



City of Dallas

Hi Line Connector Trail Project in the Sports Arena TIF District

**Economic Development
Committee
June 7, 2021**

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Office of Economic Development

Presentation Overview



- Background: Circuit Trail Conservancy and The LOOP
- Proposed Project: Hi Line Connector Trail
- TIF District Board Recommendation
- Staff Recommendation
- Next Steps
- Appendix



Background: Circuit Trail Conservancy



- **The Circuit Trail Conservancy (CTC)** is the 501(c)(3) partnering with the City of Dallas to build The LOOP. CTC and the City's partnership was established to create a comprehensive, alternative transportation solution funded by a combination of public and generously donated private dollars. By strategically building new trails linked to existing ones, the CTC is leading the formation of a walkable circuit in the heart of urban Dallas.
- **Executive Director**
 - Philip Hiatt Haigh
- **Board of Directors**
 - Jeff Ellerman, Chair
 - Philip Henderson, President
 - Rick Perdue, Treasurer
 - Larry Dale
 - Terrence Maiden
 - Linda Owen
 - Vana Hammond-Parham
 - Mike Terry
- **Website**
 - <https://theloopdallas.org/>



THE LOOP



Background: The LOOP



- The LOOP is **11 miles of new trail and alternative transportation projects** that will connect to an existing 39-mile system to create a 50-mile Citywide loop.
- The LOOP **connects 9 City Council districts**, over 180 miles of completed Dallas trail system, the Trinity River and Fort Worth-to-Dallas Trail to the Metroplex.
- “The LOOP is **intended to serve as a catalyst for mobility and economic opportunity**, making Dallas more vibrant and pedestrian-friendly, creating a sense of community across our city and making abundant green space part of our identity. By **bringing connection to more neighborhoods** and creating a stronger, more united Dallas, The LOOP’s urban trail system is the single most important investment Dallas can make for our residents for generations to come.”



Background: The LOOP



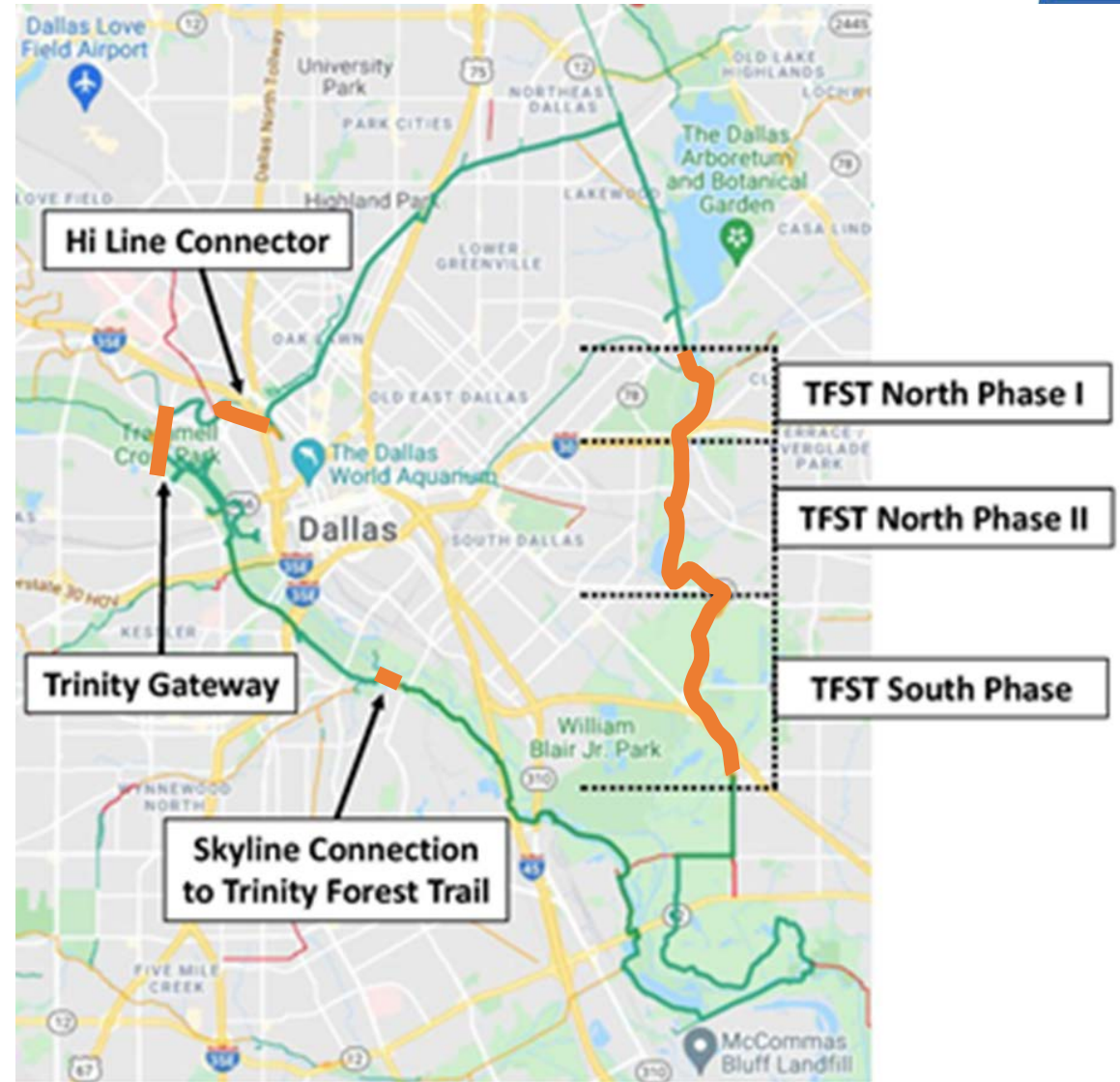
The LOOP consists of the following component projects:

