

Cypress Waters Public Safety Building/Fire Station 58

**Economic Development Committee
June 1, 2020**

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

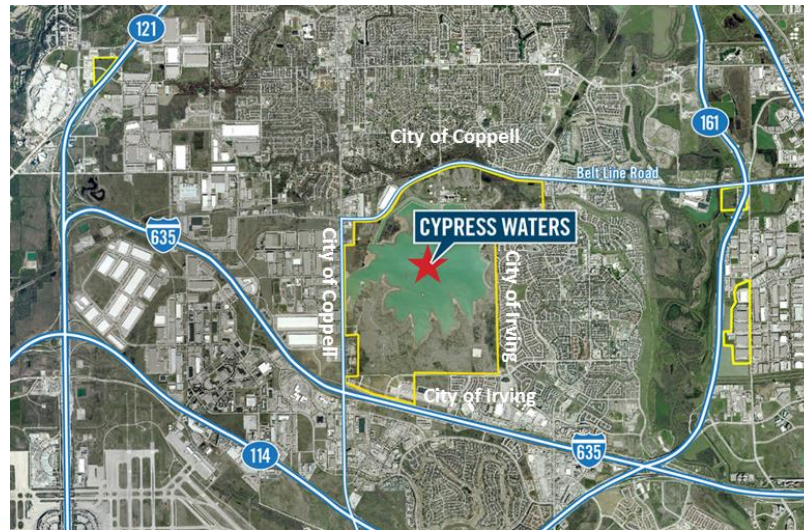


Presentation Overview

- Background – Cypress Waters
- Current Dallas Fire Rescue and EMS Service
- Dallas Fire Rescue Operational Concerns
- Proposed Cypress Waters Public Safety Building/Fire Station 58 Project
- Next Steps
- Appendix

