HOWARD RAYMOND G		
	57	4140	HAWTHORNE AVE	ABTAHI MICHAEL LIVING TRUST		

Reply	Label #	Address		Owner		
	58	4138	HAWTHORNE AVE	WARD JUDY &		
	59	4205	PRESCOTT AVE	GRAHAM JEFFREY		
	60 4229		PRESCOTT AVE	THIRD CHURCH OF CHRIST SCIENTIST		
Χ	61	4220	HAWTHORNE AVE	HERSHEL HAWTHORNE LLC		
	62	4214	HAWTHORNE AVE	REEVES MARY LEE		
	63	4212	HAWTHORNE AVE	STONECOURT INC		
	64	4121	THROCKMORTON ST	BOORSTEIN JASON J &		
	65	4119	THROCKMORTON ST	YU LINGYA		
	66	4208	WYCLIFF AVE	ST SERAPHIM EASTERN		
	67	4218	WYCLIFF AVE	ST SERAPHIM ORTHODOX CATHEDRAL		
	68	4232	WYCLIFF AVE	MCFARLAND MICHAEL B		
O	69	4230	WYCLIFF AVE	GRAY MICHAEL		
	70	4236	WYCLIFF AVE	4309 OAK PARTNERS LP		
	71	4129	WYCLIFF AVE	SCHROEDER LYNLY		
	72	4211	THROCKMORTON ST	MAFOLASIRE OLAWALE &		
	73	4219	THROCKMORTON ST	BOOTH ROBERT EARLY FAMILY TRUST		
Χ	74	4225	THROCKMORTON ST	WILSMANN JO		
	75	4230	THROCKMORTON ST	LAMSON GROUP LLC THE		
	76	4224	THROCKMORTON ST	KING MARSHA & CHERYL KING		
	77	4218	THROCKMORTON ST	TERRY SHAWN D		
	78	4212	THROCKMORTON ST	BATTS JANE A		
	79	4206	THROCKMORTON ST	THIES FREDERICK T		
	80	4209	WYCLIFF AVE	QUINONES WILLIAM A		
	81	4209	WYCLIFF AVE	BILLIANG AUDREY C		
	82	4209	WYCLIFF AVE	SHATSMAN DAVID S		
	83	4213	WYCLIFF AVE	HEALING KIMBERLEY NICOLE		
	84	4213	WYCLIFF AVE	MATHEW LINDSEY		
	85	4213	WYCLIFF AVE	DAS RAJASREE &		
	86	4220	HERSCHEL AVE	THROCKMORTON LP		
	87	4139	HERSCHEL AVE	MOSTACCERO FLORENCE &		
X	88	4141	HERSCHEL AVE	ALLEN RICHARD L &		

Reply	Label #	Address		Owner		
	89	4138	PRESCOTT AVE	DELGADODALMAU DAVID &		
	90	4136	PRESCOTT AVE	MCKELLAR MATTHEW F & JENNIFER D		
X	91	4300	THROCKMORTON ST	COLLINS STEPHEN G & SUZANNE B		
X	92	4310	THROCKMORTON ST	HICKS M LAWRENCE JR &		
	93	4311	OAK LAWN AVE	4311 PARTNERS LTD		
	94	4200	PRESCOTT AVE	ROVIRA INTERESTS LLC		
	95	4322	THROCKMORTON ST	SIMONE LUCY P		
	96	4217	PRESCOTT AVE	PATTON BRYANT H &		
Χ	97	4219	PRESCOTT AVE	TAYLOR CAROL HILL &		
	98	4221	PRESCOTT AVE	THOMAS SANDRA W		
	99	4223	PRESCOTT AVE	MALVIDO VIRGINIA		
X	100	4225	PRESCOTT AVE	SANSONE VICTOR J III		
	101	4200	OAK LAWN AVE	HIGHLAND PARK SHOPS LLC		
	102	4301	LAKESIDE DR	HUTCHINSON WILLIAM L		
	103	4206	HAWTHORNE AVE	FIVE RIVERS EQUITY LLC		
	104	4240	PRESCOTT AVE	CREWS KYLE W & ANNE C		
	105	4240	PRESCOTT AVE	REGE ROBERT V & GLORIA		
	106	4240	PRESCOTT AVE	PATTON FAMILY TRUST THE		
	107	4240	PRESCOTT AVE	KLINE KIM W		
	108	4240	PRESCOTT AVE	HOGUE WILLIAM ROBERT		
	109	4240	PRESCOTT AVE	RAMOS EDID &		
	110	4240	PRESCOTT AVE	BRAND DAVID E & SANDRA M		
	111	4240	PRESCOTT AVE	HOCHSCHULER STEPHEN H & KIMBERLY A		
	112	4240	PRESCOTT AVE	PUTTERMAN BART & ILENE		
	113	4240	PRESCOTT AVE	RODEN MARIUM KAYE		
	114	4240	PRESCOTT AVE	GOLDSTEIN ELAINE		
	115	4240	PRESCOTT AVE	NORWOOD ELSA B		
	116	4240	PRESCOTT AVE	COUZELIS JAMES S &		
	117	4240	PRESCOTT AVE	LONGFELLOW RANCH PARTNERS LP		
	118	4240	PRESCOTT AVE	JOBE REX V		
	119	4240	PRESCOTT AVE	ENGLE NANCY SELBY LIVING		

Reply	Label #	Address		Owner		
	120	4240	PRESCOTT AVE	JENSON BENALEE		
	121	4240	PRESCOTT AVE	LANE RANDALL B &		
	122	4240	PRESCOTT AVE	BONNER PEGGY B		
	123	4240	PRESCOTT AVE	HYMAN CHARLES H		
	124	4240	PRESCOTT AVE	JONES KIM P		
	125	4240	PRESCOTT AVE	CARLTON SUSAN		
	126	4240	PRESCOTT AVE	FIGUEROA DAVID O SR		
	127	4240	PRESCOTT AVE	WOOD TRUST		
	128	4240	PRESCOTT AVE	BARRETT TERRY L		
	129	4240	PRESCOTT AVE	BARRETT DR TERRY		
	130	4240	PRESCOTT AVE	HULSEY RONALD R &		
	131	4240	PRESCOTT AVE	ALVAREZ ANDREA		
	132	4240	PRESCOTT AVE	GILES ROBERT ELLIOT &		
	133	4240	PRESCOTT AVE	CLOWDALTEX LLC		
	134	4240	PRESCOTT AVE	FALCHI LEE GUNN		
	135	4240	PRESCOTT AVE	YARBROUGH JULIE		
	136	4240	PRESCOTT AVE	MARJORIE JANE WRIGHT REVOCABLE		
	137	4240	PRESCOTT AVE	NORRIS PATRICK LAWSON &		
	138	4240	PRESCOTT AVE	EVANS WALTER P III & LAURIE A		
	139	4240	PRESCOTT AVE	DETREMPE THOMAS J & SUSAN DESIREE		
	140	4240	PRESCOTT AVE	MASON ELVIS L & JOAN B		
	141	4240	PRESCOTT AVE	KENDRA FAMILY REVOCABLE TRUST		
	142	4240	PRESCOTT AVE	RLC REVOCABLE TRUST		
	143	4240	PRESCOTT AVE	KROENER BRENT W & JO A		
	144	4240	PRESCOTT AVE	HUTCHINSON KATHLEEN &		
	145	4240	PRESCOTT AVE	THOMPSON JOHN & NINA LIVING		
	146	4240	PRESCOTT AVE	MOORE KIRK FAMILY TRUST THE		
	147	4240	PRESCOTT AVE	JASSIN BASEM		
	148	4240	PRESCOTT AVE	DILL SHELLEY M REV TRUST		
	149	4240	PRESCOTT AVE	SIMPLE DIRT LLC		
	150	4131	WYCLIFF AVE	RODRIGUEZ EDMEE		

Reply	Label #	Address		Owner
	151	4131	WYCLIFF AVE	TORNOW KELLY
	152	4131	WYCLIFF AVE	LL&A RIVER RIDGE PPTIES LLC
	153	4131	WYCLIFF AVE	SANTOS LUCIANO OLIVEIRA BELO &
	154	4131	WYCLIFF AVE	FERRARO VERA L &
	155	4135	WYCLIFF AVE	LAN NAN
	156	4135	WYCLIFF AVE	AGHAJANYAN LUCINE
	157	4135	WYCLIFF AVE	SHIPTON LYLE A
	158	4135	WYCLIFF AVE	HASH WILLIAM BARRY
	159	4135	WYCLIFF AVE	BARYLKO BARBARA
	160	4142	HERSCHEL AVE	WEYMAN CAROL ELIZABETH
	161	4142	HERSCHEL AVE	MELTON EMILY K
	162	4142	HERSCHEL AVE	TAPIA ASHFAQ & ALEFIA
163 4142 H		HERSCHEL AVE	TAPIA ALEFIA A	
164 4142		4142	HERSCHEL AVE	KRIEG DANA
	165 4142		HERSCHEL AVE	SCHMIDTBORN MICHAEL
	166	4142	HERSCHEL AVE	CALDWELL JESSICA & JOSE HURTADO
	167	4142	HERSCHEL AVE	HOLLIDAY JOHN WYATT
	168	4124	PRESCOTT AVE	EMBREY LAUREN
	169	4126	PRESCOTT AVE	HAJDU ALYSON &
	170	4211	PRESCOTT AVE	SCHILLI KEVIN RANDAL
	171	4215	PRESCOTT AVE	BURROUGHS MARK ALAN JR &
	172	4211	PRESCOTT AVE	BLAND JAMES M & GAIL
	173	4211	PRESCOTT AVE	MEIER ROSANNE
	174	4215	PRESCOTT AVE	OPDERBECK THOMAS H
O	175	4241	THROCKMORTON ST	HOANG THANH
O	176	4243	THROCKMORTON ST	WERLEY JULIE
O	177	4245	THROCKMORTON ST	HETTICH REBECCA P
O	178	4247	THROCKMORTON ST	LIU DAVID JR
O	179	4249	THROCKMORTON ST	SANDLIN PRISCILLA
	180	4139	WYCLIFF AVE	BOND RONALD E
	181	4139	WYCLIFF AVE	DESJARDINS LAURA A & RICHARD R

# Z189-312(SM)

Reply	Label #	Address		Owner
	182	4139	WYCLIFF AVE	BOWEN BRADLEY H & EMILY
	183	4139	WYCLIFF AVE	SCHLESSER MICHAEL A
X	184	4150	WYCLIFF AVE	MCCARLEY JOHN
X	185	4146	WYCLIFF AVE	MULLEN MAUREEN M
X	186	4150	WYCLIFF AVE	REEVES JIMMY W
X	187	4146	WYCLIFF AVE	POE GARY W
X	188	4150	WYCLIFF AVE	SINGER RUTH &
X	189	4146	WYCLIFF AVE	TURNER LESLIE
X	190	4150	WYCLIFF AVE	GARRISON PAULA
X	191	4146	WYCLIFF AVE	GREENWOOD CHRISTOPHER J
	192	4147	WYCLIFF AVE	TODD ROBERT
	193	4147	WYCLIFF AVE	NAVE OMRI & ELESHA
	194	4147	WYCLIFF AVE	SIMMONS LARRY C JR
	195	4147	WYCLIFF AVE	SMITH KIMBERLY LYNN
	196	4151	WYCLIFF AVE	YOHANNES WENGUEL
	197	4151	WYCLIFF AVE	OSBORN DERRILL R
	198	4151	WYCLIFF AVE	CASH PROPERTIES LLC
	199	4151	WYCLIFF AVE	BERRY JAMES E



1500 Marilla Street Dallas, Texas 75201



File #: 20-106 Item #: Z4.

**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): 14

**DEPARTMENT:** Department of Sustainable Development and Construction

**EXECUTIVE:** Majed Al-Ghafry

# **SUBJECT**

A public hearing to receive comments regarding an application for and an ordinance granting a Planned Development Subdistrict for GR General Retail uses on property zoned a GR General Retail Subdistrict within Planned Development District No. 193, the Oak Lawn Special Purpose District, on the west corner of Lemmon Avenue and Oak Lawn Avenue

Recommendation of Staff: Denial

Recommendation of CPC: Approval, subject to a development plan, landscape plan, and conditions

Z189-316(PD)

#### **HONORABLE MAYOR & CITY COUNCIL**

**WEDNESDAY, JANUARY 22, 2020** 

ACM: Majed Al-Ghafry

FILE NUMBER: Z189-316(PD) DATE FILED: July 24, 2019

**LOCATION:** West corner of Lemmon Avenue and Oak Lawn Avenue

COUNCIL DISTRICT: 14 MAPSCO: 35 X

SIZE OF REQUEST:  $\pm 2.20$  acres CENSUS TRACT: 6.05

**REPRESENTATIVE:** Suzan Kedron, Jackson Walker, LLP

**OWNER:** RP Lemmon Properties, L.P

**APPLICANT:** Greg Coutant, Street Lights Residential

**REQUEST:** An application for a Planned Development Subdistrict for GR

General Retail uses on property zoned a GR General Retail Subdistrict within Planned Development District No. 193, the

Oak Lawn Special Purpose District.

**SUMMARY:** The applicant proposes to develop the site with an urban

mixed-use development, including an above ground parking garage, multiple family, retail, office and restaurant uses. The applicant requests to create a new Planned Development Subdistrict to allow for an increase in the maximum height, increase the floor area ratio, and modify

the sign regulations.

**CPC RECOMMENDATION:** Approval, subject to a development plan, landscape

plan, and conditions.

STAFF RECOMMENDATION: Denial.

#### **BACKGROUND INFORMATION:**

- On February 8, 1985, Planned Development District No. 193, the Oak Lawn Special Purpose District, was approved by the City Council. The PD is comprised of approximately 2,593 acres, and provides standards to promote and protect the health, safety, welfare, convenience, and enjoyment of the public, and in part, to achieve the objectives outlined in the PD.
- The request site consists of six parcels with one parcel being separated by an alley. Existing uses consist of a surface parking lot, a motor vehicle fueling station, a one-story restaurant without drive-through service use along Oak Lawn Avenue and Lemmon Avenue, and a one-story restaurant use with surface parking along Rawlins Street and Oak Lawn Avenue. All six parcels are located within a GR General Retail Subdistrict.
- The applicant proposes to raze the existing improvements at the intersection of Lemmon Avenue and Oak Lawn Avenue and redevelop the site with a mixed-use development including retail and multiple family uses while retaining the onestory restaurant use [Eatzi's] at the intersection of Rawlins Street and Oak Lawn Avenue.
- The applicant requests to create a new subdistrict within PDD No. 193. The proposed standards will deviate from the district regulations for GR Subdistricts as follows:
  - 1 increase the floor area ratio (FAR) from 2.0:1 or 2.5:1 to 3.9:1,
  - 2 increase the maximum allowable height from 120 feet to 199 feet,
  - 3 increase front yard setbacks from 10 feet for the first 36 in height and 25 feet above 36 feet along Oak Lawn Avenue to 25 feet for the first 30 feet in height and 50 feet for any portion above 30 feet. On Lemmon Avenue, 10 feet for the first 75 feet in height and per the development plan for any portion above 75 feet,
  - 4 increase the allowable number of signs and effective area in the district and increase the maximum projection width; and
  - 5 reduce the standard for landscaping.

# **Zoning History:**

There has been one recent zoning case within the vicinity in the past five years.

### 1. **Z178-186:**

On April 25, 2018, the City Council approved a City Plan Commission authorized hearing for a historic building demolition delay in an area generally bound by Live Oak Street, Bryan Parkway, Matilda Street, Martel Avenue, municipal boundary of Dallas and Highland Park, Lemmon Avenue, Dallas N. Tollway, Turtle Creek Boulevard, Carlisle Street, Blackburn Street, and Haskell Avenue to Main Street, both sides of Main Street from N. Haskell to S. Carroll Avenue, Main Place, S. Prairie Avenue, Columbia Avenue, and N. Fitzhugh Avenue

# **Thoroughfares/Streets:**

Thoroughfare/Street	Туре	Thoroughfare Plan Dimension; ROW		
Lemmon Avenue	Principal Arterial	6 lanes divided; 100 feet		
Oak Lawn Avenue	Principal Arterial	6 lanes divided;100 ft.		

# Traffic:

A Traffic Impact Analysis (TIA) was submitted that identifies traffic generation characteristics and potential traffic related impacts on the local street system.

# **Trip Generation:**

The TIA only considered traffic generated on three of the six parcels, excluding two surface parking lots and an existing restaurant without drive-through use on a parcel anticipated to remain in its current configuration. The analysis while limited in its consideration and only considered the mixed-use development containing multiple family and retail uses concluded, "though the site traffic does not have a significant impact to the current traffic operations of the Lemmon Avenue-Oak Lawn Avenue intersection, the intersection does carry very high volumes of traffic during peak hour periods". The proposed site plan removes some existing driveways that are very near the intersection, which increased inefficiency.

To determine the utilization of a roadway, the volume/capacity ratio was calculated at each roadway. According to the study, the proposed development at the subject site is expected to project the following daily volumes: on Lemmon Avenue from 36,385 volumes to 38,902 at site buildout with a capacity of 51,000; Oak Lawn Avenue from 28,060 volumes to 30,287 at site buildout with a capacity of 34,000; and Rawlins Street from 3,870 volumes to 4,497 at site buildout with 9,500 capacity.

#### Traffic Operational Analysis:

The level of performance to describe the efficiency of civil infrastructure is the Level of Service (LOS) description. Generally, LOS can be described as follows:

LOS A – free, unobstructed flow

LOS B - reasonable free flow

LOS C – stable flow

LOS D – approaching unstable flow

LOS E – unstable flow, operating at design capacity

LOS F – operating over design capacity

The signalized intersection capacity analysis for LOS is provided in the summary below and indicates the following:

- Existing traffic volumes during study peak hours
- Projected background traffic volumes at the site buildout year during study peak hours
- Projected site-generated traffic volumes during study peak hours
- Projected background-plus-Site-Generated traffic volumes at the Site Buildout Year during study peak hours, and
- Projected traffic volumes five (5) years after site buildout, including Site-Generated traffic during study peak hours

Intersection	Existing		Buildout		Horizon	
intersection	conditions		Conditions		Conditions	
	AM	PM	AM	PM	AM	PM
Lemmon Avenue @	D	E	D	E	E	E
Oak Lawn Avenue	ט		D	L	L	L
Lemmon Avenue @	Α	С	Α	С	Α	D
Wellborn Street	^				^	
Rawlins Street @	Α	В	Α	В	Α	В
Oak Lawn Avenue	Λ	ט		D		ט

The findings show that "existing traffic volumes on both roadways (Lemmon Avenue and Oak Lawn Avenue) utilize in excess of 70% and 80%, respectively, of the theoretical daily capacity. The addition of estimated background traffic growth and site-related traffic will increase the capacity utilization of each roadway by approximately 5-6 percent."

Additionally, "during AM and PM peak hours, the traffic-signal-controlled intersections of Lemmon Avenue and Oak Lawn Avenue operates at marginal Level-of-Service conditions due to heavy traffic volumes. The addition of estimated background traffic growth and traffic related to the proposed development will increase the average delay per vehicle by a few seconds; however, the intersection operations remain at the existing LOS." As outlined in the Traffic Impact Analysis, TIA the LOS during AM and PM peak hours operates at a D, approaching unstable flow capacity and E, unstable flow, operating at design capacity, however within five (5) years after site buildout for the new development at both the AM and PM peak hours operations will operate at an E, unstable flow capacity.

The Engineering Division of the Sustainable Development and Construction Department reviewed the request and finds that the LOS is unacceptable, however the Division offered no recommendations for upgrades (striping, restriping, installation of detection equipment and accessible pedestrian signal system) to the intersections on Lemmon Avenue and Oak Lawn Avenue to accommodate the anticipated additional traffic (both motor and foot).

In an effort to mitigate/prevent unstable flow when operating at design capacity, the applicant proposes to make the existing single lane approach on Rawlins Street a right-turn only during PM peak hours and upgrade the barrier free ramps at the abutting corner of the intersection at Lemmon and Oak Lawn.

#### **Comprehensive Plan**:

The <u>forwardDallas! Comprehensive Plan</u> was adopted by the City Council in June 2006. The <u>forwardDallas! Comprehensive Plan</u> outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request.

The applicant's request does not comply with the following goals and policies of the Comprehensive Plan.

# **ECONOMIC ELEMENT**

Policy 2.1.1 Ensure that zoning is flexible enough to respond to changing economic conditions.

Planning for balanced growth in a dynamic economic environment calls for flexible zoning regulations to enable the City to respond to changing markets and to better facilitate development that aligns with economic priorities.

While staff does give credence to allowing latitude with requests that are appropriate in scale and intensity to surrounding zoning districts, staff cannot support a request that deviates from the existing built environment.

#### **URBAN DESIGN**

#### GOAL 5.1 PROMOTE A SENSE OF PLACE, SAFETY AND WALKABILITY

Policy 5.1.1 Promote pedestrian-friendly streetscapes.

Implementation Measure 5.1.1.3 Apply urban design tools in pedestrian or transit-oriented districts when approving zoning cases and when developing Area Plans.

Policy 5.1.3 Encourage complementary building height, scale, design and character.

# **Area Plans:**

The Oak Lawn Special Purpose District and the Oak Lawn Plan include the following objectives:

(1) To achieve buildings more urban in form.

The parcel containing Eatzi's is proposed to be unchanged. The current request proposes to transfer development rights from the site by way of "protection through transference" thereby ensuring that the lot remains in its current configuration which does not lend itself to a more urban form.

(2) To promote and protect an attractive street level pedestrian environment with continuous street frontage activities in retail areas.

(3) To encourage the placement of off-street parking underground or within buildings similar in appearance to non-parking buildings.

Per the proposal while all aboveground parking structures will be compatible to the mixed-use development, staff cannot ignore that a substantial number of off-street spaces will be contained in a surface parking lot fronting along Oak Lawn Avenue and Rawlins Street.

(4) To promote development appropriate to the character of nearby neighborhood uses by imposing standards sensitive to scale and adjacency issues.

Currently, the GR General Retail Subdistrict within PDD No. 193 allows a maximum height of 120 feet and a maximum FAR of 2.0:1 and 2.5:1. The proposed request seeks to increase the maximum allowable height by 79 feet for a maximum of 199 feet and increase the maximum FAR to 3.9:1. The requested heights and densities are not indicative of what is currently existing within proximity of the area of request.

(5) To use existing zoned development densities as a base from which to plan, while providing bonuses to encourage residential development in commercial areas.

The underlining GR General Retail zoning currently allows residential development in a commercial area. The applicant proposes significant concessions to the existing zoning regulations that do not comply with the underlying zoning district. The requested deviations are as follows:

- o increase the floor area ratio (FAR) from 2.0:1 or 2.5:1 to 3.9:1,
- o increase the maximum allowable height from 120 feet to 199 feet.
- o increase front yard setbacks from 10 feet for the first 36 in height and 25 feet above 36 feet in height along Oak Lawn Avenue to 25 feet for the first 30 feet and 50 feet for any portion above 30 feet. On Lemmon Avenue, 10 feet for the first 75 feet in height and per the development plan for any portion above 75 feet,
- increase the allowable number of signs and effective area in the district and increase the maximum projection width, and
- reduce the standard for landscaping.

(6) To discourage variances or zoning changes which would erode the quantity or quality of single-family neighborhoods or would fail to adhere to the standards for multiple-family neighborhoods and commercial areas.

The requested increase in density and height requested is inconsistent with the adjacent multiple family developments.

(7) To promote landscape/streetscape quality and appearance.

The applicant's request for a PDS fails to meet many of the above objectives. While the request sets a base that primarily conforms to the existing GR development standards, the request seeks to increase height and FAR that is not within context of the surrounding areas. Additionally, the request proposes to ensure that one parcel remains in its current configuration which does not align with the vision of the Area Plan or lend itself to a more urban form.

#### **STAFF ANALYSIS:**

# **Surrounding Land Uses:**

	Zoning	Land Use
Site	PDD No. 193 (GR	Surface parking lot, fueling
Site	Subdistrict)	station, restaurant
	PDD No. 193 (GR	
Northwest	Subdistrict), PDD No. 180,	Restaurant, multiple family
	D.R. Z834-110	
Northeast	PDD No. 193 (GR	Restaurant with drive through
Northeast	Subdistrict), SUP No. 1149	Restaurant with unive through
East	PDD No. 193 (GR	Surface parking lot, Retail,
	Subdistrict)	Office
Southeast	PDD No. 193 (GR	Retail and personal service
Journeast	Subdistrict)	Retail and personal service
South	PDD No. 193 (GR	Retail and personal service
300011	Subdistrict)	Netali and personal service
Southwest	PDD No. 193 (GR	Restaurant without drive
Southwest	Subdistrict)	through
West	PDD No. 193 (GR	Office
MAGSI	Subdistrict)	Onice

# **Land Use Compatibility:**

The site has three right-of-way boundaries: Lemmon Avenue, Oak Lawn Avenue, and Rawlins Street. One multiple family use abuts the request site to the northwest. The three-story multiple family use contains 55 dwellings and a maximum permitted height of 46 feet. No other multiple family developments exist within immediate proximity of the request site.

The request site is zoned a GR General Retail Subdistrict within PDD No. 193, the Oak Lawn Special Purpose District, and is currently developed with a surface parking lot, a motor vehicle fueling station, a one-story restaurant without drive-through service use along Oak Lawn Avenue and Lemmon Avenue, and a one-story restaurant use with surface parking along Rawlins Street and Oak Lawn Avenue.

The applicant proposes to raze the existing improvements at the intersection of Lemmon Avenue and Oak Lawn Avenue and redevelop the site with a mixed-use development including retail and multiple family uses while retaining the one-story restaurant use [Eatzi's] at the intersection of Rawlins Street and Oak Lawn Avenue. The development is proposed to consist of an above-ground parking garage, one-story retail uses situated along Lemmon Avenue, and a surface parking lot. No improvements are proposed for the existing one-story restaurant use.

To promote a more walkable, pedestrian-friendly environment, the applicant is proposing: 1) sidewalks along Oak Lawn Avenue and Lemmon Avenue with a minimum width of eight feet and a five foot landscape buffer, 2) a minimum of three access points with a minimum width of 10 feet along Oak Lawn frontage, 3) a minimum of one access point with a minimum width of six feet between the sidewalk clear zone and outdoor seating area along Oak Lawn frontage, 4) sidewalk will be enhanced with a minimum of two pedestrian amenities (i.e. bench, trash receptacles, bicycle racks) along Oak Lawn Avenue and Lemmon Avenue, and 5) 40 percent transparency for all street-facing facades. Consequently, no consideration for improvement is provided for the existing one-story restaurant use situated along Rawlins Street.

Staff believes that this development with modifications could be an opportunity to activate an area of the city that is transitioning into a more urban and walkable pedestrian friendly environment with complementary streetscapes. Considering the totality of the request, the current development rights within a GR General Retail Subdistrict and the rejection to consider the potential to redevelop the entire site rather than transfer the development rights on a portion of the site to utilize on that of another is not supported by staff.

Additionally, staff cannot impose recommendations on the application requiring downsizing the area of request or creating subareas/tracts because downsizing the request would require a revised legal description that would impact the required notification area. Further, the representative was not amenable to staff's recommendations.

# **Height and Density:**

The applicant is requesting a maximum building height of 199 feet, with an additional 12 feet for projections or an additional four feet for parapet walls above the maximum structure height, allowing an overall maximum structure height of 211 feet or 203 feet, respectively. While staff believes a reasonable increased height is consistent with the objective of achieving buildings that are more urban in form; it is equally important for developments to ensure not only compatibility, but consistency, with the immediately adjacent structures with respect to building scale, intensity and density.

As such, staff does not support the requested height but could support a height that is more consistent with the underlining zoning subdistrict and the existing built environment without bonuses. Staff believes that redevelopment of the site fronting along Lemmon Avenue with a mixed-use development rather than the current uses is the highest and best use for the site. Staff also considered the adjacent developments and their permitted development standards when proposing a base and bonus(es) for increased development rights. All surrounding zoning, with exception to PDD No. 180 to the northeast, consist of GR General Retail Subdistrict zoning with a maximum height of 120 feet and a maximum FAR of 2.5:1 with contingencies.

The site is in MVA Category C which is representative of a strong real estate market. Additionally, increases to density and height were considered with a reduced area of request to 1.7 acres (removing Eatzi's) and 297 total units averaging 175 dwellings per acre; staff can support this density with a height of 199 feet, a lot coverage of 85% and an FAR of 3.9:1 with the following mixed-income housing bonuses:

	Existing subdistrict	Applicant's proposed subdistrict	Staff's suggested Recommendations (Base)	Staff's suggested Recommendations (Bonus)		CPC Recommended Subdistrict
Percentage of units reserved at percentage of median income				5% at 51- 60%	5% at 51%- 60% & 5% at 61- 80%	5% at 61%-80% & 3% at 101%- 120%
Height	120 feet	199 feet	150 feet	180 feet	199 feet	199 feet
Lot Coverage	80%	80%	80%	80%	85%	80%
FAR	2.0:1 & 2.5:1 (When floor area for res, is equal to or greater than the lot area)	3.9:1	3.0:1	3.5:1	3.9:1	3.9:1
Buildable Area	148,104 sf & 185,130 sf	371,346 sf	222,156 sf	259,182 sf	371,346 sf	371,346 sf
Max DUs	No max (FAR)	297	160	200	297	297

In consideration of additional bonuses, staff also considered whether the proposed request is considered a Transit Oriented Development (TOD). Transit-Oriented Development is at the heart of the City of Dallas' long-range land use plan, forwardDallas! Comprehensive Plan!. However, the request site is not considered a TOD due to the lack of proximity to a transit station. Specifically, CityPlace Station is situated approximately 6,864 feet to the east. Generally, consideration of increased development rights and the associated building massing for TOD's are situated within one-quarter mile walking distance (1,320 feet) from a transit station with reduced headways during peak hours. Due to the intensity of the proposed development, impact on adjacent properties (lighting, noise, traffic) will exist.

It should be noted that staff supports redevelopment on the parcels containing the surface parking lots and restaurant with the fueling station, inclusive of the enhanced streetscape requirements but has determined that the request can be accomplished on a slightly smaller scale excluding the parcel containing the restaurant use [Eatzi's].

Staff cannot substantiate a land use rationale that supports restricting the development rights of one property by transferring all of its development rights to another other than a legitimate protection of a structure such as a historic landmark. As discussed with the representative, staff could support creating two tracts or subareas within the proposed subdistrict that proposes development rights with a future plan for the adjacent parcel [Eatzi's].

Further supporting staff's denial for the transference of development rights is that although stated by the representative there is no true way to "protect" Eatzi's through the zoning process. Even if staff supported the request, an application to create a new subdistrict or an amendment could be sought in the future.

Additionally, including the parcel containing the restaurant use [Eatzi's] into the proposed subdistrict to satisfy the minimum off-street parking requirement is neither a land use rationale to support the request nor the appropriate instrument to do so. As suggested, a parking agreement rather than a zoning request that restricts the existing restaurant use in its existing configuration, density and height, is the best instrument to resolve compliance with the minimum off-street parking requirements. If Eatzi's remains part of the request in its current configuration, staff envisions negative long-term development implications that contradicts not only the Comprehensive Plan but also the Area Plan and the transforming neighborhood.

# **Affordable Housing Bonus & Floor Area Ratio:**

The City Council approved the first ever Comprehensive Housing Policy that provides density bonuses for mixed-income developments. The ordinance is specifically intended to leverage land-use policies to incentivize developers to set aside a certain number or percentage of newly built units to rent below market rate; to provide bonuses in FAR and height to developments proposing affordable housing units at a minimum standard range of five (5) percent at the lowest Area-wide Median Family Income (AMFI) band of 51% to 60% to the highest AMFI band of 81% to 100%. It is important to note that according to 2019 HUD Income Limits AMFI bands for individuals in the lowest band/range (51%-60) report an income limit between \$29,100.00 and \$34,920.00 while individuals in the middle/range (61%-80%) report an income limit between \$37,811 and \$46,550.00 for one person.

To ensure that the City of Dallas no longer contributes to this nexus of housing and productivity, policies such as zoning must strongly encourage an increase in supply by developers and demand by less-advantaged residents need to be seen as complementary strategies to be implemented together. Combined these strategies can serve to help deconcentrate areas of poverty and support the redevelopment efforts of areas that were long forgotten.

The Dallas Development Code has two pertinent definitions for this section. First, *floor area ratio* (*FAR*) means the ratio of floor area to lot area. Second, *floor area* means the total square feet of floor space in a building excluding area used solely for off-street parking.

The purpose of FAR is to uniformly limit the amount of building mass within the building envelope prescribed by setbacks, height, and lot coverage. However, since aboveground parking structures contribute to building mass but are not included in the calculation of floor area, developments that contain above-ground parking structures have more building mass without increasing floor area ratio.

Therefore, in seeking such an increase in development rights, staff does not support the additional floor area ratio increase from a possible 2.5:1 FAR, to a total of 3.9:1 with only the difference in FAR (1.4) being offered for affordable housing.

# **Development Standards:**

The applicant requests modification to the setbacks, height and additional floor area ratio (FAR). Staff does not support the applicant's requests because the request seeks development rights that far exceed what is flexible, existing and envisioned. The applicant proposes transferring the development rights from the south portion to the north portion of the site thereby relegating the south portion in a configuration that does not comply with a more urban form or vision. Additionally, the applicant proposes to only commit a percentage of the parking garage underground, and an affordable housing bonus that falls far below the percentage encouraged by the Housing Division.