Hi Line Connector Trail: connects KATY Trail to Trinity Strand Trail

Trinity Gateway Trail: connects Trinity Strand Trail to Trinity Skyline Trail and West Dallas

Trinity Skyline Trail Link: connects Trinity River Skyline Trail to southern Dallas' Audubon Center and Trinity Forest

Trinity Forest Spine Trail (North and South): 8.7 mile trail connecting southern Dallas and the Trinity Forest Trail System to White Rock Lane and East Dallas



Background: The LOOP



- **\$43 million** has been secured through public/private partnership to design and construct The LOOP
 - **City of Dallas: \$20 million** in 2017 Proposition B (Parks proposition) GO bond funding
 - **Dallas County: \$5 million** dedicated specifically to the Trinity Forest Spine Trail - North
 - **TxDOT through North Central Texas Council of Governments (NCTCOG): \$8 million** dedicated specifically to the Hi Line Connector Trail
 - **Circuit Trail Conservancy: \$10 million private match**
- **Circuit Trail Conservancy (CTC):** a non-profit organization created to raise funds and partner with City to design and construct The LOOP. In 2019, CTC entered into a funding agreement with City to provide a \$10 million private match. The 2019 Funding Agreement:
 - contemplated that the CTC would seek alternative funding if the costs of The LOOP exceed the \$43 million already committed
 - established that City will procure, award, administer and manage construction contracts for The LOOP trail segments. If the City chooses, administration of any construction contract may be assigned to CTC
- **City bond funds and CTC funds can be shifted between the component trail segments of The LOOP**

The LOOP	City of Dallas	Dallas County	NCTCOG	CTC	Total Funds Committed 2019 Funding Agreement
Hi Line Connector Trail	\$8,000,000	-	\$8,000,000	\$800,000	\$16,800,000
Trinity Gateway Trail	\$5,000,000	-	-	\$3,200,000	\$8,200,000
Trinity Forest Spine Trail - North	\$3,500,000	\$5,000,000	-	\$2,500,000	\$11,000,000
Trinity Forest Spine Trail - South	\$3,500,000	-	-	\$3,500,000	\$7,000,000
Total Funds Committed	\$20,000,000	\$5,000,000	\$8,000,000	\$10,000,000	\$43,000,000