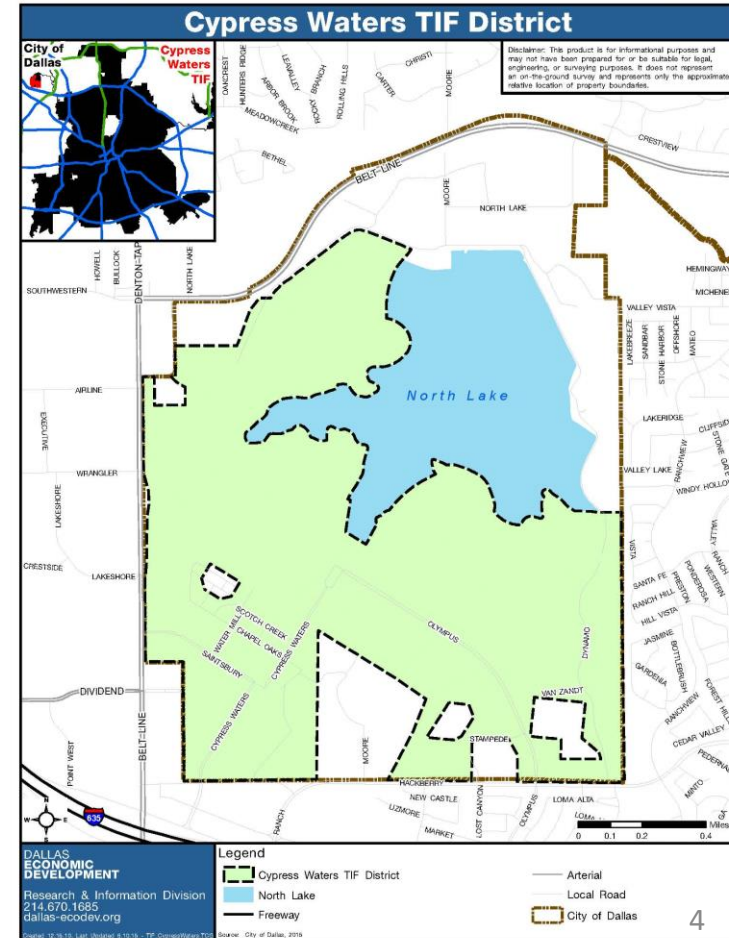
Background – Cypress Waters Area

- In the late 1950's the City of Dallas annexed approximately 1,661 acres of undeveloped land surrounding North Lake now known as Cypress Waters
- North Lake was originally created to serve as a cooling reservoir for Dallas Power & Light electric power plant
- Cypress Waters was completely within the City of Dallas but was outside of City services
- In order to develop the Cypress Waters area, significant investment in public infrastructure was needed to provide basic utility service and vehicular access
- In May of 2010 City Council entered into a Memorandum of Understanding with the owner and developer of Cypress Waters to outline potential public financial incentives and developer obligations related to the development of Cypress Waters



Cypress Waters TIF District

- Cypress Waters TIF District was created December 2010 to:
 - Provide a mechanism to fund significant infrastructure improvements necessary to provide utility and public safety services not budgeted for by the City
 - Support the creation of an employment center that competes with Plano and Frisco for corporate relocations
- The 960-acre District took effect on January 1, 2011 and is scheduled to terminate on December 31, 2040
- **The District's budget includes a line item to fund the construction of a permanent public safety building**
- District value has grown from \$71,437 in 2010 to approximately \$539,761,036 in 2019 (DCAD 2019 certified value)



Cypress Waters TIF District

- Current resident population is estimated to be 1,880
- Office daytime population is approximately 13,292
- There are three Coppel ISD schools open in the District adding over 4,000 people to the daytime population
- 1,373 residential units have been constructed, 580 units are currently under construction and 1,085 units are in design
- In terms of aerial apparatus needs, 13 office buildings with three-or-more stories have been constructed, three additional buildings are under construction and one is in design



Fire and EMS – Current Service

- A temporary public safety building (Station 58) was constructed in Cypress Waters in 2015 by Billingsley
- Cypress Waters is currently being served by Engine 58 and Peak Ambulance 58
 - Engine 58 and 4 fire personnel are housed at Station 58
 - Peak Ambulance 58 is housed at Station 42, but is picked up and returned daily to respond from temporary Station 58
- In October 2014, the City of Dallas entered into an Automatic Aide Agreement with DFW Airport for EMS transport and supporting fire response.
- While Fire and EMS needs of the District are currently being met, additional development under construction and planned require a more permanent solution



Criteria for Adding Fire & EMS Resources

- **Availability of adjoining fire companies to respond**
 - The closest DFR company is over 15 minutes away
- **Call volume (responses) in the new area**
 - Rate of call volume in Cypress Waters is increasing by approx. 15% annually (See Appendix A)
- **The availability of a water supply, namely hydrants**
- **Build-out is at least 50%, and population growth supports adding resources**
 - Planned development in the District is about 30% complete
 - Based on development (under construction and planned) in the District, DFR anticipates a growing demand for services beyond what can be supported by the current temporary station
- **Aerial truck requirement – at least five three-or-more story buildings must exist**
 - Office development in the District well exceeds this criterion

DFR's Operational Concerns in Cypress Waters

- Closest DFR fire company is over 15 minutes away (Station 30), making Station 58 an “outlier” or “outpost” (**See Appendix B**)
- Current temporary building only houses Engine 58; the station’s ambulance does not fit
- District is currently receiving EMS Transport, fire and aerial support from DFW Airport, provided the resources are available
- Estimated resident population is relatively low, but the daytime population swells to over 13,000 during the work week
- An aerial truck is required to support existing office buildings
- As development continues, the anticipated growth in the demand for services can not be supported by the current temporary structure
- The City does not have general or bond funds allocated to the construction of a public safety building in the District

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Proposed Solution

- Public/Private Partnership with Billingsley LD, Ltd. (Billingsley) to construct a Public Safety Building/Fire Station 58 as a fee developer
- Reprogram TIF District budget funds to increase allocation to the Public Safety Improvements line item and decrease the allocation of funds to the Infrastructure Improvement line item
- Use Cypress Waters TIF District funds to:
 - Reimburse development (excluding land costs) and conveyance costs of a Public Safety Building/Fire Station 58 in Cypress Waters

Proposed Project – Public Safety Bldg.