The mixed income housing bonus in the proposed conditions offer a minimal five percent affordable housing bonus that only applies to the middle income band of 61-80 percent of adjusted median family income rather than the lowest income band of 51-60 percent, with respective incomes between \$34,920.00 to \$46,550.00 and \$29,100.00 to \$34,920.00. It is important to note that the approved City of Dallas Comprehensive Housing Policy only provides density bonuses for mixed-income developments with the three incomes bands of 51%-60%, 61%-80%, and 81%-100%. However, the City Plan Commission elected to include an additional three percent of reserved units at an income band of 101 percent to 120 percent. This income band equates to an average income between \$58,170.00 and \$69,804.00, yearly. This is hardly the income demographic considered when examining the need for affordable housing within the City of Dallas. Furthermore, these percentages of reserved units are proposed to only apply to units that are attributed to the increased density and height rather than the overall number of units in the development. Again, this equates to five percent of 107 units [six units] and three percent of 107 units [three units] for a total of nine affordable units being offered. While staff acknowledges the added contribution of three percent by the Commission, staff can neither support such a low percentage of contribution nor the high income band at which it is offered.

The table below shows a comparison between the existing zoning and the proposed Planned Development Subdistrict.

SUBDISTRICT	Front	SETBACKS Side/Rear	FAR	Height	Lot Coverage	PRIMARY Uses
GR - Existing General Retail	10 feet for 1st 36 feet 25 feet above 36 feet	10' adjacent to residential* OTHER: No Min.	2.0:1 2.5:1**	120'	80%	Retail, restaurant, office, multiple family
PDS - Proposed	10' for first 75 ft along Lemmon Ave; 25 feet for the 1st 30 feet and 50 feet for any portion above 30 feet on Oak Lawn Avenue	10' adjacent to residential* OTHER: No. Min.	2.5:1 Up to 3.9:1*** with housing bonus	120' Up to 199 feet*** plus 12' for mechanical	80%	Retail, restaurant, office, multiple family

<sup>\*</sup>An additional setback required for portions of a structure over 36 feet in height.

#### Parking:

Off-street parking will be provided for each use in accordance with Part I of PD No. 193. The applicant proposes a mixed-use development with a mix of retail, restaurant (existing), and multiple family uses. Office uses require one space per 366 square feet of floor area. Retail related uses generally require one space per 220 square feet of floor area. Restaurant uses require one space per 100 square feet of floor area. Finally, multifamily uses require one space per 500 square feet of floor area, with a minimum of one space and a maximum of one and one-half spaces are required for each dwelling in a multiple-family structure over 36 feet in height. Multiple-family uses also require one unassigned space per every four dwelling units for use by visitors and residents.

The applicant proposes to provide the off-street parking and loading spaces in surface parking lots and within above-ground structures which is discouraged in the Oak Lawn Special Purpose District and the Oak Lawn Plan.

#### Signs:

Attached signs within business zoning districts currently allow one premise and/or non-residential occupancy sign. Currently, within business zoning districts, each premise or

<sup>\*\*</sup>When the floor area for residential uses is equal to or greater than lot area.

<sup>\*\*\*</sup>When 4% of the total residential rental units exceeding a residential floor area ration of 2.5:1 must be made available for lease at an affordable rent income band of 61-80 percent of adjusted median family income.

non-residential occupancy is allowed one attached sign to project between 18 inches and 48 inches from the vertical building plane, but not above the roof or over any ROW lines. These signs cannot exceed 20 square feet (or 60 square feet, if the sign only contains a registered trademark and no words), must maintain at least 10 foot clearance above grade, and no detached sign can be maintained on the premise.

The proposed request seeks to allow one additional attached sign on the Oak Lawn façade. The sign is not to exceed 120 square feet, project more than 5 feet from the vertical building plane, and can't be located more than 65 feet above grade or project above any roof.

# **Landscaping:**

The proposed landscape plan is an exception to the standard for PDD No. 193.

The tree planting conditions along Lemmon Avenue are not sufficient with tree proximity to traffic in high intensity vehicle area and the planting schedule should be more detailed as to how it buffers in the planting zone on the north. No landscape improvements are proposed for the parcel containing the restaurant use [Eatzi's].

The request deviates from PDD No. 193 because it fails to provide for landscaping on 60% of the front yard for a total of 2,848 square feet. However, the request only seeks to provide 36% of the front yard for a total of 1,729 square feet.

Additionally, the proposed narrow planting bed of 3 feet is not appropriate along Lemmon Avenue, especially with the high traffic flow and large vehicle use. According to the Chief Arborist, this is not allowed in PD 193 and should not be applied here. Clear sidewalk widths should be reduced to accommodate a safer landscaped parkway. Further, a parkway exemption for trees along the Lemmon Avenue frontage should be considered.

Staff cannot support the applicant's request because while the proposed conditions are reasonable and consistent with the spirit and intent of Part I of PDD No. 193, the Oak Lawn Special Purpose District, tree planting areas are insufficient to support the proposed high intensity vehicular areas.

# **Market Value Analysis:**

<u>Market Value Analysis (MVA)</u>, is a tool to aid residents and policy makers in understanding the elements of their local residential real estate markets. It is an objective, data-driven tool built on local administrative data and validated with local experts. The analysis was prepared for the City of Dallas by The Reinvestment Fund.

Public officials and private actors can use the MVA to more precisely target intervention strategies in weak markets and support sustainable growth in stronger markets. The MVA identifies nine market types (A through I) on a spectrum of residential market strength or weakness. As illustrated in the attached MVA map, the colors range from purple representing the strongest markets (A through C) to orange, representing the weakest markets (G through I). Although the area of request is not within an identifiable MVA cluster, a "C" MVA cluster abuts the site to the northwest across the alley.

# **LISTS OF OFFICERS**

Street Lights Residential
Chief Executive Officer – Doug Chestnut
President – Tom Bakewell
Vice President – Bob Voelker
Vice President – Roger Beless
Director of Development – Greg Coutant

RP Lemmon Properties, L.P.
Manager/Director – Elizabeth J. Rader

# CPC ACTION: October 17, 2019

Motion: It was moved to recommend approval of a Planned Development Subdistrict for GR General Retail uses, subject to a development plan, landscape plan and staff's conditions with the following changes: 1) SEC. .102., **PROPERTY LOCATION AND SIZE.** add at the end of the sentence "(the "Property")", 2) SEC. S-\_\_\_.105. **DEVELOPMENT PLAN.** delete the entire second sentence and substitute with "If a project is not constructed on the portion of the Property north of the alley that depends on the increased floor area ratio in Section S-\_\_\_.108 (d) and height in Section S-\_\_\_.108 (e), the restriction on building height to one-story on the portion of the Property south of alley shall not apply.", 3) SEC. S-\_\_\_.109. OFF-STREET PARKING AND LOADING. add a sub point (c) to read as follows: "(c) Record an access easement across the south tract for the benefit of the north tract.", 4) SEC. S-.113. URBAN DESIGN STANDARDS. (b) Public realm design. (1) Sidewalks. delete "(A)" and "(B)" and follow and insert applicant's amendments to (A) and (B) to read as follows: "(A) On Oaklawn Avenue a minimum unobstructed sidewalk clear zone width of eight feet must be provided. An additional minimum landscape buffer of five feet must be provided between the back of curb and the sidewalk." and "(B) On Lemmon Avenue, a minimum unobstructed sidewalk clear zone of six feet must be provided. An additional minimum landscape buffer of three feet must be provided between the back of curb and sidewalk.", 5) **SEC. S-** .113. URBAN DESIGN STANDARDS. (d) Parking. (2) Parking structures. Delete entire subsection "(B)", and 6) SEC. S-.114. MIXED INCOME HOUSING. (d) modify to reads as follows: "(d) During the rental affordability period, for any multifamily use that depends on the increased density in Section S-\_\_\_.108(d) and increased height in Section S- .108(e), five percent of the total residential rental units must be made available for lease at an affordable rent (as defined in Section 20A-24) with an income band of 61 to 80 percent of adjusted median family income and three percent at 101 to 120 percent of adjusted median family income. The mixedincome restrictive covenant in Section 20A-26 and the rental affordability period are for a term of 15 years." on property zoned a GR General Retail Subdistrict within Planned Development District No. 193, the Oak Lawn Special Purpose District, on the west corner of Lemmon Avenue and Oak Lawn Avenue.

Maker: Ridley Second: Murphy

Result: Carried: 11 to 0

For: 11 - MacGregor, Johnson, Shidid, Carpenter,

Brinson, Blair, Jung, Schultz, Schwope,

Murphy, Ridley

Against: 0 Absent: 0

Vacancy: 2 - District 3, Place 15

Conflict: 2 - Hampton\*\*, Housewright\*\*

\*\*out of the room, when vote taken

**Notices:** Area: 500 Mailed: 246 **Replies:** For: 57 Against: 34

**Speakers**: For: Greg Coutant, 2300 N. Field St., Dallas, TX, 75201

Matthew Acosta, 3800 Holland Ave., Dallas, TX, 75219 Steve Stoner, 7557 Rambler Rd., Dallas, TX, 75231 Suzan Kedron, 2323 Ross Ave., Dallas, TX, 75201 Cameron Burk, 3416 Oak Lawn Ave., Dallas, TX, 75219

For (Did not speak): Bill Robinson, 2300 N. Field St., Dallas, TX, 75201

Elizabeth Bentley, 2300 N. Field St., Dallas, TX, 75201

Scott Miller, 2300 N. Field St., Dallas, TX, 75201

Against: Olga Pope, 4432 Rawlins St., Dallas, TX, 75219

Alissa Doll, 3230 Throckmorton St., Dallas, TX, 75219 Bob Griffo, 3834 Bowser Ave., Dallas, TX, 75219 Lydia Thomann, 3709 Reagan St., Dallas, TX, 75219 Patrick Doll, 3230 Throckmorton St., Dallas, TX, 75219 Adam Murphy, 3435 Dickerson Ave., Dallas, TX, 75219 Patricia Perez, 4034 Holland Ave., Dallas, TX, 75219 Mark Givens, 3320 Reagan St., Dallas, TX, 75219 James Grindler, 3400 Welborn St., Dallas, TX, 75219 Sandra Morales, 4410 Vandelia St., Dallas, TX, 75219

Against (Did not speak): Jeff McLaughlin, 3818 Holland Ave., Dallas, TX, 75219

Staff: David Nevarez, Engineer, Sustainable Development &

Construction

<b>CPC Recommended PDS Conditions</b>
Division S PD Subdistrict
SEC. S101. LEGISLATIVE HISTORY.
PD Subdistrict was established by Ordinance No, passed by the Dallas City Council on
SEC. S102. PROPERTY LOCATION AND SIZE.
PD Subdistrict is established on property located at the southwest corner of Lemmon Avenue and Oak Lawn Avenue (the Property). The size of PD Subdistrict is 2.2 acres.
SEC. S103. DEFINITIONS AND INTERPRETATIONS.
(a) Unless otherwise stated, the definitions and interpretations in Chapter 51 and Part I of this article apply to this division. If there is a conflict, this division controls. If there is a conflict between Chapter 51 and Part I of this article, Part I of this article controls.
(b) In this division SUBDISTRICT means a subdistrict of PD 193.
(c) Unless otherwise stated, all references to articles, divisions, or sections in this division are to articles, divisions, or sections in Chapter 51.
(d) This subdistrict is considered to be a nonresidential zoning district.
SEC. S104. EXHIBITS.
The following exhibits are incorporated into this division:
(1) Exhibit SA: development plan.

# SEC. S-\_\_\_.105. DEVELOPMENT PLAN.

(2)

For a project to qualify for the increased floor area ratio in Section S-\_\_\_.108(d) and height in Section S-\_\_\_.108(e), development and use of the Property must comply with the development plan (Exhibit S-\_\_\_A). If a project is not constructed on the portion of the Property north of the alley, that depends on the increased floor area ratio in Section S-\_\_108(d) and height in Section S-\_\_108(e), the restriction on building height to one-story on the portion of the

Exhibit S-\_\_\_B: landscape plan.

Property south of the alley shall not apply. If there is a conflict between the text of this division and the development plan, the text of this division controls.

# SEC. S-\_\_\_.106. MAIN USES PERMITTED.

The only main uses permitted in this subdistrict are those main uses permitted in the GR General Retail Subdistrict, subject to the same conditions applicable in the GR General Retail Subdistrict, as set out in Part I of this article. For example, a use permitted in the GR General Retail Subdistrict only by specific use permit (SUP) is permitted in this subdistrict only by SUP; a use subject to development impact review (DIR) in the GR General Retail Subdistrict is subject to DIR in this subdistrict; etc.

# SEC. S-\_\_\_.107. ACCESSORY USES.

As a general rule, an accessory use is permitted in any subdistrict in which the main use is permitted. Some specific accessory uses, however, due to their unique nature, are subject to additional regulations in Section 51P-193.108. For more information regarding accessory uses, consult Section 51P-193.108.

#### SEC. S- .108. YARD, LOT, AND SPACE REGULATIONS.

(Note: The yard, lot, and space regulations in this section must be read together with the yard, lot, and space regulations in Part I of this article. If there is a conflict between this section and Part I of this article, this section controls.)

#### (a) <u>In general</u>.

- (1) Except as provided in this section, the yard, lot, and space regulations for the GR General Retail Subdistrict apply.
- (2) For purposes of yard, lot, and space regulations, the subdistrict is considered one lot. No additional setbacks applicable to the GR Subdistrict shall apply.
- (b) <u>Front yard</u>. For a structure to qualify for the increased floor area ratio in Section S-\_\_\_.108(d) and height in Section S-\_\_\_.108(e), the following setbacks apply:
  - (1) Oak Lawn Avenue.
    - (A) 25 feet for the first 30 feet of structure height; and
    - (B) 50 feet for any portion of a structure above 30 feet in height.
  - (2) Lemmon Avenue.
    - (A) 10 feet for the first 75 feet of structure height; and

structure abov	(B) As specified on the development plan for any portion of the ve 75 feet in height
(c)	Side and rear yard. The minimum side and rear yard is 10 feet.
(d) 2.5:1. When increased to 3	<u>Floor area ratio</u> . Except as otherwise provided, the maximum floor area ratio is the provisions of Section S114 are met, the maximum floor area may be .9:1.
(e) the provisions	Height. Except as otherwise provided, the maximum height is 120 feet. When sof Section S114 are met, the maximum height is 199 feet.
maximum bui	
	(A) Elevator penthouse or bulkhead.
	(B) Mechanical equipment room.
equipment.	(C) Visual screens which surround roof mounted mechanical
	(D) Parapet wall, limited to a height of four feet.
SEC. S1	09. OFF-STREET PARKING AND LOADING.
(a) street parking	Except as provided in this section, consult Part I of this article for the specific off- and loading requirements for each use.
(b) loading.	This district is considered one lot for purposes of required off-street parking and
(c) of the alley.	An access easement shall be recorded for ingress/egress from the property north
SEC. S1	10. ENVIRONMENTAL PERFORMANCE STANDARDS.
See A	rticle VI.
SEC. S	111. LANDSCAPING.
(a)	For a project to qualify for the increased density in Section S108(d) and height in Section S108(e), landscaping must be provided as shown on the landscape plan (Exhibit SB).
(b)	Plant materials must be maintained in a healthy, growing condition.

# **SEC. S-\_\_\_.112. SIGNS.**

- (a) Except as provided, signs must comply with the provisions for business zoning districts in accordance with Article VII.
- (b) One additional attached, premise sign is permitted along the facade facing Oak Lawn Avenue subject to the following restrictions:
  - (1) The maximum effective area of the sign is 120 square feet per side.
  - (2) The sign must be two-sided and display a message on both sides of the sign.
  - (3) The sign may project up to 5 feet at an angle other than parallel from the vertical plane.
  - (4) Letters must exceed 4 inches in height.
  - (5) No portion of the sign may be located more than 65 feet above grade or project above any roof.

#### SEC. S-\_\_\_.113. URBAN DESIGN STANDARDS.

(a) <u>Applicability</u>. For a project to qualify for the increased density in Section S-\_\_\_\_.108(d), it must comply with all requirements in this section. If the increased development standards are not applied, the provisions of this section do not apply.

#### (b) Public realm design.

# (1) Sidewalks.

- (A) On Oaklawn Avenue a minimum unobstructed sidewalk clear zone width of eight feet must be provided. An additional minimum landscape buffer of five feet must be provided between the back of curb and the sidewalk.
- (B) On Lemmon Avenue, a minimum unobstructed sidewalk clear zone width of six feet must be provided. An additional minimum landscape buffer of three feet must be provided between the back of curb and sidewalk.
- (C) Sidewalk must consist of concrete pavers or finished concrete surfaces.
- (D) Sidewalks should be continuous and level across all driveways and curb cuts and should be designed to be at the same grade as the existing sidewalk.

(E) If a portion of a sidewalk is located on private property, the property owner must dedicate a sidewalk easement to the city to assure its availability to the public as a permanent pedestrian way.

#### (2) Pedestrian amenities.

- (A) A minimum of two of each of the following pedestrian amenities must be provided along street facing facades, with the exception of visibility triangles and vehicular drives, in order to promote pedestrian activity and safety: i) benches, ii) bicycle racks, iii) trash receptacles.
- (B) Pedestrian amenities may be located within the landscape buffer zone but shall not obstruct the required sidewalk clear zone.
- (3) <u>Street trees.</u> Street trees should be provided within the landscape buffer zone and should be spaced 30 feet on center wherever utilities and other subsurface conditions do not prohibit.

# (4) <u>Mechanical equipment</u>.

- (A) Aboveground utility boxes, generators, and other large mechanical equipment should be located out of view from the public right-of-way. When conditions do not permit, equipment shall be screened from view by a solid wood or masonry fence, wall, or building element at least six feet in height and shall be screened with landscaping such as shrubs, bushes, and trees.
- (B) No utilities may be placed within the required sidewalk planting zone or clear zone.

#### (5) Lighting.

- (A) Lights should be provided at regular intervals with a spacing of no greater than 100 feet along all street-facing facades, with the exception of visibility triangles and vehicular drives, in order to provide lighting on sidewalks, streets, walkways and plazas to enhance pedestrian safety.
- (B) Lighting must be directed downward and away from adjacent properties.
- (C) Unless otherwise provided, lighting must be spaced 75 to 100 feet apart, with the center of the foundation two to three feet from the back of curb. Spacing may be adjusted to achieve optimal photometric performance of a minimum of 0.5 foot candles between fixtures.
- (D) Unless otherwise provided, the property owner is responsible for the cost of installation, operation, and maintenance of the lighting.

#### (c) Architectural elements.

- (A) Architectural elements, such as the following, must be provided at all building corners and at public entry points: architecturally prominent public entrances, canopies, awnings, variations in building massing, increased transparency, and variations in fenestration.
- (B) Ground-level of building should provide a minimum of 40 percent transparency for all street-facing facades located within the first 20 feet of the building.
- (C) Variations in façade plane shall be provided, which may include wall recesses and projections, bays, offsets, reveals. Façade articulation of 1 foot in depth must be provided for every 100 feet of façade length on all street facing façades.

# (3) Service and loading.

- (A) Service entries and back of house functions must be located away from primary facades and should be visually screened with landscaping such as shrubs, bushes, and trees.
- (B) Loading areas and loading docks: (i) shall be located away from primary street facades and pedestrian routes; and (ii) should provide a closable gate or door that can block the loading area from the sidewalk during times when it is not in use.

#### (d) Parking.

#### (1) Surface parking.

(A) Surface parking is prohibited between the street-facing facade and the property line. For buildings with more than one street frontage, only two street frontages are subject to this requirement.

# (2) Parking structures.

- (A) All aboveground parking structures must be wrapped by occupiable building area or have a facade that is compatible to the facade of the main structure the parking serves. The portion of the ground-level floor facing the street of any multi-floor parking facility must have an active use other than parking, with a minimum depth of 25 feet, or must have an exterior facade that is compatible to the facade of the main structure. Exterior parking structure facade openings must provide solid screening a minimum 42 inches from the floor level within the parking structure to screen vehicles and vehicle headlights.
- (B) All non-entry openings in the aboveground parking structure facade must be screened except for vehicle access. Screening may include architectural grill work or other materials that provide ventilation.

# SEC. S-\_\_\_.114. MIXED INCOME HOUSING.

- (a) Except as provided in this section, compliance with Division 51A-4.1100 is required to obtain the increased density in Section S-\_\_\_.108(d) and increased height in Section S-\_\_\_.108(e).
  - (b) Compliance with Section 51A-4.1107 is not required.
  - (c) Compliance with Section 20A-27(g) is not required.

#### CPC Recommended:

(d) During the rental affordability period, for any multifamily use that depends on the increased density in Section S-\_\_\_.108(d) and increased height in Section S-\_\_\_.108(e), five percent of the total residential rental units must be made available for lease at an affordable rent (as defined in Section 20A-24) with an income band of 61 percent to 80 percent of adjusted median family income and three percent of the total residential rental units must be made available for lease at an affordable rent (as defined in Section 20A-24) with an income band of 101 percent to 120 percent of adjusted median family income. The mixed-income restrictive covenant in Section 20A-26 and the rental affordability period are for a term of 15 years.

#### Staff Recommended:

(d) During the rental affordability period, for any multifamily use that depends on the increased density in Section S-\_\_\_.108(d) and increased height in Section S-\_\_\_.108(e), five percent of the total residential rental units must be made available for lease at an affordable rent (as defined in Section 20A-24) with an income band of 51 percent to 60 percent of adjusted median family income and five percent of the total residential rental units must be made available for lease at an affordable rent (as defined in Section 20A-24) with an income band of 61 percent to 80 percent of adjusted median family income. The mixed-income restrictive covenant in Section 20A-26 and the rental affordability period are for a term of 15 years.

### SEC. S- .115. ADDITIONAL PROVISIONS.

- (a) The Property must be properly maintained in a state of good repair and neat appearance.
- (b) Development and use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the city.
  - (c) Development and use of the Property must comply with Part I of this article.

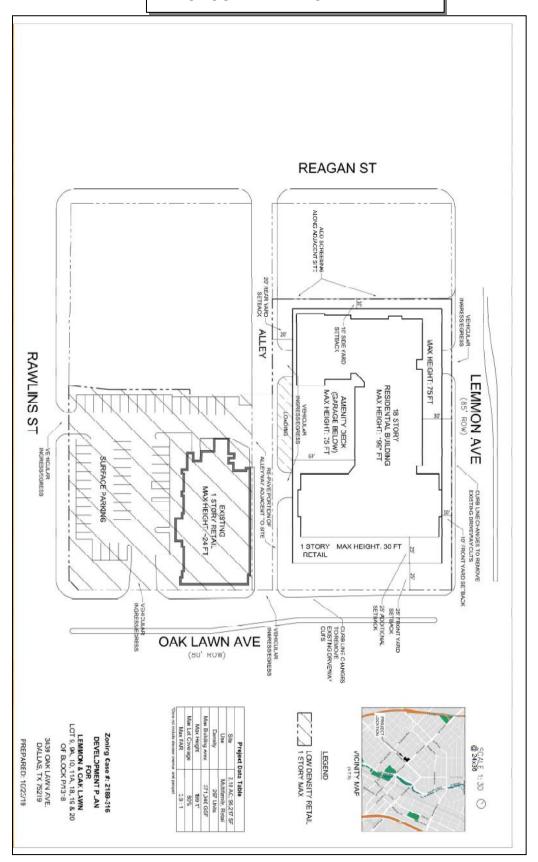
#### SEC. S-\_\_\_.116. COMPLIANCE WITH CONDITIONS.

(a) All paved areas, permanent drives, streets, and drainage structures, if any, must be constructed in accordance with standard city specifications, and completed to the satisfaction of the city.

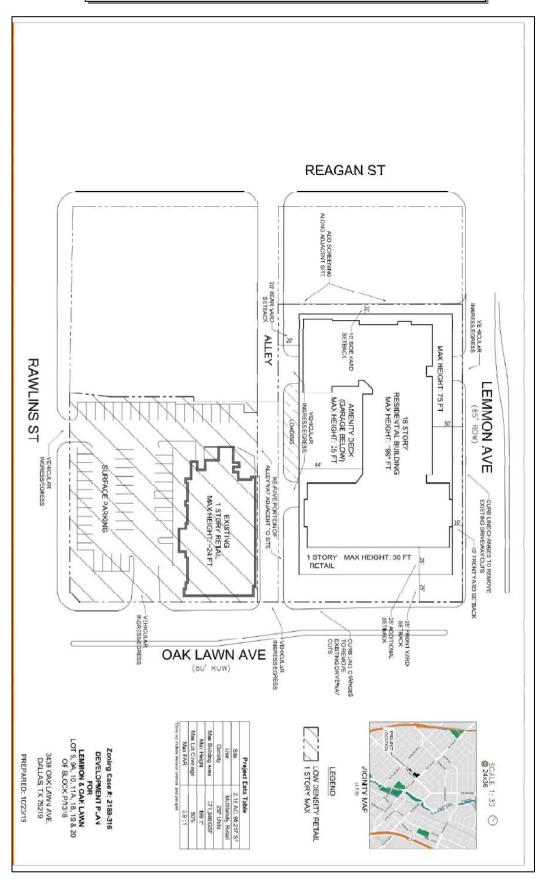
## Z189-316(PD)

(b) The building official shall not issue a building permit to authorize work, or a certificate of occupancy to authorize the operation of a use, in this subdistrict until there has been full compliance with this division, the Dallas Development Code, the construction codes, and all other ordinances, rules, and regulations of the city.

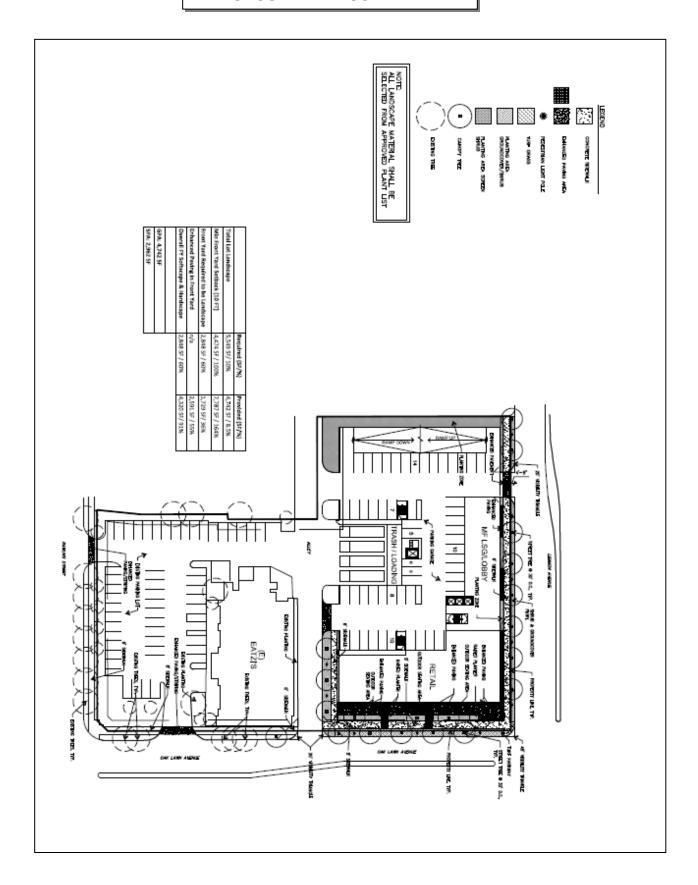
## PROPOSED DEVELOPMENT PLAN

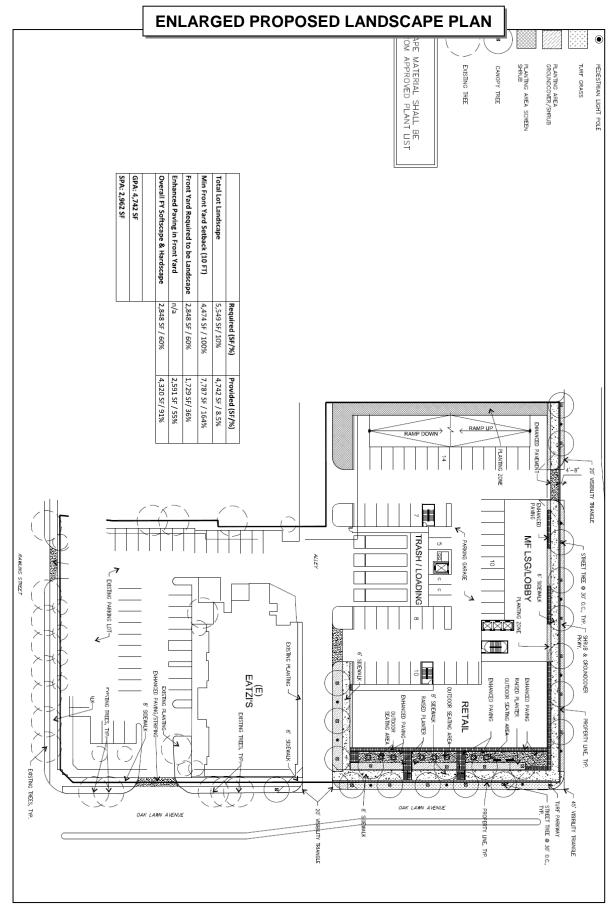


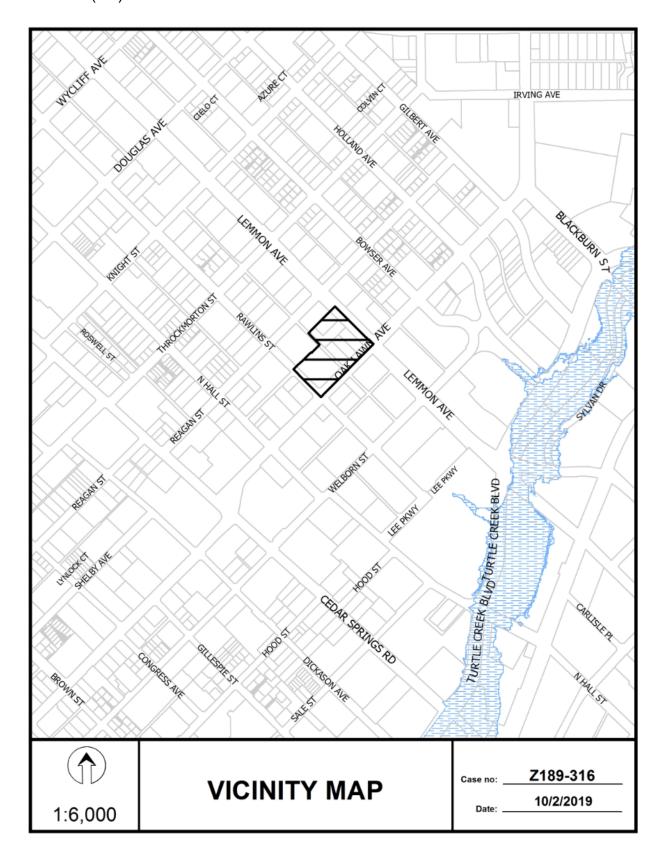
## **ENLARGED PROPOSED DEVELOPMENT PLAN**