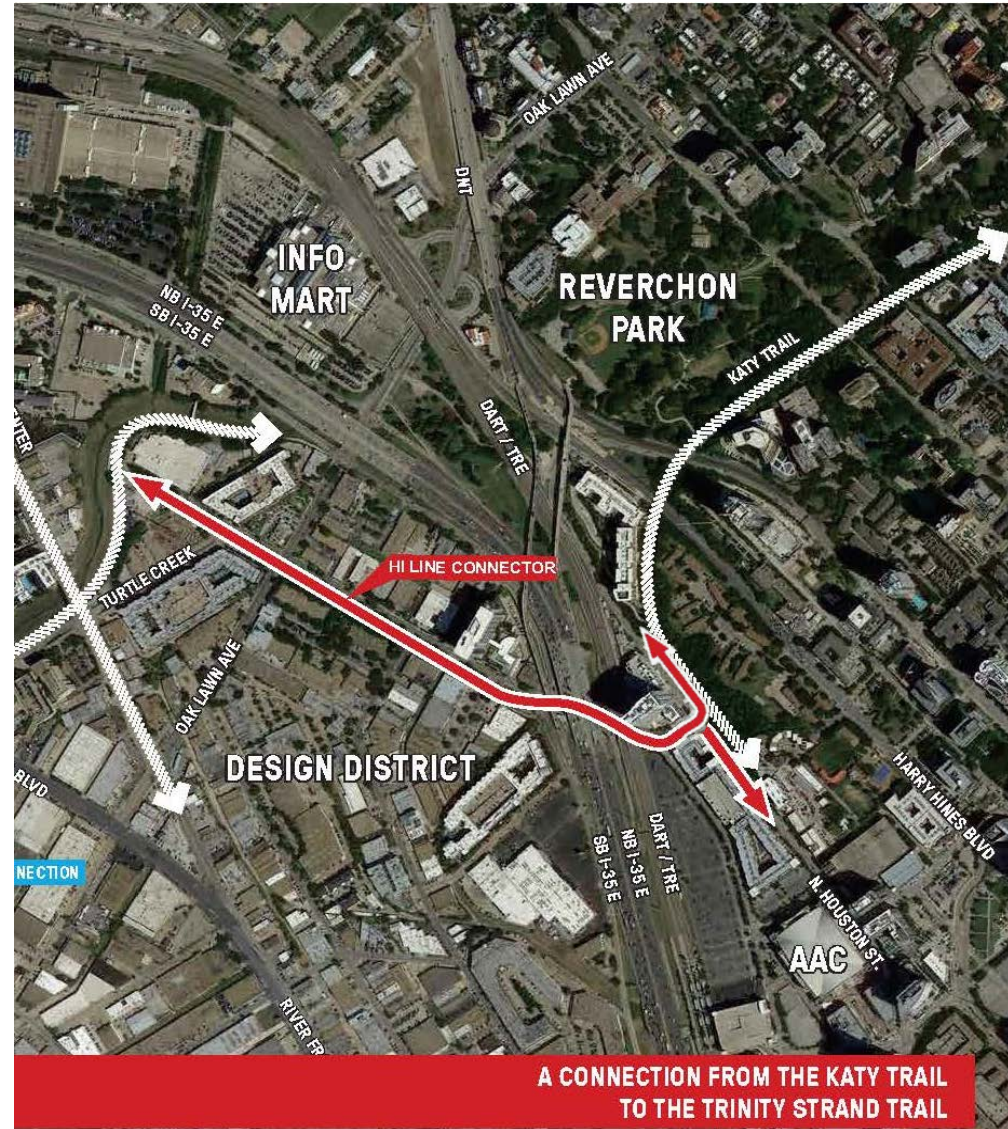
Proposed Project: Hi Line Connector Trail



- In May 2020, CTC submitted application to Office of Economic Development seeking alternative funding for the Hi Line Connector Trail project for the purpose of redistributing City bond funds and CTC private funds to other LOOP segments
- **Project:** Construction of approximately 1 mile of a pedestrian and bicycle trail that will connect the KATY Trail in the Sports Arena TIF District to the Trinity Strand Trail in the Design District
 - approximately 1/3 of the trail (North Victory segment) is located in the Sports Arena TIF District
- **Project Cost:** approximately \$22.2 million
- **Urban Design Review:** City's Urban Design Peer Review Panel reviewed the Project on June 28, 2019 and August 23, 2019
- **Anticipated Construction Start Date:** June 2023
- **Anticipated Construction Completion Date:** June 2025



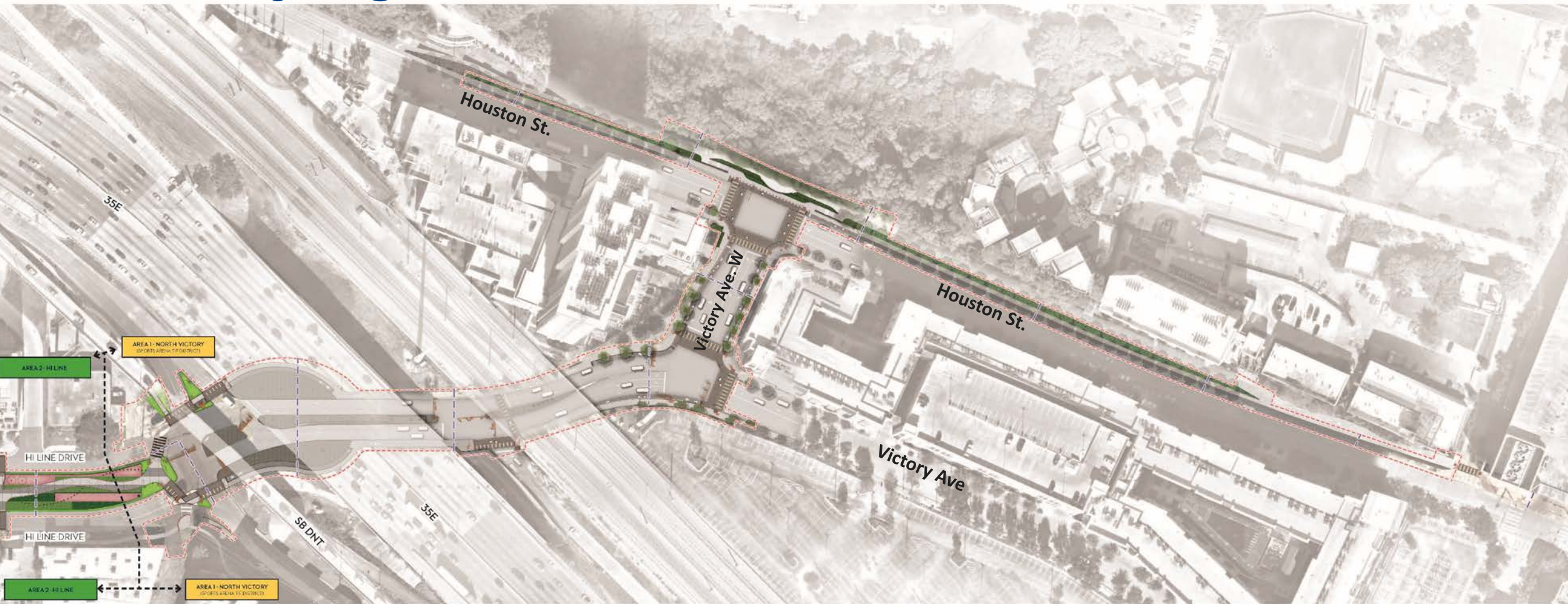
Proposed Project: Hi Line Connector Trail