- **Project:** Construction of Public Safety Building on 1.15 acres of the property currently addressed as 3367 Olympus Blvd in the District
 - Upon completion, Billingsley will convey the land (no land costs) and improvements to the City
- **The facility will house:**
 - Dallas Fire Rescue – office, living and apparatus storage space; a training tower will be constructed on-site
 - Dallas Police Department – small office space
 - Small community meeting space
- **Construction Start Date:** March 31, 2021
- **Construction Completion Date:** July 31, 2022



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Proposed Project – Preliminary Design

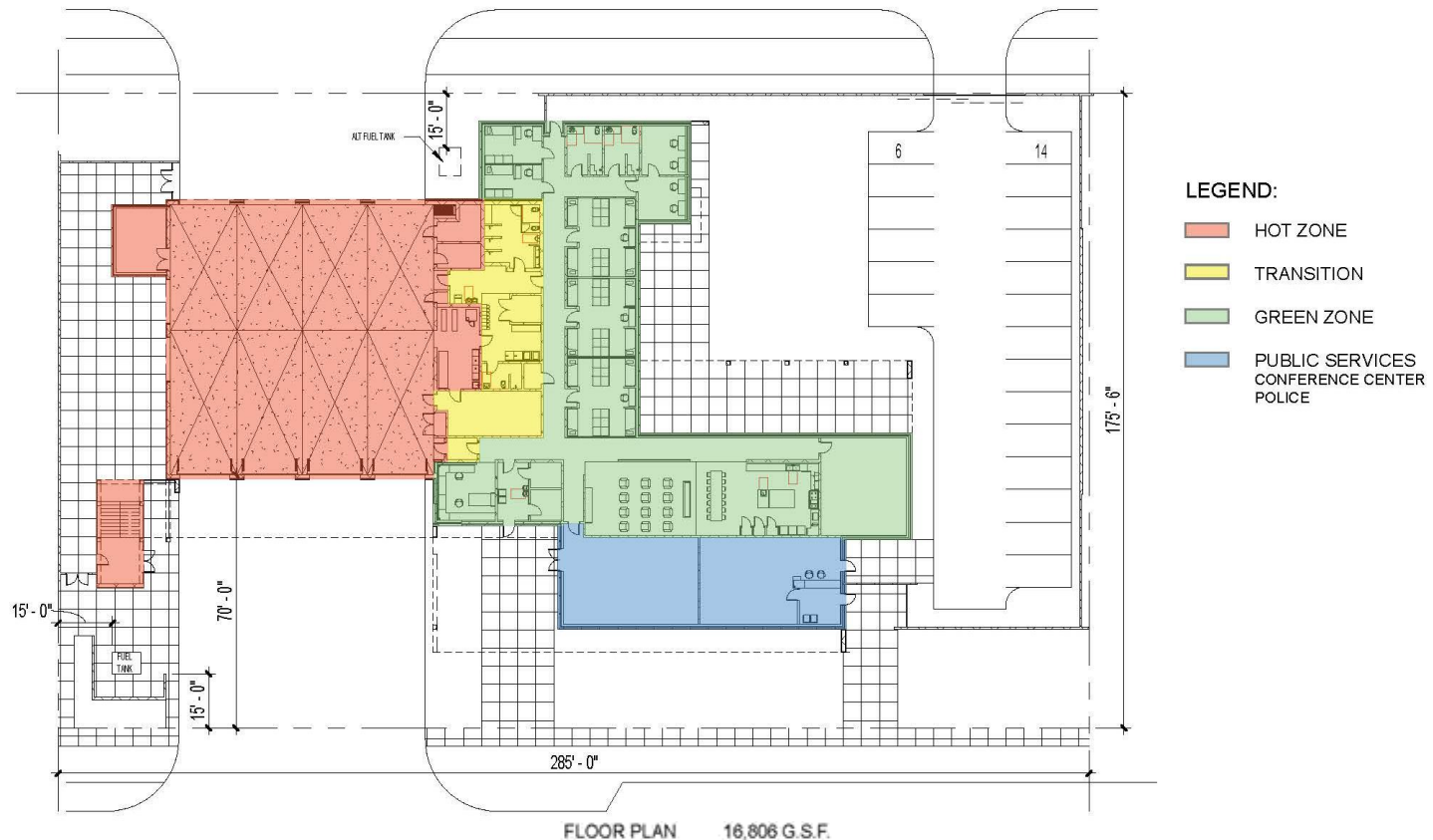
- Design is subject to change.



