

Memorandum



CITY OF DALLAS

DATE September 4, 2020

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

SUBJECT **Proposed Texas Enterprise Project Assignments Regarding Doctor's Hospital**

On September 23, 2020, City Council will be asked to consider two assignments of the Tenet Hospitals Limited ("Tenet") Texas Enterprise project under the Texas Enterprise Zone Act, as amended (Texas Government Code, Chapter 2303) to the Office of the Governor, Economic Development and Tourism division, through the Economic Development Bank. The two assignments are associated with Doctors Hospital at White Rock Lake ("Doctors Hospital"), located at 9440 Poppy Drive in Dallas. Please see Attachment "A" for a map presenting Doctors Hospital's District 9 location.

On February 26, 2014, City Council authorized the nomination of Tenet's Doctors Hospital designation as an Enterprise Project under the Texas Enterprise Act, as amended. On March 3, 2014, Doctors Hospital was designated as a Texas Enterprise Project for the period October 11, 2013 through March 3, 2019. The hospital was sold twice during the term of the designation, but the assignment paperwork was not filed with the Office of the Governor as required by the Enterprise Zone regulations. To resolve this issue, the current owner has requested two resolutions from the City to acknowledge each of the sales of the property, as required by the Enterprise Zone regulations.

The first resolution will acknowledge the January 1, 2016 sale of the hospital to BT East Dallas JV, LLP, a joint venture between Baylor University Medical Center, an affiliate of Baylor Scott & White Health, and Tenet Hospitals Corporation's affiliate, Healthcare Network Texas, Inc. The resolution will request City Council approval of the assignment of the enterprise project status to BT East Dallas JV, LLP.

The second resolution will acknowledge the March 1, 2018 sale of the hospital to Pipeline East Dallas, LLC, the entity currently operating the facility as City Hospital at White Rock. The resolution will request City Council approval of the assignment of the enterprise project status from BT East Dallas JV, LLP to Pipeline East Dallas, LLC.

These resolutions will allow the current owner, Pipeline East Dallas, LLC, to complete documentation required under the project designation.

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Should you have any questions, please contact Robin Bentley, Assistant Director, Office of Economic Development at 214-671-9942.



Dr. Eric Anthony Johnson

Chief of Economic Development & Neighborhood Services

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

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