Proposed Project: Hi Line Connector Trail



North Victory Segment



OVERALL PROJECT PLAN IN SPORTS TIF DISTRICT
PLAN N.T.S.



Proposed Project: Hi Line Connector Trail

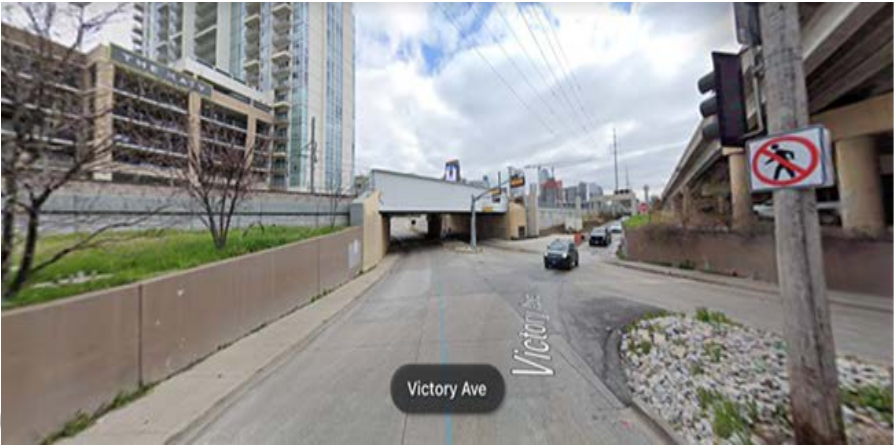


On Victory Ave in Victory Park – headed to the Design District



existing condition

On Hi Line in the Design District – headed to Victory



existing condition



Proposed Project: Hi Line Connector Trail



Current Estimated Budget

- Project costs are subject to change. Final project cost will be based on bidding of the project.
- Current estimated Project costs for the Hi Line Connector Trail (\$22.2 million) exceeds the \$16.8 million allocated to the project in the 2019 development and funding agreement between the City and CTC

HI LINE CONNECTOR TRAIL PROJECT BUDGET (BY SEGMENT)			
BUDGET LINE ITEM	PROJECT TOTAL	HI LINE SEGMENT	N. VICTORY SEGMENT (Sport Arena TIF District)
BASE TRAIL (TRAIL, PAVERS, STRIPING)	\$4,969,013	\$ 2,932,956	\$ 2,036,057
CONCRETE STREET PAVING	\$1,343,998	\$ 664,516	\$ 679,482
DESIGN DISTRICT I BEAMS	\$169,000	\$ 169,000	\$ -
TRAFFIC SIGNALLING	\$1,638,084	\$ 1,344,757	\$ 293,327
TRAIL LIGHTING	\$3,552,099	\$ 1,806,119	\$ 1,745,980
SITE FURNISHINGS	\$215,618	\$ 193,408	\$ 22,210
BRIDGE WALL MURAL ALLOWANCE	\$450,000	\$ -	\$ 450,000
TRAFFIC CONTROL	\$350,000	\$ 125,000	\$ 225,000
POLICE RENTAL	\$275,000	\$ 125,000	\$ 150,000
GENERAL CONDITIONS (10%)	\$1,296,281	\$ 736,076	\$ 560,206
CONSTRUCTION MANAGEMENT	\$1,037,025	\$ 588,860	\$ 448,164
FINANCING FEE	\$264,417	\$ -	\$ 264,417
DESIGN CONTINGENCY (5%)	\$648,141	\$ 368,038	\$ 280,103
ESCALATION CONTINGENCY - 1 YR @ 3%	\$388,884	\$ 220,823	\$ 168,062
MARKETING & ADVERTISING	\$30,000	\$ 15,000	\$ 15,000
ARCHITECTS/ENGINEERS/CONSULTANTS	\$2,151,036	\$ 1,269,111	\$ 881,925
LEGAL & ACCOUNTING	\$14,352	\$ -	\$ 14,352
CTC PROJECT MANAGEMENT FEE (NOT TO EXCEED 3%)	\$120,000	\$ 70,800	\$ 49,200
TRAIL TOTAL	\$18,912,948	\$ 10,629,463	\$ 8,283,484