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Proposed Project – Preliminary Floor Plan

- Design is subject to change.



Proposed Project – Estimated Budget

- Project Costs are subject to change. Final project cost will be based on final design and bidding of the project.

Cypress Waters Public Safety Building/Fire Station 58	
<u>Project Costs</u>	
<u>Hard Costs:</u>	Amount
Site work	\$ 402,500.00
Building Construction Costs (\$436 psf)	\$ 7,425,000.00
Landscape	\$ 100,000.00
Building & Site Signage	\$ 100,000.00
Utilities (On-Site & Off-Site)	\$ 195,000.00
Contingency (10%)	\$ 822,250.00
Total Hard Costs(total construction)	\$ 9,044,750.00
<u>Soft Costs:</u>	
Architects/Engineers/Consultants	\$ 715,500.00
City Bond Office Plan Review	\$ 100,000.00
Permits & Fees	\$ 69,500.00
Developer Legal & Accounting	\$ 150,000.00
Financing Costs	\$ 1,400,000.00
Title & Closing Costs	\$ 10,000.00
Environmental/Soils Testing	\$ 4,000.00
Geotech	\$ 7,500.00
Materials Testing & 3rd Party Inspection	\$ 60,000.00
Soft Cost Contingency (10%)	\$ 251,650.00
Developer's Fee (4% of total project costs)	\$ 472,516.00
Total Soft Costs	\$ 3,240,666.00
Total Project Costs	\$ 12,285,416.00

Staff Recommendation – TIF Funding

- Authorize an amendment of the District's budget to reprogram funds from the Public Infrastructure Improvements line item to the Public Safety Improvements line item

Category	Current Budget (2010 NPV Dollars)	Proposed Shift of Funds	New Budget (2010 NPV Dollars)	Estimated Total Dollars
Infrastructure Improvements	\$18,279,665	(\$820,000)	\$17,459,665	\$31, 737,818
Public Safety Improvements	\$6,000,000	\$820,000	\$6,820,000	\$12,397,255
Administrative & Implementation	\$1,500,000	\$0	\$1,500,000	\$2,726,669
Total Project Costs	\$25,779,665	\$0	\$25,779,665	\$46,861,742

- Authorize a development agreement with Billingsley LD, Ltd. in an amount not to exceed \$12,300,000 payable in the form of a grant for the costs of development and conveyance of the Cypress Waters Public Safety Building, payable from the Cypress Waters TIF District (subject to appropriations from future tax increments)

Category	Amount
Public Safety Improvements	\$12,300,000
Total TIF Funds	\$12,300,000