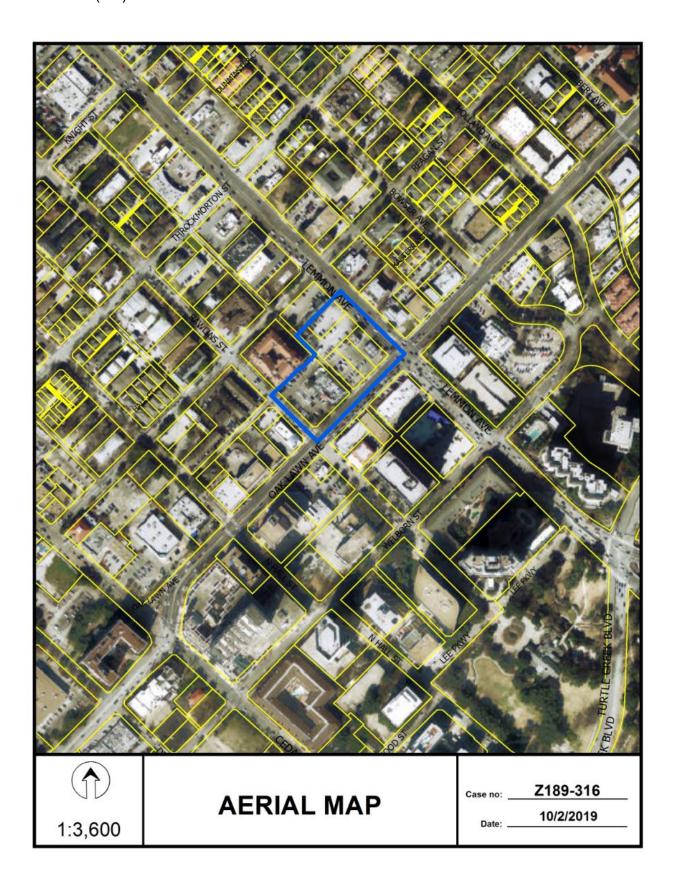


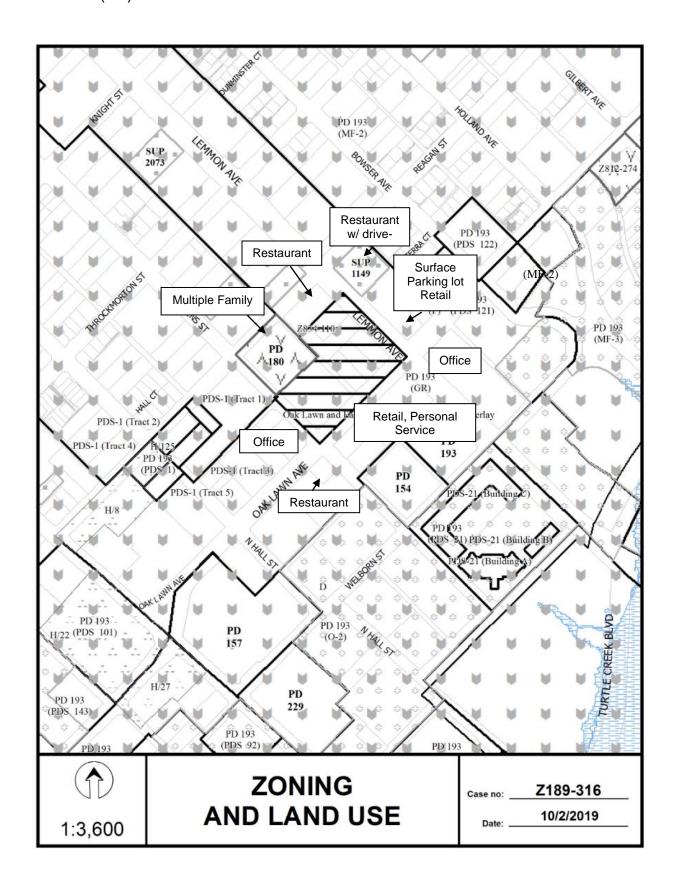
#### PROPOSED LANDSCAPE PLAN

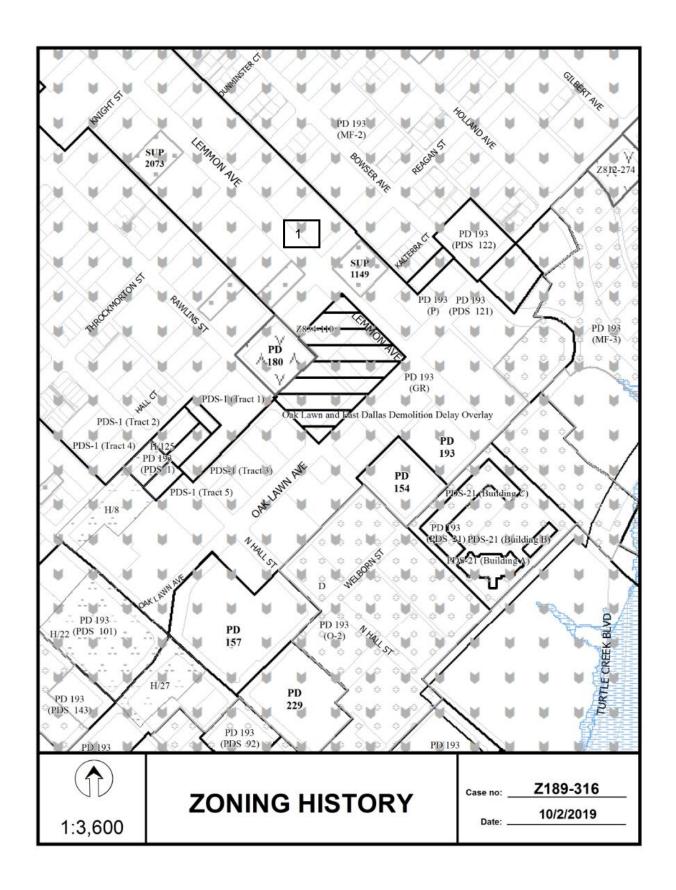


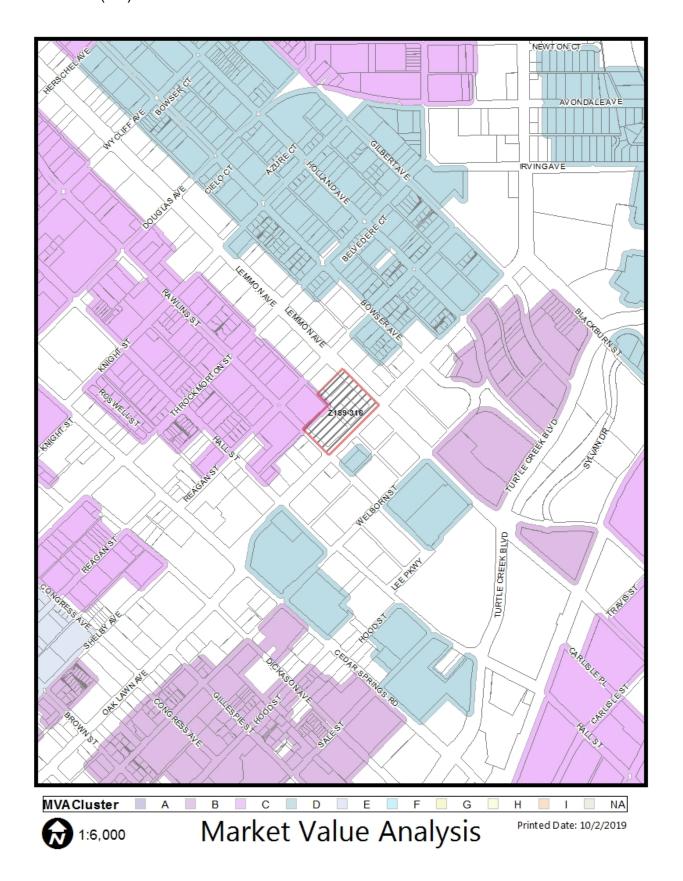






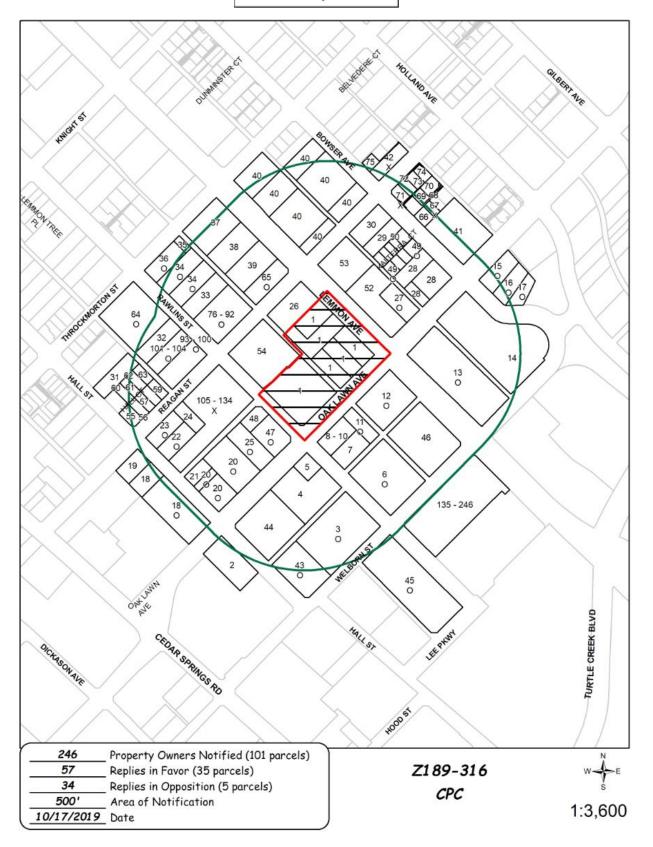






36

#### **CPC Responses**



# Reply List of Property Owners 2189-316

246 Property Owners Notified 57 Property Owners in F

57 Property Owners in Favor 34 Property Owners Opposed

Reply	Label #	Address		Owner		
	1	3435	OAK LAWN AVE	RP LEMMON PPTIES LP		
	2	3721	N HALL ST	IP ARGYLE LP		
	4	3316	OAK LAWN AVE	3316 OAK LAWN PTNR LTD		
	5	3330	OAK LAWN AVE	3330 OAK LAWN SERIES LLC		
	7	3720	RAWLINS ST	RAWLINS INVESTMENT PPTY LLC		
	9	3400	OAK LAWN AVE	RESIDUARY TESTAMENT TRUST		
	10	3400	OAK LAWN AVE	BOKF NA		
O	11	3412	OAK LAWN AVE	COURTNEY E A EXTRX		
	14	3703	BOWSER AVE	PAPPAS RESTAURANTS INC		
	18	3823	N HALL ST	MADISON PACIFIC DEV		
	19	3829	N HALL ST	SAMPER OMAR D		
O	20	3301	OAK LAWN AVE	3311 OAK LAWN PTNR LTD		
	21	3812	N HALL ST	301 TEXAS STREET LLC		
	24	3300	REAGAN ST	BROWER MANAGED ASSETS LLC		
O	25	3317	OAK LAWN AVE	LGL OAK LAWN PROPERTIES LLC		
	26	3827	LEMMON AVE	HASKELL LEMMON PTR LTD		
	28	3519	OAK LAWN AVE	3519 OAKLAWN PARTNERS LTD		
	29	3825	BOWSER AVE	BAYAT ALI & SARA EHSANI		
	30	3827	BOWSER AVE	PHOL INVESTMENT INC		
	31	3912	N HALL ST	CASA BONITA PLAZA INC		
	32	3913	RAWLINS ST	M & O APARTMENTS INC		
	33	3912	RAWLINS ST	ROCKAPR15 LLC		
O	34	3922	RAWLINS ST	MALT INVESTMENTS INC		
	35	3412	THROCKMORTON ST	CHANTLY CHRIS J ET AL		
	37	3923	LEMMON AVE	BLUE PROPERTIES LLC		
	38	3915	LEMMON AVE	STANLEY GAINES & VICKIE		

Reply	Label #	Address		Owner
	39	3911	LEMMON AVE	WEST LLC
	40	3900	LEMMON AVE	HEB GROCERY COMPANY LP
	41	3607	OAK LAWN AVE	ASSET MANAGEMENT ASSOC
X	42	3900	BOWSER AVE	NEWCOMB ERIC B &
	44	3300	OAK LAWN AVE	OAK LAWN REALTY ASSOC L P
	46	3707	LEMMON AVE	DALLAS SHOWROOM REAL ESTATE LLC
	48	3811	RAWLINS ST	3811 RAWLINS LLC
Ο	49	3817	BOWSER AVE	SALYMINA HOLDINGS INC
	50	3553	KALTERRA CT	MOUZABI SARA
	52	3820	LEMMON AVE	GSSW LEMMON OAKLAWN LLC
	53	3826	LEMMON AVE	KLINE TRUST INV LTD
	54	3838	RAWLINS ST	NAKASH LINCOLN COURT LLC
	55	3302	HALL CT	COVERT MICHAEL A & JUNYAN SHAN
	56	3306	HALL CT	FANNING THERESA A &
	57	3308	HALL CT	OSULLIVAN JOSEPH &
X	58	3310	HALL CT	SPENCER GEOFFREY D & SUSAN E
	59	3312	HALL CT	CAREY ERNEST J & MARYLIN S
	60	3307	HALL CT	CONTRUCCI EMMA P
	61	3309	HALL CT	HORN DAN & MARY
	62	3311	HALL CT	HUDSON DAVID
	63	3313	HALL CT	KLANE SCOTT & KAREN
O	64	3921	RAWLINS ST	RAWLINS HOLDINGS LP
	66	3816	BOWSER AVE	SHIVER JAMES & MARGARET
Χ	67	3816	BOWSER AVE	WEINKAUF MARGARET
	68	3820	BOWSER AVE	CLARK JAMES DANA
	69	3822	BOWSER AVE	PATEL AMIT & AMISHA
	70	3824	BOWSER AVE	SANCHEZ FELIX & LOURDES
X	71	3834	BOWSER AVE	GRIFFO BOB C
	72	3608	REAGAN ST	HAMILTON BILL T & DEBBIE
	73	3610	REAGAN ST	CHELLGREN ZELDA &
	74	3612	REAGAN ST	BOYER LIVING TR

Reply	Label #	Address	Owner	
	75	3902	BOWSER AVE	KIMMERLING AMY
O	76	3904	RAWLINS ST	SQUIRIC ELENA
Ο	77	3904	RAWLINS ST	LOHNER JACK E JR
O	78	3904	RAWLINS ST	WENHAM MARK &
Ο	79	3904	RAWLINS ST	SMITH JENNIFER L
Ο	80	3904	RAWLINS ST	LEE JONG WON
O	81	3904	RAWLINS ST	XU MENGYU
Ο	82	3904	RAWLINS ST	HAYLOCK DUNCAN & COURTNEY
Ο	83	3904	RAWLINS ST	DELANO JEANA M
Ο	84	3904	RAWLINS ST	JONES KRISTEN ALLEN
Ο	85	3904	RAWLINS ST	KRIPOTOS THEODORE
Ο	86	3904	RAWLINS ST	SMITH MALLORY
O	87	3904	RAWLINS ST	BERKINBAYEVA BALZHAM
Ο	88	3904	RAWLINS ST	TURNER ELIZABETH J
O	89	3904	RAWLINS ST	HUBBLE JONATHAN &
O	90	3904	RAWLINS ST	WEBB NATALIE L
O	91	3904	RAWLINS ST	TANG STEVEN
O	92	3904	RAWLINS ST	VILLARREAL ANA GABRIELA
O	93	3311	REAGAN ST	ELLIOTT MILES DAVIS
O	94	3315	REAGAN ST	KIRLEY JULIEANNA
O	95	3317	REAGAN ST	LESZINSKI SLAWOMIR
O	96	3319	REAGAN ST	LUEWELLYN ALEXIS M
O	97	3319	REAGAN ST	WU JOAN
O	98	3321	REAGAN ST	SMITH JOHANNA M
O	100	3905	RAWLINS ST	IPENEMA INVESTMENTS LTF
O	101	3909	RAWLINS ST	IPENEMA INVESTMENTS LTF
O	102	3909	RAWLINS ST	PENSCO TRUST COMPANY CUSTODIAN
O	103	3909	RAWLINS ST	BIRNBAUM MARC A
Ο	104	3909	RAWLINS ST	SANFORD EHTAN LANCE
Χ	105	3817	RAWLINS ST	PASSPORT MINISTRIES
Χ	106	3817	RAWLINS ST	ARDIZZONI HEATHER

## Z189-316(PD)

Reply	Label #	Address		Owner	
X	107	3817	RAWLINS ST	TUESDAY REAL ESTATE LLC	
Χ	108	3817	RAWLINS ST	MALIK GHAZALA	
Χ	109	3817	RAWLINS ST	MIOT DANIEL &	
Χ	110	3817	RAWLINS ST	MCGEHEE SOPHIE	
Χ	111	3817	RAWLINS ST	BODINE BART R	
X	112	3817	RAWLINS ST	HOLLEY NICK R	
X	113	3320	REAGAN ST	HARROD JAMES M TRUST	
X	114	3817	RAWLINS ST	MATHEWS MICHAEL G	
Χ	115	3320	REAGAN ST	RICHARDSON LARRY W JR	
X	116	3320	REAGAN ST	BENDER DANIEL ALAN	
Χ	117	3320	REAGAN ST	HARROD JAMES MICHAEL TR	
X	118	3320	REAGAN ST	PROPHET GARY M	
X	119	3320	REAGAN ST	RAINES DALE EST OF &	
X	120	3320	REAGAN ST	MULLER ERIC	
X	121	3320	REAGAN ST	PEREZ PATRICIA	
X	122	3817	RAWLINS ST DAVIS DAVID PAUL		
X	123	3320	REAGAN ST FALCON ROSA I		
X	124	3320	REAGAN ST	CHAMBERLAIN ERNEST DON	
X	125	3320	REAGAN ST	CHUI WAI L	
X	126	3818	N HALL ST KELLY KIMBERLY ANN		
X	127	3818	N HALL ST STRONG D WALKER		
X	128	3818	N HALL ST	SINGH GURPAL GILL &	
X	129	3818	N HALL ST	PORTER DONOVAN	
X	130	3818	N HALL ST	NASH KEVIN	
X	131	3818	N HALL ST	FOLEY CHRISTOPHER	
X	132	3818	N HALL ST	AMIN HIMA	
X	133	3818	N HALL ST KHALILI ASSAL MARY		
X	134	3818	N HALL ST	MILLER STEPHEN E	
	135	3400	WELBORN ST	DELIER MICHAEL	
	136	3400	WELBORN ST	FLYNN TIMOTHY & ANNE	
	137	3400	WELBORN ST	PAULSON PATRICIA	

Reply	Label #	Address	Owner	
	138	3400	WELBORN ST	HEARD HOLDINGS LLC
	139	3400	WELBORN ST	MONTEMAYOR JAVIER
	140	3400	WELBORN ST	NMV HOLDINGS LLC
	141	3400	WELBORN ST	THOMAS AUDREY NICOLE
	142	3400	WELBORN ST	HAWKINSBROWN LESLIE CARON &
	143	3400	WELBORN ST	BORDELON JAMES M
	144	3400	WELBORN ST	MORCHOWER KAREN R
	145	3400	WELBORN ST	GEHI LAXMAN
	146	3400	WELBORN ST	ROBERTS BRITT
	147	3400	WELBORN ST	LOEPER PHILIP W
	148	3400	WELBORN ST	PAPARELLA MARY
	149	3400	WELBORN ST	OLIVEIRA TANYA
	150	3400	WELBORN ST	BECK MARGARET A
	151	3400	WELBORN ST	CALLAHAN TARA
	152	3400	WELBORN ST	HARDY SMITH PETER M REV TR
	153	3400	WELBORN ST	ROBERTSON MELVIN TODD
	154	3400	WELBORN ST	WAN LINDA K
	155	3400	WELBORN ST	GOOD MARY & JAMES G GOOD
	156	3400	WELBORN ST	BRATTAIN DAVID
	157	3400	WELBORN ST	BUIDA WILLIAM T & PATSY L
	158	3400	WELBORN ST	SOMES FAMILY TRUST A
	159	3400	WELBORN ST	MILLER MATTHEW
	160	3400	WELBORN ST	IGAMBERDIEVA INOBAT
	161	3400	WELBORN ST	PALCHIK YEFIM & SOFYA
	162	3400	WELBORN ST	ELLEFSON KRISTEN
	163	3400	WELBORN ST	CARNE JAMES REVOCABLE TRUST
	164	3400	WELBORN ST	WALKER PRISCILLA ALDEN
	165	3400	WELBORN ST	MOAYYAD NATHAN
	166	3400	WELBORN ST	STEWART WILLIAM A & RAVI D
	167	3400	WELBORN ST	LU LE
	168	3400	WELBORN ST	HATTON CAROLYN SUE

Reply	Label #	Address		Owner
	169	3400	WELBORN ST	PROEHL STEVE GOODWIN &
	170	3400	WELBORN ST	GRINDLER JAMES GREGORY
	171	3400	WELBORN ST	TEMKIN CAROLYN
	172	3400	WELBORN ST	RAMEY KENDAL N
	173	3400	WELBORN ST	PICARDI ALBERT & JAN
	174	3400	WELBORN ST	YU ADAM J & JUDY
	175	3400	WELBORN ST	WOOLDRIDGE ANN & JAMES
	176	3400	WELBORN ST	ETC CUSTODIAN
	177	3400	WELBORN ST	STROPENI NANCY
	178	3400	WELBORN ST	CARBERY JEFFREY S & JULIE D
	179	3400	WELBORN ST	SALINAS KARIN
	180	3400	WELBORN ST	MCCURLEY SKYLER ROBERT & STACEY
	181	3400	WELBORN ST	LEE DEBRA
	182	3400	WELBORN ST	SWEETSER WILLIAM & KELLY
	183	3400	WELBORN ST	CARTER GREGORY STERLING &
	184	3400	WELBORN ST	HARRIS MARILYN A REVOCABLE TRUST
	185	3400	WELBORN ST	FOSTER LILLIAN &
	186	3400	WELBORN ST	KAINTH MALVINDER SINGH & MONIQUE
	187	3400	WELBORN ST	MOOKERJEE SUBHRA JIT
	188	3400	WELBORN ST	
	189	3400	WELBORN ST	BELL RENEE
	190	3400	WELBORN ST	CARRINGTON ANGELA
	191	3400	WELBORN ST	LO JESSICA M
	192	3400	WELBORN ST	BENGHOZI TAWFIK
	193	3400	WELBORN ST	YOUNG ANGELA NICOLE
	194	3400	WELBORN ST	DILLARD LINDA
	195	3400	WELBORN ST	BOLEY TOMMY J
	196	3400	WELBORN ST	SANDERS WAYNE N & PENNY J
	197	3400	WELBORN ST	SONNENSCHEIN INVESTMENT LTD
	198	3400	WELBORN ST	REGGIARDO DIANA
	199	3400	WELBORN ST	YIP MICHAEL

Reply	Label #	Address		Owner
	200	3400	WELBORN ST	SYED NABEEL &
	201	3400	WELBORN ST	MOORE BOBBY
	202	3400	WELBORN ST	MOLAVILLE MGMT LTD PS
	203	3400	WELBORN ST	SAADALLAH NURA &
	204	3400	WELBORN ST	WAYNE FRANCES L
	205	3400	WELBORN ST	WALTER WENDOLYN SMITH
	206	3400	WELBORN ST	MEHTA MUKESH H &
	207	3400	WELBORN ST	CAFFEY BARBARA ANN
	208	3400	WELBORN ST	ZHANG NAN
	209	3400	WELBORN ST	GONGRE MICHAEL GLENN
	210	3400	WELBORN ST	ECHEVERRIA CHRISTINA
	211	3400	WELBORN ST	SNOWDON VICTORIA A &
	212	3400	WELBORN ST	DELEU BRIAN S
	213	3400	WELBORN ST	BRECUNIER JANE
	214	3400	WELBORN ST	WEATHRL MARTHA C
	215	3400	WELBORN ST	BHATNAGER JOGINDER MOHAN &
	216	3400	WELBORN ST	YU ADAM & JUDY
	217	3400	WELBORN ST	HIPP JAMES D
	218	3400	WELBORN ST	ZEAK SHAWN M
	219	3400	WELBORN ST	NICHOLSON DON & ALICE
	220	3400	WELBORN ST	PORRAS REBECCA L
	221	3400	WELBORN ST	MOHAN ASHWATHI &
	222	3400	WELBORN ST	PATEL ANAND N & SWATI
	223	3400	WELBORN ST	FACCA STEVEN T
	224	3400	WELBORN ST	MAXVILL ALISSA B
	225	3400	WELBORN ST	REICHENBACH FAMILY TR
	226	3400	WELBORN ST	WHITE ANNICK
	227	3400	WELBORN ST	FUENTES MELISSA
	228	3400	WELBORN ST	PRANGE BRETT P
	229	3400	WELBORN ST	HASHEM ABRAHAM & SUSAN
	230	3400	WELBORN ST	DEBNATH PRIYANKA

Reply	Label #	Address		Owner
	231	3400	WELBORN ST	OHEA LINDA L
	232	3400	WELBORN ST	TACCONI EUGENIO J &
	233	3400	WELBORN ST	OYSTER MICHAEL & STACY
	234	3400	WELBORN ST	WEBB ALBERT M
	235	3400	WELBORN ST	MUMMERT PEGGY L
	236	3400	WELBORN ST	HOANG MEGAN
	237	3400	WELBORN ST	WILLIAMS TOMMIE L
	238	3400	WELBORN ST	JONES FAMILY TRUST THE
	239	3400	WELBORN ST	STEPHENSON TIMOTHY R
	240	3400	WELBORN ST	MONTAGUE MAXWELL K &
	241	3400	WELBORN ST	BUROVA OLGA
	242	3400	WELBORN ST	MYERS DIANE
	243	3400	WELBORN ST	BALQUE DORSIN P JR &
	244	3400	WELBORN ST	GOMAR JORGE E &
	245	3400	WELBORN ST	DEMIRCI KEMAL SAFAK
	246	3400	WELBORN ST	PARENT GAYLE
O	A1	3710	RAWLINS ST	GAEDEKE HOLDINGS II LTD
	A2	3400	OAK LAWN AVE	BUZZINI LP
O	A3	3416	OAK LAWN AVE	MAIN STREET ROSS PARTNERS LTD &
O	A4	3500	OAK LAWN AVE	WESTDALE 3500 OAK LAWN LP
O	A5	3604	OAK LAWN AVE	LEWIS PAUL D NO 7
O	A6	3722	BOWSER AVE	LEWIS PAUL D LIMITED
O	A7	3716	BOWSER AVE	LEWIS PAUL D LIMITED PS # 7
O	A8	3822	N HALL ST	MADISON PACIFIC
Ο	A9	3828	N HALL ST	MADISON PACIFIC DEVELOPMENT COMPANY INC
O	A10	3509	OAK LAWN AVE	OAK LAWN RETAIL ASSO LTD
O	A11	3329	OAK LAWN AVE	ELEVEN OAKS PTNRS LP
O	A12	3541	KALTERRA CT	KCP BOWSER LLC
O	A13	3903	LEMMON AVE	3903 LEMMON AVE LLC
O	A14	3905	RAWLINS ST	ALVARADO ANDREW
O	A15	3505	KALTERRA CT	KCP BOWSER LLC

# Z189-316(PD)

Reply	Label #	Address		Owner
O	A16	3517	KALTERRA CT	KCP BOWSER LLC
Ο	A17	3529	KALTERRA CT	KCP BOWSER LLC
Ο	A18	3916	RAWLINS ST	MALT INVESTMENTS INC
Ο	A19	3928	RAWLINS ST	MALT INVESTMENTS INC
Ο	A20	3211	OAK LAWN AVE	MADISON PACIFIC DEV
Ο	A21	3909	RAWLINS ST	IPENEMA INVESTMENTS LTF
Ο	A22	3333	WELBORN ST	ARABELLA RETIREMENT OF
Ο	A23	3301	WELBORN ST	ARABELLA RETIREMENT OF
O	A24	3333	LEE PKWY	GPI LEE PARKWAY LP



# City of Dallas

## Agenda Information Sheet

File #: 19-1722 Item #: Z5.

STRATEGIC PRIORITY: Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): 7

**DEPARTMENT:** Department of Sustainable Development and Construction

**EXECUTIVE:** Majed Al-Ghafry

#### **SUBJECT**

A public hearing to receive comments regarding an application for a Specific Use Permit for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less use on property zoned an RR-D-1 Regional Retail District with a D-1 Liquor Control Overlay on the south side of Samuell Boulevard, east of North Jim Miller Road

Recommendation of Staff: Approval for a two-year period with eligibility for automatic renewals for additional five-year periods, subject to a site plan and conditions

Recommendation of CPC: Denial without prejudice

Z189-235(PD)

Note: This item was deferred by the City Council before opening the public hearing on October 23, 2019, and is scheduled for consideration on January 22, 2020

#### HONORABLE MAYOR & CITY COUNCIL

**WEDNESDAY, JANUARY 22, 2020** 

**ACM: Majed Al-Ghafry** 

FILE NUMBER: Z189-235(PD) DATE FILED: April 3, 2019

LOCATION: South side of Samuell Boulevard, east of North Jim Miller Road

COUNCIL DISTRICT: 7 MAPSCO: 48 E

SIZE OF REQUEST: Approx. 0.0361 acres CENSUS TRACT: 122.07

**APPLICANT:** SAI Kamalesori Inc.

**OWNER:** The Chung Family Living Trust

**REPRESENTATIVE:** Ryan Hughes

**REQUEST:** An application for a Specific Use Permit for the sale of

alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less use on property zoned an RR-D-1 Regional Retail District with a D-1

Liquor Control Overlay.

**SUMMARY:** The applicant proposes to sell alcohol in conjunction with a

general merchandise or food store in a portion of the

existing building facing Samuell Boulevard [Food Plus].

**CPC RECOMMENDATION: Denial** without prejudice.

STAFF RECOMMENDATION: <u>Approval</u> for a two-year period with eligibility for

automatic renewals for additional five-year periods,

subject to a site plan and conditions.

#### **BACKGROUND INFORMATION:**

- The request site is developed with a multi-tenant, one-story, retail building with approximately 5,625 square feet overall and is in a D-1 Liquor Control Overlay.
- The first Certificate of Occupancy was approved and issued on January 26, 2016; however, ownership changed, and a subsequent Certificate of Occupancy was approved and issued on January 26, 2017
- On January 27, 2016, City Council approved a 1) D-1 Liquor Control Overlay and 2) Specific Use Permit No. 2179 for the sale of alcoholic beverages in conjunction with a general merchandise or food store use 3,500 square feet or less for a two-year period, subject to a site plan and conditions. SUP No. 2179 expired on January 27, 2018.
- The applicant proposes to utilize the 1,574-square-foot suite for the continued sale of alcoholic beverages in conjunction with a general merchandise or food store use.

**Zoning History:** There have been two recent zoning requests in the area within the last five years.

1. **Z178-303** On April 24, 2019, the City Council approved the renewal of Specific Use Permit No. 2215 for the sale of alcoholic beverages in conjunction with a general merchandise or food store greater than 3,500 square feet on the southwest corner of North Jim Miller Road and East R.L. Thornton Freeway.

2. Z156-314 On November 9, 2016, the City Council approved the renewal of Specific Use Permit No. 1907 for the sale of alcoholic beverages in conjunction with a general merchandise or food store greater than 3,500 square feet located on the southeast corner of North Jim Miller and Samuell Road.

### **Thoroughfares/Streets:**

Thoroughfares/Street	Туре	Existing ROW
Samuell Boulevard	Principle Arterial	120 ft.
Jim Miller Road	Minor Arterial	100 ft.

#### **Traffic:**

The Engineering Division of the Sustainable Development and Construction Department has reviewed the request and determined that it will not negatively impact the surrounding roadway system.

#### **STAFF ANALYSIS:**

#### **Comprehensive Plan:**

The <u>fowardDallas! Comprehensive Plan</u> was adopted by the City Council in June 2006. The <u>fowardDallas! Comprehensive Plan</u> outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request.

#### **ECONOMIC ELEMENT**

**GOAL 2.4** CREATE AND MAINTAIN AN ENVIRONMENT FRIENDLY TO BUSINESSES AND ENTREPRENEURS

**Policy 2.4.2** Restore Dallas as the premier city for conducting business within the region.

#### **URBAN DESIGN**

#### **GOAL 5.3** ESTABLISH WALK-TO CONVENIENCE

**Policy 5.3.1** Encourage a balance of land uses within walking distance of each other.

#### **Surrounding Land Uses:**

	Zoning	Land Use
Site	RR-D-1	Retail and personal service uses
North	RR, D-1	Office, retail, restaurants
East	RR-D	Retail uses
South	RR-D, MF-2(A), R-7.5(A)	Retail, personal service and residential uses
West	RR-D, SUP 1907	Retail uses, SUP for sale of alcohol (CVS)

#### **Land Use Compatibility:**

The approximately 0.0361 acre site is developed with a multi-tenant 5,625 square foot building with three separate suites consisting of two retail uses and one personal service use. The applicant proposes to utilize a 1,574-square-foot suite for the sale of alcoholic beverages in conjunction with a general merchandise or food store use.

The surrounding land uses primarily consist of retail, office, restaurants to the north, east, and west; and a car wash and residential to the south.

The general provisions for a Specific Use Permit in Section 51A-4.219 of the Dallas Development Code specifically state: (1) The SUP provides a means for developing certain uses in a manner in which the specific use will be consistent with the character of the neighborhood; (2) Each SUP application must be evaluated as to its probable effect on the adjacent property and the community welfare and may be approved or denied as the findings indicate appropriate; (3) The city council shall not grant an SUP for a use except upon a finding that the use will: (A) complement or be compatible with the surrounding uses and community facilities; (B) contribute to, enhance, or promote the welfare of the area of request and adjacent properties; (C) not be detrimental to the public health, safety, or general welfare; and (D) conform in all other respects to all applicable zoning regulations and standards. The regulations in this chapter have been established in accordance with a comprehensive plan for the purpose of promoting the health, safety, morals, and general welfare of the city.

The general merchandise use is also regulated by Chapter 12B of the Dallas City Code, Convenience Stores. This chapter applies to all convenience stores, which is defined as any business that is primarily engaged in the retail sale of convenience goods, or both convenience goods and gasoline, and has less than 10,000 square feet of retail floor space; the term does not include any business that has no retail floor space accessible to the public. The purpose of Chapter 12B is to protect the health, safety, and welfare of the citizens of the city of Dallas by reducing the occurrence of crime, preventing the escalation of crime, and increasing the successful prosecution of crime that occurs in convenience stores in the city. This chapter establishes a registration program for convenience stores and provides requirements relating to:

- surveillance camera systems,
- video recording and storage systems,
- alarm systems,
- drop safes.
- security signs,

- height markers,
- store visibility,
- safety training programs, and
- trespass affidavits.

A separate certificate of registration to comply with Chapter 12B is required for each physically separate convenience store. A certificate of registration for a convenience store expires one year after the date of issuance and must be renewed annually.

The proposed general merchandise or food store must comply with Chapter 12B (Convenience Store, CS) requirements. The purpose of regulating convenience stores is to protect the health, safety, and welfare of the City of Dallas citizens by reducing the occurrence of crime, preventing the escalation of crime, and increasing the successful prosecution of crime that occurs in convenience stores throughout the city. The business owner of a convenience store must obtain the CS license only after the store is in operation. While the business owner can register for the license before opening the store; the inspection and approval can only be obtained after the store is in operation.

