MINUTES OF THE CITY COUNCIL COMMITTEE
MONDAY, FEBRUARY 6, 2023

23-0013

ECONOMIC DEVELOPMENT COMMITTEE
CITY COUNCIL CHAMBER, CITY HALL/VIDEO CONFERENCE
COUNCILMEMBER TENNELL ATKINS, PRESIDING

PRESENT: [7] Atkins, Arnold, West, *Resendez, Narvaez (**1:08 p.m.), McGough, Willis

ABSENT: [0]

The meeting was called to order at 1:02 p.m. with a quorum of the committee present.

The meeting agenda, posted in accordance with Chapter 551, "OPEN MEETINGS," of the Texas Government Code, was presented.

The meeting recessed to closed session at 1:02 p.m. and reconvened to open session at 1:21 p.m.

After all business properly brought before the committee had been considered, the meeting adjourned at 1:40 p.m.

_____
Chair

ATTEST:

_____ _____
City Secretary Staff Date Approved

The agenda is attached to the minutes of this meeting as EXHIBIT A.

The actions taken on each matter considered by the committee are attached to the minutes of this meeting as EXHIBIT B.

The briefing materials are attached to the minutes of this meeting as EXHIBIT C.

***Note: Members of the Committee participated in this meeting by video conference.**
**** Note: Indicates arrival time after meeting called to order/reconvened.**

DRAFT

E X H I B I T A

RECEIVED
2023 FEB -3 PM 12: 09
CITY SECRETARY
DALLAS, TEXAS

City of Dallas

1500 Marilla Street
Council Chambers, 6th Floor
Dallas, Texas 75201

Public Notice

230116

POSTED CITY SECRETARY DALLAS, TX

Economic Development Committee

February 6, 2023

1:00 PM

(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.)

2022 CITY COUNCIL APPOINTMENTS

COUNCIL COMMITTEE	
ECONOMIC DEVELOPMENT Atkins (C), Arnold (VC), McGough, Narvaez, Resendez, West, Willis	**ENVIRONMENT AND SUSTAINABILITY** Blackmon(C), Ridley (VC), Arnold, Bazaldua, Resendez, Schultz, West
GOVERNMENT PERFORMANCE AND FINANCIAL MANAGEMENT Mendelsohn (C), Willis (VC), Atkins, Bazaldua, McGough, Ridley, West	**HOUSING AND HOMELESSNESS SOLUTIONS** Thomas (C), Moreno (VC), Arnold, Blackmon, Mendelsohn, Ridley, Schultz
PUBLIC SAFETY McGough (C), Mendelsohn (VC), Atkins, Moreno, Resendez, Thomas, Willis	**QUALITY OF LIFE, ARTS, AND CULTURE** Bazaldua (C), West (VC), Arnold, Blackmon, Narvaez, Ridley, Thomas
TRANSPORTATION AND INFRASTRUCTURE Narvaez (C), Atkins (VC), Bazaldua, Mendelsohn, Moreno, Schultz, Willis	**WORKFORCE, EDUCATION, AND EQUITY** Schultz (C), Thomas (VC), Blackmon, McGough, Moreno, Narvaez, Resendez
AD HOC JUDICIAL NOMINATING COMMITTEE Resendez (C), Arnold, Bazaldua, Ridley, Thomas,West, Willis	**AD HOC LEGISLATIVE AFFAIRS** Atkins (C), McGough, Mendelsohn, Narvaez, Willis
AD HOC COMMITTEE ON PROFESSIONAL SPORTS RECRUITMENT AND RETENTION Johnson (C), Atkins, Bazaldua, Blackmon, Thomas	**AD HOC COMMITTEE ON GENERAL INVESTIGATING & ETHICS** Mendelsohn (C), Atkins, Blackmon, McGough, Schultz
AD HOC COMMITTEE ON ADMINISTRATIVE AFFAIRS Willis (C), McGough, Moreno, Schultz, West	

(C) – Chair, (VC) – Vice Chair

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

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 de 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 así lo ordena. Además, se le prohibirá continuar 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."

"Pursuant to Section 46.03, Penal Code (places weapons prohibited), a person may not carry a firearm or other weapon into any open meeting on this property."

"De conformidad con la Sección 46.03, Código Penal (coloca armas prohibidas), una persona no puede llevar un arma de fuego u otra arma a ninguna reunión abierta en esta propriedad."

The City Council Economic Development Committee meeting will be held by videoconference and in the Council Chambers, 6th Floor at City Hall.

The public is encouraged to attend the meeting virtually; however, City Hall is available for those wishing to attend the meeting in person following all current pandemic-related public health protocols.

The following videoconference link is available to the public to listen to the meeting and Public Affairs and Outreach will also stream the City Council Economic Development Committee meeting on Spectrum Cable Channels 16 (English) and 95 (Spanish) and at bit./lycityofdallastv.

https://dallascityhall.webex.com/dallascityhall/j.php?MTID=m37d7777493f386f92542c11ce47b81a1

Call to Order

MINUTES

1. 23-345 Approval of Minutes of the January 9, 2023 Special Called Economic Development Committee Meeting

Attachments: Minutes

BRIEFING MEMORANDUMS

A. 23-346 2024 General Obligation Bond Program Technical Criteria for Economic Development
[Robin Bentley, Director, Office of Economic Development; Kevin Spath, Assistant Director, Office of Economic Development]

Attachments: Memorandum

B. 23-85 Adoption of Board of Adjustment Rules of Procedure Amendments
[David Neumann, Chair, Board of Adjustment; Sam Eskander, Assistant Director, Development Services; Nikki Dunn, Board Administrator, Development Services]

Attachments: Memorandum

C. 23-347 FY 2021-2022 Tax Increment Financing (TIF) District Annual Reports
[Kevin Spath, Assistant Director, Office of Economic Development; Sue Hounsel, Manager, Office of Economic Development]

Attachments: Memorandum

D. 23-348 Skillman Corridor TIF District: Proposed Plan Amendment and Proposed Funding for the Forest/Audelia Project, a new City park and multipurpose facility at the northwest corner of Forest Lane and Audelia Road
[Kevin Spath, Assistant Director, Office of Economic Development; Dorcy Clark, Manager, Office of Economic Development]

Attachments: Memorandum

EXECUTIVE SESSION

E. 23-349 Deliberate the offer of a financial or other incentive to a business prospect ("Project X") that the City seeks to locate/relocate within the City and with which the city is conducting economic development negotiations (Sec. 551.087 T.O.M.A.) and seek advice of its attorney (Sec. 551.071 T.O.M.A.)

ADJOURNMENT

EXECUTIVE SESSION NOTICE

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

1. seeking the advice of its attorney about pending or contemplated litigation, settlement offers, or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act. [Tex. Govt. Code §551.071]

2. deliberating the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.072]

3. deliberating a negotiated contract for a prospective gift or donation to the city if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.073]

4. deliberating the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing. [Tex. Govt. Code §551.074]

5. deliberating the deployment, or specific occasions for implementation, of security personnel or devices. [Tex. Govt. Code §551.076]

6. discussing or deliberating commercial or financial information that the city has received from a business prospect that the city seeks to have locate, stay or expand in or near the city and with which the city is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect. [Tex Govt. Code §551.087]

7. deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementations of security personnel, critical infrastructure, or security devices. [Tex Govt. Code §551.089]

E X H I B I T B

OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

FEBRUARY 6, 2023

Item 1: Approval of Minutes of the January 9, 2023 Special Called Economic Development Committee Meeting

Councilmember Willis moved to adopt the minutes as presented.

Motion seconded by Councilmember West and unanimously adopted. (Narvaez absent when vote taken)

OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

FEBRUARY 6, 2023

BRIEFING MEMORANDUMS

Item A: 2024 General Obligation Bond Program Technical Criteria for Economic Development

Item B: Adoption of Board of Adjustment Rules of Procedure Amendments

Item C: FY 2021-2022 Tax Increment Financing (TIF) District Annual Reports

Item D: Skillman Corridor TIF District: Proposed Plan Amendment and Proposed Funding for the Forest/Audelia Project, a new City park and multipurpose facility at the northwest corner of Forest Lane and Audelia Road

The committee discussed the items.

OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

FEBRUARY 6, 2023

EXECUTIVE SESSION

Item E: Deliberate the offer of a financial or other incentive to a business prospect ("Project X") that the City seeks to locate/relocate within the City and with which the city is conducting economic development negotiations (Sec. 551.087 T.O.M.A.) and seek advice of its attorney (Sec. 551.071 T.O.M.A.)

At 1:02 p.m., Councilmember Atkins announced the executive session of the city council authorized by Chapter 551, "OPEN MEETINGS," of the (Texas Open Meetings Act) to discuss the following matter:

- Deliberate the offer of a financial or other incentive to a business prospect ("Project X") that the City seeks to locate/relocate within the City and with which the city is conducting economic development negotiations (Sec. 551.087 T.O.M.A.) and seek advice of its attorney (Sec. 551.071 T.O.M.A.)

The closed session ended and reconvened to open session at 1:21 p.m. No other matters were discussed during the closed session.

E X H I B I T C

City of Dallas

1500 Marilla Street
Council Chambers, 6th Floor
Dallas, Texas 75201

Agenda Information Sheet

File #: 23-346 **Item #:** A.

2024 General Obligation Bond Program Technical Criteria for Economic Development
[Robin Bentley, Director, Office of Economic Development; Kevin Spath, Assistant Director, Office of Economic Development]

City of Dallas

2024 General Obligation Bond Program Technical Criteria for Economic Development

Economic Development Committee
February 6, 2023

Robin Bentley, Director
Kevin Spath, Assistant Director
Office of Economic Development

Adriana Castaneda, Director
Office of Bond and Construction Management
City of Dallas

Overview

- Technical Criteria
- Technical Criteria for Economic Development
- History: Previous GO Bond Programs
- 2017 Bond Program: Proposition I
- Project Evaluation

Technical Criteria

What are Technical Criteria?

- set of measuring tools that City staff uses to rate project from a technical standpoint
- allows staff to categorize and prioritize projects objectively
- projects in the needs inventory undergo a technical criteria review by “infrastructure departments”
- needs inventory projects are compared within categories

Technical Criteria for Economic Development

Criteria for project funding with Economic Development propositions <u>differ</u> from typical needs inventory/technical criteria utilized by "infrastructure departments"

- projects are not necessarily known in advance
- projects are not scored and compared based on point accumulation basis
- availability of bond funding allows City to capitalize on moments of opportunity as they arise
- provides for flexibility of utilization in order to achieve City policy goals

History: Previous GO Bond Programs

- **Previous propositions approved by voters for economic development (1998, 2003, 2006, 2012, 2017)**

- **2006: Proposition 8 (for southern area and TOD areas): $41,495,000**
  - $21,495,000 for Office of Economic Development
  - $20,000,000 for Housing Department

- **2012: Proposition 3 (for southern area and TOD areas): $55,000,000**
  - $35,000,000 for Office of Economic Development (including $5 million specifically for UNT-Dallas area and $10 million for The Canyon area)
  - $20,000,000 for Housing Department

History: Previous GO Bond Programs

- **2017: Proposition I: $55,400,000**
  - "discretionary" allocations across 11 City Council Districts and a city-wide allocation for Mayor
  - shared between Office of Economic Development and Housing Department

2017 Bond Program: Proposition I

Purpose: providing funds for promoting economic development throughout the city

- through planning, designing, constructing, improving, extending and expanding public street, utility, and other infrastructure facilities, including the acquisition of land therefor, and
- through the City's programs for economic development and housing including the acquisition of improved and unimproved properties, the demolition of existing structures, making grants of bond proceeds and otherwise providing assistance for private commercial, industrial, retail, residential and mixed-use development, neighborhood revitalization projects, and mixed-income development

Staff is anticipating a similar proposition for 2024 GO Bond Program

Project Evaluation

Project evaluation criteria include:

- alignment with Economic Development Policy 2022-2032
- satisfaction of parameters outlined in the voter-approved Proposition
- compliance with Economic Development Incentives Policy
- eligibility under Chapter 380 Economic Development Program or Chapter 373 Community Development Program (baseline criteria for grant negotiation)
- ability to leverage direct and indirect private (and non-City public) investment and public benefits
- fiscal impact analysis (business and community development projects)
- underwriting/gap analysis (real estate development projects)

2024 General Obligation Bond Program Technical Criteria for Economic Development

Economic Development Committee
February 6, 2023

Robin Bentley, Director
Kevin Spath, Assistant Director
Office of Economic Development

Adriana Castaneda, Director
Office of Bond and Construction Management
City of Dallas

City of Dallas

1500 Marilla Street
Council Chambers, 6th Floor
Dallas, Texas 75201

Agenda Information Sheet

File #: 23-85 **Item #:** B.