Staff Recommendation – Project Conditions

- Developer shall document a minimum private investment in the Project of \$9,000,000.
- Developer shall close construction financing for the Project contemporaneously with the City's execution of a development agreement with the Developer. Developer shall submit financing documentation to the City..
- The Project shall include the construction of:
 - A public safety building at least 16,800 square feet in size, inclusive of:
 - Minimum of 15,000 square feet of Dallas Fire Department office, living and apparatus storage space;
 - Minimum of 900 square feet of Dallas Police Department office space; and
 - Minimum of 900 square feet of community meeting space.
 - A training tower
- Developer's fee for the Project shall not exceed 4% of the total project cost.
- Upon completion of construction and City conducted post construction audit, the Developer shall convey the land (at no cost) and public safety building to the City.
- Total financing costs incurred for the project, including interest, shall not exceed \$1,400,000. In the event construction and/or reimbursement is delayed resulting in the accrual of additional interest, funds allocated but unspent in the Hard Cost and Soft Cost Contingency line items may be used to reimburse additional interest costs arising from the delay(s).
- Developer may submit documentation for reimbursement up to \$150,000 for legal/accountant fees incurred as part of the conveyance transaction for the Project for review and approval by the City, including City Attorney's Office. Approval of reimbursement of legal/accountant fees not exceeding the cumulative total limit of \$150,000 shall not be unreasonably withheld.

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Staff Recommendation – Project Conditions

- Prior to conveyance of the Project and Project site to the City, Developer shall prepare the required documents and complete the platting process for the Project site.
- Developer shall submit draft preliminary plans (site plan, landscape plan, elevations, floor plans, etc.) for the design of the Project to the Director of the Office of Economic Development (“Director”) and the Chief of the Dallas Fire Department (“Chief”) for review, comments (if any) and approval.
- Developer shall submit construction drawings for the Project at 20% and 90% completion levels to the Director and Chief for review, comments (if any) and approval prior to submitting an application and 100% construction drawings to the City for a building permit for the Project.
- Developer shall provide evidence of a Performance Bond and Payment Bond by the Developer’s General Contractor prior to beginning construction of the Project.
- Developer shall obtain building permit(s) for the construction of the Project by March 31, 2021.
- Developer shall complete construction of the Project and obtain a final certificate of occupancy (“CO”), or other equivalent evidence of completion issued by the City for the Project by May 31, 2022.

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Staff Recommendation – Project Conditions

- Developer shall obtain a letter of acceptance or similar documentation issued by the City, which may include a green tag issued from the Public Works Department, for any public infrastructure improvements associated with the Project by July 31, 2022.
- Developer shall make a good faith effort to comply with the City's Business Inclusion and Development ("BID") goal of 25% participation by certified Minority/Women-owned Business Enterprises ("M/WBE") for all construction expenditures and meet all reporting requirements.
- If necessary, the Director, after approval and recommendation of the Chief, may authorize minor modifications to the Project, including (1) adjustment of the square footage allocations, or (2) an extension of the Project deadlines up to 9 months.
- Until the Project has received a final CO and all required documentation for payment of the TIF Funding has been submitted, Developer shall submit to the Office of Economic Development a quarterly status report for ongoing work on the Project (including any related public improvements). After City Council approval, such status reports shall be due within 30 calendar days following the end of each quarter.
- Developer shall pay all subcontractors and liens on the Property prior to conveyance to the City.
- All construction costs in excess of \$12,300,000, including those costs incurred as a result of change orders and claims, shall be paid by Developer, and Developer shall not look to the City for any reimbursement of such excess costs unless such costs are related to a City's directive. All change orders shall be reviewed and approved by the Director and/or Chief. City reserves the right to perform inspections, measurements or verifications of the estimates or work quantities as are necessary. City reserves the right to conduct a reasonable audit of the construction contractor's books, records and other data related to any proposed change order. 17

Public Safety Committee & TIF Board Recommendations

- On December 9, 2019, the Public Safety Committee directed Assistant City Manager Jon Fortune and Fire Chief Artis to work with the Office of Economic Development and Billingsley to construct a public safety building in the Cypress Waters TIF District.
- On May 28, 2020 the Cypress Waters TIF District's Board of Directors reviewed and recommended approval of: **(1)** an amendment of the Cypress Waters TIF District Project Plan and Reinvestment Zone Financing Plan to reprogram \$820,000 (2010 NPV dollars) from the Public Infrastructure Improvements line item to the Public Safety Improvements line item in the District's budget and **(2)** TIF funding for the Cypress Waters Public Safety Building/Fire Station 58 in an amount not to exceed \$12,300,000.