Staff supports the request because in addition to the aforementioned, the conditions and time periods recommended for the use provide an opportunity for continued evaluation of the site. Therefore, the sale of alcoholic beverages in conjunction with the existing general merchandise or food store use should not be a detriment to the adjacent properties because the Specific Use Permit provides periodic review to ensure the site continues to comply with approved plans and other regulations; thus, staff supports the request for a two-year period with eligibility of automatic renewals for additional five-year periods.

#### **Market Value Analysis:**

Market Value Analysis (MVA), is a tool to aid residents and policy-makers in understanding the elements of their local residential real estate markets. It is an objective, data-driven tool built on local administrative data and validated with local experts. The analysis was prepared for the City of Dallas by The Reinvestment Fund. Public officials and private actors can use the MVA to more precisely target intervention strategies in weak markets and support sustainable growth in stronger markets. The MVA identifies nine market types (A through I) on a spectrum of residential market strength or weakness. As illustrated in the attached MVA map, the colors range from purple representing the strongest markets (A through C) to orange, representing the weakest markets (G through I). Although the area of request is not within an identifiable MVA cluster, it is adjacent to an "E" MVA cluster to the south and an "F" MVA cluster to the southwest.

#### Parking:

The Dallas Development Code requires off-street parking to be provided for a general merchandise or food store use at one space for each 200 square feet of floor area. The proposed use requires eight parking spaces. Parking must be provided as shown on the site plan.

#### **Landscaping:**

Landscaping is required in accordance with Article X, as amended of the Dallas Development Code. However, the applicant's request will not trigger any Article requirements as no new construction is proposed on the site.

## Reported offense, calls and incidences requiring police activity in the three years:

The crime statistics cover the period of January 27, 2016, to June 26, 2019. The data shows that there have been 17 calls, two offenses, and four arrests.

# Z189-235(PD)

# Calls:

16-1655354	8/20/2016	9:32:00 AM	Southeast	310	318	1217	6X - Major Dist (Violence)
16-1852117	9/16/2016	2:21:00 PM	Southeast	310	318	1217	40 - Other
16-1940256	9/28/2016	9:28:00 PM	Southeast	310	318	1217	46 - CIT
16-1946800	9/29/2016	8:02:00 PM	Southeast	310	318	1217	07 - Minor Accident
16-2476673	12/16/2016	6:05:00 PM	Southeast	310	318	1217	40 - Other
17-0096014	1/15/2017	8:15:00 PM	Southeast	310	318	1217	20 - Robbery
17-0198238	1/31/2017	3:47:00 PM	Southeast	310	318	1217	40 - Other
17-0927421	5/16/2017	9:04:00 PM	Southeast	310	318	1217	6XE - Disturbance Emergency
17-1631000	8/26/2017	8:56:00 PM	Southeast	310	318	1217	40 - Other
17-2348069	12/13/2017	11:32:00 AM	Southeast	310	318	1217	09/01 - Theft
18-0643081	4/13/2018	9:01:00 AM	Southeast	310	318	1217	6XA - Major Dist Ambulance
18-1664585	9/12/2018	7:26:00 AM	Southeast	310	318	1217	12B - Business Alarm
18-1782211	9/30/2018	12:23:00 AM	Southeast	310	318	1217	12B - Business Alarm
18-1863920	10/12/2018	10:55:00 AM	Southeast	310	318	1217	6X - Major Dist (Violence)
18-2057756	11/12/2018	8:05:00 AM	Southeast	310	318	1217	12B - Business Alarm
18-2058551	11/12/2018	10:50:00 AM	Southeast	310	318	1217	6X - Major Dist (Violence)
18-2083854	11/16/2018	1:41:00 PM	Southeast	310	318	1217	6X - Major Dist (Violence)

# Offenses:

011802-2017	3	ROBBERY OF BUSINESS (AGG)	Convenience Store	6214 SAMUELL BLVD	1217	318	SOUTHEAST
282598-2017	2	THEFT FROM PERSON-PICKPOCKE	Convenience Store	6214 SAMUELL BLVD	1217	318	SOUTHEAST

## Arrests:

REDACTED	REDACTED	REDACTED	REDACTED	6214 SAMUELL BLVD	SIMPLE ASSAULT	MA
175649-2018	18-028334	8/9/2018	10:10:00 PM	6214 SAMUELL BLVD	DRUG/ NARCOTIC VIOLATIONS	MB
175649-2018	18-028334	8/9/2018	10:10:00 PM	6214 SAMUELL BLVD	WARRANT HOLD (OUTSIDE AGENCY)	NA
175649-2018	18-028334	8/9/2018	10:10:00 PM	6214 SAMUELL BLVD	WARRANT HOLD (OUTSIDE AGENCY)	NA

#### Z189-235(PD)

#### **CPC ACTION:**

#### September 5, 2019

**Motion:** It was moved to recommend **denial without prejudice** of a Specific Use Permit for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less on property zoned an RR-D-1 Regional Retail District with a D-1 Liquor Control Overlay, on the south side of Samuell Boulevard, east of North Jim Miller Road.

Maker: Brinson Second: Jung

Result: Carried: 8 to 4

For: 8 - MacGregor, Johnson, Carpenter, Brinson,

Jung, Housewright, Schultz, Ridley

Against: 4 - Schulte, Shidid, Murphy, Tarpley

Absent: 1 - Criss

Vacancy: 2 - District 8, District 12

**Notices:** Area: 200 Mailed: 9 **Replies:** For: 0 Against: 0

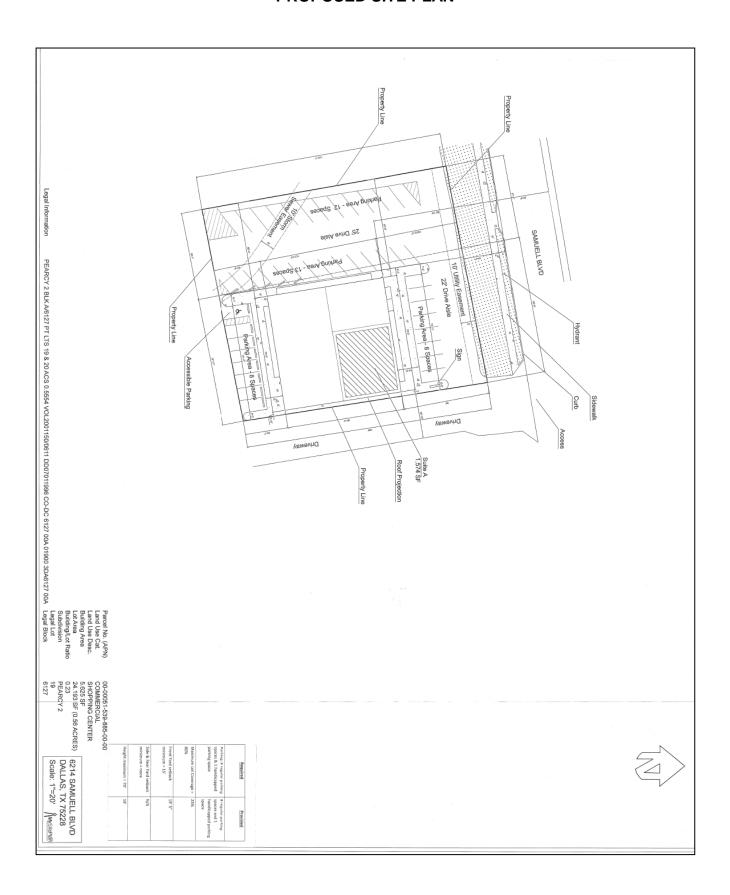
**Speakers**: For: Ryan Hughes, 1111 S. Main St., Grapevine, TX, 76051

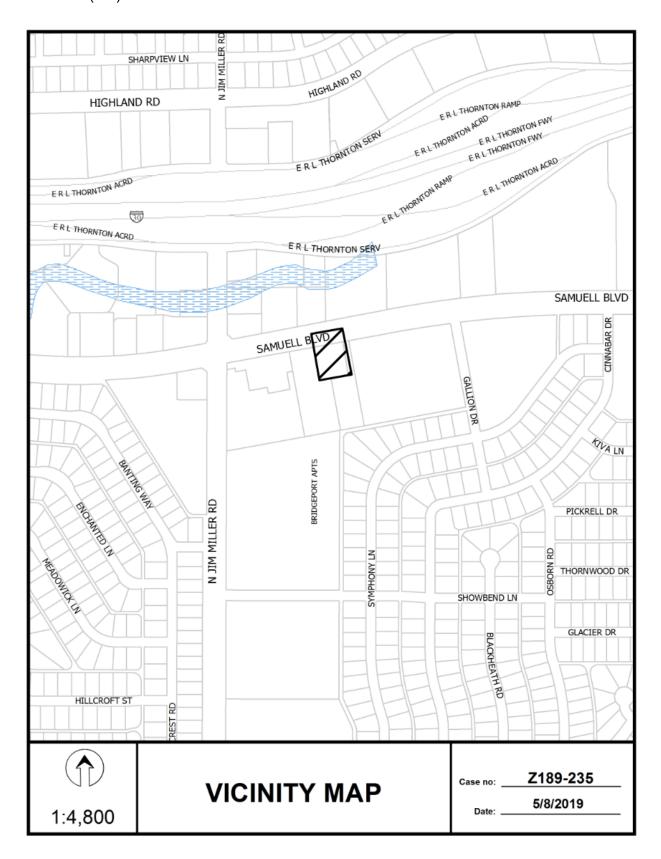
Against: None

#### **Proposed SUP Conditions**

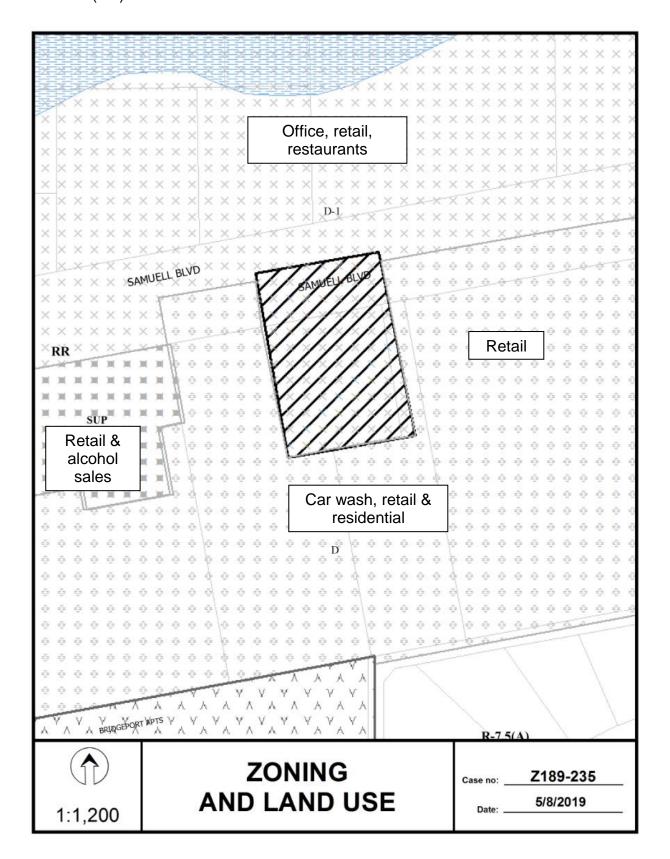
- 1. <u>USE</u>: The only use authorized by this specific use permit is the sale of alcoholic beverages for off-premise consumption in conjunction with a general merchandise or food store 3,500 square feet or less.
- 2. <u>SITE PLAN</u>: Use and development of the Property must comply with the attached site plan.
- 3. <u>TIME LIMIT</u>: This specific use permit expires on (two years), but is eligible for automatic renewal for additional five-year periods, pursuant to Section 51A-4.219 of Chapter 51A of the Dallas City Code, as amended. For automatic renewal to occur, the Property owner must file a complete application for automatic renewal with the director before the expiration of the current period. Failure to timely file a complete application will render this specific use permit ineligible for automatic renewal. (Note: The Code currently provides that applications for automatic renewal must be filed after the 180th but before the 120th day before the expiration of the current specific use permit period. The Property owner is responsible for checking the Code for possible revisions to this provision. The deadline for applications for automatic renewal is strictly enforced.)
- 5. <u>MAINTENANCE</u>: The Property must be properly maintained in a state of good repair and neat appearance.
- 6. <u>GENERAL REQUIREMENTS</u>: Use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the City of Dallas.

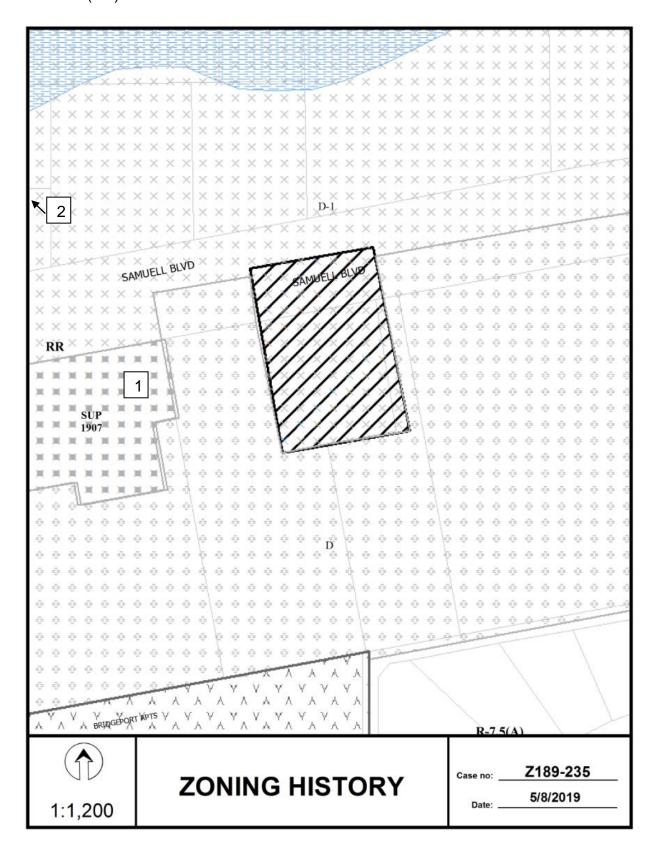
## **PROPOSED SITE PLAN**

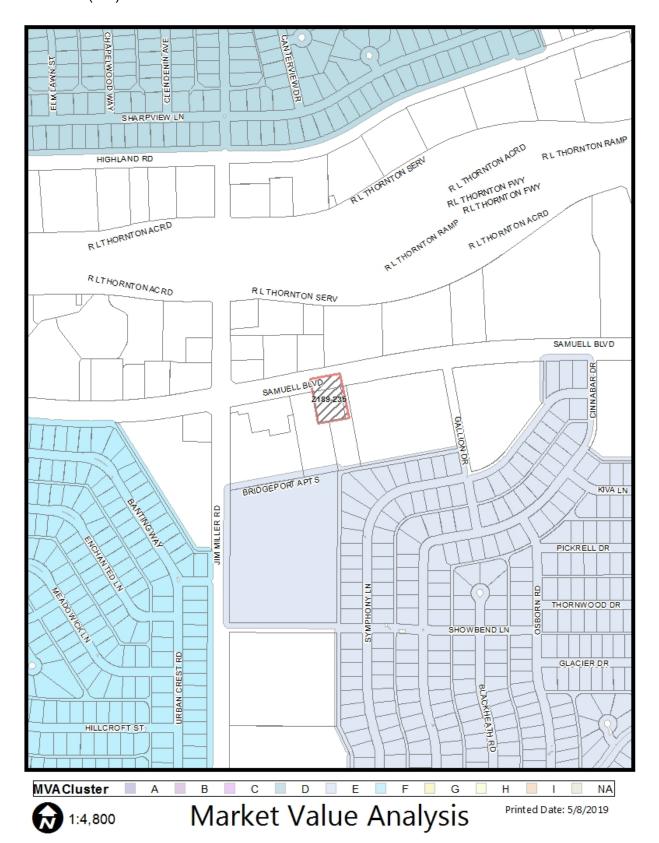












14

## **CPC RESPONSES**



09/04/2019

# Reply List of Property Owners

Z189-235

9 Property Owners Notified 0 Property Owners in Favor 0 Property Owners Opposed

Reply	Label #	Address		Owner
	1	6000	SAMUELL BLVD	CHUNG JOE INKI TR &
	2	6024	SAMUELL BLVD	DRY WAYNE F
	3	6118	SAMUELL BLVD	SAMUEL MILLER FIT LLC
	4	6885	SAMUELL BLVD	FIREBRAND PROPERTIES LP
	5	6155	SAMUELL BLVD	SAMUELL RETAIL LTD
	6	6300	SAMUELL BLVD	SAM VILLAGE LLC
	7	6004	SAMUELL BLVD	PARKER MICHAEL
	8	5470	N JIM MILLER RD	CFIC LLC
	9	8344	E R L THORNTON FWY	4D SIVRAJ LLC



1500 Marilla Street Dallas, Texas 75201



# **Agenda Information Sheet**

File #: 20-133 Item #: Z6.

STRATEGIC PRIORITY: Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): 13

**DEPARTMENT:** Department of Sustainable Development and Construction

**EXECUTIVE:** Majed Al-Ghafry

\_\_\_\_\_\_\_

### **SUBJECT**

A public hearing to receive comments regarding an application for and an ordinance granting an MU-2 Mixed Use District on property zoned Planned Development District No. 85, on the northeast corner of Greenville Avenue and Pineland Drive, south of Walnut Hill Lane

Recommendation of Staff and CPC: Approval

Z189-323(AU)

Note: This item was deferred by the City Council before opening the public hearing on January 8, 2020, and is scheduled for consideration on January 22, 2020

### **HONORABLE MAYOR & CITY COUNCIL**

**WEDNESDAY, JANUARY 22, 2020** 

**ACM: Majed Al-Ghafry** 

**FILE NUMBER:** Z189-323(AU) **DATE FILED:** July 29, 2019

**LOCATION:** Northeast corner of Greenville Avenue and Pineland Drive, south of Walnut

Hill Lane

COUNCIL DISTRICT: 13 MAPSCO: 26 Q

SIZE OF REQUEST: +/- 24.47 Acres CENSUS TRACT: 0078.15

**REPRESENTATIVE:** Suzan Kedron, Jackson Walker LLP

**OWNER/APPLICANT:** Venue Real Estate Holdings PO LLC, 3 Hombres LP, Vickery

Meadow Real Estate Holdings PO LLC, Old Vickery Park

**Holdings LLC** 

**REQUEST:** An application for an MU-2 Mixed Use District on property

zoned Planned Development District No. 85

**SUMMARY:** The applicant proposes to redevelop the property with a mix

of uses to include retail, restaurant, multifamily, and hotel

uses.

CPC RECOMMENDATION: Approval.

STAFF RECOMMENDATION: Approval.

### **BACKGROUND INFORMATION**

- The 24.47-acre request site is comprised of eight parcels generally located on the northwest corner of Greenville Avenue and Pineland Drive, west of Southern Pacific Trail (SoPAC). The request site is crossed by Jenkins Branch Creek that further connects with White Rock Creek and Harry S. Moss Park to the west. Belco Drive, an internal publicly accessible private street, connects the interior parcels from Pineland Drive.
- The area of request is zoned Planned Development District No. 85 and is partly occupied with a multifamily development (The Venue at Greenville, Phase 1 and Phase 2), located south of Belco Drive, and a retail use (Calloway's Nursery) located on the northeast corner of the request site, along Greenville Avenue. The rest of the site was recently demolished and is currently undeveloped.
- Planned Development District No. 85 was established on September 22, 1975 and is comprised of 28.098 acres. PD No. 85 is divided in a retail area for Shopping Center District uses in Chapter 51, an office area, for O-2 Office District uses in Chapter 51, and an apartment area for MF-3 Multiple-family District uses in Chapter 51.
- The parcels south of Belco Drive, comprising the west part of the request site, are located within the apartment area of PD No. 85, the parcels along Greenville Avenue and on the northwest side of Belco Drive, are located within the retail area, and the parcels northeast of Belco Drive are located within the office area of PD No. 85.
- The applicant proposes to redevelop the property with a mix of uses to include retail, restaurant, multifamily, and hotel uses.

# **Zoning History**

There has been one zoning request in the area within the last five years.

**1. Z167-161:** On October 24, 2018, the City Council approved the renewal of Specific Use Permit No. 1343 for a drive-through restaurant, for a twenty-year period, on property zoned Planned Development District No. 76, located north of Walnut Hill Lane, west of Greenville Avenue.

# **Thoroughfares/Streets**

Thoroughfare/Street	Туре	Existing ROW	Proposed ROW
Greenville Avenue	Principal Arterial	120 feet	100 feet
Greenville Averlue	ille Avenue   Frincipal Artenal		Bike plan
Pineland Drive	Community Collector	57 foot	60 feet
Pineland Drive	Community Collector	37 leet	Bike Plan

### **Traffic**

The applicant submitted a Traffic Impact Analysis (TIA) that identifies the traffic generation characteristics and potential traffic related impacts on the adjacent street system.

The TIA estimates that the development is expected to generate approximately 850 new weekday AM peak hour one-way vehicle trips and 1,148 new weekday PM peak one-way vehicle trips at buildout. The proposal does not include the redevelopment of the existing multifamily on the southern and southeastern portions of the request site, therefore the TIA estimates that there will be no additional traffic generated by the multifamily portions.

The TIA indicates that, based on the analysis, the proposed mixed-use development can be successfully incorporated into the surrounding roadway network and the sitegenerated traffic will not significantly affect the existing vehicle traffic operations.

The Engineering Division of the Sustainable Development and Construction Department reviewed the proposed request and determined that the request will not have a negative impact on the existing street system.

### STAFF ANALYSIS

### **Comprehensive Plan**

The <u>forwardDallas! Comprehensive Plan</u> was adopted by the City Council in June 2006. The <u>forwardDallas! Comprehensive Plan</u> outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request.

The proposed zoning request meets the following goals and objectives of the comprehensive plan:

### LAND USE ELEMENT

**GOAL 1.1** ALIGN LAND USE STRATEGIES WITH ECONOMIC DEVELOPMENT PRIORITIES

**Policy 1.1.5** Strengthen existing neighborhoods and promote neighborhoods' unique characteristics. Acknowledge the importance of neighborhoods to the city's long-term health and vitality.

### **GOAL 1.3** PROVIDE EQUITABLE OPPORTUNITIES FOR DALLAS RESIDENTS

**Policy 1.3.1** Create housing opportunities throughout Dallas.

### **ECONOMIC ELEMENT**

### **GOAL 2.1 PROMOTE BALANCED GROWTH**

**Policy 2.1.1** Ensure that zoning is flexible enough to respond to changing economic conditions.

### **GOAL 2.5** FOSTER A CITY OF GREAT NEIGHBORHOODS

**Policy 2.5.2** Ensure that existing and future residential areas are appropriately linked in order to enhance economic development and urban design benefits.

### **URBAN DESIGN ELEMENT**

### **GOAL 5.3 ESTABLISHING WALK-TO CONVENIENCE**

**Policy 5.3.1** Encourage a balance of land uses within walking distance of each other.

# **Surrounding Land Uses**

Area	Zoning	Use
Site	PD No. 85	Retail, multifamily, undeveloped
North	PD No. 453 PD No. 85	Hospital, office, medical office, undeveloped
East	R-7.5(A) with SUP No. 391	Southern Pacific Trail (SoPAC Trail), transfer refuse station, park
South Southeast	MF-1(A), TH-3(A)	Multifamily
Southwest	MF-1(A), GO(A) with Deed Restrictions, PD No. 96	Multifamily, community center, office, medical office
West Northwest	PD No. 453	Hospital

# **Land Use Compatibility**

The 24.47-acre request site is comprised of eight parcels generally located on the northwest corner of Greenville Avenue and Pineland Drive, west of Southern Pacific Trail (SoPAC). The request site is crossed by Jenkins Branch Creek that further connects with White Rock Creek and Harry S. Moss Park to the west. Belco Drive, an internal publicly accessible private street, connects the interior parcels from Pineland Drive.

The area of request is partly occupied with a multifamily development (The Venue at Greenville, Phase 1 and Phase 2), located south of Belco Drive, and a retail use (Calloway's Nursery) located on the northeast corner of the request site, along Greenville Avenue. The rest of the site was recently demolished and is currently undeveloped.

The area of request is surrounded by Texas Health Presbyterian Hospital campus and medical offices to the north and west; by residential uses, mainly multifamily, to the south, and by Jenkins Branch Creek with Harry S Moss Park and Southern Pacific Trail (SoPAC) to the east. Walnut Hill DART rail station is approximately 2 miles northwest of the request site.

The site is zoned Planned Development District No. 85, which was established on September 22, 1975 and refers to Chapter 51, which was replaced by the current Development Code, Chapter 51A. PD No. 85 is divided in three areas. The parcels south of Belco Drive, comprising the west part of the request site, are located within the apartment area (MF-3) of PD No. 85. The parcels along Greenville Avenue and on the northwest side of Belco Drive, are located within the retail area (SC). The parcels northeast of Belco Drive are located within the office area (O-2) of PD No. 85.

The applicant is proposing to rezone the entire site to an MU-2 Mixed Use District and to redevelop the property with a mix of uses to include retail, restaurant, multifamily, and hotel uses. The MU-2 District is intended to provide for the development of medium density retail, office, hotel, and/or multifamily residential uses in combination on single or contiguous building sites; to encourage innovative and energy conscious design, efficient circulation systems, the conservation of land, and the minimization of vehicular travel.

The following chart compares the uses as allowed by the existing PD 85 with the uses allowed by the proposed MU-2 district.

P indicates permitted by right.

SUP indicates permitted with a Specific Use Permit.

RAR indicates permitted, but subject to Residential Adjacency Review.

**LMTD** indicates permitted, but subject to limitations; or by special authorization of the building official; or director approval

Italic font indicated use as mentioned in Development Code Chapter 51 per PD 85.

	EXISTING PD No. 85 (Sta	andards per Cł	napter 51)	PROPOSED MU-2 (Standards per Chapter 51A)
	Shopping Center SC Area	Office O-2 Area	Apartment MF-3 Area	MU-2
Agricultural Uses				
Crop production				Р
Farm or ranch	Р	Р	Р	
Commercial and business service uses	3			
Catering service	Р			Р
Custom business service				Р
Electronics service center				Р
Labor hall				SUP
Medical or scientific laboratory		<u> </u>	ļ	P
Tool or equipment rental				Р
Industrial uses	T		1	O. I.D.
Gas drilling and production				SUP
Temporary concrete or asphalt batching plant				LMTD
Mining	SUP	SUP		
Institutional and community service us		1 :	<u> </u>	
Adult day-care facility	Р	SUP	SUP	Р
Cemetery or mausoleum	SUP	SUP	SUP	SUP
Child-care facility	Р	SUP	SUP	Р
Church	Р	Р	Р	Р
College, university or seminary	Р	Р	Р	Р
Community service center				SUP
Convalescent and nursing homes,			Р	DAD
hospice care, and related institutions			P	RAR
Covent or monastery	Р	Р	Р	Р
Foster home	Р	SUP	SUP	Р
Halfway house				SUP
Hospital	Р	SUP	SUP	SUP
Library, art gallery, or museum	Р	Р	Р	Р
Open-enrollment charter school or private school				SUP
Public school other than open- enrollment charter school	Р	Р	SUP	RAR
Rectory	Р	Р	Р	
Lodging uses	I	1	1	
Extended stay hotel or motel	SUP			SUP
Hotel or motel	LMTD	LMTD		RAR
Overnight general purpose shelter	SUP			LMTD
Lodging or boarding house			Р	
Miscellaneous uses	-	•	•	
Attached non-premise sign				SUP
Carnival or circus (temporary)				LMTD
Temporary construction or sales office				Р

	<b>EXISTING</b> PD No. 85 (Standards per Chapter 51)			PROPOSED MU-2 (Standards per Chapter 51A)
	Shopping Center SC Area	Office O-2 Area	Apartment MF-3 Area	MU-2
Office uses				
Alternative financial establishment				SUP
Financial institution without drive-in window	Р	Р		Р
Financial institution with drive-in window	Р	Р		LMTD
Medical clinic or ambulatory surgical	Р	Р		Р
center	•			
Office	Р	Р		P
Medical or scientific laboratory	Р	Р		
Temporary construction or sales office	Р	Р	Р	
Recreation uses		1	T = - : = - ·	
Country club with private membership			SUP	Р
Private recreation center, club, or area	Р	SUP	SUP	Р
Public park, playground, or golf course	Р	Р	P / SUP for gold course	Р
Community, welfare, or health center	Р	SUP	SUP	
Game court center	Р			
Residential uses				
College, dormitory, fraternity, or sorority house	Р	Р	Р	Р
Duplex	Р	Р	Р	Р
Group residential facility			LMTD	P
Multifamily	Р	Р	Р	Р
Residential hotel				Р
Retirement housing			Р	Р
Single-family	Р	Р	Р	Р
Handicapped group dwelling unit	LMTD	LMTD	LMTD	
Retail and personal service uses				
Alcoholic beverage establishments	SUP		SUP	Р
Animal shelter or clinic without outside runs	Р	Р		RAR
Auto service center	Р	LMTD		RAR
Business school	Р	Р		Р
Car wash	Р			RAR
Commercial amusement (inside)	Р			SUP may be req.
Commercial amusement (outside)	SUP			SUP
Commercial parking lot or garage				RAR
Convenience store with drive-through				SUP
Dry cleaning or laundry store	Р		LMTD	Р
Furniture store				Р
General merchandise or food store 3,500 square feet or less	Р			Р
General merchandise or food store 3,500 square feet or more	Р			SUP
Household equipment and appliance repair				Р

	EXISTING PD No. 85 (Standards per Chapter 51)			PROPOSED MU-2 (Standards per Chapter 51A)
	Shopping Center SC Area	Office O-2 Area	Apartment MF-3 Area	MU-2
Liquor store				Р
Mortuary, funeral home, or commercial				Р
wedding chapel				•
Motor vehicle fueling station				Р
Nursery, garden shop, or plant sales				P
Paraphernalia shop				SUP
Personal service uses				Р
Restaurant without drive-in or drive-	Р	LMTD	LMTD	RAR
through service	-			
Restaurant with drive-in or drive-				LMTD
through service				CLID
Swap or buy shop				SUP
Temporary retail use	D.		CLID	P P
Theater	Р	D	SUP	Ρ
Optical shop	P P	P P		
Medical appliance fitting sales Wax museum	P	SUP		
	LMTD	30P		
Carnival or circus (temporary) Private club	P	LMTD	LMTD	
Barber and beauty shop	P	LMTD	LMTD	
Health studio	P	LMTD	LMTD	
Custom cleaning shop	P	LMTD	LMTD	
Key shop	P	LIVITO	LIVITO	
Shoe repair	P			
Tailor, custom sewing, and millinery	P			
Travel bureau	Р	LTMD		
Broadcasting or recording studio	P	Р		
Instructional art studio	Р	Р		
Handcrafted art work studio	Р			
Handcrafted bookbinding	Р			
Photography studio	Р	LMTD		
Safe deposit boxes	Р			
Commercial wedding chapel	Р			
Antique shop	Р			
Retail food store	Р		LMTD	
Bakery or confectionary shop	Р			
Book and stationary store	Р		LMTD	
Camera shop	Р			
Cigar, tobacco, and candy store	Р	LMTD	LMTD	
Clothing store	Р			
Drug store	Р	LMTD	LMTD	
Liquor store	Р		Р	
Florist store	Р			
Pet shop	Р			
Furniture store	Р			

	EXISTING PD No. 85 (Sta	EXISTING PD No. 85 (Standards per Chapter 51)		
	Shopping Center SC Area	Office O-2 Area	Apartment MF-3 Area	MU-2
Second hand store	Р			
Pawn shop	Р			
Hardware or sporting goods store	Р			
Home improvement center	Р			
Hobby and art supplies store	P			
Paint and wallpaper store	Р			
Auto glass, muffler, or seat cover shop	Р			
Auto part sales (inside only)	P			
Auto repair garage (inside)	Р			
Transportation uses	0.15	Laura	10115	O. U.D.
Helistop	SUP	SUP	SUP	SUP
Railroad passenger station				SUP
Transit passenger shelter	Р	Р	Р	Р
Transit passenger station or transfer center				SUP
Airport or landing field	Р	Р	Р	
STOL (short takeoff or landing) port	Р			
Utility and public service uses				
Commercial radio or television transmitting station				Р
Electrical substation	SUP	SUP	SUP	Р
Local utilities	LMTD	LMTD	LMTD	SUP or RAR
Police or fire station				Р
Post office	Р	Р	SUP	Р
Radio, television, or microwave tower	Р	Р	SUP	SUP
Tower/antenna for cellular communication	LMTD	LMTD	LMTD	Р
Utility or government installation, other than listed	SUP	SUP	SUP	SUP
Sewage pump station	Р	Р	P	
Sewage treatment plant	SUP	SUP	<u>'</u>	
Telephone exchange, switching, and transmitting equipment	P	P	Р	
Water reservoir, well, or pumping station	Р	Р	Р	
Water treatment plant	Р	SUP		
Wholesale, distribution, and storage us		1 20.	1	
Mini-warehouse	<del>-</del>			SUP
Recycling buy-back center				P
Recycling collection center	P (aluminum collection)			P
Recycling drop-off container	20110001011)			Р
Recycling drop-off for special occasion collection				P
Diamond and precious stone sales (wholesale only)	Р	Р		

Z189-323(AU)

The most significant change regarding the uses is the creation of a single district that will allow the mix of uses throughout the area of request instead of separating them into subdistricts dedicated to multifamily, retail and office, as they are now.