Adoption of Board of Adjustment Rules of Procedure Amendments
[David Neumann, Chair, Board of Adjustment; Sam Eskander, Assistant Director, Development Services; Nikki Dunn, Board Administrator, Development Services]

Memorandum

CITY OF DALLAS

DATE February 3, 2023

TO Honorable Members of the City Council Economic Development Committee: Tennell Atkins (Chair), Carolyn King Arnold (Vice Chair), Adam McGough, Omar Narvaez, Jaime Resendez, Chad West, Gay Donnell Willis

SUBJECT **Adoption of Board of Adjustment Rules of Procedure Amendments**

This memorandum is to brief the Economic Development Committee of an upcoming agenda item to approve amendments to the City of Dallas Board of Adjustment Rules of Procedure. These amendments were reviewed and composed in collaboration with Board of Adjustment (BDA) Members, City Attorney's Office, Planning and Urban Design, and Development Services. The BDA Working Rules of Procedure Amendments were unanimously adopted by the Board on November 1, 2022.

The updates to the BDA Rules of Procedure most notably include a new section defining quorum, expanded taxpayer property owner accessibility to BDA Hearings, and constructing methodologies to improve timelines and information for board cases via BDA staff responsiveness and comprehensive case presentation.

The broad preparation of the Adoption of the Rules of Procedure is outlined in the chronology below:

- **January 11, 2022** – A full BDA meeting was held to provide feedback for needs to update the Rules of Procedure, hearing process, more comprehensive case presentation, public accessibility of website, meeting notifications in advance of hearings, and training.
- **February through September 2022** - David A. Neumann, BDA Chairman, Robert Agnich, BDA Vice-Chair, and Cheri Gambow, BDA Vice-Chair met regularly with City staff to propose and formulate improvements to the hearing process, rules of procedure, and website. Chairman Neumann, Vice-Chair Agnich, and Vice-Chair Gambow regularly followed up with City Council Members to ensure Board/Alternates remain fully appointed. The same Board Members also met with City Plan Commission Chairman Tony Shidid.
- **May 10, 2022** - BDA Officers met with Julia Ryan, Director of Planning and Urban Design, to make recommendations to improve timeliness, transparency, accuracy, and teamwork for all aspects of the Board of Adjustment. Board Officers stressed the importance to create a strategy to reduce the 83 days average from application to a hearing to 70 days or less compared to 60 days for Building Official appeal and 30 days for replatting.
- **August 1 & August 15, 2022** - Chairman Neumann met with Assistant City Manager Majed Al-Ghafry to review cumulative BDA recommendations.

- **October 1, 2022** - City staff support for BDA moved to Development Services (DSD) with new leadership of Andrew Espinoza, Director, and Sam Eskander, Assistant Director.
- **October 11, 2022** - BDA Officers met with DSD leadership and discussed "Issues for Support for 2023."
- **November 1, 2022** - Meeting Calendar for 2023 and updated Rules of Procedure were unanimously adopted by Board of Adjustment.
- **December 28, 2022** - Nikki Dunn, Chief Planner/Board Administrator for Board of Adjustment was appointed.
- **January 4, 2023** - Chairman Neumann, Steve Long, Board of Adjustment Consultant, Nikki Dunn, Sam Eskander, and Tenisha Lester, Chief Planner of Zoning (DSD) met to discuss new leadership and structure of BDA within DSD, member and staff lists, key milestones, annual report, meeting calendar and the variable filing deadlines that predicate and substantiate the timeline of application intake to hearing, updated Rules of Procedure, and January, February, and March hearings.
- **January 9, 2023** - Board of Adjustment Officers met to finalize updates to Rules of Procedure, Annual Report, and Board of Adjustment requests for Development Services.
- **January 18, 2023** - The Board of Adjustment, through its three panels, unanimously approved its Annual Report for 2021-2022.

Upon receiving Committee approval, staff will place this item on the next available City Council agenda.

Should you have questions or need additional information please contact Mina Eskander, Assistant Director of Development Services, at mina.eskander@dallas.gov or 214-948-4029 or Nikki Dunn, Chief Planner, Board Administrator of Development Services at sheniqua.dunn@dallas.gov or 214-948-4366.

Majed A. Al-Ghafry, P.E.
Assistant City Manager

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney
Mark Swann, City Auditor
Bilierae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizor Tolbert, Deputy City Manager
Jon Fortune, Deputy City Manager
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Dr. Robert Perez, Assistant City Manager
Carl Simpson, Assistant City Manager
Jack Ireland, Chief Financial Officer
Genesis D. Gavino, Chief of Staff to the City Manager
Directors and Assistant Directors

11-1-22

CITY OF DALLAS

BOARD OF ADJUSTMENT

~~WORKING~~ RULES OF PROCEDURE

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~~SEPTEMBER~~ November 1, 2022~~19~~

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CITY OF DALLAS BOARD OF ADJUSTMENT

RULES OF PROCEDURE

Section 1. Powers of the Board.

(a) The powers of the board of adjustment, referred to as the board conferred upon it in Section 7, Chapter 282, Page 424, 40th Legislature, Acts 1927, and as thereafter amended, being codified in Chapter 211 of the Local Government Code, Chapter 8 of the Dallas City Code, as amended, and in Sections 51A-3.102, 51A-4.703, and 51A-4.704 of the Dallas Development Code, as amended, include, but are not limited to, the following:

(1) To hear and decide appeals where it is alleged there is error in any order, requirement, decision or determination made by an administrative official in the enforcement of any order or ordinance pertaining to zoning.

(2) To hear and decide special exceptions to the terms of the zoning ordinance in the manner provided.

(3) To authorize upon appeal in specific cases such variance from the terms of the ordinance as will not be contrary to the public interest, where, owing to special conditions, a literal enforcement of the provisions of the zoning ordinance will result in unnecessary hardship, and so that the spirit of the ordinance is observed and substantial justice done.

(4) To regulate and discontinue nonconforming uses and structures.

(b) In exercising its powers, the board and panels of the board may reverse or affirm, wholly or partly, or may modify an order, requirement, decision, or determination appealed from and may make an order, requirement, decision, or determination as ought to be made, and to that end the board and panels of the board shall have all the powers of the officer from whom an appeal is taken.

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Section 2. Composition of the Board.

(a) The board shall consist of fifteen members and six alternates appointed by the city council for a term of two years. All members shall be removable for cause by the city council upon written charges and after a public hearing.

(b) The officers of the board shall consist of a chair, two vice-chairs, appointed by the mayor, a board administrator, a board secretary, a board attorney, and any other officers the board may elect or the chair may appoint. The board administrator, ~~and~~ board secretary, and board attorney shall have no voting rights.

(c) The board shall be divided into three panels of five members. A board member may serve only on the panel to which the member is assigned. The chair and vice-chairs shall each be the presiding officer of one of the panels.

(d) The board and panels of the board shall be provided the staff employees necessary to conduct its proceedings, as provided by the budget. The services of an accountant and abstract research company may be retained as needed for the preparation of compliance cases.

Section 3. Quorum. At the beginning of each regular or special meeting, the presiding officer shall determine whether a quorum exists. A quorum exists if 75 percent of the members (4 members for a panel or 12 members for the fully appointed board), either regular or alternate, are present. If a quorum exists, the presiding officer shall announce that a quorum is present. If a quorum does not exist 30 minutes after the time the meeting was called, the presiding officer shall adjourn the meeting.

Section 4. Duties of the Chair.

~~(a) The chair shall appoint a panel vice chair for each of the three panels of the board.~~

~~(b)~~(a) The chair shall preside over all meetings of the entire board. In the absence of the chair, the chair shall appoint a vice-chair to preside and fulfill all of the duties of the chair.

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~~(c)~~(a) ~~The chair shall compel the attendance of witnesses when necessary.~~

(b) The chair shall approve a rotational schedule for attendance of alternate members at panel meetings.

(c) The chair may consult with the board administrator to review the prepared board and panel agendas.

(d) The chair may call and cancel meetings of the full board or of a panel.

~~(d)~~(e) The chair may create ad hoc committees and working groups from time to time to study and make recommendations on specific issues. Ad hoc committees must be made up of only members of the board of adjustment and cannot have more than six members.

Section ~~4~~5. Duties of the Presiding Officers.

(a) The chair and vice-chairs shall act as presiding officers of their respective panels. The duties of the presiding officers of a panel are to preside at all meetings of the panel to which they are assigned, to maintain order at all times, to administer oaths, and to rule on all points of procedure, and to dispense the business of the panel in a just and orderly manner. The presiding officer may impose a reasonable time limit for speakers in order to dispense the business of the board or panel in a just and orderly manner.

(b) The presiding officer shall question all witnesses and/or staff, and request other members of the panel to ask any questions which may assist the board and panels of the board in arriving at a just and fair decision.

(c) The presiding officer shall sign the minutes of the panel meetings over which he or she presides and each case decided upon in accordance with the decision of the panel.

(d) In the absence of the presiding officer, ~~the panel vice-chair shall preside and fulfill all of the duties of the presiding officer. In the absence of the presiding officer and panel vice-chair~~, the panel shall elect a temporary ~~chair~~presiding offer. This election does not survive the meeting in which it is had.

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(e) The ~~chair~~presiding officer shall compel the attendance of witnesses when necessary.

Section ~~5~~6. Duties of the Board Administrator.

~~* For purposes of this section, reference to the board includes panels of the board.~~

(a) The board administrator shall:

(1) receive all complete applications to the board for processing;

(2) receive all evidence submitted for the board's review;

(3) provide technical assistance to the board;

(4) assist the general public with information, procedures, policies, case status, and site plans;

(5) gather needed information from outside sources and confer with all sections and departments of the city for case analysis;

(6) provide research on cases;

(7) prepare board documents, dockets, notices, and advertisements, and write necessary letters to the property owners;

(8) direct, conduct, and supervise all administrative functions of the board operation as may be deemed necessary;

(9) coordinate the work of the board in support of the chair and vice-chairs in their leadership of the board;

(10) serve as liaison between the board and the city plan commission, city manager, and various other officers of the City of Dallas, including, but not limited to, the building official, the director of transportation, the city attorney, and the director of planning; ~~and~~

(11) after conferring with the chair, propose and maintain an annual calendar for the board and panel meeting dates, which are

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subject to initial board approval~~investigate complaints made by citizens by reason of any ruling or decision of the board or of an administrative official~~;~~.~~

(12) balance the caseloads among the panels;~~.~~

(13) prepare the board and panel agendas with consultation by the chair and vice-chairs;~~.~~

(14) initiate a comprehensive review of the request based on the current zoning, conduct a site visit of the subject property and the surrounding 200 feet, and consult relevant city departments;

(15) prepare a staff recommendation or technical review for pending cases when appropriate and state all the staff members and their roles who participated in making the recommendation or technical review;~~.~~

(16) no later than seven calendar days prior to each board or panel meeting, distribute to each member and make available to the public the complete agenda and case docket materials. The board or panel, by majority vote, can still hear the noticed cases even if the agenda and case docket materials were not disseminated in accordance with this paragraph;~~.~~

(17) review all forms and intake and handling procedures for board applications for accuracy, equity, and efficiency;~~.~~

(18) publish all board meeting dates and times, and list all pending cases filed with the board; and~~.~~

(19) conduct an orientation training for new members and alternate members upon appointment.