KATY TRAIL HEAD	PROJECT TOTAL	HI LINE SEGMENT	N. VICTORY SEGMENT (Sports Arena TIF District)
KATY TRAIL HEAD COST OF WORK	\$ 2,591,000	NA	\$ 2,591,000
ARCHITECTS/ENGINEERS/CONSULTANTS	\$ 380,000	NA	\$ 380,000
SOFTCOSTS - PROGRAM MANAGER	\$ 125,000	NA	\$ 125,000
CONSTRUCTION MANAGEMENT	\$ 50,000	NA	\$ 50,000
DESIGN CONTINGENCY	\$ 29,000	NA	\$ 29,000
FINANCING FEE	\$ 103,640	NA	\$ 103,640
KATY TRAIL HEAD TOTAL	\$ 3,278,640	NA	\$ 3,278,640

TOTAL PROJECT COSTS	\$ 22,191,588	\$ 10,629,463	\$ 11,562,124
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Proposed Project: Hi Line Connector Trail



Funding Sources

Hi Line Connector Trail	2019 Funding Agreement	Now
City Bond Funds	\$ 8,000,000	\$ 1,274,552
NCTCOG (TxDOT)	\$ 8,000,000	\$ 8,000,000
CTC	\$ 800,000	\$ 3,667,445
Bank Financing (CTC will secure)	\$ -	\$ 9,249,591
Total	\$ 16,800,000	\$ 22,191,588

- If the requested TIF funding is approved:
 - CTC will be able to secure bank financing to reduce the amount of City bond funds allocated to the Hi Line Connector Trail Project and increase CTC private investment
 - allows 2017 City park bond funding (approx. \$6.7 million) and CTC private funding to be shifted to the other component trail projects of The LOOP (i.e. Trinity Forest Spine Trail)



Proposed Project: Hi Line Connector Trail



Benefits of Project

- trail will reduce the barrier created by I-35 and the DART/TRE, providing a critical pedestrian/bicycle connection between Victory Park and the Design District
- trail conditions are proposed to be **grade-separated from vehicular traffic** providing safe and reliable pedestrian and bicycle infrastructure
- trail will **connect the Katy Trail with the Trinity Strand Trail**
- **supports the TIF District's goal** to improve connections to City trails and open space system in the Sports Arena TIF District, especially the Trinity River, Trinity Strand Trail, Katy Trail, and Continental Pedestrian Bridge
- *use of TIF funding for the North Victory segment of the Hi Line Connector Trail project allows 2017 City park bond funding and CTC private funding to be shifted to other component trail projects of The LOOP (i.e. Trinity Forest Spine Trail)*



Proposed Project: Hi Line Connector Trail



Implications for Trinity Forest Spine Trail (North and South phases)

TFST North & South Phases	2019 Funding Agreement	Now
City Bond Funds	\$ 7,000,000	\$ 18,310,448
Dallas County	\$ 5,000,000	\$ 5,335,000
CTC	\$ 6,000,000	\$ 10,354,552
Total	\$ 18,000,000	\$ 34,000,000

- If the requested TIF funding is approved:
 - Hi Line Connector Trail unused City bond funds can be reallocated to the Trinity Forest Spine Trail (approx. \$6.7 million)
 - CTC will be able to increase private investment in the Trinity Forest Spine Trail
- If the requested TIF funding is not approved, completion of the Trinity Forest Spine Trail would likely be delayed to:
 - Allow additional time for CTC to seek and/or raise additional funds to complete the Trinity Forest Spine Trail as designed and approved by the Park Board
 - Allow additional time to value engineer the design of the Trinity Forest Spine Trail to reduce costs
 - Reduce elevation of trail (will reduce the number of days the trail can be used each year)
 - Reduce thickness and width of concrete slab for the trail
- If CTC is able to secure additional funding for the Trinity Forest Spine Trail, any unused City bond funds will be reallocated to the Trinity Gateway Trail (See Slide 24)



