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

WHEREAS, it is in the interest of the City of Dallas to support and secure the expansions and relocations of business operations within the city of Dallas and the economic vitality and employment opportunities that these business operations bring for Dallas residents; and

WHEREAS, the proposed project will not occur within the city of Dallas without an offer of economic development incentives from the City of Dallas; and

WHEREAS, pursuant to Resolution No. 21-1052, approved by the City Council on June 9, 2021, the City: (1) authorized the continuation of its Public/Private Partnership Program - Guidelines and Criteria, which established certain guidelines and criteria for the use of City incentive programs for private development projects; and (2) established programs for making loans and grants of public money to promote local economic development and to stimulate business and commercial activity in the City of Dallas pursuant to the Economic Development Programs provisions under Chapter 380 of the Texas Local Government Code; and

WHEREAS, on June 8, 2005, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Eleven, City of Dallas, Texas ("Downtown Connection TIF District") in accordance with the Tax Increment Financing Act, as amended, Chapter 311 of the Texas Tax Code, Vernon's Texas Codes Annotated (the "Act") to promote development and redevelopment in the Uptown and Downtown areas by Ordinance No. 26020; as amended; and

WHEREAS, in furtherance of the Downtown Connection TIF District Project Plan and Reinvestment Zone Financing Plan and to promote within the Downtown Connection TIF District: (1) development and diversification of the economy, (2) elimination of unemployment and underemployment, and (3) development and expansion of commerce; and

WHEREAS, the City desires to support the retention and creation of jobs, and the workforce development efforts outlined to support development of a future workforce to support the planned new Dallas headquarters of CBRE, Inc. ("CBRE") to be located in Dallas, in accordance with the City's Public/Private Partnership Program; and

WHEREAS, the Dallas City Council has previously passed Ordinance No. 30376 on February 22, 2017 electing to participate in the Texas Enterprise Zone Program, and the local incentives offered under this resolution are the same on this date as were outlined in Ordinance No. 30376; and

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WHEREAS, the Office of the Governor, Economic Development and Tourism (EDC), through the Economic Development Bank (Bank), will consider CBRE as an enterprise project pursuant to a nomination and an application made by the City; and

WHEREAS, the City desires to pursue the creation of the proper economic and social environment in order to induce the investment of private resources in productive business enterprises located in the City and to provide employment to residents of enterprise zones and to other economically disadvantaged individuals; and

WHEREAS, pursuant to Chapter 2303, Subchapter F of the Texas Enterprise Zone Act, Texas Government Code ("Act"), CBRE has applied to the City for designation as an enterprise project; and

WHEREAS, the City finds that CBRE meets the criteria for designation as an enterprise project under the Act on the following grounds:

- (a) CBRE is a "qualified business" under Section 2303.402 of the Act since it will be engaged in the active conduct of a trade or business at a qualified business site within the governing body's jurisdiction located outside of an enterprise zone and at least thirty-five percent (35%) of the business' new employees will be residents of an enterprise zone or economically disadvantaged individuals or veterans; and
- (b) There has been and will continue to be a high level of cooperation between public, private, and neighborhood entities within the area; and
- (c) The designation of CBRE as an enterprise project will contribute significantly to the achievement of the plans of the City for development and revitalization of the area; and

WHEREAS, the City finds that CBRE meets the criteria for incentives adopted by the City and nominates CBRE for enterprise project status on the grounds that it will be located at the qualified business site, and will create a higher level of employment, economic activity, and stability; and

WHEREAS, the City finds that it is in the best interest of the City to nominate CBRE as an enterprise project pursuant to the Act; and

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WHEREAS, the City desires to enter into a Chapter 380 Economic Development Grant Agreement with CBRE, and/or its affiliates to promote economic development, stimulate private sector investment, encourage job creation, and grow the tax base in the City of Dallas.

Now, Therefore,

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

SECTION 1. That the findings of the City and its actions approving this resolution taken at the council meeting are hereby approved and adopted.

SECTION 2. That the City Council authorizes **(1)** a Chapter 380 Economic Development Grant Agreement, upon approval as to form by the City Attorney, in an amount not to exceed \$250,000.00; and **(2)** nomination to receive designation as an Enterprise Zone 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; with CBRE, Inc. or an affiliate thereof (CBRE) in connection with a new office development located in Dallas in accordance with the City's Public/Private Partnership Program.