(b) The board administrator shall also administer oaths and compel the attendance of witnesses when requested by the chair or other presiding officers to do so.

~~(b)~~(c) For purposes of this section, BOARD means the full board or panels of the board.

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Section ~~6~~7. Duties of the Board Secretary.

(a) The board secretary shall be generally responsible for the clerical work of the board and panels of the board, under the direction and supervision of the board administrator. The board secretary shall:

(1) keep the minutes of all meetings and proceedings in a substantially bound book showing the vote and motion of each member upon each question, or if absent, or failing to vote, indicating that fact, and attesting the minutes;

(2) compile the required records, log appeals and applications to the board, prepare case folders, type notices and envelopes, prepare route sheets, log favor and opposition letters, prepare certified mail to applicants, type letters and memoranda; ~~and~~

(3) call board and panel members for meetings, maintain index files, number each case, and furnish each member of the board and each member of panel of the board with a copy of each petition, together with the building official's refusal~~.~~;

(4) randomly and independently assign and reassign cases to the panels and balance the workloads of the panels;~~.~~

~~randomly impanel or cancel panel meetings, only after receiving direction from the chair, because of high or low caseloads.~~

(5) no later than seven calendar days prior to each board or panel meeting, distribute to each member and make available to the public the complete agenda and case docket materials. The board or panel, by majority vote, can still hear the noticed cases even if the agenda and case docket materials were not disseminated in accordance with this paragraph.

~~(3)~~(6) Publish all board meeting dates and times, and list all pending cases filed with the board.

(b) For purposes of this section, BOARD means the full board o~~f~~r panels of the board.

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Section ~~7~~8. Alternate Members.

(a) In the absence of one or more regular members, alternate members shall attend panel meetings when requested to do so by the board chair, the presiding officer of a board panel, or by the city manager. The presiding officer of a panel may dismiss an alternate member when attendance is not necessary to complete a five-member panel.

(b) The alternate members are subject to the same attendance and general rules as all other board members.

(c) Alternate members who are not on the panel scheduled to attend will be called to serve only when one or more regular members are absent from the meeting.

Section ~~8~~9. Attendance and General Rules.

(a) The board shall be governed by the rules of procedure and decorum for city boards and commissions contained in Chapter 8 of the Dallas City Code, as amended, and applicable provisions of the City Charter.

(b) All members shall comply with the attendance rules set forth in Chapter XXIV, Section 17, of the City of Dallas Charter and Chapter 8 of the Dallas City Code, as amended. No member may be excused from attendance at a board or panel meeting, except for medical reasons certified to by his or her physician or unless excused by the board and the city council. A member shall forfeit his or her office if the member misses more than three regular meetings in succession or misses more than 25 percent of the regular meetings during any 12-month period~~, unless excused by the board and the city council~~.

Section ~~9~~10 . Requests for Board Action.

(a) All requests to the board must be made on the prescribed form provided by the ~~d~~Director of Development Services ("Director"). The facts alleged must be attested to by a notary public.

(b) The fee as provided by ordinance must accompany each request to defray the cost of advertising the public hearing.

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(c) The board or panel of the board may waive the filing fee if the board or panel of the board finds that payment of the fee would result in substantial financial hardship to the applicant. The applicant may either pay the fee and request reimbursement at the hearing on the matter or request that the issue of financial hardship be placed on the board's or panel's miscellaneous docket for predetermination. If the issue is placed on the miscellaneous docket for predetermination, the applicant may not file the application until the merits of the request for waiver have been determined by the board or panel of the board.

(d) Evidence submitted for the board's consideration on a request must be submitted to the board administrator or the board secretary. Evidence submitted is part of the public record and will not be returned. The board and panels are quasi-judicial bodies; therefore, no evidence may be submitted to and no contact may be made with individual members regarding a pending request. All communications, oral or written, should be directed to the board administrator. Failure to comply with this rule may result in criminal prosecution for improper influence, which is a Class A misdemeanor under Texas Penal Code Section 36.04.

(e) Unless expressly authorized by the concurring vote of 75 percent of the members of a panel when an extreme hardship is shown, no request may be heard at a regular panel meeting until the expiration of 21 days after it is filed with the building official.

(f) The director shall schedule cases within a reasonable time from the receipt of a complete application.

(g) An item may be placed on ~~a~~ the board~~'s or panel's~~ agenda by the director, the chair, or a written request of at least one-third of the~~ or a~~ members of the~~at~~ board~~ or panel~~. An item may be placed on a panel agenda by the director, the chair, the vice-chair of that panel, or a written request of at least two members of that panel.

(h) The director may authorize the withdrawal of all applications except those to establish a compliance date, which must be authorized by the panel assigned the case. No request for withdrawal of an application may be considered by the director or a panel unless it is in writing. A request to the director for withdrawal must be received before 5:00 p.m. of the day that will leave five full working days (excluding Saturdays,

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Sundays, and official city holidays) before the date of the hearing. A request for withdrawal must be received in sufficient time to notify all interested parties before the hearing date. If the director or the panel finds in the consideration of such a request that there is an objection to the withdrawal and that allowing the withdrawal over the objection will unduly prejudice the objector, the director or panel shall deny the request. If the director denies a request for withdrawal, the applicant may appeal the withdrawal request to the panel assigned the case provided the appeal satisfies all of the requirements of this subsection for an application for withdrawal.

(i) The director may authorize the amendment of all applications, except those to establish a compliance date and appeals from the decision of an administrative official, which must be authorized by the panel to which the case is assigned. A request to the director for an amendment must be received before 5:00 p.m. of the day that will leave five full working days (excluding Saturdays, Sundays, and official city holidays) before the date of the hearing. If the director or panel finds in the consideration of such a request that there is an objection to the amendment, and that allowing the amendment over the objection will unduly prejudice the objector, the director or panel shall deny the request. If the director denies a request for amendment, the applicant may appeal to the panel assigned the case. If an amendment is authorized which requires newspaper advertisement and/or written notice to surrounding property owners, the amendment constitutes a new application and the requesting party must pay an additional filing fee to defray the cost of re-advertising.

(j) A panel may not extend the time period for making application for a building permit or certificate of occupancy beyond 180 days from the date of its favorable action unless it makes a specific finding based on evidence presented at a public hearing that there are no substantially changed conditions or circumstances regarding the property. The person requesting the time extension shall have the burden of establishing that there are no substantially changed conditions or circumstances regarding the property to the satisfaction of the panel. In no event, however, may the panel extend the time period beyond 18 months from the date of its favorable action.

(k) Only one panel may hear, handle, or render a decision in a particular case. If any preliminary action is required on a case, including but not

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limited to a fee waiver or waiver of the two-year waiting period, the case must be returned to the panel taking the preliminary action. If a case is dismissed or withdrawn and subsequently re-filed, it must be returned to the panel to which it was originally assigned. If a subsequent case is filed concerning the same request, that case must bereturned to the panel hearing the previously filed case.

~~(l) If the time for reconsideration of a case has expired, the board or panel of the board may not change or modify its decision unless a new application is filed or the board or panel of the board authorizes a public hearing to review the case.~~

Section 110. Public Testimony and Public Hearings.

(a) All meetings of the board and panels of the board are open to the public and must be held at a time and place determined by the board.

(b) The chair shall have the authority to call special meetings of the board. The presiding officer of a panel acts as the panel's chair pursuant to Section 8-3 of the Dallas City Code, and shall have the authority to call special meetings of that panel. The officer calling a special meeting shall designate the time and the place of the meeting subject to availability. Special meetings must be called by the chair at the request of at least one-third of the board.

(c) The board secretary shall notify all affected members of the date, time, and place of either a regular or special meeting.

(d) The applicant has the burden of proof to establish the necessary facts to warrant favorable action of the board~~No regular or special meeting may be held unless 75 percent of the panel members, either regular or alternate, are in attendance~~.

(e) Any interested party may appear in person or by agent or attorney at the public hearing.

(f) Members of the public may ~~speak~~ offer public testimony at regular and special meetings of the board ~~theboard~~ regarding any item on the board's posted agenda before or during ~~tg~~the board's consideration of the item (e.g. minutes, appeals, ~~compliancecases~~compliance cases). Each speaker will have a maximum of three minutes to speak unless the time is

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shortened or extended by ~~a majority vote of the board~~the presiding officer. Any member of the public requiring the use of a translator to relay public comments shall be afforded twice the amount of time as a member of the public who does not require a translator.

(g) After a case is called, the applicant shall have up to ~~10~~five minutes to state his or her case.~~,~~ ~~a~~Anyone in favor shall be heard next for up to ~~three~~five minutes, then anyone in opposition shall be heard for up to ~~three~~five minutes.~~, and~~ ~~t~~The applicant shall have up to ~~three~~five minutes ~~the opportunity~~ to make a reply. Before the applicant begins, the presiding officer can limit the applicant's time, equally limit the time of the speakers in favor or opposition, or both.

(h) All applicants, members of the public, or witnesses who wish to address the board during a public hearing shall be sworn in.

(i) The director shall provide sufficient staff at hearings to ensure that the board can make a fair determination.

~~(h)~~(j) If a case is called for hearing in due order on the docket and the applicant or anyone ~~i~~on his or her behalf does not appear, the panel may ~~continue~~ hold~~over~~ the case over ~~case~~ to the following hearing at which time it will be calledagain. The panel may also approve a case or deny a case for lack of appearance at the first call at its discretion. If no one appears the second time, the case must be denied with prejudice.

~~(i)~~(k) If, after a public hearing on a request, the presiding officer duly calls for, but does not receive a motion, the request is deemed denied with prejudice.

(l) A public hearing must be conducted for compliance proceedings on a nonconforming use. Prior to the hearing, the presiding officer may direct that a subpoena duces tecum and interrogatories be served on the owner(s) and/or operators of the use requesting that certain information and documents be produced to the board administrator within a reasonable time. The owner(s) and/or operators may supply the board administrator with any additional information or documents that are necessary for the panel to make its decision. At the hearing, the panel shall review the information and documents and set a date by which the nonconforming use must come into compliance with the current zoning regulations.

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(m) Notwithstanding subsection (f), the following rules apply to appeals of decision of administrative officials.

(1) After the case is called, the ~~applicant~~appellant shall have up to 20 minutes to present his or her case, during which time the ~~applicant~~appellant may give an opening statement, call witnesses, and offer evidence. If the ~~applicant~~appellant calls a witness, the administrative official may cross-examine that witness for up to five minutes and that time shall not count towards either party's time limit. The ~~applicant~~appellant can redirect his or her witness for up to five minutes, which shall not count towards the ~~applicant~~appellant's initial ~~20 minute~~20-minute time period.