Next Steps

- An agenda item will be placed on the June 24, 2020 City Council voting agenda.

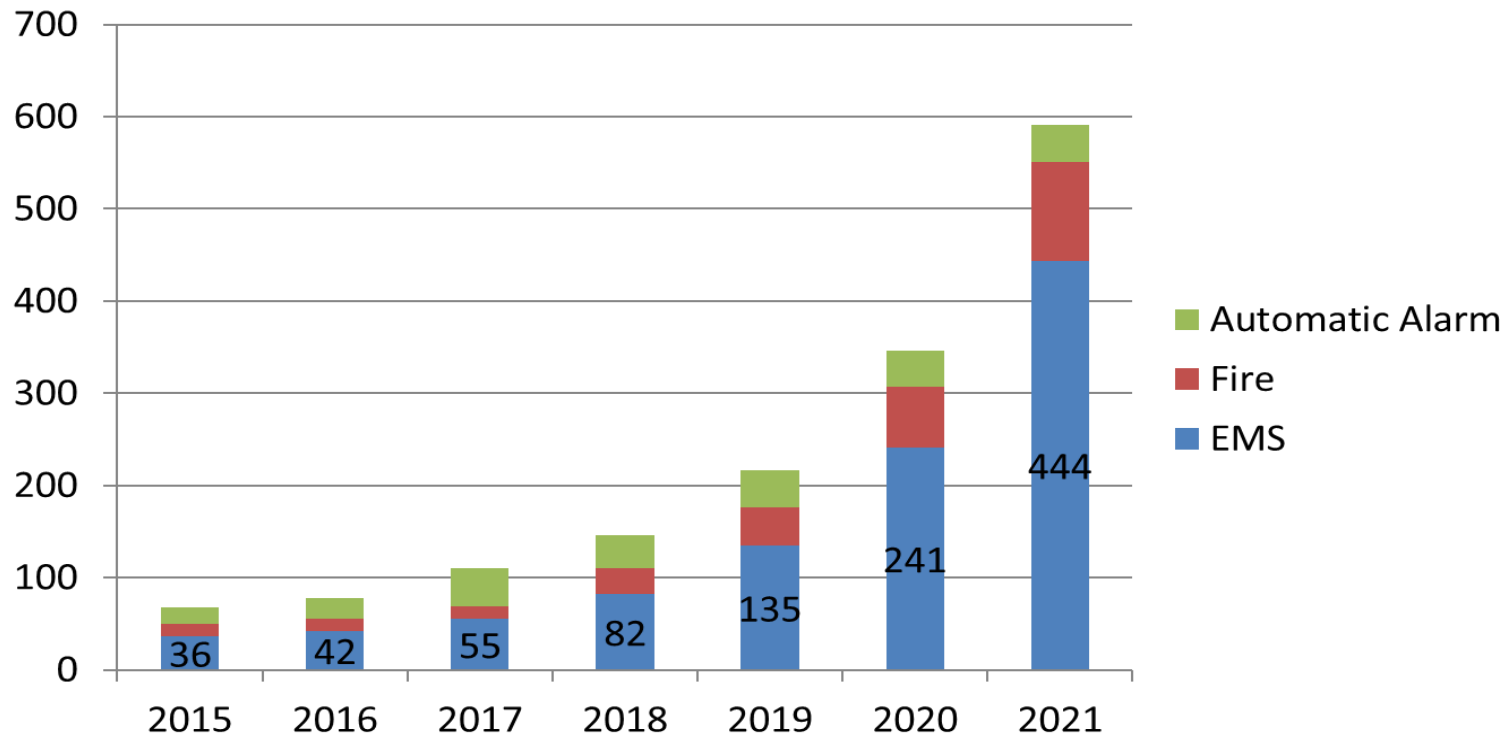
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Appendix