SECTION 3. That CBRE shall satisfy and agree to the following terms associated with the Chapter 380 Economic Development Agreement.

- (a) A robust workforce development initiative by CBRE containing the following components:
 - i. Paul Quinn College: In furtherance of CBRE's designation as one of America's Best Employers for Diversity by Forbes, CBRE will partner with Paul Quinn College as part of the Paul Quinn College Work Program or a similar internship program developed by CBRE and Paul Quinn and subject to approval by the Director of the Office of Economic Development ("Director"). CBRE must deliver to Director an agreement executed by CBRE and Paul Quinn College documenting the terms of the proposed program no later than December 31, 2023. At a minimum, CBRE will continue this program through December 31, 2033.

SECTION 3. (continued)

- ii. University of North Texas (“UNT”) Dallas: CBRE will partner with UNT Dallas to create to create an internship program that would provide UNT Dallas students with the opportunity to gain experience in the commercial real estate field, subject to the approval of the Director. CBRE must deliver to Director an agreement executed by CBRE and UNT Dallas documenting the terms of the proposed program no later than December 31, 2023. At a minimum, CBRE will continue this program through December 31, 2033.
- iii. Innovation Lab: In partnership with a Texas-based university, CBRE shall make a good-faith effort to establish a real estate innovation lab to be based in Dallas. CBRE and its clients will directly benefit from the lab with access to cutting-edge innovations in the commercial real estate industry. The partner academic institution will enjoy an expansion of academic offerings and associated research opportunities.

In order to demonstrate its good-faith effort to establish the innovation lab, CBRE shall provide a report documenting its good-faith effort to facilitate a successful partnership with a minimum of three Texas-based universities to the Office of Economic Development. Specifically, the report shall document meetings with the partnering institutions to discuss establishment of the program, including proposed guidelines and parameters, meeting attendees, and the outcome of each such meeting. The report shall be presented to the Office of Economic Development no later than December 31, 2025.

It is understood that such a conceptual lab may or may not ultimately be successfully implemented, but a documented, good-faith effort by CBRE will be a requirement of the incentive agreement.

- (a) CBRE or an affiliate of CBRE shall construct or cause to be constructed a minimum 600,000 square foot office tower in the Uptown neighborhood of Dallas by December 31, 2024. CBRE will be the anchor office tenant of the to-be-constructed building and will lease a minimum of 200,000 square feet in the building on or before December 31, 2025 to serve as the global headquarters of CBRE. The date of occupancy shall be measured as the date of issuance of a temporary or permanent certificate of occupancy for the leased space.

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SECTION 3. (continued)

- (b) From October 4, 2021 through the end of the Compliance Term, the global headquarters of CBRE shall be located in Dallas, Texas. Until the new building is constructed, the headquarters shall be at the current location, 2100 McKinney Avenue. Once the building in the Uptown neighborhood of Dallas is complete, the global headquarters shall move to that location. The 2100 McKinney Avenue location and the new Uptown office tower shall be collectively referred to herein as the "Dallas HQ."
- (c) CBRE shall obtain occupancy of the leased space on or before December 31, 2025 and shall continuously use the space as the global headquarters of CBRE through December 31, 2033. The date of occupancy shall be measured as the date of issuance of a temporary or permanent certificate of occupancy for the leased space.
- (d) CBRE shall retain a minimum of 700 jobs in Dallas from the date of execution of the incentive agreement through December 31, 2033 (the "Compliance Term"). For purpose of the incentive agreement, a "job" is defined as a full-time permanent CBRE employee scheduled to work at least 35 hours per week with benefits. Jobs that have flexibility to work from home periodically or who may travel from time to time shall still count for purposes of the incentive agreement so long as their primary business address is the Dallas HQ and the employees are residents of north Texas.
- (e) CBRE shall create a minimum of 250 new jobs, to be located at the Dallas HQ with an average annual salary of \$88,000 by December 31, 2028 and shall maintain those new jobs through the Compliance Term. For clarity, creation of the 250 new jobs coupled with the retention of the existing 700 jobs shall result in a total of 950 total jobs at the Dallas HQ by December 31, 2028.
- (f) ~~All CBRE employees in Dallas will be paid a minimum salary equal to or greater than \$15.00/hour throughout the Compliance Term~~ All CBRE employees in Dallas shall be paid a minimum salary equal to or greater than the then-current living wage for an individual in Dallas County as determined by the Massachusetts Institute of Technology's Living Wage Calculator, as that figure may be adjusted throughout the Compliance Term. The rate in Dallas County is currently \$15.21 per hour. This wage figure does not include overtime, bonuses, or benefits. This requirement does not apply to contract workers or temporary workers such as interns.