(2) After the ~~applicant~~appellant's 20 minutes has expired, the administrative official shall have up to 20 minutes to present his or her case, during which time the administrative official may give an opening statement, call witnesses, and offer evidence. If the administrative official calls a witness, the ~~applicant~~appellant may cross-examine that witness for up to five minutes and that time shall not count towards either party's time limit. The administrative official can redirect his or her witness for up to five minutes, which shall not count towards the ~~applicant~~appellant's initial ~~20 minute~~20-minute time period.

(3) After the administrative official's 20 minutes have~~s~~ expired, the ~~applicant~~appellant shall have up to three minutes for a rebuttal and three minutes for a closing statement. The administrative official shall also have up to three minutes for a closing statement.

~~(1)~~(4) The panel ~~can~~may ask questions at any time~~ and call its own witnesses~~. The panel members' questions shall not count towards either party's time limitation.

(n) Notwithstanding subsection (f), the following rules apply to compliance cases.

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(1) After the case is called, the applicant shall have up to 20 minutes to present his or her- case, during which time the applicant may give an opening statement, call witnesses, and offer evidence. If the applicant calls a witness, the property owner may cross-examine that witness for up to five minutes and that time shall not count towards either party's time limit. The applicant ~~can~~may redirect his or her witness for up to five minutes, which shall not count towards the applicant's initial ~~20 minute~~20-minute time period.

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(2) After the applicant's 20 minutes has expired, the property owner shall have up to 20 minutes to present his or her case, during which time the property owner may give an opening statement, call witnesses, and offer evidence. If the property owner calls a witness, the applicant may cross-examine that witness for up to five minutes and that time shall not count towards either party's time limit. The property owner can redirect his or her witness for up to five minutes, which shall not count towards the property owner's initial ~~20 minute~~20-minute time period.

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(3) After the property owner's 20 minutes has expired, the applicant shall have up to five minutes for a rebuttal and a closing statement. The property owner shall also have up to five minutes for a closing statement.

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(4) The panel ~~can~~may ask questions at any time~~ and call its own witnesses~~. The panel member questions shall not count towards either party's time limitation.

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(o) The board administrator may place cases which are recommended for approval without opposition on an uncontested docket. When the board administrator calls the uncontested docket, he or she shall state the case number, the applicant, the location, the nature of the case and the staff recommendation, and shall ask if there is anyone in favor or opposition. A case on the uncontested docket must be considered individually as a regular docket item if there is any opposition or a panel member so requests. Any cases remaining on the uncontested docket shall be approved as a group without the need for testimony from the applicants.

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~~(j)~~
~~(k)~~(p) Documentary evidence.

(1) All typewritten documentary evidence including reduced-size copies of conceptual plans, development plans, landscape plans, and site plans must conform to the standard 8.5 x 11-inch letter-sized pages on a size 12 font or larger. Each page must be serially numbered and double-spaced.

(2) All printed and typewritten documentary evidence in excess of five pages tendered by a party shall not be considered by the board unless such documentary evidence is submitted to the board administrator no later than 10 days prior to the scheduled hearing date at which the matter is to be considered. Upon oral request made by the party at the scheduled hearing, a panel of the board may, for good cause, suspend the operation of this rule and consider the excluded evidence or postpone the hearing on the application to a date certain to allow the panel sufficient time to consider the tendered evidence prior to the next scheduled hearing date.

(3) For purposes of this subsection, DOCUMENTARY EVIDENCE means anything printed, ~~or~~ written on paper, or a digital document and relied upon to record or prove something~~,~~. This term does not include ~~but~~ signed petitions or ~~powerpoints~~PowerPoints or slide shows offered during a presentation ~~shall not be considered documentary evidence~~.

(4) For purposes of this subsection, PARTY means the applicant or any person or entity that appears in favor of or against the request.

Section 12. Decisions of a Panel.

(a) No action of a panel sets a precedent. Each case must be decided upon its own merits and upon the circumstances of the case.

(b) The concurring vote of 75 percent of the members of a panel (at least four members) is necessary ~~necessary~~ to reverse any decision of an administrative official, or to decide in favor of an applicant on any matter which the board is required to pass under a zoning ordinance. If such an

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application does not receive the concurring vote of 75 percent of the members of a panel, the case is construed ~~construed~~ as denied with prejudice.

(c) Reconsideration. The following rules apply for a motion to reconsider.

(1) A motion to reconsider may only be made ~~on~~at the same ~~day~~ meeting the vote was taken and only by the same makeup of the panel that made the decision.

(2) A motion to reconsider may be made and seconded by any member of the panel regardless of their initial vote on the item and requires a simple majority vote. If the time for reconsideration of a case has expired, the panel may not change or modify its decision unless a new application is filed or the case is referred back to the panel.

(3) An item may not be twice reconsidered, except by unanimous consent.

~~(1) A decision of a panel may be reconsidered only by the same makeup of the panel that made the decision. The motion to reconsider may be madeonly on the same day the vote was taken, and only by a member who voted with the prevailing side.~~

~~(c)~~(d) Once a decision of a panel is appealed to district court, it may not be reconsidered or rescinded, unless the case is remanded by the district court.

~~(d)~~(e) The decisions and official records of the board and panels are public records.

Section 13~~2~~. Executive Sessions.

(a) The board or a panel may remove itself from an open meeting by moving to go into an executive session. Only matters authorized under the Texas Open Meetings Act to be discussed in executive session may be addressed in the executive session. All communication in an executive session is privileged information. The privilege can only be waived by a member by formal waiver. Members are cautioned that discussing the privileged communication with a member of the public,

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the media, or any other person not privy to the executive session may damage the privilege. The board or a panel shall not hold an executive session except when discussing complaints about or evaluations of individual staff members, or seeking the advice of its attorney on the following matters:

(1) Pending or contemplated litigation.

(2) Settlement offers.

(3) Risk or liability of the board, a panel or individual members thereof for taking an action.

(4) Any matter where the duty of the board's counsel to his client, pursuant to the Code of Professional Responsibility of the State Bar of Texas, conflicts with the Open Meetings Law.

(b) A motion to go into an executive session must be seconded and requires a majority vote. If the motion passes, the board or panel shall follow the following procedure:

(1) The presiding officer shall announce that the board or panel is going into an executive session, stating the category under the Texas Open Meetings Act that permits the executive session.

(2) The presiding officer shall announce the time.

(3) Members shall move quickly to the location of the executive session with no discussion among themselves or with members of the public or media.

(4) The executive session must be tape recorded.

(5) At the end of the executive session, members shall return quickly to the meeting room with no discussion among themselves or with members of the public or media.

(6) The presiding officer shall announce the time when the board or panel resumes the open meeting.

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Section 14~~3~~. Two-Year Limitation.

(a) Except as provided in Subsections (b) and (c), after a final decision is reached by a panel, no further applications may be considered on the matter decided for that property for two years from the date of the final decision.

(b) If a panel renders a final decision of denial without prejudice, the two-year limitation is waived.

(c) A property owner may apply for a waiver of the two-year limitation in the following manner:

(1) The applicant shall submit his request in writing to the board administrator. The board administrator shall inform the applicant of the date on which his request shall be considered and shall advise the applicant of his right to appear before the panel to which the matter has been assigned.

(2) A panel may waive the time limitation if there are changed circumstances regarding the property sufficient to warrant a new hearing. A simple majority vote is required to grant the request. If a rehearing is granted, the applicant shall follow the appeal procedure.

Section 15~~4~~. Amendments to Rules of Procedure.

These rules may be amended by a simple majority vote of the members present at a meeting of the entire board, or by a majority vote of the members of all three panels at separate meetings ~~of all three panels~~Amendments approved by the entire board or by the panels sitting separately ~~shall not~~ become effective once approved by the city council ~~until they are approved by the third panel~~.

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City of Dallas

1500 Marilla Street
Council Chambers, 6th Floor
Dallas, Texas 75201

Agenda Information Sheet

File #: 23-347 **Item #:** C.

FY 2021-2022 Tax Increment Financing (TIF) District Annual Reports
[Kevin Spath, Assistant Director, Office of Economic Development; Sue Hounsel, Manager, Office of Economic Development]

Memorandum

CITY OF DALLAS

DATE February 3, 2023

TO Honorable Members of the City Council Economic Development Committee: Tennell Atkins (Chair), Carolyn King Arnold (Vice Chair), Adam McGough, Omar Narvaez, Jaime Resendez, Chad West, Gay Donnell Willis

SUBJECT **FY 2021-2022 Tax Increment Financing (TIF) District Annual Reports**

On February 22, 2023, the City Council will be asked to accept the FY 2021-2022 annual reports for the City's nineteen tax increment reinvestment zones (also known as Tax Increment Financing (TIF) districts) that were active during the fiscal year.

State law (Tax Increment Financing Act, Chapter 311.016 of the Tax Code) requires that the City submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone as well as to the State Comptroller.

This memorandum contains a summary of activity in all twenty-one (21) TIF districts, including the State-Thomas TIF District (which sunsetted in 2008) and the Cityplace Area TIF District (which sunsetted in 2012). The impact of these two retired TIF districts is significant; therefore, data for these two retired TIF districts continue to be included in the annual report summary.

Growth in real property values compared to the base year of the TIF districts was strong. Overall taxable real property value in TIF districts increased 15% ($3,263,509,540) from last year which was comparable to a 15% increase for the City as a whole. TIF districts with the largest percentage increases over last year include Mall Area Redevelopment (42.3%); Fort Worth Avenue (34.8%); University (31.3%); and Oak Cliff Gateway (30.2%).

Since the inception of each TIF district through 2022, the aggregated real property value growth in the TIF districts is 583.3%. For the seven (7) TIF districts created between 1988 and 1998, overall value has grown 693.3%. For the fourteen (14) TIF districts created after 2005, overall value has grown 537.6%. Among those TIF districts created after 2005 with the greatest real property value growth since inception are Cypress Waters (1,269,422.9%); Downtown Connection (1,059.5%); and Fort Worth Avenue (814.6%).

Since the inception of each TIF district through 2022, total TIF expenditures or allocations of $1.47 billion have leveraged over $24.2 billion in added or anticipated real property value in TIF districts. Each TIF dollar committed leverages $16.45 in private investment not including increased sales tax, hotel/motel taxes, and business personal property taxes, nor does it include the taxes paid to the various taxing jurisdictions, including the Dallas Independent School District (DISD). Based on 2022 certified values, staff

estimates that over $246 million in additional taxes will be paid in 2023 to DISD due to increased property values in Dallas TIF districts.