There is also a difference between how uses were categorized by Chapter 51 versus the categories in Chapter 51A. Chapter 51 detailed and identified the retail and personal service uses, Chapter 51A is more general regarding the retail and personal service uses, recognizing the dynamic and changes of these types of uses in general.

More explicitly, the following uses will no longer be allowed: farm or ranch, mining, lodging or boarding house, airport or landing field and STOL (short takeoff or landing) port. Also, regarding residential uses, single-family, handicapped group dwelling unit, and foster home, will not be allowable uses either.

Considering the necessity for a diverse mix of uses in the area and the benefits of bringing this area to the regulations and standards of the current Development Code, Chapter 51 A, staff supports the proposed zoning change.

# **Development Standards**

The following chart compares the standards as allowed by the existing PD No. 85 with the standards allowed by the proposed MU-2 district.

	PD No. 85 (Standards per Chapter 51)				
STANDARDS CHAPTER 51	Retail area Shopping Center / SC	Office area O-2	Apartment area MF-3	MU-2 (Standards per Chapter 51A)	
Yard					
Front (min)	30'	25'	15'	15' <b>Urban form setback:</b> Additional 20' for any portion over 45' high	
Side (min)	5' for Duplex 10' otherwise				
Rear (min)				20' if adj or across R, D, TH, CH, MF	
Duplex	10'	10'	10'	Otherwise: none <b>Tower spacing requirements:</b> Additional  1' for each 2' above 45' – for the portions	
MF less than 36' high	15'	15'	15'	above 45'. To a total setback of 30'.	
MF more than 36'	25'	25'	25'		
Other	NA	10'	25'		

	(Standa	PD No. 85 ards per Cha	pter 51)		
STANDARDS CHAPTER 51	Retail area Shopping Center / SC	Office area O-2	Apartment area MF-3	MU-2 (Standards per Chapter 51A)	
Density				Varies depending on being a mixed use project: Base: 50 DU/Acre Mix of 2: 75 DU/Acre Mix of 3: 100 DU/Acre MU-2 SAH (affordable) has different density scheme depending on number of affordable units provided; to a max of 180 DU/Acre	
Lot Coverage (max)	60% for resid 40% non-r	dential	60% for residential 50% non-r	80% (aboveground parking is included; surface and garage parking are not)	
Lot area per DU (min)					
SF	1,000 sf		1,000 sf		
Duplex	3,000 sf		2,500 sf		
No separate bedrooms	100 sf		100 sf		
One bedroom	125 sf		125 sf	No min.	
Two bedrooms	150 sf		150 sf		
More than 2 bedrooms (+/each bedroom)	25 sf		25 sf		
Lot width (min)					
SF	18'				
Duplex	50'				
MF less than 36' high	60'		50'	No min	
MF more than 36'	100'			No min.	
Lot depth for residential uses (min)	100'				
Height (max)	48'			Base: 135' / 10 stories MUP (with retail): 180' / 14 stories Parking garages are exempt. RPS for portions over 26'	
FAR (max)	1:1	4:1		Varies depending on being a mixed-use project, per the uses to be mixed: 1.6:1 1.8:1 2.0:1 2.25:1	

	(Standa	PD No. 85 rds per Cha	pter 51)	
STANDARDS CHAPTER 51	Retail area Shopping Center / SC	Office area O-2	Apartment area MF-3	MU-2 (Standards per Chapter 51A)
Other	All retail must front or be oriented towards the creek. No frontage on Greenville for liquor or food stores.			Development impact review: if the estimated trip generation for all uses collectively >= 6,000 trips/day and 500 trips/acre/day  Visual intrusion: for facing single family, duplex, townhome, and multifamily districts.

The most significant change is the increase in height that would be allowed under the MU-2 District as compared to PD-85. PD-85 allows a maximum height of 48 feet, MU-2 allows a base of 135 feet with the possibility of increase under a bonus for mixed uses. Staff supports this change, considering the overall benefits of an MU-2 District.

The MU-2 District contains the standards for a denser urban form with a better street presence and urban design. These standards include narrower front yard, larger side and rear yards with specifications for tower spacing, while being more restrictive on the intensity of development and limiting the FAR and height compared to PD No. 85. A key component of the MU-2 District standard is the provision for the above-ground parking garage to count towards the lot coverage, thus encouraging the underground parking.

The bonus schemes available within an MU-2 District to encourage the mix of uses and affordable housing, are also an overall update that is ensuring that development will accomplish the desired vision for the city overall. The MU-2 District bonus scheme is allowing an increase in density without increasing the height and FAR. It is important to note that the Dallas Development Code, Chapter 51A, is also including urban design standards for obtaining the desired density bonuses.

Considering the necessity for a denser and more walkable urban form, especially in areas in the vicinity of public transit, denser residential, and recreation areas, and appreciating the benefits of bringing this area to the regulations and standards of the actual and updated Chapter 51A, staff supports the proposed zoning change.

# **Parking**

Pursuant to the Dallas Development Code, off-street parking must be provided in accordance with Division 51A-4.200.

### Landscaping

Landscaping must be provided in accordance with the landscaping requirements in Article X, as amended.

### **Market Value Analysis**

Market Value Analysis (MVA), is a tool to aid residents and policy-makers in understanding the elements of their local residential real estate markets. It is an objective, data-driven tool built on local administrative data and validated with local experts. The analysis was prepared for the City of Dallas by The Reinvestment Fund. Public officials and private actors can use the MVA to more precisely target intervention strategies in weak markets and support sustainable growth in stronger markets. The MVA identifies nine market types (A through I) on a spectrum of residential market strength or weakness. As illustrated in the attached MVA map, the colors range from purple representing the strongest markets to orange, representing the weakest markets. The southeastern portion of the request area is located within a Category "E", the rest being not categorized. The area surrounding the request site to the south and southeast is also located within a Category "E".

### LIST OF PARTNERS

# **Venue Real Estate Holdings PO, LLC (land owner)**

**Anson Reilly** – Sole Manager, Senior Vice President, Secretary, Treasurer

## 3 Hombres, LP (land owner)

G-Whis Company, Inc. – General Partner David Whisenant - President Guion Gregg III – Secretary

### Vickery Meadow Real Estate Holdings PO, LLC (land owner and applicant)

**Anson Reilly** – Sole Manager, Senior Vice President, Secretary, Treasurer

# Old Vickery Park Holdings, LLC (land owner)

Michael Nazarian – President Rachel Nazarian – Officer Rebekah Nazarian – Officer

### **Greenville Ave RE Holdings PO, LLC (ground lessee)**

Anson Reilly - Sole Manager, Senior Vice President, Secretary, Treasurer

### **Greenville Ave RE Holdings II PO, LLC (ground lessee)**

**Anson Reilly** – Sole Manager, Senior Vice President, Secretary, Treasurer

# CPC Action October 17, 2019

**Z189-323(AU)** Planner: Andreea Udrea

**Motion:** In considering an application for an MU-2 Mixed Use District on property zoned Planned Development District No. 85, on the northeast corner of Greenville Avenue and Pineland Drive, south of Walnut Hill Lane, it was moved to **hold** this case under advisement until November 7, 2019.

Maker: Murphy
Second: MacGregor
Result: Carried: 13 to 0

For: 13 - MacGregor, Hampton, Johnson, Shidid,

Carpenter, Brinson, Blair, Jung, Housewright,

Schultz, Schwope, Murphy, Ridley

Against: 0 Absent: 0

Vacancy: 2 - District 3, Place 15

Notices: Area: 400 Mailed: 253 Replies: For: 5 Against: 0

**Speakers:** None

# CPC Action November 7, 2019

**Z189-323(AU)** Planner: Andreea Udrea

**Motion:** It was moved to recommend **approval** of an MU-2 Mixed Use District on property zoned Planned Development District No. 85, on the northeast corner of Greenville Avenue and Pineland Drive, south of Walnut Hill Lane.

Maker: Murphy
Second: MacGregor
Result: Carried: 14 to 0

For: 14 - MacGregor, Hampton, Johnson, Shidid,

Carpenter, Brinson, Blair, Jung, Housewright, Schultz, Schwope\*, Murphy, Ridley, Rubin

Against: 0 Absent: 0

Vacancy: 1 - District 3

\*out of the room, shown voting in favor

**Notices:** Area: 400 Mailed: 253 **Replies:** For: 12 Against: 0

**Speakers**: For: Suzan Kedron, 2323 Ross Ave., Dallas, TX, 75201

Against: None

# EXISTING REGULATIONS PLANNED DEVELOPMENT DISTRICT NO 85.

# ARTICLE 85. PD 85.

### SEC. 51P-85.101. LEGISLATIVE HISTORY.

PD 85 was established by Ordinance No. 14991, passed by the Dallas City Council on September 22, 1975. Ordinance No. 14991 amended Ordinance No. 10962, Chapter 51 of the 1960 Revised Code of Civil and Criminal Ordinances of the City of Dallas, as amended. Ordinance No. 14991 was amended by Resolution No. 76-1765, passed by the Dallas City Council on July 6, 1976; Resolution No. 76-2937, passed by the Dallas City Council on November 8, 1976; Resolution No. 77-1114, passed by the Dallas City Council on April 25, 1977; Resolution No. 77-1278, passed by the Dallas City Council on May 9, 1977; Ordinance No. 15838, passed by the Dallas City Council on May 31, 1978; Resolution No. 78-1527, passed by the Dallas City Council on May 31, 1978; Resolution No. 78-1599, passed by the Dallas City Council on June 7, 1978; Resolution No. 83-0764, passed by the Dallas City Council on March 2, 1983; Resolution No. 90-1944, passed by the Dallas City Council on June 13, 1990; Ordinance No. 20855, passed by the Dallas City Council on January 13, 1993. (Ord. Nos. 10962; 14991; 15838; 20855; 21536; 25423; Res. Nos. 76-1765; 76-2937; 77-1114; 77-1278; 78-1527; 78-1599; 83-0764; 90-1944)

### SEC. 51P-85.102. PROPERTY LOCATION AND SIZE.

PD 85 is established on property generally located at the northeast corner of Greenville Avenue and Pineland Drive. The size of PD 85 is approximately 28.098 acres. (Ord. Nos. 14991; 25423)

### SEC. 51P-85.103. DEFINITIONS AND INTERPRETATIONS.

- (a) Unless otherwise stated, the definitions and interpretations in Chapter 51 apply to this article.
- (b) Unless otherwise stated, all references to articles, divisions, or sections in this article are to articles, divisions, or sections in Chapter 51. (Ord. 25423)

### SEC. 51P-85.104. CONCEPTUAL PLAN.

A conceptual plan (Exhibit 85A) indicating use districts by tracts, as approved by the city plan commission on March 9, 1978, replaces and supersedes any previously adopted conceptual plans. (Ord. Nos. 15838; 25423)

### SEC. 51P-85.105. DEVELOPMENT PLAN.

- (a) A detailed development plan for the area designated as Phase I on the conceptual plan must be submitted to the city plan commission within six months after the passage of Ordinance No. 14991. A plan may be submitted on either Area "A" or Area "B" or Areas "A" and "B" of Phase I. A Phase I plan must be approved by the city plan commission, signed by the director of development services, and attested by the chair of the city plan commission prior to the issuance of a building permit within the boundaries of the designated phase.
- (b) A detailed development plan must also be submitted and approved by the city plan commission, signed by the director of development services and attested by the chair of the city plan commission on each subsequent phase of development prior to the issuance of a building permit within that phase.
- (c) Each approved development plan must be attached to and made a part of the ordinance through resolution of the city council. Development within this PD must comply with the approved development plans.
- (d) A development plan for Phase I, Area "A" is labelled Exhibit 85B. A development plan for Phase I, Area "B" is labelled Exhibit 85C. A development plan for the first phase of the retail area is labelled Exhibit 85D. A development plan for the second phase of the retail area is labelled Exhibit 85E. A development plan for the first phase of the office area is labelled Exhibit 85F. A development plan for the second phase of the office area is labelled Exhibit 85G. (Ord. Nos. 14991; 20855; 25423; 26782; Res. Nos. 76-2937; 77-1114; 77-1278; 78-1599; 83-0764)

### SEC. 51P-85.106. USES.

- (a) <u>In general</u>. Uses permitted within this PD must comply with the following provisions.
- (b) <u>Retail area</u>. All uses permitted in the Shopping Center District of the Comprehensive General Zoning Ordinance of the city are permitted, except as noted below. Uses not permitted are as follows:
- (1) Convenience or major grocery stores (specialty stores selling groceries as a side line and where the main items for sale are not groceries are permitted).
- (2) Motor vehicles and related uses as referenced in Section 10-213 of the Comprehensive General Zoning Ordinance of the city.
- (3) Stores where the sale of alcoholic beverages is the primary item sold (specialty stores featuring wine or cheese and stores selling alcoholic beverages as a side line are permitted subject to Paragraph (b)(4) of this section).
- (4) A specific use permit is required to locate any use in this area if the sale or service of alcohol is part of the operation of the use.

- (c) Office area. Except as otherwise provided in this subsection, the only main uses permitted in this area are those main uses permitted in the O-2 Office District, subject to the same conditions applicable in the O-2 Office District, as set out in Chapter 51. For example, a use permitted in the O-2 Office District only by specific use permit (SUP) is permitted in this area only by SUP; a use subject to a development impact review (DIR) in the O-2 Office District is subject to DIR in this area. The hospital and ambulatory surgical center uses are permitted by right in Phase I of the office area.
- (d) <u>Apartment area</u>. All uses permitted within the Multiple-Family-3 District of the Comprehensive General Zoning Ordinance of the city as well as private community center uses including related recreational facilities such as swimming pools, tennis courts, club house, cabanas, etc., are permitted. (Ord. Nos. 21536; 25423; 26102; 26782)

### SEC. 51P-85.107. LANDSCAPE PLAN.

- (a) A landscape plan must be submitted along with each development plan for approval by the city plan commission, and landscaping must be provided and maintained in a healthy growing condition in accordance with the landscape plans. The landscape plan must be attached to and made a part of Ordinance No. 14991 by resolution of the city council. Detailed landscaping may be shown only in conjunction with each development plan submitted; however, any landscape plan submitted must indicate all existing trees to be retained on the entire site.
- (b) A landscape plan for Phase I, Area "A" is labelled Exhibit 85H. A landscape plan for Phase I, Area "B" is labelled Exhibit 85I. A landscape plan for the first phase of the retail area is labelled Exhibit 85J. A landscape plan for the second phase of the retail area is labelled Exhibit 85K. A landscape plan for the first phase of the office area is labelled Exhibit 85L. A landscape plan for the second phase of the office area is labelled Exhibit 85M. (Ord. Nos. 14991; 20855; 25423; 26782; Res. Nos. 76-1765; 77-1114; 77-1278; 78-1527; 78-1599)

### SEC. 51P-85.108. INGRESS AND EGRESS.

All means of ingress and egress to property within the boundaries of this PD must be approved by the traffic design section of the department of public works and transportation. (Ord. Nos. 14991; 25423)

### SEC. 51P-85.109. APARTMENT UNITS.

Apartment development within the area designated for apartment uses are limited to a maximum of 310 units. (Ord. Nos. 14991; 25423)

### **SEC. 51P-85.110. PARKING.**

Off-street parking must be provided for each use in accordance with the requirements of Section 20 of the Comprehensive Zoning Ordinance. (Ord. Nos. 14991; 25423)

### SEC. 51P-85.111. SIGNS.

All signs in office and apartment areas must comply with the non-business category of Chapter 41 of the 1960 Revised Code of Civil and Criminal Ordinances of the city. All signs in retail areas must comply with the business category of Chapter 41 of the 1960 Revised Code of Civil and Criminal Ordinances of the city except that all detached signs are limited to a maximum effective area of 200 square feet, and that no non-premise signs are permitted. (Ord. Nos. 14991; 25423; 26102)

### SEC. 51P-85.112. SUBDIVISION PLAT.

Prior to the issuance of a building permit for any construction within the boundaries of this PD, a subdivision plat must be approved by the city plan commission and filed for record with the county clerk's office. (Ord. Nos. 14991; 25423)

### SEC. 51P-85.113. HEIGHT.

Buildings in the office area, the retail area and the apartment area may not exceed 48 feet in height as measured from finished grade to the peak of the roof. (Ord. Nos. 15838; 25423)

### SEC. 51P-85.114. RETAIL AND OFFICE DEVELOPMENT.

As indicated on the conceptual plan, all retail uses must either front toward the creek or be oriented toward the creek. Any specialty store handling liquor or food items must be located toward the middle or eastern portion of the retail area, with no frontage of these type uses permitted to front Greenville Avenue. (Ord. Nos. 14991; 25423)

### SEC. 51P-85.115. GENERAL REQUIREMENTS.

- (a) Development of the property must comply with the requirements of all departments of the city.
- (b) All paved areas, permanent drives, streets, and drainage structures, if any, must be constructed in accordance with standard city specifications adopted for such purpose to the satisfaction of the director of public works and transportation.
- (c) No certificate of occupancy shall be issued by the building official until there has been full compliance with this article in accordance with the requirements of the building for which the certificate is issued, and any applicable provisions of the zoning ordinance and the building codes. (Ord. Nos. 14991; 25423; 26102)

### SEC. 51P-85.116. FLOOD PLAIN.

Any use of property determined to be within the flood plain within this PD must meet the requirements of Section 10-1100 (Flood Plain) of the Comprehensive Zoning Ordinance prior to

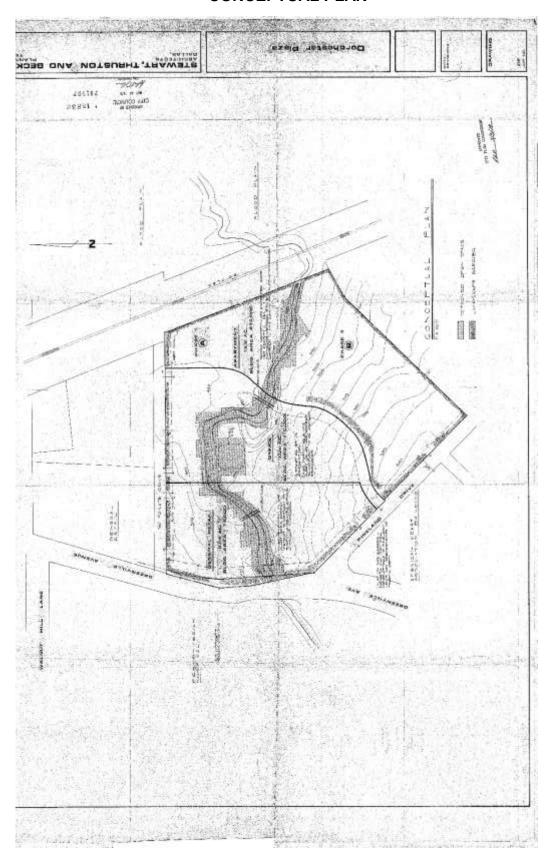
# Z189-323(AU)

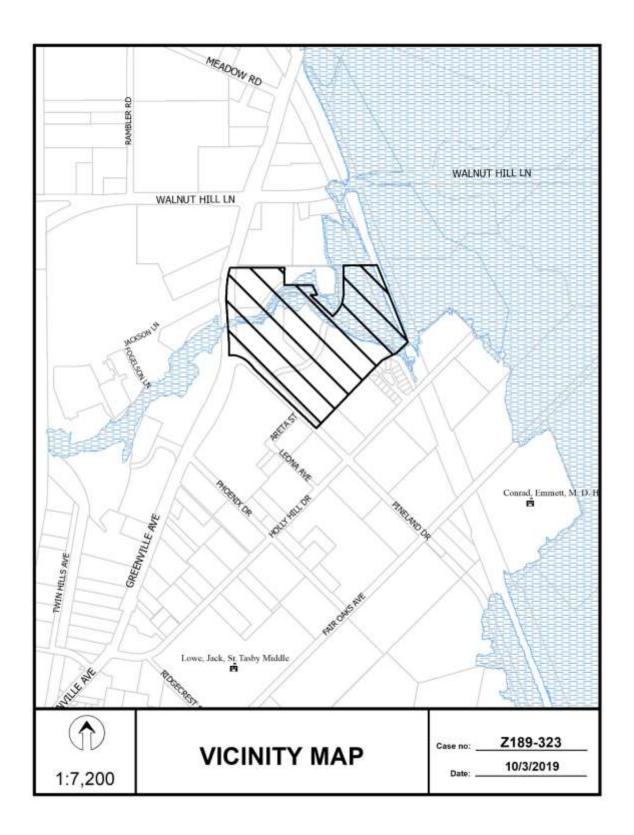
the issuance of a building permit for any improvements within the flood plain district. (Ord. Nos. 14991; 25423)

# **SEC. 51P-85.117. ZONING MAP.**

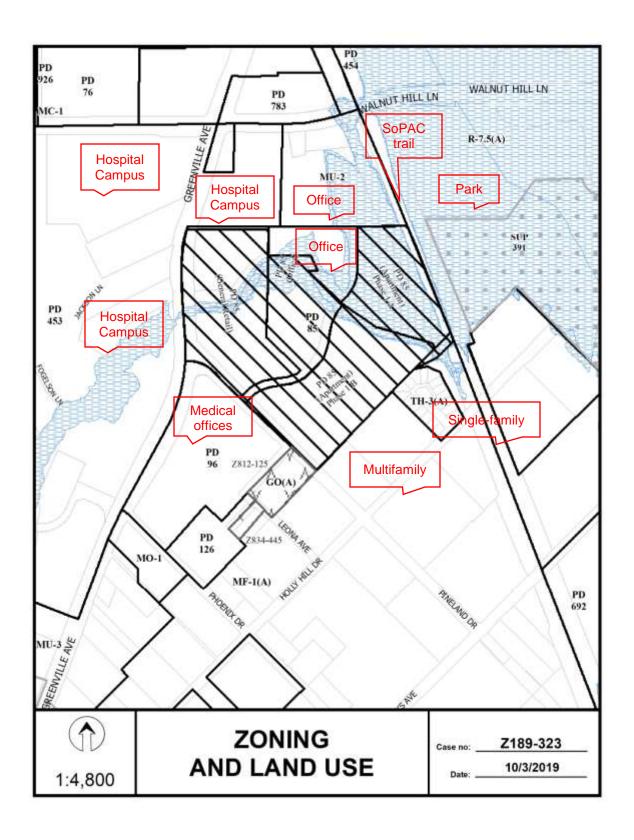
PD 85 is located on Zoning Map No. F-8. (Ord. Nos. 20855; 25423)

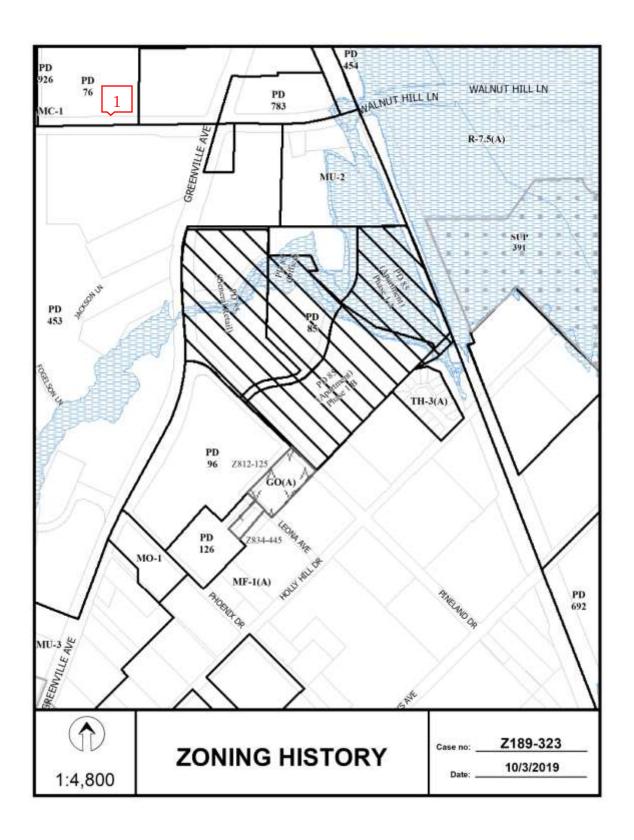
# PLANNED DEVELOPMENT DISTRICT NO 85. CONCEPTUAL PLAN

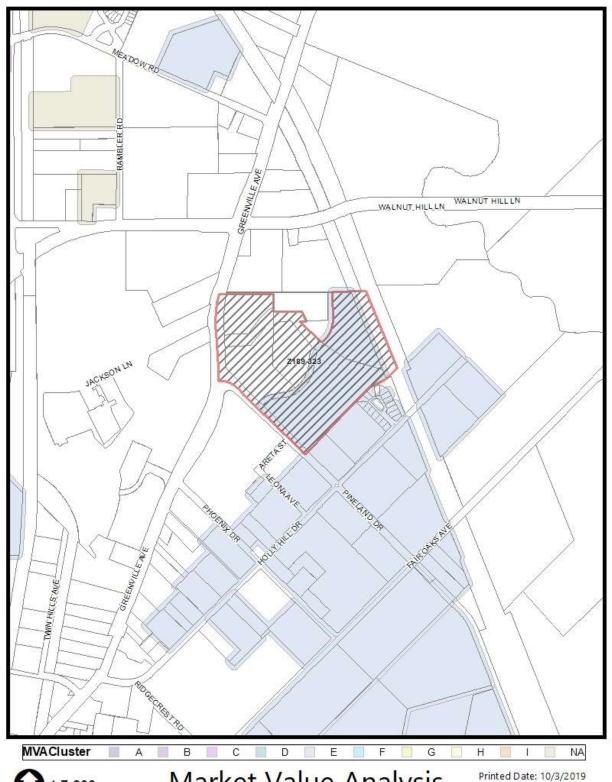






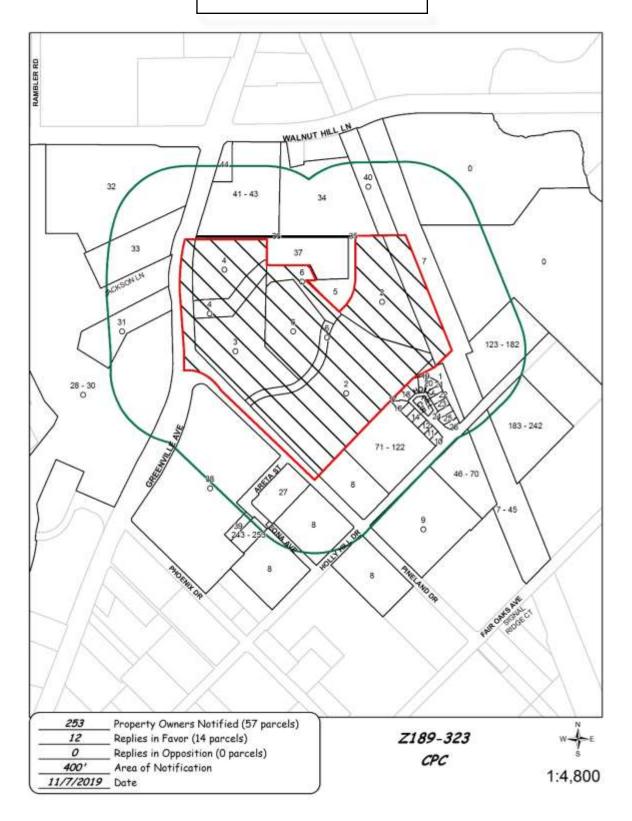






1:7,200 Market Value Analysis

### **CPC RESPONSES**



# Reply List of Property Owners Z189-323

253 Property Owners Notified 12 Property Owners in Favor 0 Property Owners Opposed

Reply	Label #	Address	Owner
	1	7459 HOLLY HILL DR	OFFICE MART INC
O	2	5759 PINELAND DR	VENUE REAL ESTATE HOLDINGS PO LLC
O	3	7402 GREENVILLE AVE	OLD VICKERY PARK HOLDINGS LLC
O	4	7400 GREENVILLE AVE	3 HOMBRES LP
	5	7430 GREENVILLE AVE	ST JOSEPH HELPERS OF DALLAS TEXAS INC
O	6	5735 PINELAND DR	VICKERY MEADOW REA ESTATE
	7	401 S BUCKNER BLVD	DART
	8	7229 HOLLY HILL DR	NURAN INC
	10	5701 HOLLY HILL CIR	HAILEGEBRIEL DAWIT W
	11	5705 HOLLY HILL CIR	JALITT ROBERTO E
	12	5711 HOLLY HILL CIR	ICE MASON W
	13	5715 HOLLY HILL CIR	BOEHK LOUIS & RUTH ANN
	14	5719 HOLLY HILL CIR	HHC SERIES
O	15	5723 HOLLY HILL CIR	MULLINS SEAN LEON
	16	5727 HOLLY HILL CIR	GUTHRIE RUTH S
	17	5731 HOLLY HILL CIR	GUTHRIE RUTH S &
	18	5735 HOLLY HILL CIR	TERRILL BRUCE S JR &
	19	5734 HOLLY HILL CIR	TRI DEVELOPMENT COPMANY
	20	5726 HOLLY HILL CIR	TRI DEVELOPMENT COMPANY
	21	5722 HOLLY HILL CIR	MADDOX MARTHA RUTH
	22	5718 HOLLY HILL CIR	GUTHRIE BILLY &
	23	5714 HOLLY HILL CIR	GUTHRIE WILLIAM M & RUTH S
	24	5710 HOLLY HILL CIR	PARTSXTREME LLC
	25	5706 HOLLY HILL CIR	SUNSIN JAIRO
	26	5702 HOLLY HILL CIR	PENIX JIMMY LEE &
	27	5750 PINELAND DR	TEXAS HEALTH RESOURCES

# Z189-323(AU)

Reply	Label #	Address	Owner
O	28	8200 WALNUT HILL LN	PRESBYTERIAN HEALTHCARE
O	29	8200 WALNUT HILL LN	ONPOINTE TRANSITIONAL CARE
O	30	8200 WALNUT HILL LN	TEXAS HEALTH RESOURCES
O	31	8230 WALNUT HILL LN	PRESBYTERIAN HOSP OF DAL
	32	8210 WALNUT HILL LN	TEXAS HEALTH RESOURCES
	33	8230 WALNUT HILL LN	TEXAS HEALTH RESOURCES
	34	7448 GREENVILLE AVE	SOKOL ZIZKA SCHOOL
	35	7424 GREENVILLE AVE	PLANNED PARENTHOOD OF GREATER TEXAS
	36	7424 GREENVILLE AVE	DORCHESTER DEV CORP
	37	7424 GREENVILLE AVE	PLANNED PARENTHOOD OF GREATER TEXAS
O	38	7320 GREENVILLE AVE	PRESBYTERIAN MEDICAL
	39	5754 LEONA ST	JONES LANCE
	41	8440 WALNUT HILL LN	TEXAS HELATH RESOURCES
	42	7450 GREENVILLE AVE	TEXAS HEALTH RESOURCES
	43	8440 WALNUT HILL LN	TEXAS HEALTH RESOURCES
	44	7470 GREENVILLE AVE	GREENVILLE AVE FUEL
	45	401 S BUCKNER BLVD	DART
	46	7450 HOLLY HILL DR	LEWIS CYNTHIA S
	47	7450 HOLLY HILL DR	BOROWICZ MICHAL L
	48	7450 HOLLY HILL DR	LIRA GABRIELA KIMBERLY BERLANGA
	49	7450 HOLLY HILL DR	ELKHOURY CHADI
	50	7450 HOLLY HILL DR	WEATHERLY ALICIA
	51	7450 HOLLY HILL DR	KNOBLER DONALD RICHARD
	52	7450 HOLLY HILL DR	KNOBLER DONALD RICHARD
	53	7450 HOLLY HILL DR	BROWN GREGORY R
	54	7450 HOLLY HILL DR	PALISE MICHAEL D
	55	7450 HOLLY HILL DR	PURDOM MONA S
	56	7450 HOLLY HILL DR	BERLANGALIRA GILMA VANESSA
	57	7450 HOLLY HILL DR	LAWSON ELIZABETH G
	58	7450 HOLLY HILL DR	WEATHERLY ALICIA D
	59	7450 HOLLY HILL DR	SEBOLD BRIAN