TIF District Board Recommendation



- On June 2, 2021, the Sports Arena TIF District Board of Directors unanimously recommended execution of a development agreement and all other necessary documents with Circuit Trail Conservancy and/or its affiliates for the design and construction of the North Victory segment of the Hi Line Connector Trail Project located in the Sports Arena TIF District **in an amount not to exceed \$11,562,124** (subject to appropriations from current and future tax increments)



Staff Recommendation



- Authorize execution of a development agreement and all other necessary documents with Circuit Trail Conservancy and/or its affiliates for the design and construction of the North Victory segment of the Hi Line Connector Trail Project located in the Sports Arena TIF District **in an amount not to exceed \$11,562,124** (subject to appropriations from current and future tax increments)



Staff Recommendation



Recommended TIF funding includes reimbursement of costs (i.e. actual expenditures) for design and construction costs associated with the North Victory segment of the Hi Line Connector Trail Project located in the Sports Arena TIF District in an amount not to exceed \$11,562,124:

- demolition activities;
- infrastructure/utility improvements which includes TIF-eligible expenditures for design and engineering, street paving and resurfacing, infrastructure construction/upgrades/relocation (water, wastewater, storm sewer, traffic signals), and relocation and/or burial of overhead electric, cable television and phone lines throughout the site, design, engineering, and construction of streetscape improvements, including lighting, sidewalk, bike/pedestrian improvements; street furnishings; landscaping and irrigation of public areas, wayfinding and signage, murals and public art, water features, and other streetscape features related to the Project;
- all labor and materials related to such construction, including costs for traffic control and security;
- soft costs and professional fees for design and environmental consultants, architects, and engineers, developer fees, legal fees, general contractor and construction management fees, and administrative costs charged by the above described third party entities; and
- financing costs including interest or other obligations issued to pay for Project costs, which shall not exceed \$370,000

Victory Sub-district Budget Category	Amount
Tier Two Improvements – Open Space Connectivity	
North Victory Trail Segment	\$8,283,484
Victory Park Katy Trail Head	\$3,278,640
Total TIF Funds	\$11,562,124



Staff Recommendation: Funding Conditions



- CTC shall incur (or cause to be incurred) and provide documentation evidencing a minimum of \$16,000,000 ("Minimum Investment") in expenditures for design, installation of, construction and construction funding for the Project ("Project Expenditures"), including, but not limited to construction costs (such as but not limited to labor, materials, traffic control, and security related to the same), construction-related soft costs (including but not limited to general contractor and construction management fees), infrastructure improvements, the cost of obtaining easements or licenses, site amenities (including but not limited to site and street furnishings, lighting, signage, water features, murals, and public art), and professional fees (e.g. architecture, engineering, landscape architecture, design consultants, environmental consultants and assessments), permitting fees, insurance costs and fees, and financing costs and fees, including interest.
- Any actual costs that qualify as Project Expenditures will be counted towards the Minimum Investment regardless of whether CTC is a party to any construction contract for the Project.
- CTC shall close construction financing for the North Victory Trail Segment prior to, or contemporaneously with, the City's execution of a development agreement with CTC.
- CTC shall provide documentation that a notice to proceed was issued by the City and start construction of the Project by June 30, 2023.
- CTC shall submit documentation of completion of construction of the Project by June 30, 2025.
- CTC shall submit certificates of completion, and/or similar documentation issued by the Project's architectural firm and/or general contractor.
- CTC shall submit a letter of acceptance or similar documentation issued by the City for the Project, which may include a green tag issued by the Public Works Department for public infrastructure improvements associated with the Project by June 30, 2025.



Staff Recommendation: Funding Conditions



- CTC shall execute an Operating and Maintenance Agreement for any Non-Standard Public Improvements associated with the Project, and if necessary, obtain a license from City for the purpose of maintaining any Non-Standard Public Improvements in the public right-of-way.
- For any construction contract for the Project (or portion thereof) awarded by CTC, CTC shall make a good faith effort to comply with the City's Business and Workforce Inclusion's goal of 32% participation by certified Minority/Women-owned Business Enterprises ("M/WBE") for all hard construction expenditures on the portion of the Project included in a construction contract awarded by CTC (if applicable) and meet all reporting requirements.
- CTC shall submit to OED quarterly status reports for all ongoing work on the Project.
- Prior to submitting construction plans to the Sustainable Development and Construction Department as part of a building permit application, CTC shall submit a set of the construction plans to the Planning and Urban Design Department for a final staff review.
- The Director may authorize minor modifications to the Project without City Council or TIF Board approval.
- CTC is not required to be a party to any construction contract as a condition to reimbursement.
- If CTC cannot reasonably meet the Project deadlines due to the City's delay in procuring and/or awarding the construction contract for the Project and/or in reviewing plans or issuing permits or similar approvals, Director may extend the Project deadlines equal to the period of the City's delay without requiring City Council or TIF Board approval.
- Upon request by CTC, the Director may authorize an extension of the Project deadlines for any other reason for up to twelve (12) months without requiring City Council or TIF Board approval.