Growth in Real Property Value in all TIF Districts from Inception to 2022

TIF District	Initial (Base) Taxable Value	2021 Final Taxable Value	2022 Certified Taxable Value	2021 vs 2022 (% Change)	Initial vs 2022 (% Change)
TIF Districts created between 1988-1998					
State-Thomas [1]	$47,506,802	$773,368,056	$820,759,126	6.1%	1627.7%
Cityplace Area [2]	$45,065,342	$1,487,296,871	$1,509,523,317	1.5%	3249.6%
Oak Cliff Gateway *(all sub-districts)*	$145,852,742	$866,874,736	$1,128,369,241	30.2%	673.6%
Cedars	$35,300,760	$313,083,873	$345,751,684	10.4%	879.4%
City Center (*all sub-districts*)	$674,751,494	$1,698,516,978	$1,940,139,196	14.2%	187.5%
Farmers Market *(Zone A-C)*	$35,714,091	$453,560,716	$570,004,677	25.7%	1496.0%
Sports Arena *(all sub-districts)*	$63,730,369	$1,753,785,865	$1,998,420,667	13.9%	3035.7%
Subtotal	$1,047,921,600	$7,346,487,095	$8,312,967,908	13.2%	693.3%
TIF Districts created after 2005					
Design District *(all subdistricts)*	$281,873,753	$971,657,032	$1,171,036,248	20.5%	315.4%
Vickery Meadow *(Zone A-B)*	$164,779,090	$565,537,263	$630,320,920	11.5%	282.5%
Southwestern Medical *(all subdistricts)*	$67,411,054	$317,476,340	$378,135,328	19.1%	460.9%
Downtown Connection *(Zone A-B)*	$564,917,317	$5,867,464,280	$6,550,354,904	11.6%	1059.5%
Deep Ellum *(Zone A-C)*	$189,162,613	$1,035,445,177	$1,299,865,564	25.5%	587.2%
Grand Park South *(Zone A-B)*	$79,064,576	$122,654,731	$147,828,848	20.5%	87.0%
Skillman Corridor	$335,957,311	$1,085,230,318	$1,283,913,304	18.3%	282.2%
Fort Worth Avenue	$86,133,447	$584,463,644	$787,737,250	34.8%	814.6%
Davis Garden *(Zone A-B)*	$137,834,597	$399,415,635	$505,430,879	26.5%	266.7%
TOD *(all subdistricts)*	$201,998,111	$715,923,852	$802,246,764	12.1%	297.2%
Maple-Mockingbird *(Zone A-B)*	$184,005,009	$785,836,932	$900,488,327	14.6%	389.4%
Cypress Waters	$71,317	$801,453,237	$905,385,627	13.0%	1269422.9%
Mall Area Redevelopment *(all subdistricts)*	$176,287,080	$236,218,920	$336,219,640	42.3%	90.7%
University *(all subdistricts)*	$49,774,442	$277,486,551	$364,329,036	31.3%	632.0%
Subtotal	$2,519,269,717	$13,766,263,912	$16,063,292,639	16.7%	537.6%
Total All TIF Districts	$3,567,191,317	$21,112,751,007	$24,376,260,547	15.5%	583.3%

Notes: State-Thomas[1] and Cityplace Area[2] have expired and are no longer officially reporting.
TIF districts with Zone A, B, C, etc. reflect original boundary (Zone A) plus accounts added with different base year (i.e. Zone B)
Several TIF districts have been amended to add sub-districts that may have different base years.

Although most growth in new taxable value in TIF districts is captured to fund public improvement investments in those TIF districts, there has been some added benefit to the City's general fund. TIF districts created since 2005 and some older TIF districts, as amended, have varied City participation during the term of the TIF district ranging from 55-90% of total new taxes, and some of those TIF districts have delayed tax increment collection in the initial years, allowing some new growth into the City's general fund. Estimates for the current tax year 2022 (fiscal year 2022-2023) total tax increment are shown below and include both the estimated City contribution and any contributions from other participating taxing jurisdictions. Generally, for older TIF districts, there was more participation from other taxing entities; whereas TIF districts created or amended since 2005 have primarily had only City and County participation.

Estimated TIF District Increment Collection and Added General Fund Revenue

Tax Year	City Center & Downtown Connection TIF Districts	Non-Downtown TIF Districts	Total All TIF Districts
2022 Total Increment[1]	$47,862,201	$85,115,865	$132,978,066
2022 (City) Increment[2]	$47,862,201	$71,772,335	$119,634,536
2022 new City General Fund[3]	$6,214,454	$29,345,048	$35,559,502

[1] Total increment is estimated TIF district collections for all participating taxing jurisdictions.
[2] City Increment is the estimated City contribution to the TIF district funds.
[3] New City General Fund is the estimated added revenue from increased property value above the base value not not captured by TIF districts (includes estimated annual revenue from State-Thomas & Cityplace Area TIF Districts, now expired)

TIF districts have also been catalysts for improving the real estate market in areas that were lagging, drawing new residents into the City's core and DART station areas, and creating new mixed-use neighborhoods. As of FY 2021-2022, approximately 47,651 new residential units have been completed in the City's twenty-one (21) TIF districts (including State-Thomas and Cityplace Area). An additional 5,896 units are under construction, and another 3,391 units are planned. Nearly 21 million square feet of new or redeveloped retail, office, and other commercial space has been completed. Almost 1.5 million square feet of commercial space is under construction, and another $1.6 million square feet of space is planned. New hotel construction includes 6,840 completed rooms. An additional 283 hotel rooms are under construction, and another 923 hotel rooms are planned.

The following table summarizes new development in downtown and non-downtown TIF districts. The two (2) downtown TIF districts, City Center and Downtown Connection, comprised 20% of all residential units (completed, under construction, and planned), 44% of all commercial space (completed, under construction, and planned), and 71% of all hotel rooms (completed, under construction, and planned).

New Residential and Commercial Development in TIF Districts

Development	City Center & Downtown Connection TIF districts	Non-Downtown TIF districts	Total All TIF districts
Residential Units			
Completed	9,698	37,953	47,651
Under Construction	583	5,313	5,896
Planned	1,168	2,223	3,391
Residential Total	**11,449**	**45,489**	**56,938**
Commerial *(retail, office, other com.)* Square Footage			
Completed	9,801,633	11,188,854	20,990,487
Under Construction	0	1,458,075	1,458,075
Planned	718,831	895,585	1,614,416
Commercial Total	**10,520,464**	**13,542,514**	**24,062,978**
Hotel Rooms			
Completed	5,189	1,651	6,840
Under Construction	283	0	283
Planned	245	678	923
Hotel Total	**5,717**	**2,329**	**8,046**

Construction activity in TIF districts is on-going. In FY 2021-2022, City Council authorized seven (7) TIF district-funded development agreements shown below. The projects are anticipated to have a value or investment of over $777 million at completion.

DATE February 3, 2023

SUBJECT **FY 2021-2022 Tax Increment Financing (TIF) District Annual Reports**

Project	TIF District	Description	Value^	TIF District Investment
One Newpark**	Downtown Connection	268 resid. units (20% or 54 affordable units); 44,574 sf retail; 224,257 sf office; 245 hotel rooms	$379,300,000	$92,000,000
Pearl Lofts	Farmers Market	100 resid. units (30% or 30 affordable units); 5,585 sf office	$27,000,000	$6,544,249
Courtyard and Residence Inn by Marriott**	Mall Area Redevelopment	164 hotel rooms	$23,000,000	$1,788,126
Oak Lawn Place	Maple-Mockingbird	84 resid. units (100% affordable units)	$14,280,000	$5,414,006
Mockingbird Station East Phase I	TOD	429 resid. units (20% or 86 affordable units)	$117,342,796	$29,000,000
Longhorn Ballroom Revelopment**	TOD	45,000 sf entertainment/com. space & 2-acre outdoor event space	$10,000,000	$2,100,000
University Hills Ph I**(1)(2)	University	790 resid. units; 80,000 sf retail/office	$207,000,000	$31,410,966

^Values reflect current DCAD market value for completed projects; estimated value for those planned; minimium required investment in the agreement; or estimated costs for public (non-taxable) projects
***Project also includes non-TIF district incentives.*
(1) University Hills Phase I includes provisions for 20% of multi-family rental units to meet TIF program mixed-income housing requirements and homebuilders of for-sale single-family units to partner with the City to encourage homebuyers to seek income-qualifying homebuyer assistance.
(2) University Hills Phase I, TIF district funding includes an additional grant in lieu of interest.

In addition, City Council approved seven (7) items authorizing TIF district funds totaling $4.8 million for direct investments in the following public projects:

- Rosemont Safe Routes to School supplemental engineering design services (Davis Garden TIF District): $194,400
- Pearl Improvement Project (Farmers Market TIF District): $285,650
- Public street lighting improvement project (Grand Park South TIF District): $500,000
- Support of Dallas Streetcar FY 2021-2022 Operations and Maintenance (Oak Cliff Gateway TIF District): $475,000
- Zang Plaza public open space project (Oak Cliff Gateway TIF District): $1,500,000
- Public street lighting improvement project (Skillman Corridor TIF District): $572,000
- Pond dredging in Watercrest Park at Lake Highlands Town Center (Skillman Corridor TIF District): $1,200,700

TIF District Plan Amendments

During FY 2021-2022, the City Council approved amendments of the Project Plan and Reinvestment Zone Financing Plan (Plan) for three (3) TIF districts. In December 2021, the Plan for the Grand Park South TIF District was expanded by approximately 151 acres to include the Forest District neighborhood. Also, in December 2021, the Plan for the Mall Area Redevelopment TIF District was expanded to include 15.6 acres in the Westmoreland IH20 Sub-District. In June 2022, the Plan for the Downtown Connection TIF District was amended to add approximately 14.2 acres to create the Newpark Sub-District, increase the TIF District's budget, and make related Plan modifications.

Retired TIF Districts

TIF districts are long-term tools intended to boost real estate markets and grow the City's tax base. The City of Dallas has also been successful in promoting strong urban design and encouraging the creation of unique neighborhoods as part of the TIF program. Both the State-Thomas TIF District (sunsetted in 2008) and Cityplace Area TIF District (sunsetted in 2012) have been success stories from an economic and place-making perspective. Over 6,300 residential units and 743,000 square feet of commercial space had been completed in the two (2) TIF districts. Based on available 2022 data, the property value growth since inception in the State-Thomas TIF District has exceeded $773 million (1,628%), and the property value growth in the Cityplace Area TIF District has exceeded $1.4 billion (3,250%). Together, the State-Thomas TIF District and the Cityplace Area TIF District will contribute an estimated $16.7 million to the City's general fund for tax year 2022.

Annual Reports

State law requires the preparation of an annual report for each TIF district that summarizes the activities of each area. The state requirements for this report are minimal. In order to better explain the progress/status of each TIF district, staff has created an individual report that includes additional information. Each annual report includes the following information:

- Map of the TIF district
- Mission Statement
- Accomplishments to-date
- Project Status: Type and amount of new development by project including private investment, new residential units, commercial space created, TIF District investment, completion (or expected completion) date
- Other TIF district-wide initiatives, where applicable
- Mixed-Income Housing Summary
- Taxable value and increment revenue summary, including the captured appraised value for the TIF District and the expected increment collection
- Objectives and Success Indicators for the TIF district

DATE February 3, 2023

SUBJECT **FY 2021-2022 Tax Increment Financing (TIF) District Annual Reports**

- Summary of City Council actions related to the TIF district
- TIF district Project Plan budget status – projected increment revenues to retire TIF District fund obligations, expenditures, and the total plan budget
- Minority/Women-owned Business Enterprise (M/WBE) participation in TIF District-funded development agreements
- Bond sales and repayment, where applicable
- Work program for next fiscal year

From December 2022 through January 2023, the Boards of Directors for fifteen (15) of the TIF districts met, reviewed, and voted to recommend the annual reports for City Council approval. The Boards of Directors of the Maple/Mockingbird TIF District, Southwestern Medical TIF District, and the University TIF District do not currently have the minimum of five (5) appointed members to convene a meeting. Additionally, a meeting of the Board of Directors of the Fort Worth Avenue TIF District was scheduled; however, the meeting was not actually held due to failure to achieve a quorum. Therefore, the annual reports for the Maple/Mockingbird TIF District, Southwestern Medical TIF District, Fort Worth Avenue TIF District, and University TIF District are being forwarded to the City Council without a Board recommendation. Upon approval by City Council, staff will submit the annual reports to the other taxing jurisdictions participating financially in each TIF district and to the State Comptroller.