Reply	Label #	Address	Owner
	60	7450 HOLLY HILL DR	SEBOLD BRIAN
	61	7450 HOLLY HILL DR	GARRETT SANDI L
	62	7450 HOLLY HILL DR	MARES NANCY JANE DEATON
	63	7450 HOLLY HILL DR	ABLEMAN GUS C & FARAH Y
	64	7450 HOLLY HILL DR	LABATE DOMINICK A
	65	7450 HOLLY HILL DR	MARTIN BRENDA J
	66	7450 HOLLY HILL DR	BRYANT JAMES E
	67	7450 HOLLY HILL DR	WESTBROOK DEVIN GANTZ
	68	7450 HOLLY HILL DR	MANSUR BLANCA
	69	7450 HOLLY HILL DR	JOHNSON ROBERT A &
	70	7450 HOLLY HILL DR	WILLIS MELEAH A
	71	7431 HOLLY HILL DR	CARRIEDO MARIO ANAYA
	72	7431 HOLLY HILL DR	SHARMA NITIN
	73	7431 HOLLY HILL DR	ABM INVESTMENTS INC
	74	7431 HOLLY HILL DR	TRIPP TIMOTHY N & PAMELA
	75	7431 HOLLY HILL DR	DESCHIAVE CARLOS E
	76	7431 HOLLY HILL DR	FERNANDEZ SERGIO JR
	77	7431 HOLLY HILL DR	YOUNG PATRICIA
	78	7431 HOLLY HILL DR	BARLAS OZAIR &
	79	7431 HOLLY HILL DR	MYLES WINNFORT J & DEBORAH F
	80	7431 HOLLY HILL DR	HISKIYAHU LIAT
	81	7431 HOLLY HILL DR	EAST MIDTOWN CORPORATION
	82	7431 HOLLY HILL DR	BARLAS OZAIR & FALUK
	83	7431 HOLLY HILL DR	ROCHA JACOB J
	84	7431 HOLLY HILL DR	PETTIT SANDRA KAY MCVEY
	85	7431 HOLLY HILL DR	GRZYWINSKI VALENTINE EST OF
	86	7431 HOLLY HILL DR	BRT SOLUTIONS LLC
	87	7431 HOLLY HILL DR	SHULOMON INC
	88	7431 HOLLY HILL DR	GRZYWINSKI VALERIE
	89	7431 HOLLY HILL DR	VALERIANO DAGOBERTO & NOSLY MOLINA
	90	7431 HOLLY HILL DR	LAM PHUONG TU

Reply	Label #	Address	Owner
	91	7431 HOLLY HILL DR	GANON OREN
	92	7431 HOLLY HILL DR	AMERIWEST HOLDINGS INC
	93	7431 HOLLY HILL DR	JABBOUR JOHNNY
	94	7431 HOLLY HILL DR	GUADARRAMA JOSE
	95	7431 HOLLY HILL DR	GARCIA AMERICO
	96	7431 HOLLY HILL DR	FORT JOHN T
	97	7431 HOLLY HILL DR	LAGER DOROTHY M
	98	7431 HOLLY HILL DR	FRIEDMAN GARY V
	99	7431 HOLLY HILL DR	CONSTANT CHRIS T
	100	7431 HOLLY HILL DR	TEBONG ALEXANDER W
	101	7431 HOLLY HILL DR	BLOMENKAMP JOEL
	102	7431 HOLLY HILL DR	VENCES VANESSA G
	103	7431 HOLLY HILL DR	RIKLIN IDO
	104	7431 HOLLY HILL DR	CAMARENA HECTOR I
	105	7431 HOLLY HILL DR	EGGERS KIMBERLY
	106	7431 HOLLY HILL DR	ARROYO SENORINA
	107	7431 HOLLY HILL DR	PEREZ ELVA
	108	7431 HOLLY HILL DR	DAN YARON MOSHE MOSES
	109	7431 HOLLY HILL DR	TENG CLARENCE W
	110	7431 HOLLY HILL DR	DEBEBE NEGUSSIE &
	111	7431 HOLLY HILL DR	DA LAETITIA
	112	7431 HOLLY HILL DR	PAVEY ANDREW
	113	7431 HOLLY HILL DR	REUBEN LOUISE D
	114	7431 HOLLY HILL DR	BARNES ANTHONY
	115	7431 HOLLY HILL DR	ASHE JOHN P
	116	7431 HOLLY HILL DR	THOMAS PARACKAL OOMMEN &
	117	7431 HOLLY HILL DR	ANDRES RUTH
	118	7431 HOLLY HILL DR	COPPERRUN CONDOMINIUM ASSN
	119	7431 HOLLY HILL DR	ZACHA JOE B
	120	7431 HOLLY HILL DR	RENDON ERNESTO
	121	7431 HOLLY HILL DR	HERNANDAZ REGULO VENCES

Reply	Label #	Address	Owner
	122	7431 HOLLY HILL DR	ESPARZA NATIVIDAD
	123	7525 HOLLY HILL DR	PENSCO TRUST COMPANY LLC
	124	7525 HOLLY HILL DR	HH 2 SERIES OF OLIVER AVENUE REALTY LLC
	125	7525 HOLLY HILL DR	HH3 SERIES OF OLIVER AVENUE REALTY LLC
	126	7525 HOLLY HILL DR	HH 4 SERIES
	127	7525 HOLLY HILL DR	PENSCO TRUST COMPANY LLC
	128	7525 HOLLY HILL DR	HH 6 SERIES
	129	7525 HOLLY HILL DR	DRAKE CHARLES D
	130	7525 HOLLY HILL DR	HH 8 SERIES
	131	7525 HOLLY HILL DR	HH9 SERIES OF OLIVER AVE REALTY LLC
	132	7525 HOLLY HILL DR	TESFAYE HILINA &
	133	7525 HOLLY HILL DR	BENTON TINA M
	134	7525 HOLLY HILL DR	HH 12 SERIES
	135	7525 HOLLY HILL DR	JORDAN GEORGE E & YVONNE S
	136	7525 HOLLY HILL DR	HH 14 SERIES
	137	7525 HOLLY HILL DR	CARVER RICHARD L
	138	7525 HOLLY HILL DR	DOMINGO TELLY L
	139	7525 HOLLY HILL DR	HH 20 SERIES
	140	7525 HOLLY HILL DR	HH 22 SERIES
	141	7525 HOLLY HILL DR	WEATHERFORD WILSON TRUSTEE
	142	7525 HOLLY HILL DR	HOLLY HILL 7525 25 LAND TR
	143	7525 HOLLY HILL DR	HARDY PAUL & TAMMY
	144	7525 HOLLY HILL DR	SPRIGGS RICHARD
	145	7525 HOLLY HILL DR	MCMANUS SCOTT
	146	7525 HOLLY HILL DR	MARTIN DIANE LYNN
	147	7525 HOLLY HILL DR	LONG SHERI L
	148	7525 HOLLY HILL DR	WEATHERFORD WILSON TRUSTEE
	149	7525 HOLLY HILL DR	RAY STEVEN &
	150	7525 HOLLY HILL DR	ESTRERA AARON S & MARIA T
	151	7525 HOLLY HILL DR	HARDEN GAYLE
	152	7525 HOLLY HILL DR	SEIBOLD KATHERINE C

Reply	Label #	Address	Owner
	153	7525 HOLLY HILL DR	HOLLY HILL 38 SERIES LLC
	154	7525 HOLLY HILL DR	HOCKERSMITH KATHY DIANE
	155	7525 HOLLY HILL DR	HH 40 SERIES OF OLIVER AVENUE REALTY LLC
	156	7525 HOLLY HILL DR	HH 41 SERIES
	157	7525 HOLLY HILL DR	BARTOSIEWICZ BOB B
	158	7525 HOLLY HILL DR	HH 43 SERIES
	159	7525 HOLLY HILL DR	HH 44 SERIES OF OLIVER AVENUE REALTY LLC
	160	7525 HOLLY HILL DR	HH 45 SERIES
	161	7525 HOLLY HILL DR	MARGOL JOYCE
	162	7525 HOLLY HILL DR	LINN SARAH R
	163	7525 HOLLY HILL DR	NICHOLS LINDA DIANN
	164	7525 HOLLY HILL DR	MATTHEWS ELOISE KAY
	165	7525 HOLLY HILL DR	HH50 SERIES OF OLIVER AVENUE
	166	7525 HOLLY HILL DR	QUEST IRA INC
	167	7525 HOLLY HILL DR	HH 52 SERIES OLIVER AVE REALTY LLC
	168	7525 HOLLY HILL DR	JENNINGS RAY
	169	7525 HOLLY HILL DR	SPAHALIC RABIJA
	170	7525 HOLLY HILL DR	LEWIS BEVERLY L &
	171	7525 HOLLY HILL DR	HOCKERSMITH DIANE
	172	7525 HOLLY HILL DR	LEWIS BEVERLY L &
	173	7525 HOLLY HILL DR	WANKE ROBERT
	174	7525 HOLLY HILL DR	ALLEN ELANE
	175	7525 HOLLY HILL DR	HH61 SERIES OF OLIVER AVE REALTY LLC
	176	7525 HOLLY HILL DR	CORNWELL GREGORY S &
	177	7525 HOLLY HILL DR	HH 63 SERIES
	178	7525 HOLLY HILL DR	HH 64 SERIES OLIVER AVE
	179	7525 HOLLY HILL DR	HANNA CLETUS KAY
	180	7525 HOLLY HILL DR	HH 66 SERIES
	181	7525 HOLLY HILL DR	7525 HOLLY HILL 67
	182	7525 HOLLY HILL DR	HILL HOLLY 68 SERIES LLC
	183	7510 HOLLY HILL DR	RHODES GLADYS A & RICHARD

#### 11/06/2019

Reply	Label #	Address	Owner
	184	7510 HOLLY HILL DR	CHRISTOPHERSON HEBER JOHN &
	185	7510 HOLLY HILL DR	ANDRADE GEORGE & LIUBOV
	186	7510 HOLLY HILL DR	RIZVANOVIC HUSEIN
	187	7510 HOLLY HILL DR	GUZMAN MARIA
	188	7510 HOLLY HILL DR	MORRIS WANETTA KAYE
	189	7510 HOLLY HILL DR	WONG HSI SHIH
	190	7510 HOLLY HILL DR	KALAJDZIC CVIJAN &
	191	7510 HOLLY HILL DR	ANDRADE GEORGE & LIUBOV
	192	7510 HOLLY HILL DR	RUFCA EMILY
	193	7510 HOLLY HILL DR	ANDRADE GEORGE & LIUBOV
	194	7510 HOLLY HILL DR	HECK JAMES II
	195	7510 HOLLY HILL DR	ABIODUN ENILARI &
	196	7510 HOLLY HILL DR	MCDANIEL EVAN ROBERT
	197	7510 HOLLY HILL DR	ZHANG JINGJING &
	198	7510 HOLLY HILL DR	WEAVER JOACHIM DAVID
	199	7510 HOLLY HILL DR	DESTA DAWIT A & ABENET A
	200	7510 HOLLY HILL DR	TURBEVILLE ROBERT
	201	7510 HOLLY HILL DR	INVESTMENT PPTY VENTURES LLC
	202	7510 HOLLY HILL DR	NGUYEN HIEU THI
	203	7510 HOLLY HILL DR	OXENREIDER RAY DAVID
	204	7510 HOLLY HILL DR	GUYTON THEODORE E &
	205	7510 HOLLY HILL DR	MCCARTHY SHARON A
	206	7510 HOLLY HILL DR	WONDIMU GENET
	207	7510 HOLLY HILL DR	PENA EFRAIN &
	208	7510 HOLLY HILL DR	SOUTHWEST CONDOMINIUM
	209	7510 HOLLY HILL DR	FLEMING MARTHA B
	210	7510 HOLLY HILL DR	ABELL JAMES S JR &
	211	7510 HOLLY HILL DR	ALEXANDER KARI L
	212	7510 HOLLY HILL DR	BOTTS ALLISON A
	213	7510 HOLLY HILL DR	HEBO ABDULAHI
	214	7510 HOLLY HILL DR	HARRIS JAMES B &

#### 11/06/2019

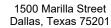
Reply	Label #	Address	Owner
	215	7510 HOLLY HILL DR	BUCHHOLZ RON & PENNY FAMILY
	216	7510 HOLLY HILL DR	TEKLEAREGAY DEREJE
	217	7510 HOLLY HILL DR	SHAW DAVID S
	218	7510 HOLLY HILL DR	FLORES KRISTY E
	219	7510 HOLLY HILL DR	WONG HSI SHIH & MICHAEL LEE
	220	7510 HOLLY HILL DR	CHANG OTTO
	221	7510 HOLLY HILL DR	ALVAREZ-LOPEZ MARIA DEL CARMEN
	222	7510 HOLLY HILL DR	LOVELL WYN
	223	7510 HOLLY HILL DR	LEWIS BEVERLY L &
	224	7510 HOLLY HILL DR	SOUTHWEST CONDOMINIUM INV LLC
	225	7510 HOLLY HILL DR	OSWALT DELLA M
	226	7510 HOLLY HILL DR	TREADWELL CRUCITA
	227	7510 HOLLY HILL DR	GENA SHEMELES A & DESTA MELKAM
	228	7510 HOLLY HILL DR	VARNADO MATT ADRIAN & SHANNON LEIGH
	229	7510 HOLLY HILL DR	WILLIS MELEAH
	230	7510 HOLLY HILL DR	RAMIREZ LINA D
	231	7510 HOLLY HILL DR	SALLADE ALEXANDRA L & JAMES E SALLADE
	232	7510 HOLLY HILL DR	BROWN JEAN ANNE
	233	7510 HOLLY HILL DR	TENRREIRO ALBERTO
	234	7510 HOLLY HILL DR	BOSQUE MARIA CONCEPCION
	235	7510 HOLLY HILL DR	SERNA NOHEMI GONZALEZ &
	236	7510 HOLLY HILL DR	CEASAR GREGORY J
	237	7510 HOLLY HILL DR	WOLDU YACOB
	238	7510 HOLLY HILL DR	FLEMING ANGELA
	239	7510 HOLLY HILL DR	LOPEZ VANESSA
	240	7510 HOLLY HILL DR	MUNCASTER FAMILY TRUST
	241	7510 HOLLY HILL DR	SMITH MICHAEL SEWELL & CLAIR
	242	7510 HOLLY HILL DR	AVALON LOUIS
	243	5710 LEONA AVE	SMITH DONALD R JR
	244	5710 LEONA AVE	ALEMAN CARLOS HERNANDEZ &
	245	5710 LEONA AVE	5710 LEONA LLC

#### Z189-323(AU)

#### 11/06/2019

Reply	Label #	Address	Owner
	246	5710 LEONA AVE	JONES KAREN
	247	5710 LEONA AVE	DENARDO VINCENZO E
	248	5710 LEONA AVE	LONG BRYAN KENNETH
	249	5710 LEONA AVE	CLAY LATWAN L &
	250	5710 LEONA AVE	GAO SARAH
	251	5710 LEONA AVE	CARROLL RAYMOND L
	252	5710 LEONA AVE	AZENNEST LLC SERIES J
	253	5710 LEONA AVE	TAYLOR DANIEL E
O	A1	8484 WALNUT HILL LN	WRT PARTNERS II LP
O	A2	5811 PINELAND DR	METRO TP PARTNERS II LP







#### Agenda Information Sheet

File #: 19-2035 Item #:

PH1.

**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): All

**DEPARTMENT:** Department of Housing & Neighborhood Revitalization

**EXECUTIVE:** Michael Mendoza

\_\_\_\_\_\_

#### **SUBJECT**

A public hearing to receive comments on the proposed City of Dallas FY 2019-20 Urban Land Bank Demonstration Program Plan and upon the close of the public hearing, approval of the City of Dallas FY 2019-20 Urban Land Bank Demonstration Program Plan in accordance with Chapter 379C of the Texas Local Government Code - Financing: No cost consideration to the City

#### **BACKGROUND**

The Urban Land Bank Demonstration Act ("Act"), codified in Texas Local Government Code Chapter 379C, as amended ("Code"), allows the governing body of a municipality to adopt an Urban Land Bank Demonstration Program in which the officer charged with selling real property ordered sold pursuant to foreclosure of a tax lien may sell certain eligible real property by private sale for the public purpose of affordable housing development or other purposes outlined in the Act.

The governing body of a municipality that adopts an Urban Land Bank Demonstration Program must adopt a plan annually. The plan must include the following:

- a list of community housing development organizations eligible to participate in the right of first refusal provided by the Texas Local Government Code Section 379C.011;
- 2. a list of the parcels of real property that may become eligible for sale to the land bank during the upcoming year;
- 3. the municipality's plan for affordable housing development on those parcels of real property; and
- 4. the sources and amounts of funding anticipated to be available from the municipality for subsidies for development of affordable housing in the municipality, including any money specifically available for housing developed under the program, as approved by the governing

File #: 19-2035 Item #:

PH1.

body of the municipality at the time the plan is adopted.

The City of Dallas (the "City") proposes to present, adopt, and implement a FY 2019-20 Urban Land Bank Demonstration Program Plan ("Plan"). Before adopting the FY 2019-20 Plan, the City will hold a public hearing on the proposed Plan. The City will provide notice of the hearing to all City-certified Community Housing Development Organizations and to neighborhood associations identified by the City as serving the neighborhoods in which properties anticipated to be available for sale under the Plan are located. The City will make copies of the proposed Plan available to the public not later than the 60<sup>th</sup> day before the date of the public hearing.

Following the adoption of the Plan, the Plan will be implemented and the annual performance reports on the Plan will be available through the Department of Housing and Neighborhood Revitalization no later than November 1, 2020.

The performance report for the FY 2018-19 Urban Land Bank Demonstration Program Plan was posted on the city website and distributed to the Housing Policy Task Force on December 6, 2019.

#### PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On January 28, 2004, City Council authorized the Articles of Incorporation and Bylaws of the Dallas Housing Acquisition and the adoption of the Urban Land Bank Demonstration Program Plan by Resolution No. 04-0458.

An annual plan has been adopted by City Council every year with the most recent adoption on January 9, 2019, by Resolution No. 19-0117.

The Economic Development and Housing Committee was briefed by memorandum regarding the proposed Interlocal Cooperation Contract November 5, 2018.

#### FISCAL INFORMATION

No cost consideration to the City.

**WHEREAS,** the City has an interest in preserving and increasing the tax base and creating affordable housing for low-income households to provide necessary decent, safe, and sanitary housing for such households; and

WHEREAS, on January 28, 2004, City Council authorized the: (1) City of Dallas Urban Land Bank Demonstration Program and Program Statement; (2) Dallas Housing Acquisition and Development Corporation (DHADC) to (a) amend its Articles of Incorporation and Bylaws to allow DHADC to administer the City of Dallas Urban Land Bank Demonstration Program and (b) change the makeup of its Board of Directors; (3) adoption of the Urban Land Bank Demonstration Program Plan; and (4) an Interlocal Cooperation Contract between the City of Dallas, Dallas County, Dallas Independent School District, Dallas County Hospital District, Dallas County School Equalization Fund, Dallas County Education District and Dallas County Community College District for the Urban Land Bank Demonstration Program by Resolution No. 04-0458; and

**WHEREAS**, the City Council desires to operate an Urban Land Bank Demonstration Program during FY 2019-20, beginning October 1, 2019; and

**WHEREAS**, the Urban Land Bank Demonstration Act (Act) requires that a municipality that has adopted an Urban Land Bank Demonstration Program hold a public hearing and adopt an Urban Land Bank Demonstration Program Plan annually; and

**WHEREAS,** a public hearing was held on this day, to receive public comment on the proposed FY 2019-20 Urban Land Bank Demonstration Program Plan, satisfying the requirements set forth in the Act.

Now, Therefore,

#### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That the FY 2019-20 Urban Land Bank Demonstration Program Plan attached as "Exhibit A" is hereby approved.

**SECTION 2.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

# Urban Land Bank Demonstration Program Plan Fiscal Year 2019-20



Department of Housing and Neighborhood Revitalization 1500 Marilla Street Room 6DN Dallas, Texas 75201

January 22, 2020

#### **OVERVIEW**

The Urban Land Bank Demonstration Act ("Act"), codified in Texas Local Government Code Chapter 379C, as amended ("Code"), allows the governing body of a municipality to adopt an urban land bank demonstration program in which the officer charged with selling real property ordered sold pursuant to foreclosure of a tax lien may sell certain eligible real property by private sale for the public purpose of affordable housing development or other purposes outlined in the Act.

The governing body of a municipality that adopts an urban land bank demonstration program must adopt a plan annually. The plan must include the following:

- 1. a list of community housing development organizations eligible to participate in the right of first refusal provided by Texas Local Government Code Section 379C.011;
- 2. a list of the parcels of real property that may become eligible for sale to the land bank during the upcoming year;
- 3. the municipality's plan for affordable housing development on those parcels of real property; and
- 4. the sources and amounts of funding anticipated to be available from the municipality for subsidies for development of affordable housing in the municipality, including any money specifically available for housing developed under the program, as approved by the governing body of the municipality at the time the plan is adopted.

The City of Dallas (the "City") proposes to present, adopt, and implement a FY 2019-20 Urban Land Bank Demonstration Program Plan ("Plan"). Before adopting the FY 2019-20 Plan, the City will hold a public hearing on the proposed Plan. The City will provide notice of the hearing to all City-certified Community Housing Development Organizations ("CHDO") and to neighborhood associations identified by the City as serving the neighborhoods in which properties anticipated to be available for sale under the Plan are located. The City will make copies of the proposed Plan available to the public not later than the 60<sup>th</sup> day before the date of the public hearing.

Following the adoption of the Plan, the Plan will be implemented and the annual performance reports on the Plan will be available through the Housing and Neighborhood Revitalization Department no later than November 1, 2020.

The performance report for the FY 2018-19 Urban Land Bank Demonstration Program Plan will be available no later than November 1, 2019.

#### FY 2019-20 URBAN LAND BANK DEMONSTRATION PROGRAM PLAN

#### **Eligible Parcels of Property**

The primary objective of the Urban Land Bank Demonstration Program ("Program") is to acquire unproductive, vacant, and developable parcels of real property and parcels improved with abandoned, vacant, and uninhabitable structures for affordable housing or commercial development. The Dallas Housing Acquisition and Development Corporation ("DHADC") is an instrumentality of the City and has been designated by the City to administer the Program and Plan on its behalf. The acquisition of these parcels will enable the DHADC to facilitate the development of new single-family homeownership units, multifamily rental units, and lease-purchase units on the parcels to house low- and moderate-income households and, on appropriate parcels, allow commercial development that will complement the City's affordable housing strategy. A secondary purpose of the DHADC is to acquire unproductive, vacant parcels of real property zoned for residential use that are not appropriate for residential development due to their size or the presence of factors that would make development of a single-family home prohibitively expensive but, if sold to an eligible adjacent property owner who agrees to maintain the property in accordance with terms set forth by the DHADC, would stabilize the neighborhood in which the parcel is located.

For a parcel to be eligible for sale to the DHADC:

- 1. the market value of the property as specified in the judgment of foreclosure must be less than the total amount due under the judgment, including all taxes, penalties, and interest, plus the value of nontax liens held by a taxing unit and awarded by the judgment, court costs, and the cost of the sale;
- 2. the parcel of land must be not improved with a habitable building or buildings or an uninhabitable building or buildings that are occupied as a residence by an owner or tenant who is legally entitled to occupy the building or buildings; and
- 3. the parcel of land must have delinquent taxes on the property for a total of at least five years as reported by Dallas County.

A list of the eligible properties is attached as **Attachment C**. These properties may be available for sale to the DHADC beginning October 1, 2019. The DHADC anticipates that it will refer up to 25 properties per month for tax foreclosure. However, the annual number of referred parcels will not likely exceed 150 parcels due to funding constraints. Referring parcels on a monthly basis will help the DHADC implement a more strategic acquisition and disposition process and better monitor the parcel acquisition process.

The DHADC's acquisition strategy for FY 2019-20 will prioritize:

 acquiring eligible parcels zoned for residential use or suitable for residential use that are located in close geographic proximity to one another in order to reduce development costs related to the creation of affordable housing units and to most effectively strengthen neighborhoods;

- to the extent that eligible parcels are available, acquiring parcels zoned for residential use or suitable for residential use that are located within the Emerging Market and Stabilization Reinvestment Strategy Areas ("RSAs") adopted by the Dallas City Council as part of the Comprehensive Housing Policy ("Housing Policy") on May 9, 2018 via Resolution 180704; and
- acquiring eligible parcels zoned for residential or commercial use that are located near existing or planned mixed-income housing developments, City-owned land, or City-supported economic development projects that, if developed with affordable housing units or a commercial use, would support the City's affordable housing strategy.

#### City of Dallas Comprehensive Housing Plan for Affordable Housing Development

#### Background

Dallas has a housing shortage of approximately 20,000 housing units. This shortage is driven by the cost of land and land development, labor and materials shortages, federal, state, and local constraints, as well as, the single-family rental market which prevents equilibrium in the homeownership market. This shortage is consistent with the overall national trend following the 2009 housing bust. While the housing market has seen a steady but slow recovery, job growth in the Dallas metro area attracted a population growth of about 2.9% that outpaced the growth in the supply of housing. Much of the single-family housing inventory converted to rental following the 2009 bust while 60% or more of the home sales in the three (3) years following were in the price range below \$249,999.00. In 2014, the housing market was in transition - the number of home sales priced under \$249,999.00 decreased to less than 40% of the market, and by 2017, nearly 58% of home sales were priced between \$300,000.00 and \$1 million. According to the Real Estate Center at Texas A&M University, while the volume of homes in Dallas only grew by 3.6%, the median sales price in Dallas grew by 9.1% in 2017. These market conditions have led to an increase in both rental rates and sales prices in the overall market and 6 out of 10 families in Dallas are housing cost burdened, meaning they spend more than 30% of their income on housing, due in part to wages not keeping pace with housing costs. Undoubtedly, families at lower income bands are more financially strained by these market conditions.

On March 12, 2017, the Dallas City Council Housing Committee established three goals for the development of a comprehensive strategy for housing: 1) create and maintain available and affordable housing throughout Dallas, 2) promote greater fair housing choices, and 3) overcome patterns of segregation and concentrations of poverty through incentives and requirements.

In August 2017, the City of Dallas engaged The Reinvestment Fund to conduct a Market Value Analysis ("MVA"), an analytical tool used to assess the residential real estate market throughout the entire City to determine, with granular detail, where market strength, transition, and stress exists.

#### **Comprehensive Housing Policy Goals**

On May 9, 2018, the Dallas City Council adopted a Comprehensive Housing Policy that sets annual production goals of 3,733 for homeownership units and 2,933 for rental units while still maintaining the 3-year historic average ratio of homeownership and rental percentages. Beyond unit production, the Comprehensive Housing Policy supports creating increased availability of housing for people at incomes ranging from 30% - 120% of the Department of Housing and Urban Development ("HUD") Area Median Income ("AMI"), by incentivizing homeownership developments for families at 60% or higher AMI and rental developments that include rent restricted units for families at the full range of 30% - 120% of AMI.

The Comprehensive Housing Policy highlights the DHADC and Program as a strategy that will help support the goals of the Comprehensive Housing Policy.

### How the Goals of the Urban Land Bank Demonstration Program Align with the Comprehensive Housing Policy

The goals of the Program align with the Comprehensive Housing Policy as follows:

- 1. The Program's goals related to a for-sale housing product align with the Comprehensive Housing Policy's annual production goals of 3,733 homeownership units serving households between 60% and 120% AMI. Pursuant to the Code, the DHADC shall impose deed restrictions on each property sold to developers requiring the development and sale, rental, or lease-purchase of the property to low income households. Each property sold during any given fiscal year to a developer to be developed for future sale must be deed restricted for sale to low income households. The Code requires that at least 25% of the DHADC's properties must be deed restricted for sale to households with gross household incomes not greater than 60% AMI and that not more than 30% of the DHADC's properties may be deed restricted for sale to households with gross household incomes greater than 80% AMI;
- 2. The Program's goals related to a rental housing product align with the Housing Policy's annual production goals of 2,933 rental units serving households between 30% and 120% AMI. Pursuant to the Code, properties that are sold for the development of rental housing must be deed restricted to serve households earning no more than 60% AMI;
- 3. The Program's method of strategically acquiring unproductive parcels of land and returning them to productive use aligns with the Comprehensive Housing Policy's focus on preparing weaker real estate markets for investment; and
- 4. The Program's prioritization of the sale of parcels to City-certified CHDO's aligns with the Comprehensive Housing Policy's recognition that City-certified CHDO's play an important role in the creation and preservation of affordable housing. The

Housing Policy also supports creation of affordable housing by CHDO's through low- or no-interest gap financing.

#### Sale of Property to a Qualified Participating Developer

Pursuant to the Code, only "qualified participating developers" ("Qualified Participating Developers") may participate in the Program and purchase parcels from the DHADC, subject only to statutory exceptions related to sale of parcels for commercial development and to eligible adjacent property owners. In order to be designated as a Qualified Participating Developer under Section 379C.005 of the Code, a developer must: (1) have built one or more housing units within the three-year period preceding the submission of a proposal to the land bank seeking to acquire real property from the land bank; (2) have a development plan approved by the municipality for the land bank property; and (3) meet any other requirements adopted by the municipality in the urban land bank demonstration plan. The City requires that the Qualified Participating Developer be able to develop the acquired properties within a three-year period. The DHADC will publish an application and update such application from time to time that will provide guidance to Qualified Participating Developers regarding the City's & DHADC's priorities and its criteria for evaluating development proposals.

#### Right of First Refusal to Qualified Organizations

An organization that meets the definition of a Community Housing Development Organization, under 24 CFR 92.2 and is certified by the City as such may be a "qualified organization" ("Qualified Organization") under Section 379C.011 of the Code. Only Qualified Organizations may engage in the "right of first refusal" for the Program.

A list of the CHDOs, who may exercise the "right of first refusal" is attached as **Attachment A**. Attachment A may be amended from time to time as organizations obtain or lose certification. In order to exercise the "right of first refusal" the CHDO must also:

- 1. Contain within its designated geographical boundaries of operation, as set forth in its application for certification filed with and approved by the City, a portion of the property that the DHADC is offering for sale,
- 2. Have built at least three single-family homes or duplexes or one multifamily residential dwelling of four or more units in compliance with all applicable building codes within the preceding two-year period of the date the property becomes available for purchase through the DHADC and within the organization's designated geographical boundaries of operation, and
- 3. Have built or rehabilitated housing units (within the preceding two-year period) within a one-half mile radius of the offered parcel.

#### Pursuant to Section 379C.011 of the Code:

- 1. The DHADC will provide written notice to Qualified Organizations each time it acquires a parcel. The DHADC will list the date of conveyance of the parcel to the DHADC, notify the Qualified Organization that it may exercise its "right of first refusal" within six (6) months from the date of the deed of conveyance of the property to the DHADC, and will request that the Qualified Organization respond to the notice within thirty (30) days of receipt stating whether it intends or declines to exercise its right of first refusal;
- 2. During this six-month period, the DHADC will not sell the property to a Qualified Participating Developer other than a Qualified Organization unless all Qualified Organizations eligible to exercise the right of first refusal for the parcel notify the DHADC that they are declining to exercise their right of first refusal;
- 3. After the period for the right of first refusal expires, the DHADC may sell the parcel to any other Qualified Participating Developer at the same price that the DHADC offered the property to the Qualified Organization;
- 4. At the discretion of the DHADC and consistent with the City approved development plan, the subject parcel may be held for up to twelve (12) additional months by the DHADC once an offer has been received and accepted from a Qualified Organization or Qualified Participating Developer; and
- 5. If more than one Qualified Organization expresses an interest in exercising its right of first refusal, the Qualified Organization that has designated the most geographically compact area encompassing a portion of the property shall be given priority.

The DHADC will not give a right of first refusal for the purchase of any parcel that reverted to the DHADC pursuant to the Code. Additionally, the right of first refusal applies only to properties acquired under the Code for the Program. There is no right of first refusal for properties acquired by the DHADC via other programs or acquisition strategies.

#### Sale of Land Bank Property to an Eligible Adjacent Property Owner

Notwithstanding any other right of first refusal granted under the Code, if the DHADC determines that a property acquired by the DHADC is not appropriate for residential development, the DHADC first shall offer the property for sale to an eligible adjacent property owner for the lower of either (1) the fair market value of the property as determined by the appraisal district in which the property is located or (2) the sales price recorded in the annual plan. For FY 2019-20, if the DHADC determines that a property owned by the DHADC is not appropriate for residential development, the DHADC may sell the property to an eligible adjacent property owner for a maximum price of \$1,000.00, provided that the eligible adjacent property owner: (1) owns a parcel of real property located immediately adjacent to the parcel owned by the DHADC, (2) maintains a valid

homestead exemption on the parcel located immediately adjacent to the parcel owned by the DHADC, (3) does not owe any delinquent property taxes on any land located within the City of Dallas and is not indebted to the City or is delinquent in any payment owed to the City under a contract or other legal obligation, (4) has not been issued a notice of violation or citation for a violation of a health and safety ordinance within the past three years and (5) agrees to maintain the parcel in compliance with all federal, state and local laws and regulations for a period of three years subject to a right of reverter.

An adjacent property owner that purchases a parcel of real property under this section may not lease, sell, or transfer that property to another person before the third anniversary of the date the adjacent property owner purchased that property from the DHADC, unless the DHADC adopts a policy permitting the transfer of the property to a family member of the eligible adjacent property owner or the transfer occurs as a result of the death of the eligible adjacent property owner.

#### Sale of Property for Commercial Use

The DHADC may also acquire and sell parcels of land intended for commercial use to any developer, regardless of whether the developer is considered a Qualified Participating Developer pursuant to the Code. In order to purchase a parcel intended for commercial use, a developer must: (1) have a development plan approved by the City for the property; and (2) demonstrate ability to develop, within a three-year period, the proposed property to be acquired. The DHADC will publish an application, and update such application from time to time, to evaluate whether a developer meets the foregoing criteria.

#### Sales Prices for Land Bank Parcels

Except for parcels sold to eligible adjacent property owners, for FY 2019-20, properties will be initially offered at fair market value ("FMV"), as determined by a comparative market analysis. A discount will be available if project underwriting indicates that the discount is needed to ensure the viable sale to an income-qualified buyer.