Next Steps



- An agenda item will be placed on the June 23, 2021 City Council voting agenda



Appendix



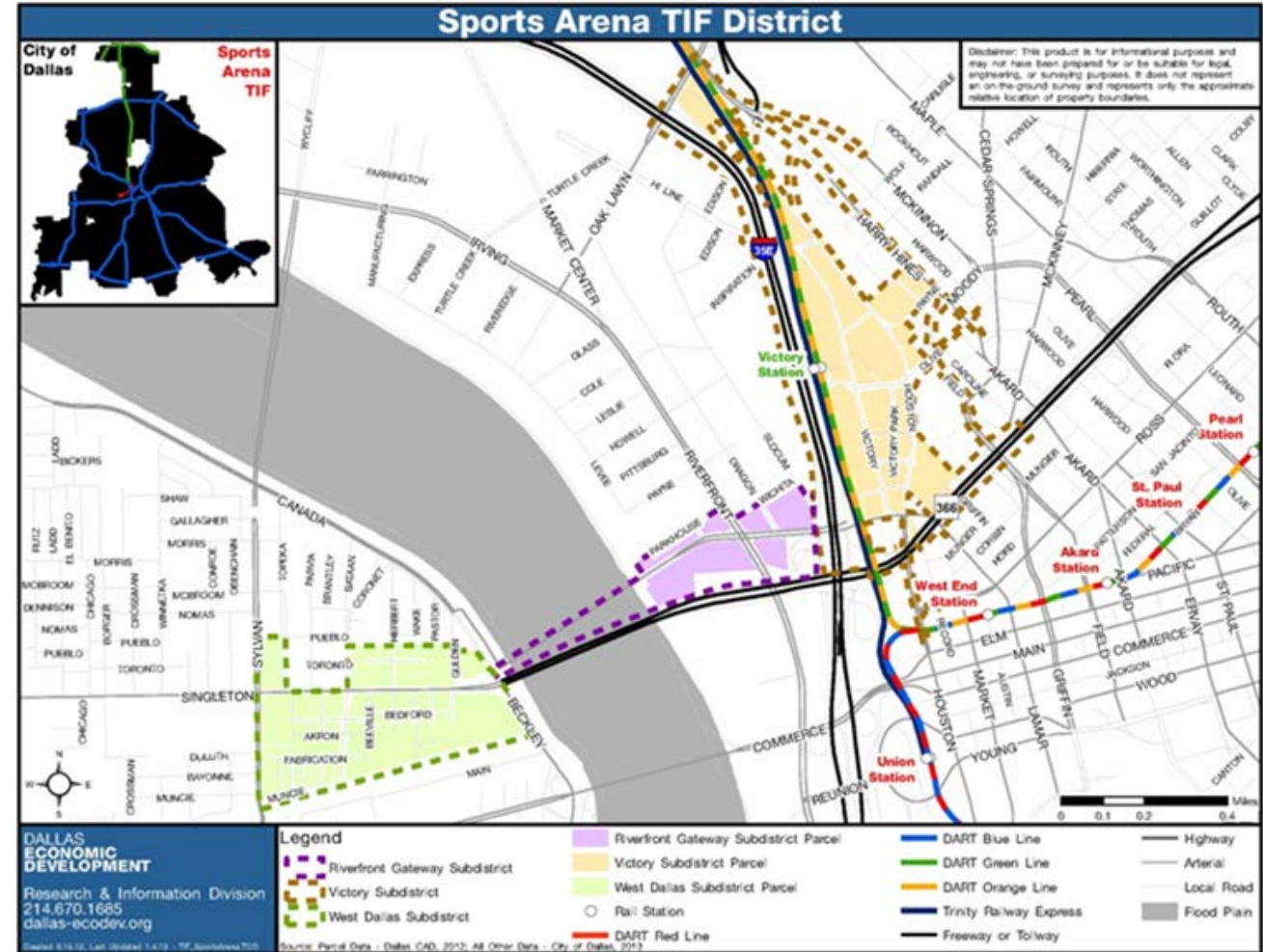
- Sports Arena TIF District
- Prior Board and City Council Actions
- Trinity Gateway Trail