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

Majed A. Al-Ghafry, P.E.
Assistant City Manager

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney
Mark Swann, City Auditor
Bilierae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizor Tolbert, Deputy City Manager
Jon Fortune, Deputy City Manager
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Dr. Robert Perez, Assistant City Manager
Carl Simpson, Assistant City Manager
Jack Ireland, Chief Financial Officer
Genesis D. Gavino, Chief of Staff to the City Manager
Directors and Assistant Directors

City of Dallas

1500 Marilla Street
Council Chambers, 6th Floor
Dallas, Texas 75201

Agenda Information Sheet

File #: 23-348 **Item #:** D.

Skillman Corridor TIF District: Proposed Plan Amendment and Proposed Funding for the Forest/Audelia Project, a new City park and multipurpose facility at the northwest corner of Forest Lane and Audelia Road
[Kevin Spath, Assistant Director, Office of Economic Development; Dorcy Clark, Manager, Office of Economic Development]

City of Dallas

Skillman Corridor TIF District

Proposed Plan Amendment and Proposed Funding for the Forest/Audelia Project, a new City park and multipurpose facility at the northwest corner of Forest Lane and Audelia Road

Economic Development Committee
February 6, 2023

Kevin Spath, AICP, EDFP, HDFP
Assistant Director
Office of Economic Development

Presentation Overview

- Background
- Proposed Plan Amendment
- Proposed Funding for Forest/Audelia Project
- Staff Recommendation
- Next Steps

- Appendix

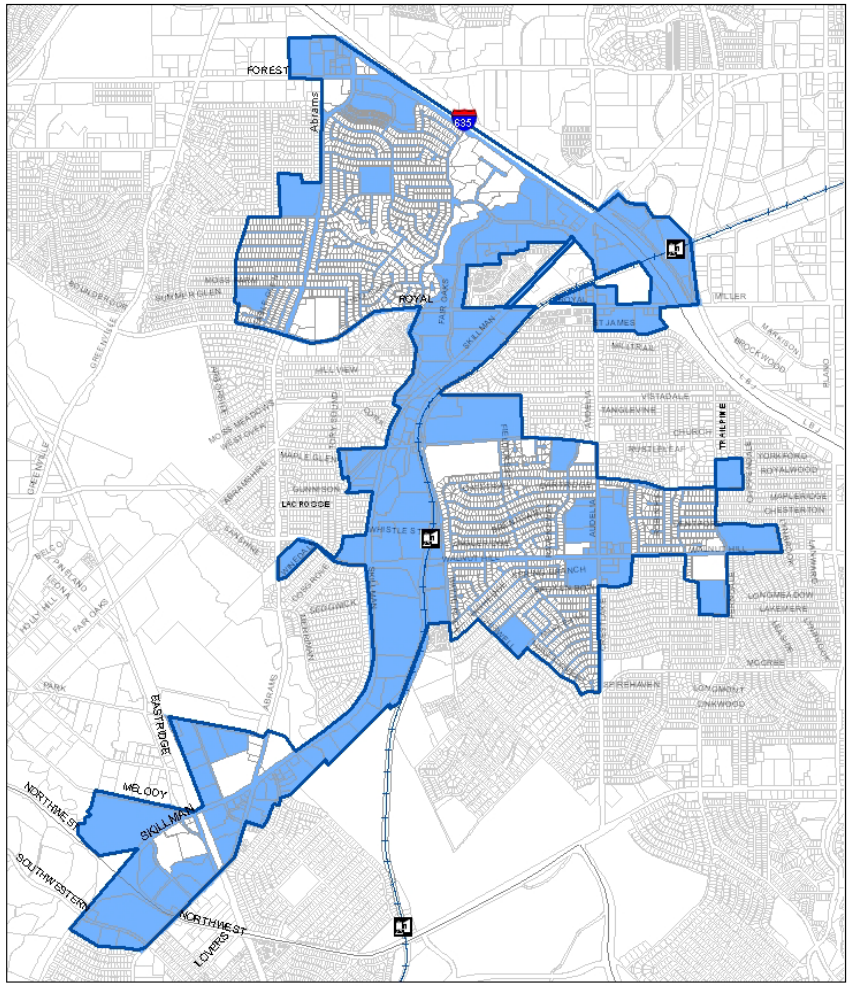
Background: Skillman Corridor TIF District

- Skillman Corridor TIF District established in 2005
- Schedule to terminate December 31, 2035 or when the budget is reached
- Current jurisdiction participation:

Skillman Corridor TIF District Jurisdiction Participation	Participation Rate
City	85%
County	55%
RISD*	$.35 of captured value (the debt service portion of RISD taxes)

* RISD ILA requires that 30% of its increment be reserved for RISD facility improvements

- Uncommitted cash balance: $19 million



Skillman Corridor TIF District

This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

Background: Skillman Corridor TIF District

- TIF District's 2022 DCAD taxable value is $1.284 billion, an increase of 282.2% from the (2005) base year taxable value of $336 million

- Projects within the TIF District boundary have created the following:
  - $626.3 million in taxable value
  - 1,906 residential units
  - 1,211,369 square feet of retail space

- Three TIF District funded projects, totaling $16,872,630 in TIF District funding, have been completed to date
  - Lake Highlands Town Center Phase I
  - White Rock Place (17 single family lots and 18,000 sq ft retail reconfiguration)
  - Lakeridge Shopping Center (90,476 sq ft retail renovation)

- TIF District has also co-sponsored several district-wide initiatives totaling $2,988,800 in TIF District funding (see Appendix A for list of TIF District funded district-wide initiatives)

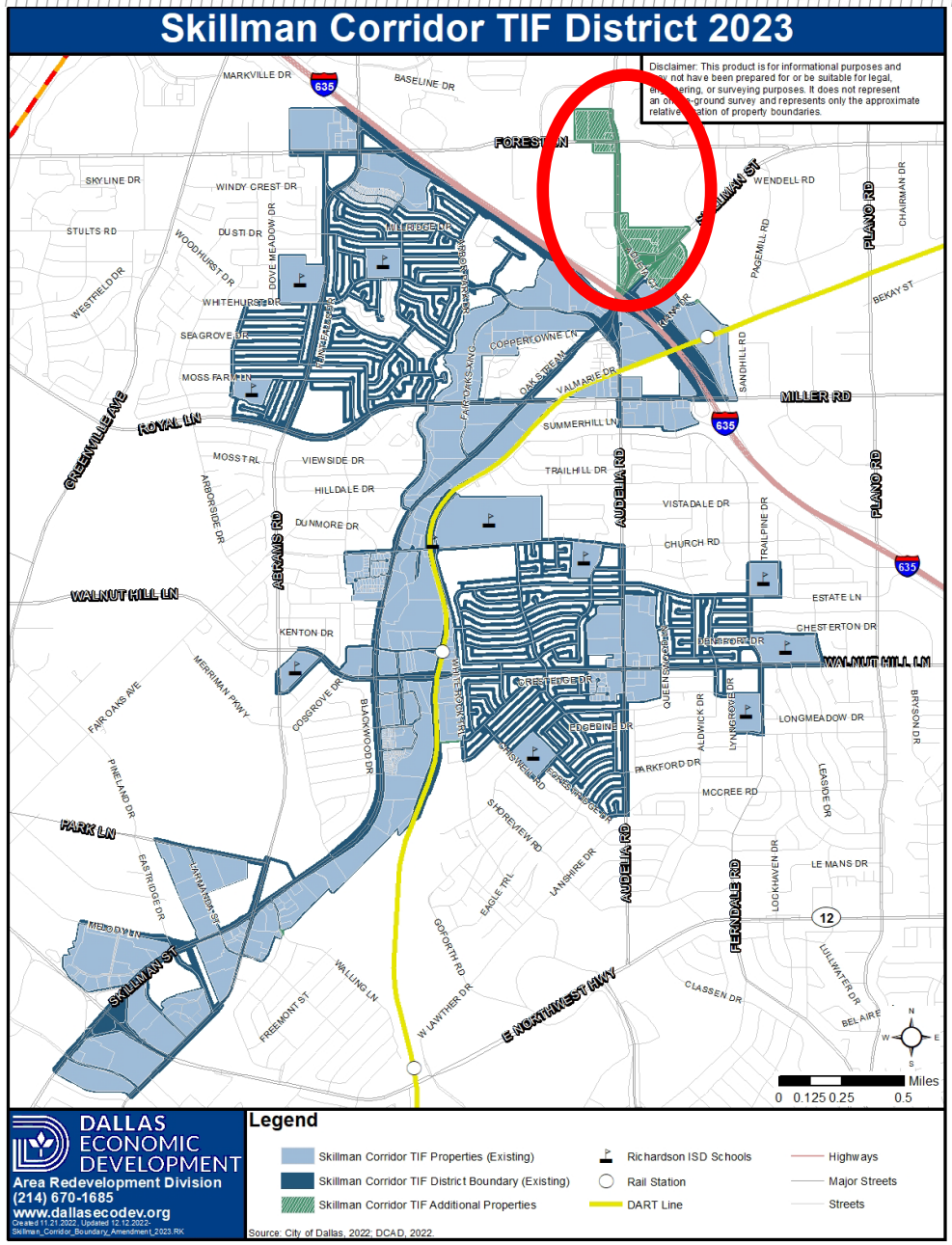
Background: Existing Conditions

Skillman Corridor maintains a strong market to the south and a weaker market on its northern edge

- Three elementary schools within greater area of proposed TIF District expansion - **economically disadvantage students between 88% and 98%**
- **Four census tracts that converge at Forest/Audelia** demonstrate need to implement economic development tools to improve area - **poverty rates of 13.1%, 29.4%, 31.8% and 34.2%** (U.S. poverty rate 11.6%; Texas poverty rate 14.2%)
- **Inadequate parks/open space. No park in northeast Dallas, north of LBJ Freeway (designated a "High Needs Area" by the Trust for Public Land)** and only public facility is Fire Station #2
- Proposed expanded TIF District boundary area includes conditions that endanger life as it relates to **crime and contains a substantial number of obsolete and deteriorating structures** (deteriorated structures)
- Anticipated surplus land as a result of LBJ East and Skillman bridge realignment (vacant land) (additional information in Appendix B)

Proposed Plan Amendment

- Amend the Skillman Corridor TIF District boundary to **add 34 acres** (19 properties) north of LBJ (I-635) along Audelia Road to Forest Lane
  - Current DCAD taxable value (2022) of the properties to be added to the Skillman Corridor TIF District is $26,010,610
  - **Area north of LBJ, along Audelia Road, is ripening for development and redevelopment** with the construction of LBJ East and the enhanced Skillman interchange along the new alignment
  - Further, the **City of Dallas has purchased property at the northwest quadrant of Forest Lane and Audelia Road** to be developed into public open space and a public multipurpose facility for the benefit of the area



Proposed Plan Amendment: Goals and Objectives

2006 Development Goals and Objectives

Goal 1 – To create additional taxable value attributed to new private investment in projects in the Skillman Corridor TIF District totaling approximately $592 million

Goal 2 – To attract new private development in the Skillman Corridor TIF District totaling approximately 740,000 square feet of retail space and 6.4 million square feet of residential development including town home, multi-family, and single-family projects

Goal 3 - To focus on encouraging the redevelopment of properties on the Skillman Street corridor and the existing DART Light Rail Station at LBJ and Skillman to increase density and provide enhanced urban design for the District

Goal 4 – To maintain the stability of local schools as redevelopment occurs in the housing market

Goal 5 – To reach ridership at existing and future DART light rail stations in the District averaging over 3,000 riders per weekday by 2015

Goal 6 – To improve access and connections to the DART light rail system within the District

Goal 7 – To increase recreational opportunities and improve connections to the City of Dallas trails and open space system in the District

Goal 8 – To generate approximately $49.7 million (net present value) in increment over 20 years of collections