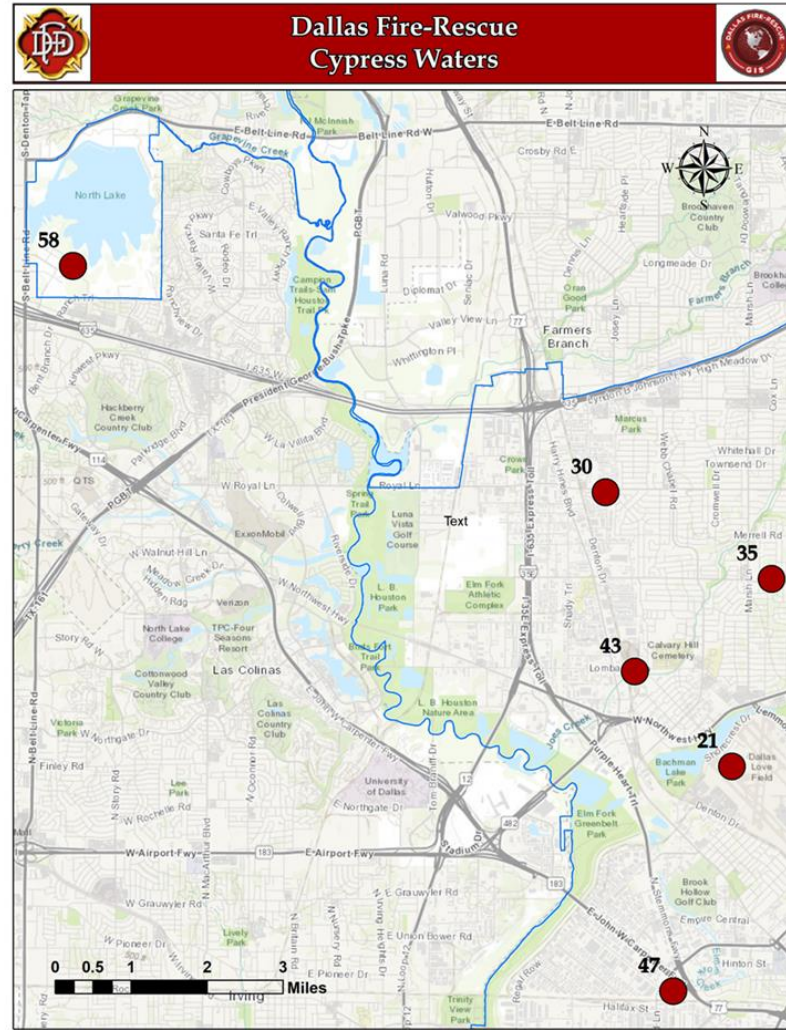
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Appendix A – Cypress Waters Calls for Service



Appendix B – DFR Stations Map



Appendix C – Staffing by Population and Call Volume

Year	Calls at Buildout*	Population	FFs	Assigned Per Shift	Available to Work - With Leave
2025	5,430	30,000	45	15	11
2024	5,099	28,169	42	14	10
2023	4,525	25,000	38	13	9
2022	3,620	20,000	30	10	7
2021	3,059	16,901	25	8	6
2020	2,715	15,000	23	8	5
2019	1,810	10,000	15	5	4
	905	5,000	8	3	2

Add: Ladder Truck Co.

Engine + Ambulance

Engine + Peak Ambulance

Engine

Engine	4
Ambulance	2
Truck	4

Minimum
Staff

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Possible at 28,169 population

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