SECTION 3. (continued)

- (g) A minimum of 40% of the 250 new CBRE jobs created at Dallas HQ shall be verifiable residents of the City of Dallas. This local hiring requirement will be monitored annually during the Compliance Term, beginning in the year that CBRE completes the hiring of the new jobs.
- (h) CBRE shall, upon request, provide staff from the Office of Economic Development access to its headquarters to review all records and documents related to the obligations contained herein to monitor compliance with the City incentive agreement throughout the Compliance Term.
- (i) CBRE shall provide written annual reports to the Office of Economic Development regarding the status/outcomes of CBRE's compliance with the City's incentive agreement terms as requested by the Director in the applicable year of reporting. Of note, the annual reports shall include a summary regarding the status/outcomes of the workforce programs, including number of participants, salaries or other benefits paid to participants, and race/gender/ethnicity of participants. The annual reports shall be due every April 15th to the Office of Economic Development starting in 2023 and concluding in 2034. As an example of an annual report's applicable deadline, the 2022 annual report will be due by April 15th, 2023.
- (j) The grant shall be paid to CBRE in one installment and will be subject to compliance with the terms of the incentive agreement through December 31, 2033 (the "Compliance Period"). Failure of CBRE to occupy the Dallas HQ, to maintain and create the requisite number of jobs, to operate the internship programs, or to comply with any other term of the incentive agreement through the end of the Compliance Period shall result in forfeiture of all grant monies.
- (k) The Director, in his or her sole discretion, may extend any of the completion deadlines for up to six (6) months. m) In the event of a force majeure, CBRE shall, in writing, notify Director of such an event. Director shall make a decision as to whether a force majeure event under the terms of the agreement is occurring within 30 days of notice from CBRE. A force majeure event pauses a Party's performance obligation for the duration of the event, the termination of the event being determined solely by the Director, but does not excuse it. After the termination of the force majeure event, all deadlines occurring during the force majeure event shall be extended pursuant to the length of the force majeure event.

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SECTION 3. (continued)

(l) A written incentive agreement must be executed by all parties no later than March 31, 2022. If the agreement is not fully executed by that date, this incentive offer is void.

(m) Upon completion of all the terms and conditions of the written incentive agreement, CBRE shall make a written grant payment request on or before December 31, 2033.

SECTION 4. That CBRE is a “qualified business,” as defined in Section 2303.402 of the Act, and meets the criteria for designation as an enterprise project, as set forth in Section 2303, Subchapter F of the Act.

SECTION 5. That the enterprise project shall take effect on the date of designation of the enterprise project by the Office of the Governor of the State of Texas and terminate five years therefrom.

SECTION 6. That the Chapter 380 grant as noted within this Resolution is subject to annual verification, audit, or other necessary procedures deemed appropriate by the City. The Director is authorized to make appropriate arrangements with CBRE to meet the verification, audit, or other necessary requirements to fulfill the purposes described herein.

SECTION 7. That the Chapter 380 grant as noted within this Resolution is personal to CBRE and cannot be sold or assigned to non-affiliated companies without written approval by the Director.

SECTION 8. That pursuant to Section 4 of this Resolution, upon City approval of annual appropriation, that the Chief Financial Officer is hereby authorized to encumber and disburse funds to CBRE and/or its affiliates from Public/Private Partnership Fund, Fund 0352, Department ECO, Unit W633, Object 3016, Activity PPPF, Program PPPF0017, Contract No./Encumbrance No. ECO-2021-00017657, Vendor VS0000081009 in an amount not to exceed \$250,000.00.

SECTION 9. That this Resolution take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.