Goal 9 – To diversify retail and commercial uses in the District

2023 Development Goals and Objectives

In addition to the 2006 development goals and objectives, **this Amended Plan would add the following new goals and objectives:**

- To encourage development and redevelopment of property north of LBJ, along Audelia Road, in conjunction with the LBJ East improvements and the enhanced Skillman bridge along the new alignment
- To create a public park and public multipurpose facility which may include a cultural center, library, recreation center and/or police sub-station to provide needed amenities in the Forest/Audelia area

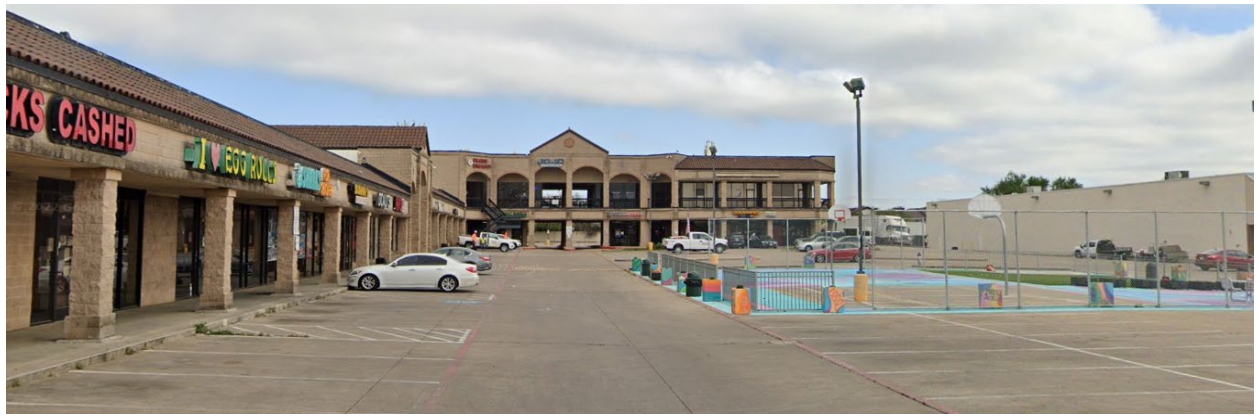
Proposed Plan Amendment

- Plan Amendment will specify that expenditures within the budget category titled "Other Skillman Corridor Improvement" may include redevelopment of publicly owned facilities
  - Budget category currently states "a variety of public improvement expenses will be considered as part of this line item: environmental remediation and demolition of existing structures and facilities; park and open space improvements; DART related improvements; public infrastructure improvements - sidewalks, lighting, streets, landscaping and utilities"
  - Plan amendment will add an allowance for expenditures related to redevelopment of public facilities including, but not limited to, the City of Dallas owned property at the northwest corner of Forest Lane and Audelia Road as an area of public assembly for use as public open space/park, cultural center, library, recreation center and/or police sub-station, all of which benefit the TIF District
- No changes to the TIF District budget or term are proposed as part of the Plan Amendment

Proposed Funding for Forest/Audelia Project

- **On October 28, 2020, City Council approved Resolution No. 20-1335, authorizing the acquisition of 9759 Forest Lane**
  - property was purchased with the intent to fill one of the many parkland gaps in Council District 10
  - 2020 City Council item noted that the existing commercial structure(s) may be demolished for the development of a park or repurposed for park uses as determined through public-input and Council District 10 needs
  - property has been a high-crime hot spot (Project Safe Neighborhoods-US Attorney's Office)
  - 4 month-to-month leases remain in the structure

- After the creation of a Better Block initiated pop-up recreational space and public input, it was determined by each of the involved departments that it would be beneficial to **construct a park and improve/repurpose a portion of the existing commercial structure as a public multipurpose facility which may include a cultural center, library, recreation center and/or police sub-station (the "Forest/Audelia Project")**



Proposed Funding for Forest/Audelia Project

- Dallas Park and Recreation Department requested the Office of Economic Development to consider cost-sharing in the Forest/Audelia Project

- Funding request is in the amount of up to $5,551,590 in Skillman Corridor TIF District district-wide set-aside funds to support the Forest/Audelia Project

- With the approval of the proposed Skillman Corridor TIF District Plan Amendment, the TIF District funds may be dedicated to support the Forest/Audelia Project which includes a) professional service project expenses and construction of a public park and b) professional service project expenses and redevelopment of 9759 Forest Lane, a City-owned property, for the creation of a public multipurpose facility

- Dallas Park and Recreation Department will take lead on implementing the Forest/Audelia Project, and, therefore, the Skillman Corridor TIF District funds are anticipated to be transferred to the Park Department as a resource to fund several items within the Project scope including components of the public park and improvements to the existing strip shopping center to be converted to the public multipurpose facility (see Appendix C for budget and delivery method)

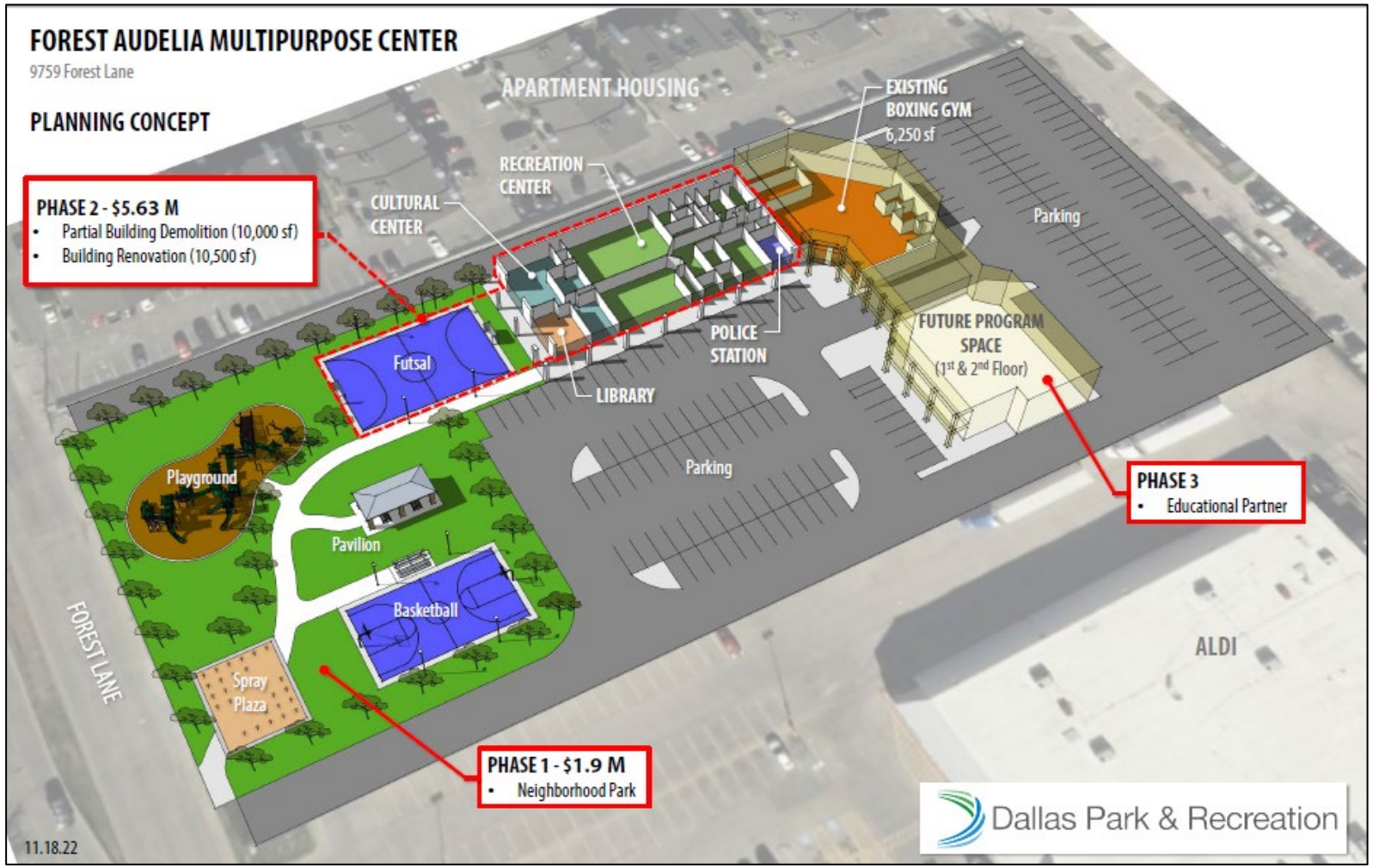
Proposed Funding for Forest/Audelia Project

- A portion of the surface parking lot will be converted into a public park (Phase 1); a portion of the strip retail building will be demolished to create additional open space and to right-size the structure for a public multipurpose facility (Phase 2)

- Total cost Phase 1 & 2* and sources:

$5,551,590	Skillman Corridor TIF District Funds
$750,000	Park Department (excludes acquisition)
$332,000	CD10 Reprogrammed 2017 Bond Funds
$918,000	CD10 ARPA Funds
$7,551,590	**Total Cost for Phases 1 and 2**

* Phase 3 includes an envisioned expansion of the program space, potentially with an educational partner, which may be implemented with future funding



Preliminary proposed layout of public open space and multipurpose facility

Staff Recommendation

- Amend the Skillman Corridor TIF District boundary to add 34 acres
- Specify expenditures within the "Other Skillman Corridor Improvement" budget category may include redevelopment of publicly owned facilities
- Transfer up to $5,551,590 from the Skillman Corridor TIF District fund to the Park and Recreation Department for the Forest/Audelia Project

Next Steps

- December 2, 2022: Skillman Corridor TIF District Board of Directors unanimously approved the amendments to the Project Plan and Reinvestment Zone Financing Plan and funding for the Forest/Audelia Project in an amount not to exceed $5,551,590 and forwarded recommendations of approval to the City Council

- February 22, 2023: City Council will call a public hearing to be held on March 8, 2023 to consider the proposed Plan Amendment

- March 8, 2023: City Council will conduct a public hearing to receive citizen comments on the proposed Plan Amendment and, at the close of the public hearing, consider approval of the Plan Amendment

  If the proposed Plan Amendment is approved, then City Council will also consider approval of the proposed funding for the Forest/Audelia Project

Appendices

Appendix A: List of TIF District Funded District-Wide Initiatives

Appendix B: LBJ East and Skillman Bridge Project

Appendix C: Forest/Audelia Project Budget and Delivery Method

Appendix D: LBJ East (Stabilization Area in Comprehensive Housing Policy)

Appendix E: State TIF Law and City's Financial Management Performance Criteria (FMPC)

Appendix A: List of TIF District Funded District-Wide Initiatives

2009: $25,000 was paid toward the required 20% local match (North Central Texas Council of Governments (NCTCOG) funded $100,000) for the LBJ/Skillman Urban Planning Initiative that evaluated the best land use and development mix in the LBJ/Skillman DART Station area and strategies to encourage transit-oriented development (TOD)

2016: $346,800 towards the local match for the NCTCOG "Lake Highlands TOD Sustainable Development Infrastructure" Project, to expand the hike and bike trail south from the Lake Highlands Town Center to the existing White Rock Creek Trail (at Skillman Street, north of Abrams Road). Total project cost $3.4 million.

2016: $35,000 to share in the cost for a Phase I Master Plan to study and prepare schematic design for enhancements to the proposed Lake Highlands Gateway Bridge at the intersection of Skillman Street and I-635. The Lake Highlands Public Improvement District (LHPID) also committed at least $25,000 toward the cost and managed the process.