#### **Deed Restrictions and Right of Reverter for Land Bank Parcels**

The DHADC will impose deed restrictions (also called "restrictive covenants") on all parcels its sells.

1. Properties to be developed for sale by Qualified Participating Developers: the DHADC will impose deed restrictions to require the development and sale of the parcel to low-income households in accordance with the Code. Furthermore, once sold, the property must be occupied by a low-income household for a period of at least five (5) years. The Code requires that at least 25% of the properties must be deed restricted for sale to households with gross household incomes not greater than 60% AMI and that not more than 30% of the properties may be deed

restricted for sale to households with gross household incomes greater than 80% AMI.

- 2. Properties to be developed for rental housing by Qualified Participating Developers: the DHADC will require the development and rental of the property to low-income households in accordance with the Code for a period of not less than fifteen (15) years. The Qualified Participating Developer will be required to: (a) lease 100% of the rental units to households with incomes not greater than 60% of AMI, based on gross household income, adjusted for family size for the Dallas Area Metropolitan Statistical Area as determined annually by HUD, (b) lease 40% percent of the total rental units to households earning no more than 50% of AMI, (c) lease 20% percent of the total rental units to households earning no more than 30% of AMI, (d) file an annual occupancy report with the City on a form provided by the City, and (e) impose deed restrictions that prohibit the exclusion of any individual or family from the development based solely on the participation of the individual or family in the housing choice voucher program under Section 8, United States Housing Act of 1937 (42 U.S.C. Section 1437f), as amended.
- 3. *Properties to be developed for commercial purposes:* the DHADC will require that the parcel be developed and maintained in accordance with the development plan for a minimum of 15 years.
- 4. Properties to be sold to eligible adjacent property owners: the DHADC will require that the eligible adjacent property owner maintain the property in accordance with all federal, state and local regulations for three (3) consecutive years. Furthermore, the eligible adjacent property owner will be prohibited from leasing, selling, or transferring the parcel to another person before the third anniversary of the date the adjacent property owner purchased the parcel from the DHADC, unless the DHADC adopts a policy permitting the transfer of the property to a family member of the eligible adjacent property owner or the transfer occurs as a result of the death of the eligible adjacent property owner.

All DHADC properties will be conveyed with a right of reverter so that if the Qualified Participating Developer (residential development) or developer (commercial development) does not apply for a construction permit within eighteen (18) months from recording the Deed without Warranty and close on any construction financing within the three-year period following the date of the conveyance of the property from the DHADC to the Qualified Participating Developer/developer, the property will revert to the DHADC for subsequent resale to another Qualified Participating Developer/developer or conveyance to the taxing entities who were parties to the judgment for disposition as otherwise allowed under the law.

#### **Reversion of Unsold Land Bank Properties**

If a property is not sold within four (4) years to a Qualified Organization or a Qualified Participating Developer, the property will be transferred from the DHADC to the taxing

entities who were parties to the judgment for disposition as otherwise allowed under the law. A property may be transferred to the taxing entities before completion of the four-year period if the DHADC determines that the property is not appropriate for residential or commercial development. The DHADC may also sell property to a political subdivision or a nonprofit organization before completion of the four-year period in accordance with Sections 379C.0106 and 379C.009 of the Local Government Code.

#### **Parcel Exchange and Parcel Swap**

The DHADC may permit a Qualified Participating Developer or developer (collectively "Developer") to exchange a property purchased from the DHADC with any other property owned by the Developer, if the Developer: (1) agrees to construct on the other property affordable housing for low-income households as provided in this Plan and state law, and (2) the other property is located in a planned development incorporating the property originally purchased from the DHADC or another location as approved by the DHADC. The DHADC shall adjust the deed restrictions for each of the properties exchanged by the Developer under this section in a manner consistent with the Code.

The DHADC may sell two adjacent properties that are owned by the DHADC to a Qualified Participating Developer if at least one of the properties is appropriate for residential development and the Developer agrees to replat the two adjacent properties as one property that is appropriate for residential development.

The DHADC may also allow a Developer to swap a parcel previously purchased from the DHADC with a new parcel purchased from the DHADC if the DHADC determines, in its sole discretion, that: (1) the Developer timely made the request, and (2) the cost to develop affordable housing or a commercial use on the previously-purchased parcel is prohibitively expensive. In such instances, the Developer must submit a proposal for the new parcel in accordance with the application process.

#### **Design Guidelines**

The DHADC strongly encourages the incorporation of defining features of a neighborhood into newly constructed infill houses. Those defining features of older inner-city neighborhoods may include: roof pitches, porches, materials and window types. Developers must comply with any standards established by an existing neighborhood conservation district and/or neighborhood plans. Additionally, all projects must advance the principles and policies contained in the City of Dallas Complete Streets Design Manual. Site plans and building designs should contribute towards safe and convenient pedestrian, bicycle, transit and automobile access to the extent possible within the project site and the adjacent public right of way frontage. When required, developers will be required to demonstrate that the neighborhood association near the land to be developed has been consulted on any and all design issues. Developers should obtain feedback from neighborhood residents and collaborate to ensure that designs are compatible with existing housing and development patterns.

#### **Supportive Funding**

**Attachment B** reflects the sources and amounts for funding anticipated to be available from the City for subsidies for development of affordable housing in the City of Dallas, including money specifically available for housing developed under this Program, as approved by the City Council of the City of Dallas at the time of adoption of this Plan.

## ATTACHMENT A Community Housing Development Organizations

CHDO	GEOGRAPHIC BOUNDARIES	DATE CERTIFIED
Builders of Hope CDC 7920 Elmbrook Drive, Suite 103 Dallas, Texas 75247 Office (214) 920-9850 Fax (214) 630-5155 James Armstrong III, President & CEO	West Dallas - Sylvan Avenue on the East; Trinity River on the North; IH-30 on the South; Loop 12 (Walton Walker Blvd.) on the West	Contact the Department of Housing and Neighborhood Revitalization for certification date.
City Wide Community Development Corp. 3730 S. Lancaster Rd., Suite 110 Dallas, Texas 75216 Office (214) 371-0888 Fax (214) 371-0887 Sherman Roberts, President	City-wide	Contact the Department of Housing and Neighborhood Revitalization for certification date.
East Dallas Community Organization 4210 Junius St., Suite 5 <sup>th</sup> Floor Dallas, Texas 75246 Office (214) 515-9779 Fax (214) 826-1966 Gerald Carlton, Chief Operating Officer	City-wide	Contact the Department of Housing and Neighborhood Revitalization for certification date.
South Dallas/Fair Park Innercity Community Development Corporation 4907 Spring Ave. Dallas, Texas 75210 Office (214) 915-9900 Fax (214) 915-9909 Diane Ragsdale, Managing Director	South Dallas/Fair Park including Zip Codes 75210 & 75215 and Census Tracts 27.01, 27.02, 28, 29, 35, 36, 37, 38, 39.01 & 39.02	Contact the Department of Housing and Neighborhood Revitalization for certification date.
SouthFair Community Development Corporation 2610 Martin Luther King Blvd. Dallas, Texas 75215	Martin Luther King Jr. Blvd. on the South; Good-Latimer on the West; Dart Green Line on the North; Robert B. Cullum Blvd. on the	Contact the Department of Housing and Neighborhood Revitalization for certification date.

East

Office (214) 421-1363
Fax (214) 421-1364
Annie Jones Evans, Executive Director

# ATTACHMENT B Anticipated FY 2019-20 Sources and Amounts of Funding for the Development of Affordable Housing

#### DALLAS HOME BUYER ASSISTANCE PROGRAM (DHAP)

FY 2015-16	\$2,100,000
FY 2016-17	\$2,100,000
FY 2017-18	\$642,129
FY 2018-19	\$767,129
FY 2019-20	\$767,129

The Dallas Homebuyer Assistance Program assists homebuyers with a total household income of no less than 60% percent of Area Median Family Income, but not to exceed 120% of the Area Median Income, adjusted for household size, at the time of application to the program to purchase a home within the city limits of Dallas. The amount of assistance includes the following activities: principle reduction, down payment and closing costs assistance that will be based on need. The HOME maximum sales price may not exceed \$228,000 for existing properties and \$246,000 for new construction. For more information, contact the Department of Housing and Neighborhood Revitalization at 214-670-5988.

#### HOUSING DEVELOPMENT ASSISTANCE

#### **Community Housing Development Organization Set-Aside Program (HOME)**

FY 2015-16	\$1,000,000
FY 2016-17	\$1,000,000
FY 2017-18	\$700,000
FY 2018-19	\$885,000
FY 2019-20	\$815,000

A CHDO (pronounced cho'doe) is a private nonprofit, community-based service organization that has significant capacity and whose primary purpose is to develop affordable housing for the community it serves. Certified CHDOs receive special designation from the City of Dallas (City). The HOME Investment Partnership (HOME) Program definition of a CHDO is found at 24 CFR Part 92.2. HUD requires that 15% of the City's HOME allocation each year be made available to CHDOs for the development of affordable homebuyer or rental housing. The City provides various forms of financing as grants and loans, including construction subsidy, gap financing, predevelopment

assistance and operating assistance. For more information, contact the Department of Housing and Neighborhood Revitalization at 214-670-5988.

#### **New Construction and Substantial Rehabilitation Program**

FY 2015-16	\$1,348,807
FY 2016-17	\$2,488,780
FY 2017-18	\$3,605,570
FY 2018-19	\$21,479,933 (2018 NOFA)
FY 2019-20	\$4,052,783

The Department of Housing and Neighborhood Revitalization (H&NR) provides various forms of funding to non-profit and for-profit developers. The primary purpose of H&NR's funding is to provide gap financing in the form of a repayable loan to support new developments or substantial rehabilitation of existing developments located within the City limits, with such funding prioritized in the Reinvestment Strategy Areas, as outlined in the City's Comprehensive Housing Policy and the Program Statement for the New Construction and Substantial Rehabilitation Program. Projects must assist the City in meeting the production goals set forth in the policy by proposing to serve households earning between 30%-120% of the Dallas Area Median Income (AMI) with the targeted income bands varying according to the market and development type.

For more information, contact the Department of Housing and Neighborhood Revitalization at 214-670-5988.

#### **Dallas Housing Finance Corporation Multifamily Program**

On April 25, 1984, the City Council approved creation of the DHFC, a public instrumentality and nonprofit corporation, and adopted the Articles of Incorporation. The purpose of the DHFC was to issue revenue bonds on behalf of the City for the purpose of providing funds to finance multifamily developments and mortgage loans for the purchase of single family homes that serve low to moderate income households. On March 28, 1990, the DHFC bylaws were amended to expand the eligible loan area to citywide for the single-family mortgage program. In February 2007, the DHFC bylaws were amended to allow the DHFC to purchase, lease, hold title to, and take an ownership interest in a residential development subject to City Council approval.

Funding subject to availability. For more information, contact the Department of Housing and Neighborhood Revitalization at 214-670-5988.

#### ATTACHMENT C List of Properties Eligible for Sale to the Land Bank in FY 2019-2020 (by Zip Code)

	75203		75215		75216
1217	BOSWELL ST	3907	CROZIER ST	2327	CUSTER DR
1219	BOSWELL ST	4524	CROZIER ST	3231	DAHLIA DR
2709	CHILDS ST	4934	CROZIER ST	3234	DAHLIA DR
1124	CHURCH ST	2225	DATHE ST	2223	E ANN ARBOR AVE
1403	CHURCH ST	2305	DATHE ST	2326	E ANN ARBOR AVE
1410	CHURCH ST	3915	DIAMOND AVE	2746	E ANN ARBOR AVE
1117	COMPTON ST	3714	DILDOCK ST	2756	E ANN ARBOR AVE
1123	COMPTON ST	2716	DORRIS ST	1016	E ELMORE AVE
1125	COMPTON ST	2825	DORRIS ST	1010	E HOBSON AVE
1127	COMPTON ST	2914	DORRIS ST	3421	E LEDBETTER DR
1104	E 10TH ST	3514	DUNBAR ST	1230	E OVERTON RD
1716	E 11TH ST	2239	DYSON ST	1426	E OVERTON RD
1720	E 11TH ST	2241	DYSON ST	1618	E OVERTON RD
1825	E 11TH ST	2311	DYSON ST	2307	E OVERTON RD
1328	E CLARENDON DR	4935	ECHO AVE	2815	E OVERTON RD
816	EADS AVE	5027	ECHO AVE	1125	E WOODIN BLVD
531	FAULK ST	3410	EDGEWOOD ST	2743	EXETER DR
1321	HUTCHINS AVE	1624	ELSIE FAYE HEGGINS ST	2519	FERNWOOD AVE
229	LANDIS ST	1632	ELSIE FAYE HEGGINS ST	2526	FERNWOOD AVE
720	LASALLE DR	2600	ELSIE FAYE HEGGINS ST	2935	FERNWOOD AVE
336	LEADS ST	2823	ELSIE FAYE HEGGINS ST	1630	FORDHAM RD
1303	LOTUS ST	2226	EUGENE ST	4512	GARRISON ST
1015	MILDRED ST	2235	EUGENE ST	4642	GARRISON ST
1726	MORRELL AVE	2330	EUGENE ST	1730	GARZA AVE
2803	MORRELL AVE	2602	EUGENE ST	1238	GEORGIA AVE
2206	MOUSER ST	2514	EXLINE ST	1239	GEORGIA AVE
512	N MOORE ST	2535	EXLINE ST	1436	GLEN AVE
800	PONTIAC AVE	2540	EXLINE ST	2306	HUDSPETH AVE
	REVEREND CBT SMITH				
1204	ST	2735	EXLINE ST	2546	HUDSPETH AVE
717	ROCKWOOD ST	2812	FARRAGUT ST	7904	HULL AVE
1912	S CORINTH ST RD	2825	FARRAGUT ST	7912	HULL AVE
635	S DENLEY DR	2842	FARRAGUT ST	2223	IDAHO AVE
605	S STOREY ST	2845	FARRAGUT ST	2515	IDAHO AVE
1001	SARGENT RD	1635	GARDEN DR	1413	IOWA AVE

1715	SICILY ST	1638	GARDEN DR	2125	KATHLEEN AVE
1627	WARSAW ST	2254	GARDEN DR	4738	KILDARE AVE
	75204	2345	GARDEN DR	4914	KILDARE AVE
4110	MCKINNEY AVE	2402	GARDEN DR	7919	KISKA ST
	75208	2404	GARDEN DR	1905	LEACREST DR
1614	N WINNETKA AVE	2515	GHENT ST	1910	LEACREST DR
	75210	2621	GHENT ST	2000	LEACREST DR
5104	AUDREY ST	2820	GOULD ST	3815	LEMAY AVE
4811	BALDWIN ST	2218	GREER ST	3903	LEMAY AVE
4819	BALDWIN ST	2226	GREER ST	3915	LEMAY AVE
4855	BALDWIN ST	3708	GUARANTY ST	4632	LINFIELD RD
3603	BERTRAND AVE	2227	HARDING ST	2201	LOCUST AVE
4007	CANAL ST	2246	HARDING ST	2250	LOCUST AVE
4216	CANAL ST	2418	HARDING ST	4540	LUZON ST
4322	CANAL ST	1638	HERALD ST	1722	MARFA AVE
4337	CANAL ST	5023	HOHEN AVE	2742	MARJORIE AVE
4606	CANAL ST	2703	HOLMES ST	4026	MARYLAND AVE
3701	CARPENTER AVE	2715	HOLMES ST	1610	MENTOR AVE
3603	CAUTHORN DR	2820	HOLMES ST	2759	MOFFATT AVE
4011	COPELAND AVE	3821	HOLMES ST	1589	N ATOLL DR
4322	COPELAND AVE	3830	HOLMES ST	1359	NEPTUNE RD
4323	COPELAND AVE	2711	HUNTER ST	3708	OPAL AVE
	75210		75215		75216
4326	COPELAND AVE	2401	JEFFRIES ST	1422	OWEGA AVE
4335	COPELAND AVE	2414	JEFFRIES ST	1426	OWEGA AVE
2710	CROSS ST	2224	JORDAN ST	2218	RAMSEY AVE
2715	CROSS ST	2225	JORDAN ST	1204	S EWING AVE
2725	CROSS ST	2232	JORDAN ST	1226	S EWING AVE
3521	DIXON AVE	2234	JORDAN ST	2507	S EWING AVE
3615	ELSIE FAYE HEGGINS ST	2235	JORDAN ST	2622	S EWING AVE
3801	ELSIE FAYE HEGGINS ST	3610	JULIUS SCHEPPS FWY	2625	S EWING AVE
3814	ELSIE FAYE HEGGINS ST	2728	KEELER ST	2704	S EWING AVE
3926	ELSIE FAYE HEGGINS ST	2724	LAMAR ST	1907	S MARSALIS AVE
2923	FOREMAN ST	3212	LATIMER ST	2002	S MARSALIS AVE
3510	FRANK ST	3827	LATIMER ST	2515	S MARSALIS AVE
3610	FRANK ST	3831	LATIMER ST	3917	S MARSALIS AVE
3714	FRANK ST	2327	LAWRENCE ST	4103	S MARSALIS AVE
4117	FRANK ST	2418	LAWRENCE ST	1711	SEEVERS AVE
4503	FRANK ST	2422	LAWRENCE ST	2638	SEEVERS AVE
4504	FRANK ST	2434	LAWRENCE ST	816	STELLA AVE
4510	FRANK ST	2446	LAWRENCE ST	1446	STELLA AVE
4534	FRANK ST	2511	LAWRENCE ST	2433	STOVALL DR
4611	FRANK ST	2628	LAWRENCE ST	1411	STRICKLAND ST

4002	PINE ST	2837	OAKDALE ST	650	RAYENELL AVE
	75210		75215		75217
3718	PINE ST	3948	MYRTLE ST	9039	QUINN ST
3703	PINE ST	3824	MYRTLE ST	8509	PRAIRIE HILL LN
3819	PENELOPE ST	3519	MEYERS ST	627	PLEASANT VISTA DR
3719	PENELOPE ST	2506	MEYERS ST	134	PLEASANT MEADOWS DR
3533	PENELOPE ST	2423	MEYERS ST	612	PLEASANT DR
4602	METROPOLITAN AVE	2415	MERLIN ST	546	PEMBERTON HILL RD
4517	METROPOLITAN AVE	2721	MEDILL ST	542	PEMBERTON HILL RD
4507	METROPOLITAN AVE	4606	MEADOW ST	7950	OLUSTA DR
4301	METROPOLITAN AVE	3414	MEADOW ST	1746	OAK HILL CIR
4111	METROPOLITAN AVE	3410	MEADOW ST	10019	MUSKOGEE DR
4006	METROPOLITAN AVE	2900	MEADOW ST	2317	MOONLIGHT AVE
4315	MARSHALL ST	2800	MEADOW ST	208	MARKS DR
4215	MARSHALL ST	3115	MCDERMOTT AVE	2042	LEROY RD
4017	MARSHALL ST	2746	MAURINE F BAILEY WAY	703	JONELLE AVE
3918	MARSHALL ST	2633	BLVD	1227	HILLBURN DR
3.33		301,	MARTIN LUTHER KING JR	, _5	
3733	MARSHALL ST	5017	MARNE ST	728	HAYMARKET RD
3709		5007	MARNE ST	10404	GROVE OAKS BLVD
2623	LAGOW ST	5001	MARNE ST	942	GARDENVIEW DR
4731	JONES ST	2819	MARDER ST	1324	FRIENDSHIP DR
4352	JAMAICA ST	2802	MARDER ST	1145	FRANWOOD DR
4214	JAMAICA ST	2830	MARBURG ST	750	EZEKIAL AVE
	J B JACKSON JR BLVD	2827	MARBURG ST	659	ELWAYNE AVE
	J B JACKSON JR BLVD	2821	MARBURG ST	638	ELLA AVE
4718	HUEY ST	2701	MARBURG ST	6527	ELAM RD
4716	HUEY ST		MARBURG ST	6333	DENHAM CT
4712	HUEY ST	1640	MARBURG ST	425	CHEYENNE RD
2720	HECTOR ST	1610	MARBURG ST	10614	CHECOTA DR
2707	HECTOR ST	2835	MACON ST	707	BETHPAGE AVE
3945	HANCOCK ST	2731	MACON ST	642	BETHPAGE AVE
3625	HANCOCK ST	2451	MACON ST	803	APACHE LN
3617	HANCOCK ST	2601	LENWAY ST	6833	ANTLER AVE
4508	HAMILTON AVE	2521	LENWAY ST	712	ANGUS DR
4426	HAMILTON AVE		LENWAY ST		75217
4117	HAMILTON AVE		LENWAY ST	1016	WINTERS ST
3909	HAMILTON AVE	1708	LENWAY ST	2315	WILHURT AVE
3719	HAMILTON AVE	4922	LELAND AVE	1718	WACO AVE
3306	HAMILTON AVE		LELAND AVE	921	WACO AVE
3200	HAMILTON AVE		LAWRENCE ST	2015	VOLGA AVE
2909	GAY ST		LAWRENCE ST	1126	VERMONT AVE
2904	GAY ST	2711	LAWRENCE ST	4915	STROBEL AVE

3927	POLLY ST	2844	OAKDALE ST	9557	RYLIE CREST DR
3933	POLLY ST	2708	PARSONS ST	1725	SUNBEAM AVE
5326	RAILROAD AVE	2712	PARSONS ST	2324	SUNBEAM AVE
5330	RAILROAD AVE	2406	PEABODY AVE	2516	SUNBEAM AVE
5332	RAILROAD AVE	2533	PEABODY AVE	2550	SUNBEAM AVE
5412	RAILROAD AVE	2534	PEABODY AVE	7926	TILLMAN ST
5416	RAILROAD AVE	2875	PEARY AVE	2402	TUNE AVE
5420	RAILROAD AVE	1222	PENNSYLVANIA AVE	2446	TUNE AVE
5424	RAILROAD AVE	1325	PENNSYLVANIA AVE	2471	TUNE AVE
3706	REESE DR	2414	PENNSYLVANIA AVE	2023	UDAL AVE
3608	S FITZHUGH AVE	2425	PENNSYLVANIA AVE	8103	WES HODGES RD
4222	S FITZHUGH AVE	2617	PENNSYLVANIA AVE	515	WOODMONT DR
4300	SCYENE RD	2812	PENNSYLVANIA AVE		75219
3527	SIDNEY ST	3117	PENNSYLVANIA AVE	4106	NEWTON AVE
3533	SIDNEY ST	1603	PINE ST		75223
3534	SIDNEY ST	1605	PINE ST	710	BANK ST
3601	SIDNEY ST	1609	PINE ST	1114	BANK ST
3607	SIDNEY ST	3218	PINE ST	3326	BEALL ST
3626	SIDNEY ST	3235	PINE ST	3330	BEALL ST
4237	SPRING AVE	3410	PINE ST	1536	CALDWELL AVE
2706	SPRINGDALE ST	2307	POPLAR ST	3322	DETONTE ST
2807	SUTTON ST	2815	REED LN	4705	DOLPHIN RD
2823	SUTTON ST	2835	REED LN	4309	EAST GRAND AVE
4503	WAHOO ST	3003	REED LN	1310	FOLEY ST
4535	WAHOO ST	3014	REED LN	3423	FORNEY RD
3627	YORK ST	3227	REED LN	3511	FORNEY RD
3707	YORK ST	3311	REED LN	4600	GARLAND AVE
	75211	3516	ROBERTS AVE	4706	HAMILTON AVE
3301	BARNARD BLVD	2910	ROCHESTER ST	4720	HAMILTON AVE
1018	N MOROCCO AVE	3006	ROCHESTER ST	1555	HARRIS CT
1211	PARLAY CIR	3010	ROCHESTER ST	1579	HARRIS CT
1215	PARLAY CIR	2731	ROGERS ST	1602	HARRIS CT
1219	PARLAY CIR	2526	ROMINE AVE	1714	JEROME ST
1223	PARLAY CIR	2530	ROMINE AVE	4727	MILITARY PKWY
6164	WIN ONLY CIR	3306	RUTLEDGE ST	4731	MILITARY PKWY
	75212	3318	RUTLEDGE ST	3331	MINGO ST
2210	AKRON ST	3713	S CENTRAL EXPY	3502	MINGO ST
2303	AKRON ST	3302	S HARWOOD ST	3516	MINGO ST
4006	ARANSAS ST	2724	S LAMAR ST	3531	MINGO ST
5704	BERNAL DR	4910	S LAMAR ST	3547	MINGO ST
5726	BERNAL DR	5210	S LAMAR ST	4717	OWENWOOD AVE
3351	CANADA DR	3915	S MALCOLM X BLVD	4834	OWENWOOD AVE
3220	CLAIBOURNE BLVD	4211	S MALCOLM X BLVD	4815	PARRY AVE

3222	CLAIBOURNE BLVD	5223	S MALCOLM X BLVD	4515	PHILIP AVE
5406	FANNIE ST	5239	S MALCOLM X BLVD	1644	S HASKELL AVE
4015	FUREY ST	2341	SCOTT ST	4800	SILVER AVE
2026	GALLAGHER ST	2343	SCOTT ST		75224
4013	HAMMERLY DR	2701	SILKWOOD ST	1519	BROOKHAVEN DR
4033	HAMMERLY DR	2803	SILKWOOD ST	2106	EBBTIDE LN
3714	HARLINGEN ST	2811	SILKWOOD ST	116	TERRACE DR
3807	INGERSOLL ST	2819	SILKWOOD ST	322	W BROWNLEE AVE
3123	LAPSLEY ST	2319	SOUTHLAND ST	300	W LOUISIANA AVE
3222	LAPSLEY ST	2515	SOUTHLAND ST		75226
2704	MEYERSVILLE AVE	2526	SOUTHLAND ST	2010	BOURBON ST
3125	N WESTMORELAND RD	2534	SOUTHLAND ST	2020	BOURBON ST
3738	PEORIA AVE	2535	SOUTHLAND ST	1800	CHESTNUT ST
5900	PUEBLO ST	2607	SOUTHLAND ST	2814	DAWSON ST
4002	SOLOMAN DR	2623	SOUTHLAND ST		75227
		2635	SOUTHLAND ST	2843	DON ST
	75215		75215		75227
1520	AL LIPSCOMB WAY	2640	SOUTHLAND ST	8400	ENDICOTT LN
2251	ANDERSON ST	2731	SOUTHLAND ST	6519	ETHEL DR
2414	ANDERSON ST	2823	SOUTHLAND ST	5903	FAIRWAY AVE
2629	ANDERSON ST	3818	SPENCE ST	6232	HOLLIS AVE
2710	ANDERSON ST	3819	SPENCE ST	2740	LOLITA DR
3900	AVANT ST	3911	SPENCE ST	3333	MCNEIL ST
1635	BANNOCK AVE	3304	SPRING AVE	8200	MOBERLY LN
1710	BANNOCK AVE	3404	SPRING AVE	2825	NAMUR ST
1715	BANNOCK AVE	2413	ST CLAIR DR		75228
3227	BERTRAND AVE	2420	ST CLAIR DR	3400	ST FRANCIS AVE
2210	BETHURUM AVE	2428	ST CLAIR DR		75232
2311	BETHURUM AVE	2437	ST CLAIR DR	8918	BECKLEYCREST AVE
2316	BETHURUM AVE	2438	ST CLAIR DR	9421	BECKLEYCREST AVE
6010	BEXAR ST	2607	STARKS AVE	9228	BECKLEYVIEW AVE
6602	BEXAR ST	2630	STARKS AVE	215	HAMMERKING RD
2408	BIRMINGHAM AVE	2635	STARKS AVE	8916	WHITEHALL LN
2608	BIRMINGHAM AVE	1600	STONEMAN ST		75241
2825	BIRMINGHAM AVE	1714	STONEMAN ST	3706	BARNABUS DR
2929	BIRMINGHAM AVE	1724	STONEMAN ST	5667	BON AIR DR
3025	BIRMINGHAM AVE	2227	STONEMAN ST	5012	CRANFILL DR
3515	BOOKER ST	2603	TANNER ST	8611	HONEYSUCKLE LN
2814	BRIGHAM LN	2618	TANNER ST	8617	HONEYSUCKLE LN
2818	BRIGHAM LN	3505	TRUNK AVE	6130	J J LEMMON RD
2606	BURGER AVE	3114	TUSKEGEE ST	6207	KEMROCK DR
2626	BURGER AVE	2822	VALENTINE ST	2820	MOJAVE DR
2818	BURGER AVE	2907	VALENTINE ST	2906	MOJAVE DR