Sports Arena TIF District



- Created in 1998
- Amended in 2012
 - Created Riverfront Gateway and West Dallas Sub-districts
- Extended term of Victory Sub-district to December 31, 2028
- Created 10% set-aside of Victory Sub-district increment for West Dallas Sub-district
- Increased District's budget to \$303 million



Sports Arena TIF District Budget



Sports Arena TIF District Projected Increment Revenues to Retire TIF Fund Obligations			
Category	Budget	Total Committed or Spent	Total Remaining
Original Improvements			
Total Original Improvements	\$38,588,359	\$38,389,665	\$198,694
Victory Sub-district Amended Budget			
West Dallas Set-Aside	\$11,881,796	\$4,519,963	\$7,361,833
Tier One Improvements	\$47,679,815	\$47,679,815	\$0
North Parking Garage			
South Parking Garage			
Economic Development TIF Grants			
Tier Two Improvements	\$63,172,215	\$17,603,582	\$45,568,633
Additional North Parking Garage			
Additional South Parking Garage			
Other District Improvements:			
Open Space/Connectivity, Special Studies			
Infrastructure Improvements and Retail			
Total Victory Sub-District¹	\$161,322,185	\$108,193,025	\$53,129,160
Category	Total Budget	Total Committed or Spent	Total Remaining
West Dallas Sub-district			
Economic Development Grants, Retail Incentives, Infrastructure Improvements, Technical Studies			
Environmental/Demolition			
Total West Dallas Sub-District	\$91,287,567	\$17,455,000	\$73,832,567
Riverfront Gateway Sub-district			
Economic Development Grants, Infrastructure Improvements, Environmental/Demolition			
Open Space, Connectivity and Retail			
Total Riverfront Gateway Sub-district	\$10,088,933	\$0	\$10,088,933
Administration and Implementation²	\$1,983,921	\$1,013,418	\$970,503
Total Amended Budget	\$303,270,965	\$165,051,108	\$138,219,857
Original Sports Arena TIF District Budget	\$46,961,785		

¹ Victory Sub-district's Total Budget includes original improvements and amended budgets.

² Administration and Implementation costs for FY 2019-2020 are included in the allocation above.

* Revenues shown above are estimated current dollars to be collected over the life of the TIF, as of May 2020.



Prior Board and City Council Actions



- **2005:** City of Dallas Park and Recreation Board (the “Board”) approved the Dallas Trails Network Plan, which identified existing and proposed trails to be developed within the City of Dallas
- **2008:** Trails Network Plan was updated, the City documented its intent to create a City-wide circuit trail loop encompassing various existing and proposed trails, totaling approximately 53.5 miles (The LOOP)
- **November 15, 2016:** City Council was briefed on The LOOP and the Circuit Trail Conservancy
- **March 15, 2018:** City entered into an agreement with the CTC for the concept and schematic design phase of the development of The LOOP and on May 3, 2018, the City issued to the CTC a Notice to Proceed Schematic Design Phase of the remaining undeveloped 10 miles of The LOOP by Administrative Action No. 18-5537
- **January 10, 2019:** Park and Recreation Board authorized a development and funding agreement with the CTC
- **February 27, 2019:** City authorized (1) a development and funding agreement (the “Original Funding Agreement”) with the Circuit Trail Conservancy (CTC), a Texas non-profit organization, for the purpose of assisting with the funding, land acquisition, design and construction of hike and bike trails on the remaining undeveloped 10 miles of The LOOP, comprised of the Circuit Trail Connection (now called the Hi Line Connector Trail), Trinity Forest Spine Trail, the Trinity Gateway and Trinity Skyline Trail Links (collectively hereinafter referred to as “Project”); (2) the receipt and deposit of funds in an amount not to exceed \$10,000,000 from the CTC in the Circuit Trail Conservancy Fund; (3) establishment of appropriations in an amount not to exceed \$10,000,000 in the Circuit Trail Conservancy Fund; (4) a match in the amount of \$10,000,000 from the Park and Recreation Facilities (B) Fund (2017 Bond Funds); (5) execution of the development and funding agreement and all terms, conditions and documents required by the agreement; and (6) the disbursement of funds to the U.S. Army Corps of Engineers for work on the Trinity Forest Spine Trail South in an amount not to exceed \$3,500,000 from the Circuit Trail Conservancy Fund and in an amount not to exceed \$3,500,000 from the Park and Recreation Facilities (B) Fund (2017 Bond Funds) for a total not to exceed \$20,000,000 by Resolution No. 19-0340



Trinity Gateway Trail



- 1.5 mile trail connects Trinity Strand Trail to Trinity Skyline Trail, Dallas-to Fort Worth Trail and the Trinity River
- Trinity Gateway Trail alignment along Sylvan Avenue and across the Sylvan Ave bridge connects the Design District to West Dallas





City of Dallas

Hi Line Connector Trail Project

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