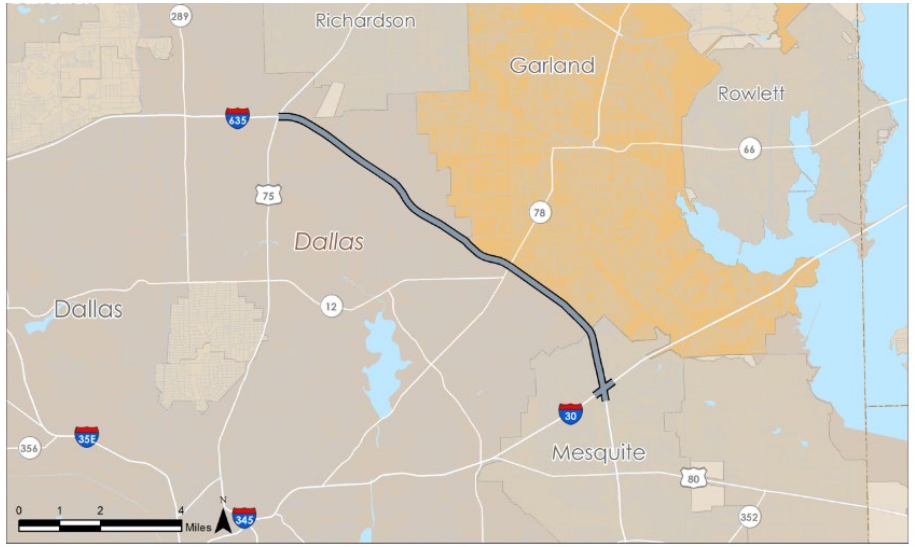
2018, $350,000 towards the construction costs of median/gateway improvements along Skillman Street between Merriman Parkway and Abrams Road.

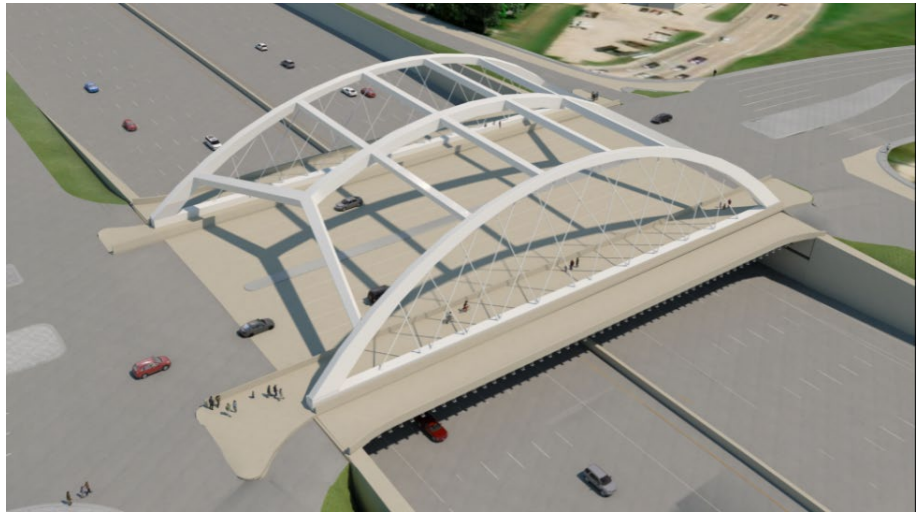
2021: Up to $1,600,000 to match the $1,600,000 available in 2017 Proposition D bond funds for dredging of the Watercrest Park pond at Lake Highlands Town Center (LHTC)($1,200,700 contracted to date).

2021: $60,000 to supplement the professional services contract with Garver to provide engineering evaluations and cost estimates for up to three beautification and maintenance-reducing concepts of Watercrest Park pond at LHTC.

2021: $572,000 to provide 26 new City LED street lights and approximately 5,200 linear feet of fiber optics along Ferris Branch and Fair Oaks Crossing

Appendix B: LBJ East and Skillman Bridge Project





Project:

- Reconstruct general purpose lanes and construct one additional lane in each direction
- Construct continuous frontage roads consisting of two or three lanes in each direction
- Reconstruct I-635/I-30 interchange
- Reconstruct existing single tolled managed lane in each direction between US 75 and I-30
- Reconstruct Skillman St. bridge (simplification of tangled roads and pedestrian access)

Limits: I-635 from east of US 75 to I-30 and I-30/I-635 interchange

Length: 11-mile

Substantial Completion: Late 2024

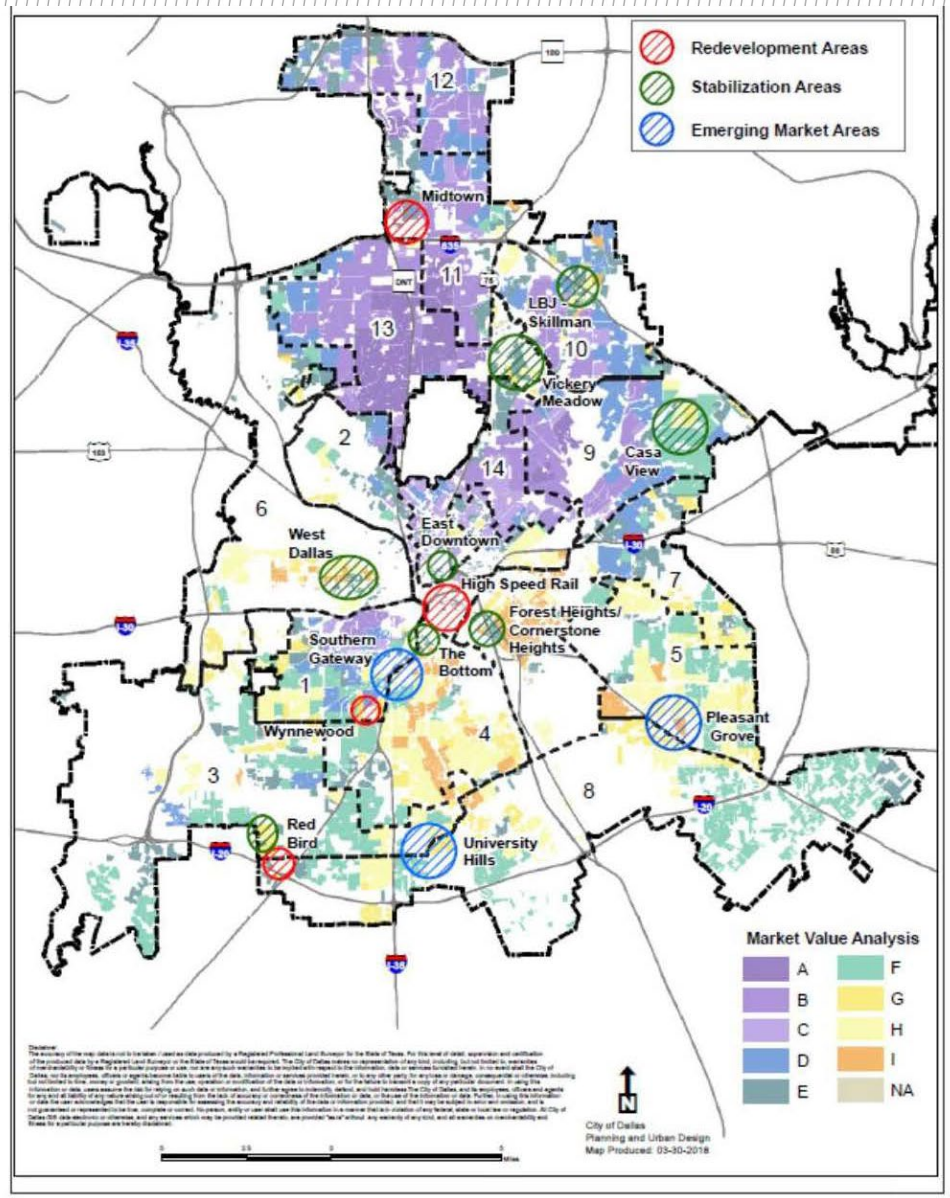
Cost: $1.7 billion

Appendix C: Forest/Audelia Project Budget and Delivery Method

Forest Audelia Park and Multipurpose Center Opinion of Probable Cost (11/22/2022) - Conceptual Design				
Forest Audelia Park				
	Scope Description	**Delivery Method**		**Estimated Cost**
	Enhanced Playground with Shade Structures, Futsal Court, Basketball Court, Bleachers, Drinking Fountain, Lighting, Landscaping, Irrigation, Walkway, Games Area-Artificial Turf, Enhanced Pavillion	Park Department Facilities Crew		$1,500,000
			Construction Cost Total	$1,500,000
Design	Design Team with Architectural, Landscape Architecture, Structural, Civil and Electrical/Plumbing Engineering	RFP	Actual Fee	$98,000
Project Expenses	Geotechnical Engineering, Materials Testing, Project Management, Inspection	Various	5%	$75,000
			Subtotal	$1,673,000
	Contingency and Escalation		15%	$250,950
			PARK TOTAL	**$1,923,950**
Forest Audelia Multipurpose Center				
	Scope Description	**Delivery Method**		**Estimated Cost**
	Environmental	Master Agreement		$200,000
	Building Demolition	Master Agreement or JOC Contractor		$250,000
	Construction of New Exterior Wall	JOC Contractor		$478,000
	Interior Renovation for Recreation Center, Police Substation, Cultural Center, Library	Design-Bid-Build		$3,150,000
			Construction Cost Total	$4,078,000
Design	Design team with Architectural, Landscape Architecture, Structural, Civil and Electrical/Plumbing Engineering	RFP	15%	$611,700
Project Expenses	Geotechnical Engineering, Materials Testing, Project Management, Inspection	Various	5%	$203,900
				$4,893,600
	Contingency and Escalation		15%	$734,040
			MULTIPURPOSE CENTER TOTAL	**$5,627,640**
			TOTAL PROJECT COST (Phase 1 and 2)	**$7,551,590**

Appendix D: LBJ Skillman Stabilization Area

- LBJ Skillman area is identified as a "Stabilization Area" in the City's Comprehensive Housing Policy, as amended
- 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
- The expanded TIF District has the potential to support construction of mixed-income housing while providing much-needed open spaces and public resources (library, police station, recreation center, cultural center) to existing residents, primarily in surrounding dense apartment complexes



Appendix E: State Law and City's Financial Management Performance Criteria (FMPC)

State TIF Law: total value of taxable real property in all TIF districts (including the proposed TIF district expansion) cannot exceed 25% of the total value of taxable real property in entire City

- As of February 2023, with proposed expansion of the Skillman Corridor TIF District: 12.97%

City FMPC: total value of taxable real property in all TIF districts (including the proposed TIF District expansion) plus the total value of taxable real property and business personal property in all active tax abatement reinvestment zones cannot exceed 15% of the total value of taxable real property and business personal property in entire City

- As of February 2023, with proposed expansion of the Skillman Corridor TIF District: 11.77%

City of Dallas

Skillman Corridor TIF District

Proposed Plan Amendment and Proposed Funding for the Forest/Audelia Project, a new City park and multipurpose facility at the northwest corner of Forest Lane and Audelia Road

Economic Development Committee
February 6, 2023

Kevin Spath, AICP, EDFP, HDFP
Assistant Director
Office of Economic Development

City of Dallas

1500 Marilla Street
Council Chambers, 6th Floor
Dallas, Texas 75201

Agenda Information Sheet

File #: 23-349 **Item #:** E.

Deliberate the offer of a financial or other incentive to a business prospect (“Project X”) that the City seeks to locate/relocate within the City and with which the city is conducting economic development negotiations (Sec. 551.087 T.O.M.A.) and seek advice of its attorney (Sec. 551.071 T.O.M.A.)