2503       CARPENTER AVE       4602       VERDUN AVE       3216       MO.         2609       CARPENTER AVE       4635       VERDUN AVE       3244       NAM         2617       CARPENTER AVE       4917       WANDA ST       2741       PALO         2715       CARPENTER AVE       3422       WENDELKIN ST       7536       S LA         2721       CARPENTER AVE       3510       WENDELKIN ST       5512       SINO         2908       CARPENTER AVE       3514       WENDELKIN ST       9       UNK         3206       CARPENTER AVE       3518       WENDELKIN ST       13219       BRE         2706       CLEVELAND ST       75216       10010       BUC         2828       CLEVELAND ST       2641       ALABAMA AVE       10101       WHI         3512       CLEVELAND ST       2705       ALABAMA AVE       10101       WHI         3512       CLEVELAND ST       2726       ALASKA AVE       24       COL         2815       COLONIAL AVE       2420       ARIZONA AVE       2347       EDD         3734       COLONIAL AVE       2938       ARIZONA AVE       12619       FISH         3808       COLONIAL AVE						
2609       CARPENTER AVE       4635       VERDUN AVE       3244       NAM         2617       CARPENTER AVE       4917       WANDA ST       2741       PALG         2715       CARPENTER AVE       3422       WENDELKIN ST       7536       S LA         2721       CARPENTER AVE       3510       WENDELKIN ST       5512       SING         2908       CARPENTER AVE       3514       WENDELKIN ST       9       UNK         3206       CARPENTER AVE       3518       WENDELKIN ST       7524         3303       CARPENTER AVE       3722       WENDELKIN ST       13219       BREI         2706       CLEVELAND ST       75216       10010       BUC         2828       CLEVELAND ST       2705       ALABAMA AVE       10101       WHI         3512       CLEVELAND ST       2705       ALABAMA AVE       24       COL         3722       COLONIAL AVE       2726       ALASKA AVE       24       COL         3734       COLONIAL AVE       2420       ARIZONA AVE       12619       FISH         3808       COLONIAL AVE       2938       ARIZONA AVE       12619       FISH         3830       COLONIAL AVE       3704	5902	CARLTON GARRETT ST	3027	VALENTINE ST	3139	MOJAVE DR
2617       CARPENTER AVE       4917       WANDA ST       2741       PALC         2715       CARPENTER AVE       3422       WENDELKIN ST       7536       S LA         2721       CARPENTER AVE       3510       WENDELKIN ST       5512       SINC         2908       CARPENTER AVE       3514       WENDELKIN ST       9       UNK         3206       CARPENTER AVE       3518       WENDELKIN ST       13219       BREI         2706       CLEVELAND ST       75216       10010       BUC         2828       CLEVELAND ST       2641       ALABAMA AVE       10101       WHI         3512       CLEVELAND ST       2705       ALABAMA AVE       24       COL         3722       COLONIAL AVE       2726       ALASKA AVE       24       COL         3722       COLONIAL AVE       2420       ARIZONA AVE       2347       EDD         3734       COLONIAL AVE       2938       ARIZONA AVE       12619       FISH         3808       COLONIAL AVE       2304       BONNIE VIEW RD       12030       RAV         4019       COLONIAL AVE       3704       BONNIE VIEW RD       12030       RAV         4206       COLONIAL AVE	2503	CARPENTER AVE	4602	VERDUN AVE	3216	MOJAVE DR
2715       CARPENTER AVE       3422       WENDELKIN ST       7536       S LA         2721       CARPENTER AVE       3510       WENDELKIN ST       5512       SINC         2908       CARPENTER AVE       3514       WENDELKIN ST       9       UNK         3206       CARPENTER AVE       3518       WENDELKIN ST       7526         3303       CARPENTER AVE       3722       WENDELKIN ST       13219       BRE         2706       CLEVELAND ST       75216       10010       BUC         2828       CLEVELAND ST       2641       ALABAMA AVE       10101       WHI         3512       CLEVELAND ST       2705       ALABAMA AVE       10101       WHI         3512       CLEVELAND ST       2726       ALASKA AVE       24       COL         3722       COLONIAL AVE       2420       ARIZONA AVE       2347       EDD         3734       COLONIAL AVE       2938       ARIZONA AVE       12619       FISH         3808       COLONIAL AVE       4019       BIGLOW ST       2016       JORI         3830       COLONIAL AVE       3704       BONNIE VIEW RD       12030       RAV         4019       COLONIAL AVE       3815 <td>2609</td> <td>CARPENTER AVE</td> <td>4635</td> <td>VERDUN AVE</td> <td>3244</td> <td>NANDINA DR</td>	2609	CARPENTER AVE	4635	VERDUN AVE	3244	NANDINA DR
2721       CARPENTER AVE       3510       WENDELKIN ST       5512       SINC         2908       CARPENTER AVE       3514       WENDELKIN ST       9       UNK         3206       CARPENTER AVE       3518       WENDELKIN ST       7524         3303       CARPENTER AVE       3722       WENDELKIN ST       13219       BRE         2706       CLEVELAND ST       75216       10010       BUC         2828       CLEVELAND ST       2641       ALABAMA AVE       10101       WHI         3512       COLONIAL AVE       2726       ALASKA AVE       24       COL         3722       COLONIAL AVE       2420       ARIZONA AVE       2347       EDD         3734       COLONIAL AVE       2938       ARIZONA AVE       12619       FISH         3808       COLONIAL AVE       4019       BIGLOW ST       2016       JORI         3830       COLONIAL AVE       3704       BONNIE VIEW RD       2410       PAR         4019       COLONIAL AVE       3815       BONNIE VIEW RD       3312       RICH         4302       COLONIAL AVE       3921       BONNIE VIEW RD       1510       SMC         4901       COLONIAL AVE       4740 </td <td>2617</td> <td>CARPENTER AVE</td> <td>4917</td> <td>WANDA ST</td> <td>2741</td> <td>PALO ALTO DR</td>	2617	CARPENTER AVE	4917	WANDA ST	2741	PALO ALTO DR
2908       CARPENTER AVE       3514       WENDELKIN ST       9       UNK         3206       CARPENTER AVE       3518       WENDELKIN ST       7524         3303       CARPENTER AVE       3722       WENDELKIN ST       13219       BREI         2706       CLEVELAND ST       75216       10010       BUC         2828       CLEVELAND ST       2641       ALABAMA AVE       10101       WHI         3512       CLEVELAND ST       2705       ALABAMA AVE       7522         2815       COLONIAL AVE       2726       ALASKA AVE       24       COL         3722       COLONIAL AVE       2420       ARIZONA AVE       2347       EDD         3734       COLONIAL AVE       2938       ARIZONA AVE       12619       FISH         3808       COLONIAL AVE       4019       BIGLOW ST       2016       JORI         3830       COLONIAL AVE       3704       BONNIE VIEW RD       2410       PAR         4019       COLONIAL AVE       3815       BONNIE VIEW RD       3312       RICH         4302       COLONIAL AVE       3921       BONNIE VIEW RD       10638       RYLI         4901       COLONIAL AVE       4740       BURMA	2715	CARPENTER AVE	3422	WENDELKIN ST	7536	S LANCASTER RD
3206       CARPENTER AVE       3518       WENDELKIN ST       7524         3303       CARPENTER AVE       3722       WENDELKIN ST       13219       BREI         2706       CLEVELAND ST       75216       10010       BUC         2828       CLEVELAND ST       2641       ALABAMA AVE       10101       WHI         3512       CLEVELAND ST       2705       ALABAMA AVE       7525         2815       COLONIAL AVE       2726       ALASKA AVE       24       COL         3722       COLONIAL AVE       2420       ARIZONA AVE       2347       EDD         3734       COLONIAL AVE       2938       ARIZONA AVE       12619       FISH         3808       COLONIAL AVE       4019       BIGLOW ST       2016       JORI         3830       COLONIAL AVE       2304       BONNIE VIEW RD       2410       PAR         4019       COLONIAL AVE       3704       BONNIE VIEW RD       3312       RICH         4302       COLONIAL AVE       3921       BONNIE VIEW RD       10638       RYLI         4901       COLONIAL AVE       4740       BURMA RD       1510       SMC         5102       COLONIAL AVE       7704       CARBOND	2721	CARPENTER AVE	3510	WENDELKIN ST	5512	SINGING HILLS DR
3303       CARPENTER AVE       3722       WENDELKIN ST       13219       BRED         2706       CLEVELAND ST       75216       10010       BUC         2828       CLEVELAND ST       2641       ALABAMA AVE       10101       WHI         3512       CLEVELAND ST       2705       ALABAMA AVE       752!         2815       COLONIAL AVE       2726       ALASKA AVE       24       COL         3722       COLONIAL AVE       2420       ARIZONA AVE       2347       EDD         3734       COLONIAL AVE       2938       ARIZONA AVE       12619       FISH         3808       COLONIAL AVE       4019       BIGLOW ST       2016       JORI         3830       COLONIAL AVE       2304       BONNIE VIEW RD       2410       PAR         4019       COLONIAL AVE       3704       BONNIE VIEW RD       12030       RAV         4206       COLONIAL AVE       3815       BONNIE VIEW RD       3312       RICH         4302       COLONIAL AVE       3921       BONNIE VIEW RD       10638       RYLI         4901       COLONIAL AVE       4740       BURMA RD       1510       SMC         5102       COLONIAL AVE       7912 </td <td>2908</td> <td>CARPENTER AVE</td> <td>3514</td> <td>WENDELKIN ST</td> <td>9</td> <td>UNKNOWN ST</td>	2908	CARPENTER AVE	3514	WENDELKIN ST	9	UNKNOWN ST
2706       CLEVELAND ST       75216       10010       BUC         2828       CLEVELAND ST       2641       ALABAMA AVE       10101       WHI         3512       CLEVELAND ST       2705       ALABAMA AVE       752!         2815       COLONIAL AVE       2726       ALASKA AVE       24       COL         3722       COLONIAL AVE       2420       ARIZONA AVE       2347       EDD         3808       COLONIAL AVE       2938       ARIZONA AVE       12619       FISH         3808       COLONIAL AVE       4019       BIGLOW ST       2016       JORI         3830       COLONIAL AVE       2304       BONNIE VIEW RD       2410       PAR         4019       COLONIAL AVE       3704       BONNIE VIEW RD       12030       RAV         4206       COLONIAL AVE       3815       BONNIE VIEW RD       3312       RICH         4302       COLONIAL AVE       3921       BONNIE VIEW RD       10638       RYLI         4901       COLONIAL AVE       4740       BURMA RD       1510       SMC         5102       COLONIAL AVE       7704       CARBONDALE ST       1735       SMC         5218       COLONIAL AVE       7912 <td>3206</td> <td>CARPENTER AVE</td> <td>3518</td> <td>WENDELKIN ST</td> <td></td> <td>75243</td>	3206	CARPENTER AVE	3518	WENDELKIN ST		75243
2828       CLEVELAND ST       2641       ALABAMA AVE       10101       WHI         3512       CLEVELAND ST       2705       ALABAMA AVE       7528         2815       COLONIAL AVE       2726       ALASKA AVE       24       COL         3722       COLONIAL AVE       2420       ARIZONA AVE       2347       EDD         3734       COLONIAL AVE       2938       ARIZONA AVE       12619       FISH         3808       COLONIAL AVE       4019       BIGLOW ST       2016       JORI         3830       COLONIAL AVE       2304       BONNIE VIEW RD       2410       PAR         4019       COLONIAL AVE       3704       BONNIE VIEW RD       12030       RAV         4206       COLONIAL AVE       3815       BONNIE VIEW RD       3312       RICH         4302       COLONIAL AVE       3921       BONNIE VIEW RD       10638       RYLI         4901       COLONIAL AVE       4740       BURMA RD       1510       SMC         5102       COLONIAL AVE       7704       CARBONDALE ST       1735       SMC         5218       COLONIAL AVE       7912       CARBONDALE ST       1735       SMC         5303       COLONIAL	3303	CARPENTER AVE	3722	WENDELKIN ST	13219	BRENTRIDGE DR
3512       CLEVELAND ST       2705       ALABAMA AVE       7529         2815       COLONIAL AVE       2726       ALASKA AVE       24       COL         3722       COLONIAL AVE       2420       ARIZONA AVE       2347       EDD         3734       COLONIAL AVE       2938       ARIZONA AVE       12619       FISH         3808       COLONIAL AVE       4019       BIGLOW ST       2016       JORI         3830       COLONIAL AVE       2304       BONNIE VIEW RD       2410       PAR         4019       COLONIAL AVE       3704       BONNIE VIEW RD       12030       RAV         4206       COLONIAL AVE       3815       BONNIE VIEW RD       3312       RICH         4302       COLONIAL AVE       3921       BONNIE VIEW RD       10638       RYLI         4901       COLONIAL AVE       3921       BONNIE VIEW RD       1510       SMC         5102       COLONIAL AVE       4740       BURMA RD       1510       SMC         5218       COLONIAL AVE       7912       CARBONDALE ST       1735       SMC         5303       COLONIAL AVE       8240       CARBONDALE ST       12810       SULT	2706	CLEVELAND ST		75216	10010	BUCKINGHAM RD
2815       COLONIAL AVE       2726       ALASKA AVE       24       COLONIAL AVE         3722       COLONIAL AVE       2420       ARIZONA AVE       2347       EDD         3734       COLONIAL AVE       2938       ARIZONA AVE       12619       FISH         3808       COLONIAL AVE       4019       BIGLOW ST       2016       JORI         3830       COLONIAL AVE       2304       BONNIE VIEW RD       2410       PAR         4019       COLONIAL AVE       3704       BONNIE VIEW RD       12030       RAV         4206       COLONIAL AVE       3815       BONNIE VIEW RD       3312       RICH         4302       COLONIAL AVE       3921       BONNIE VIEW RD       10638       RYLI         4901       COLONIAL AVE       4740       BURMA RD       1510       SMC         5102       COLONIAL AVE       7704       CARBONDALE ST       1717       SMC         5218       COLONIAL AVE       7912       CARBONDALE ST       1735       SMC         5303       COLONIAL AVE       8240       CARBONDALE ST       12810       SULT	2828	CLEVELAND ST	2641	ALABAMA AVE	10101	WHISPERING TRL
3722       COLONIAL AVE       2420       ARIZONA AVE       2347       EDD         3734       COLONIAL AVE       2938       ARIZONA AVE       12619       FISH         3808       COLONIAL AVE       4019       BIGLOW ST       2016       JORI         3830       COLONIAL AVE       2304       BONNIE VIEW RD       2410       PAR         4019       COLONIAL AVE       3704       BONNIE VIEW RD       12030       RAV         4206       COLONIAL AVE       3815       BONNIE VIEW RD       3312       RICH         4302       COLONIAL AVE       3921       BONNIE VIEW RD       10638       RYLI         4901       COLONIAL AVE       4740       BURMA RD       1510       SMC         5102       COLONIAL AVE       7704       CARBONDALE ST       1717       SMC         5218       COLONIAL AVE       7912       CARBONDALE ST       1735       SMC         5303       COLONIAL AVE       8240       CARBONDALE ST       12810       SULT	3512	CLEVELAND ST	2705	ALABAMA AVE		75253
3734       COLONIAL AVE       2938       ARIZONA AVE       12619       FISH         3808       COLONIAL AVE       4019       BIGLOW ST       2016       JORI         3830       COLONIAL AVE       2304       BONNIE VIEW RD       2410       PAR         4019       COLONIAL AVE       3704       BONNIE VIEW RD       12030       RAV         4206       COLONIAL AVE       3815       BONNIE VIEW RD       3312       RICH         4302       COLONIAL AVE       3921       BONNIE VIEW RD       10638       RYLI         4901       COLONIAL AVE       4740       BURMA RD       1510       SMC         5102       COLONIAL AVE       7704       CARBONDALE ST       1717       SMC         5218       COLONIAL AVE       7912       CARBONDALE ST       1735       SMC         5303       COLONIAL AVE       8240       CARBONDALE ST       12810       SULT	2815	COLONIAL AVE	2726	ALASKA AVE	24	COLDBROOK LN
3808       COLONIAL AVE       4019       BIGLOW ST       2016       JORI         3830       COLONIAL AVE       2304       BONNIE VIEW RD       2410       PAR         4019       COLONIAL AVE       3704       BONNIE VIEW RD       12030       RAV         4206       COLONIAL AVE       3815       BONNIE VIEW RD       3312       RICH         4302       COLONIAL AVE       3921       BONNIE VIEW RD       10638       RYLI         4901       COLONIAL AVE       4740       BURMA RD       1510       SMC         5102       COLONIAL AVE       7704       CARBONDALE ST       1717       SMC         5218       COLONIAL AVE       7912       CARBONDALE ST       1735       SMC         5303       COLONIAL AVE       8240       CARBONDALE ST       12810       SULT	3722	COLONIAL AVE	2420	ARIZONA AVE	2347	EDD RD
3830       COLONIAL AVE       2304       BONNIE VIEW RD       2410       PAR         4019       COLONIAL AVE       3704       BONNIE VIEW RD       12030       RAV         4206       COLONIAL AVE       3815       BONNIE VIEW RD       3312       RICH         4302       COLONIAL AVE       3921       BONNIE VIEW RD       10638       RYLI         4901       COLONIAL AVE       4740       BURMA RD       1510       SMC         5102       COLONIAL AVE       7704       CARBONDALE ST       1717       SMC         5218       COLONIAL AVE       7912       CARBONDALE ST       1735       SMC         5303       COLONIAL AVE       8240       CARBONDALE ST       12810       SULT	3734	COLONIAL AVE	2938	ARIZONA AVE	12619	FISH RD
4019       COLONIAL AVE       3704       BONNIE VIEW RD       12030       RAV         4206       COLONIAL AVE       3815       BONNIE VIEW RD       3312       RICH         4302       COLONIAL AVE       3921       BONNIE VIEW RD       10638       RYLI         4901       COLONIAL AVE       4740       BURMA RD       1510       SMC         5102       COLONIAL AVE       7704       CARBONDALE ST       1717       SMC         5218       COLONIAL AVE       7912       CARBONDALE ST       1735       SMC         5303       COLONIAL AVE       8240       CARBONDALE ST       12810       SULT	3808	COLONIAL AVE	4019	BIGLOW ST	2016	JORDAN VALLEY RD
4206       COLONIAL AVE       3815       BONNIE VIEW RD       3312       RICH         4302       COLONIAL AVE       3921       BONNIE VIEW RD       10638       RYLI         4901       COLONIAL AVE       4740       BURMA RD       1510       SMC         5102       COLONIAL AVE       7704       CARBONDALE ST       1717       SMC         5218       COLONIAL AVE       7912       CARBONDALE ST       1735       SMC         5303       COLONIAL AVE       8240       CARBONDALE ST       12810       SULT	3830	COLONIAL AVE	2304	BONNIE VIEW RD	2410	PARKCLIFF DR
4302       COLONIAL AVE       3921       BONNIE VIEW RD       10638       RYLI         4901       COLONIAL AVE       4740       BURMA RD       1510       SMC         5102       COLONIAL AVE       7704       CARBONDALE ST       1717       SMC         5218       COLONIAL AVE       7912       CARBONDALE ST       1735       SMC         5303       COLONIAL AVE       8240       CARBONDALE ST       12810       SULT	4019	COLONIAL AVE	3704	BONNIE VIEW RD	12030	RAVENVIEW RD
4901       COLONIAL AVE       4740       BURMA RD       1510       SMC         5102       COLONIAL AVE       7704       CARBONDALE ST       1717       SMC         5218       COLONIAL AVE       7912       CARBONDALE ST       1735       SMC         5303       COLONIAL AVE       8240       CARBONDALE ST       12810       SULT	4206	COLONIAL AVE	3815	BONNIE VIEW RD	3312	RICH ACRES DR
5102       COLONIAL AVE       7704       CARBONDALE ST       1717       SMC         5218       COLONIAL AVE       7912       CARBONDALE ST       1735       SMC         5303       COLONIAL AVE       8240       CARBONDALE ST       12810       SULT	4302	COLONIAL AVE	3921	BONNIE VIEW RD	10638	RYLIE RD
5218 COLONIAL AVE         7912 CARBONDALE ST         1735 SMC           5303 COLONIAL AVE         8240 CARBONDALE ST         12810 SUL	4901	COLONIAL AVE	4740	BURMA RD	1510	SMOKE TREE LN
5303 COLONIAL AVE 8240 CARBONDALE ST 12810 SULT	5102	COLONIAL AVE	7704	CARBONDALE ST	1717	SMOKE TREE LN
	5218	COLONIAL AVE	7912	CARBONDALE ST	1735	SMOKE TREE LN
2731 COUNCIL ST 2218 CUSTER DR	5303	COLONIAL AVE	8240	CARBONDALE ST	12810	SULTANA ST
	2731	COUNCIL ST	2218	CUSTER DR		





#### City of Dallas

#### Agenda Information Sheet

File #: 20-21 Item #:

PH2.

**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): All

**DEPARTMENT:** Office of Economic Development

**EXECUTIVE:** Michael Mendoza

\_\_\_\_\_\_

#### **SUBJECT**

A public hearing to receive comments on Substantial Amendment No. 1 to the FY 2019-20 Action Plan for the City of Dallas Community Development Block Grant (CDBG) Business Revolving Loan Program to terminate the CDBG Revolving Loan Fund Program from the FY 2019-20 Action Plan; and, at the close of the public hearing, authorize (1) the final adoption of Substantial Amendment No. 1 to the FY 2019-20 Action Plan for the CDBG Business Revolving Loan Program; (2) establish appropriations in the Revolving Loan Fund-Phase Out Fund in an estimated amount of \$2,971,174.00; (3) the receipt of \$2,243,549.30 in funds from PeopleFund and the deposit of an estimated \$914,518.82 into the CDBG Program Income Fund, an estimated \$473,995.57 into the Public Private Partnership Fund (PPP) and \$401,632.58 loan repayment from the Neighborhood Loan Program into the corresponding fund based on original source of funds (i.e. CDBG Housing and Urban Development (HUD) Funds or PPP Funds) to the eligible fund; (4) transfer from the Revolving Loan Fund - Phase Out Fund an estimated \$453,402.33 and any interest due to the HUD CDBG Program Income Fund (of the corresponding current balance of the Public Private Partnership Funds transferred from PeopleFund to the City) to close the HUD CDBG RLF Program; (5) the set-up of a Business Loan Receivable for an estimated principal amount of \$624,692.00 of the outstanding loan portfolio from PeopleFund; and (6) amendments to the management contract with PeopleFund, authorized by Resolution No. 18-1374, previously on September 26, 2018 and the Chapter 380 Agreement with PeopleFund, authorized by Resolution No. 10-1238, previously on May 12, 2010, to allow PeopleFund to continue servicing the existing Business Revolving Loan Program and Small Business Loan Program portfolios on behalf of the City without originating any additional loans -Estimated Revenue: Revolving Loan Fund - Phase Out Fund (\$2,971,174.00); Estimated Cost Consideration: Not to exceed \$23,000.00

#### BACKGROUND

On June 12, 2019, City Council authorized the adoption of the FY 2019-20 Consolidated Plan Budget which included the City of Dallas CDBG Business Revolving Loan Program funded by program income estimated at \$156,000.00 to be retained by PeopleFund by Resolution No. 19-0886.

Since 1989, the City of Dallas has used a portion of its CDBG Funds to support the City of Dallas CDBG Business Revolving Loan Program (BRLP), as approved by Resolution No. 89-0815. Initially, Southern Dallas Development Corporation (SDDC) was the sub-recipient to of CDBG BRLP. SDDC merged with PeopleFund in December of 2015 and was awarded a one-year contract, with four renewal options, to operate the CDBG BRLP as authorized under Resolution No. 16-1476, on September 14, 2016.

SDDC provided an estimated average of eight business loans per year and funded approximately 202 business loans totaling an estimated amount of \$20,270,565.00 since program inception. These loans have been used to leverage an estimated amount of \$42,439,502.00 in private investment and created/retained an estimated 2,029 jobs. Since the transition of the CDBG BRLP from SDDC to PeopleFund, there have been a total of five business loans, totaling \$372,500.00.

Historical loan production for the past four years:

Program Year	# of loans/amts	Jobs created/retained (two-years)
2015/2016	1/\$75,000.00	9
2016/2017	2/\$126,000.00	3
2017/2018	2/\$171,500.00	11
2018/2019	no loans	5

Under the most recent contract, the City had the option to not renew the final term of the PeopleFund contract and opted to not continue the existing CDBG BRLP due to declining productivity.

The existing CDBG loan portfolio and accounts receivable consist of 11 loans totaling \$460,246.92 and a cash bank balance of \$1,305,277.05 as of November 30, 2019.

When PeopleFund merged with SDDC, they also acquired the Southern Dallas Small Business Loan Program (SDSBLP), which was authorized by Resolution No. 10-1238 on May 12, 2010, and funded by PPP Funds. Under this Program, SDDC originated 17 loans but no loans have been originated in the past four years. The existing SDSBLP loan portfolio and accounts receivable consist of 6 loans totaling \$176,045.14 and a cash bank balance of \$922,880.40 as of November 30, 2019. Due to declining productivity, the City has opted to not continue this program with PeopleFund.

All loan agreements for both programs will be assigned back to the City.

A portion of the SDSBLP repayment estimated in an amount of \$452,402.33 will be used to repay U.S. Department of Housing and Urban Development (HUD) for its portion of the outstanding loan portfolio. Those funds will then be available in the City's CDBG line of credit. The remaining estimated funds of \$473,995.57 will be returned to the PPP Fund.

City shall return all CDBG program income to HUD to also be placed in the city's line of credit. No general fund dollars will be used for the loan program. This action does not encumber funds.

This action also holds the public hearing and at the close of the public hearing, will authorize the final adoption of Substantial Amendment No. 1 to the FY 2019-20 Action Plan for the City of Dallas CDBG Business Revolving Loan Program, to terminate the CDBG Revolving Loan Fund Program from the FY 2019-20 Action Plan and the amendments to the management contracts for the CDBG BRLP and the Chapter 380 Agreement with PeopleFund for the SDSBLP.

Federal regulations and the City's Citizen Participation Plan require a public hearing to authorize a substantial amendment and require that a public hearing be held with not less than a 30-day public review and comment period to allow for public comments and input with respect to any substantial amendment.

The City will enter into an agreement with PeopleFund to continue servicing the 13 outstanding loans for a flat fee of \$35.00 per loan per month until the later of (i) the date that all loans have been repaid, or (ii) March 1, 2028. PeopleFund will use program income to address the cost of the loan servicing; it will not result in any additional cost to the City.

#### **ESTIMATED SCHEDULE OF TRANSITION**

HUD - the Action Plan notice December 2019
Transition Completed January 2020

#### PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 12, 2010, City Council authorized a Chapter 380 economic development grant agreement with Southern Dallas Development Corporation for the Southern Dallas Small Business Loan Program for the benefit of small businesses located in southern Dallas as recommended by the Small Business Working Team of the Mayor's Southern Dallas Task Force by Resolution No. 10-1238.

On September 14, 2016, City Council authorized (1) a one-year service contract beginning October 1, 2016, with four one-year renewal options, with PeopleFund, for the purpose of making and servicing loans to eligible businesses and creating and/or retaining jobs for low-to-moderate income persons, in accordance with HUD; (2) that any unexpended balances from the contract with the previous administrator, Southern Dallas Development Corporation, be rolled over to fund the CDBG Revolving Loan Program; and (3) that all program income be rolled back into the Business Revolving Loan Program by Resolution No. 16-1476.

On August 9, 2017, City Council adopted the FY 2017-18 HUD Consolidated Plan Budget which included program income estimated at \$165,000.00 to be retained by PeopleFund to carry out the CDBG Business Revolving Loan Program by Resolution No. 17-1171.

On September 27, 2017, City Council authorized the first of four twelve month renewal options to the contract with PeopleFund to administer the City of Dallas CDBG Business Revolving Loan Program, for a term of October 1, 2017 to September 30, 2018 and that any unexpended balances of program income to be rolled over to continue the Business Revolving Loan Program by Resolution No. 17-1538.

On June 27, 2018, City Council authorized the adoption of the FY 2018-19 Consolidated Plan Budget which included program income estimated at \$225,000.00 to be retained by PeopleFund to carry out the City of Dallas Community Development Block Grant Business Revolving Loan Program by Resolution No. 18-0987.

On September 26, 2018, City Council authorized the second of four twelve month renewal options to the contract with PeopleFund to administer the City of Dallas Community Development Block Grant Business Revolving Loan Program, for a term of October 1, 2018 to September 30, 2019 and that any unexpended balances of program income to be rolled over to continue the Business Revolving Loan Program by Resolution No. 18-1374.

On June 12, 2019, City Council authorized the adoption of the FY 2019-20 Consolidated Plan Budget which included program income estimated at \$156,000.00 to be retained by PeopleFund to carry out the City of Dallas CDBG Business Revolving Loan Program by Resolution No. 19-0886.

On December 11, 2019, City Council authorized the preliminary adoption of Substantial Amendment No. 1 to the FY 2019-20 Action Plan for the City of Dallas CDBG Business Revolving Loan Program, to terminate the CDBG revolving loan fund program from the FY 2019-20 Action Plan and a public hearing to be held on January 22, 2020, to receive comments on Substantial Amendment No. 1 to the FY 2019-20 Action Plan by Resolution No. 19-1909.

#### FISCAL INFORMATION

Estimated Revenue: Revolving Loan Fund-Phase Out Fund (\$2,971,174.00) includes a Contribution Income (\$2,243,549.30) amount and a Business Loan Receivable (\$727,624.70) amount. Contribution Income will be transferred: CDBG Program Income (\$914,518.82), Public/Private Partnership Fund (\$927,397.90), To Be Determined (\$401,632.58), while loan funds (\$727,624.70) received by the City will exclude the agreed upon collection fee charges (not to exceed \$23,000.00).

#### **COMPANY REPRESENTATIVE**

#### **PeopleFund**

Gustavo Lasala, President and Chief Executive Officer

WHEREAS, on May 12, 2010, City Council authorized a Chapter 380 economic development grant agreement with Southern Dallas Development Corporation for the Southern Dallas Small Business Loan Program for the benefit of small businesses located in southern Dallas as recommended by the Small Business Working Team of the Mayor's Southern Dallas Task Force, in the amount of \$1,000,000.00 by Resolution No. 10-1238; and

WHEREAS, on September 14, 2016, City Council authorized (1) a one-year service contract beginning October 1, 2016, with four one-year renewal options, with PeopleFund, for the purpose of making and servicing loans to eligible businesses and creating and/or retaining jobs for low-to-moderate income persons, in accordance with U.S. Department of Housing and Urban Development (HUD); (2) that any unexpended balances from the contract with the previous administrator, Southern Dallas Development Corporation, be rolled over to fund the City of Dallas Community Development Block Grant (CDBG) Business Revolving Loan Program; and (3) that all program income be rolled back into the Business Revolving Loan Program by Resolution No. 16-1476; and

**WHEREAS**, on August 9, 2017, City Council adopted the FY 2017-18 HUD Consolidated Plan Budget which included program income estimated at \$165,000.00 to be retained by PeopleFund to carry out the Community Development Block Grant Business Revolving Loan Program by Resolution No. 17-1171; and

WHEREAS, on September 27, 2017, City Council authorized the first of four twelvementh renewal options to the contract with PeopleFund to administer the City of Dallas CDBG Business Revolving Loan Program, for a term of October 1, 2017 to September 30, 2018 and that any unexpended balances of program income to be rolled over to continue the Business Revolving Loan Program by Resolution No. 17-1538; and

**WHEREAS**, on June 27, 2018, City Council adopted the FY 2018-19 Consolidated Plan Budget which included program income estimated at \$225,000.00 to be retained by PeopleFund to carry out the City of Dallas Community Development Block Grant Business Revolving Loan Program by Resolution No. 18-0987; and

WHEREAS, on September 26, 2018, City Council authorized the second of four twelvemonth renewal options to the contract with PeopleFund to administer the City of Dallas CDBG Business Revolving Loan Program, for a term of October 1, 2018 to September 30, 2019 and that any unexpended balances of program income to be rolled over to continue the Business Revolving Loan Program, by Resolution No. 18-1374; and **WHEREAS**, on June 12, 2019, City Council adopted the FY 2019-20 Consolidated Plan Budget which included program income estimated at \$156,000.00 to be retained by PeopleFund to carry out the City of Dallas CDBG Business Revolving Loan Program by Resolution No. 19-0886; and

**WHEREAS,** on August 8, 2019, the City notified PeopleFund that the City would not be exercising the renewal options on either contract, that all loans must be assigned back to the City, and that all account balances must be returned to the City; and

WHEREAS, on December 11, 2019, City Council authorized the preliminary adoption of Substantial Amendment No. 1 to the FY 2019-20 Action Plan for the City of Dallas CDBG Business Revolving Loan Program, to terminate the CDBG revolving loan fund program from the FY 2019-20 Action Plan and a public hearing to be held on January 22, 2020, to receive comments on Substantial Amendment No. 1 to the FY 2019-20 Action Plan for the CDBG Business Revolving Loan Program by Resolution No. 19-0919.

Now, Therefore,

#### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**SECTION 1.** That the City Council hereby authorizes final adoption of Substantial Amendment No. 1. to the FY 2019-20 Action Plan for the CDBG Business Revolving Loan Program to terminate the CDBG Revolving Loan Fund Program from the FY 2019-20 Action Plan.

**SECTION 2.** That the City Manager is hereby authorized to establish appropriations in the Revolving Loan Fund-Phase Out Fund, Fund 0758, Department ECO, Unit W511, Various Object Codes, in an estimated amount of \$2,971,174.00 that includes a cash balance of \$2,243,549.30 transfer from PeopleFund plus the estimated amount of \$727,624.70 of the loan portfolio receivable from PeopleFund (total actual amount to be determined at time of transition).

**SECTION 3.** That the Chief Financial Officer is hereby authorized to receive and deposit contribution income of \$2,243,549.30 as a cash transfer from PeopleFund related to the revolving loan funds reverting back to the City, as well as, the future estimated additional loan principal and interest payments of \$727,624.64 from PeopleFund into the Revolving Loan Fund-Phase Out, Fund 0758, Department ECO, Unit W511, Various Revenue Sources, including estimated principal of \$624,692.00 and interest of \$102,932.70. All collection fees charged by PeopleFund shall be recorded in the various object codes (loan collection funds transferred to the City by PeopleFund are to be net of collection fees for an estimated amount not to exceed \$23,000.00 for the duration of the loan payments collection period).

- **SECTION 4.** That the Chief Financial Officer is authorized to set-up a Business Loan Receivable for an estimated principal amount of \$624,692.00 to record the outstanding loan portfolio transferred from PeopleFund to the City into the Revolving Loan Fund-Phase Out Fund, Fund 0758, Department ECO, Balance Sheet Accounts 016B (Business Loan Receivable) and 0898 (Unavailable/Deferred Revenue).
- **SECTION 5.** That upon receiving loan payments related to the loan portfolio, the Chief Financial Officer is authorized to reverse Business Loan Receivable in the principal amount of funds actually received in the Revolving Loan Fund-Phase Out Fund, Fund 0758, Department ECO, Balance Sheet Account 016B (Business Loan Receivable) and 0898 (Unavailable/Deferred Revenue).
- **SECTION 6.** That the Chief Financial Officer is hereby authorized to transfer funds in an estimated amount of \$453,402.33 of the outstanding loan portfolio as repayment to HUD for the value of the CDBG funded loans, and possibly an additional \$401,632.58 from a previous City program (Neighborhood Business Loan Program NBLP) if eligible into the CDBG Program Income Fund, Fund 0602, Department BMS, Unit 6391, Revenue Code 9201; if not eligible to be repaid to HUD, to transfer the \$401,632.58 to PPP Fund, Fund 0352, Department ECO, Unit P151, Revenue Code 9201 from the Revolving Loan Fund-Phase Out Fund, Fund 0758, Department ECO, Unit W511, Object Code 3690.
- **SECTION 7.** That the Chief Financial Officer is authorized to transfer funds in an estimated amount of \$914,518.82 as program income from the Revolving Loan Fund-Phase Out Fund, Fund 0758, Department ECO, Unit W511, Object 3690 into the CDBG Program Income Fund, Fund 0602, Department BMS, Unit 6391, Revenue Code 9201.
- **SECTION 8.** That the Chief Financial Officer is hereby authorized to transfer funds in an estimated amount of \$473,995.57 from the Revolving Loan Fund-Phase Out Fund, Fund 0758, Department ECO, Unit W511, Object 3690 to the PPP Fund, Fund 0352, Department ECO, Unit P151, Revenue Code 9201.
- **SECTION 9.** That Funds received related to the loans receivable in an estimated amount of \$704,624.70 (including estimated principal of \$624,692.00, interest of \$102,932.70, less collection fees estimated not to exceed \$23,000.00) shall be transferred from the Revolving Loan Fund-Phase Out Fund, Fund 0758, Department ECO, Unit W511, Object 3690 into the PPP Fund, Fund 0352, Department ECO, Unit P151, Revenue Code 9201.

**SECTION 10.** That the City Manager is authorized to execute an amendment to the CDBG Business Revolving Loan Program Management Agreement with PeopleFund and an amendment to the Chapter 380 Grant Agreement with the Southern Dallas Development Corporation, subsequently assumed and/or assigned to PeopleFund, approved as to form by the City Attorney, to require PeopleFund to continue servicing the outstanding 13 loans, under the Business Revolving Loan Program and Small Business Loan Program through the later of (i) the date that all loans have been repaid, or (ii) March 1, 2028, without originating any additional loans.

#### **SECTION 11.** That the amendment to the agreements shall include the following terms:

- A. The term of the amendment will begin on October 1, 2019 through the later of (i) the date that all loans have been repaid, or (ii) March 1, 2028.
- B. PeopleFund will charge \$35.00 per loan payment collected, per month as a servicing fee. The total service fee amount under the term of the agreements shall not exceed \$23,000.00.
- C. Loan payments paid by the borrowers will be split, pro-rata, between the City and PeopleFund based on each entity's contribution to the total loan funded.
- D. PeopleFund will remit monthly to the City all loan payments, less the servicing fee. Loan payments will be deposited into the PPP Fund.
- E. If there is a default or any legal issue or dispute arises in the enforcement of the outstanding 13 loans, serviced by PeopleFund, PeopleFund will notify and provide all necessary documentation to the Office of Economic Development, so that the City, in its sole discretion may determine a course of action.

**SECTION 12.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.