



Legislation Details (With Text)

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On agenda: 6/14/2023 **Final action:**

Title: Authorize (1) selection of the recommended most advantageous proposal submitted by Servitas, LLC for City Solicitation BVZ22- 00020446 (Request for Proposals for Transit-Oriented Development of Property Owned by Dallas Area Rapid Transit at the Royal Lane Station), most advantageous proposer of 1, and (2) the City Manager or designee to execute an exclusive negotiation agreement, approved as to form by the City Attorney, with Servitas, LLC, or an affiliate - Financing: No cost consideration to the City

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Indexes: 6

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Attachments: 1. Map, 2. Resolution, 3. Exhibit A, 4. Exhibit B

Date	Ver.	Action By	Action	Result
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STRATEGIC PRIORITY: Economic Development

AGENDA DATE: June 14, 2023

COUNCIL DISTRICT(S): 6

DEPARTMENT: Office of Economic Development

EXECUTIVE: Majed Al-Ghafry

SUBJECT

Authorize (1) selection of the recommended most advantageous proposal submitted by Servitas, LLC for City Solicitation BVZ22- 00020446 (Request for Proposals for Transit-Oriented Development of Property Owned by Dallas Area Rapid Transit at the Royal Lane Station), most advantageous proposer of 1, and (2) the City Manager or designee to execute an exclusive negotiation agreement, approved as to form by the City Attorney, with Servitas, LLC, or an affiliate - Financing: No cost consideration to the City

BACKGROUND

In July 2020, a memorandum was issued by the chairpersons of the City’s Housing and Homelessness Solutions Committee, Transportation and Infrastructure Committee, Economic Development Committee, and Workforce, Education, & Equity Committee of the City Council, challenging the City to utilize all available land owned by the City or Dallas Area Rapid Transit (DART) within a half-mile of DART light rail stations to produce mixed-income housing developments.

The memorandum entitled “Mixed-Income Housing Challenge for TODs for Post-Covid-19 Economic Development Recovery Efforts” (“Housing Challenge”) is included as Exhibit A to the Resolution.

For Phase I of the City’s efforts to meet the Housing Challenge, the City issued a Request for Proposals (RFP) in January 2021 to solicit transit-oriented development (TOD) proposals for five City-owned sites adjacent to DART light rail stations. On May 26, 2021, City Council approved the recommended proposals by Resolution No. 21-0928.

In December 2021, DART and the City executed a Memorandum of Understanding (Exhibit B to the Resolution) to give the City the ability to solicit TOD proposals for six DART-owned sites adjacent to DART light rail stations.

Phase II of the City’s efforts to meet the Housing Challenge focuses on DART-owned sites at the following light rail stations:

- 8th & Corinth Station
- Hampton Station
- Westmoreland Station
- Lake June Station
- Buckner Station
- Royal Lane Station

In September 2022, the City issued 6 RFPs to solicit TOD proposals (one RFP for each of the six DART-owned sites).

Generally, for each RFP, respondents were invited to submit ambitious TOD proposals including affordable and mixed-income residential components. Each RFP also prioritized proposals maximizing public benefit and producing development consistent with DART TOD Policy and DART TOD Guidelines.

Specifically, for each RFP, proposals were evaluated based on the following criteria:

1. Financial, Economic, and Social Factors. Under these criteria, the proposal’s projected annual ad valorem tax revenue generated, projected annual sales tax revenue generated, timing and certainty of revenue generated, as well as the number of new affordable units, levels of income restriction, and time duration of income restrictions were evaluated. These criteria also included whether the development would accept housing vouchers, the number and type of jobs created (including expected wage levels, benefits) by the development, and the financial strength and experience of the developer and its investors. The criteria also measure other public benefits which may be offered by the development, including efforts to employ Dallas residents, minority/women-owned business enterprise participation in soft costs and hard construction costs, and on-site amenities, such as day care.
2. Mobility. Under this criterion, each proposal’s maximization of multi-modal transportation networks to improve the quality of life for residents, creation of walkable, safe, vibrant, mixed-use environments, DART ridership generated by the proposed development, accommodation of existing DART transit operations, proposed re-routing, reconfiguration, or modified placement of bus access and passenger facilities, parking reductions for transit-oriented uses, parking replacement for DART station usage, parking access to the DART station, connectivity

to the station area through enhanced pedestrian and bicycle, where appropriate, facilities and thoughtful land-use and urban design, and incorporation of Americans with Disabilities standards for accessible design and accommodation of disabled residents and visitors, were evaluated.

3. **Creativity.** Under this criterion, the proposal's implementation of planning and urban design best practices and localized planning goals, creative placemaking and public realm activation, mix of transit-supportive land uses, incorporation of context-sensitive design and community character, visual continuity, quality streetscapes including landscaping and street trees, pedestrian lighting, and amenities such as furniture and bicycle racks, thoughtful placement, orientation, scale, and form of buildings, community-serving uses, high-quality and durable building materials, sustainable design practices, rainwater capture, low-impact development practices, and energy conservation practice were evaluated.

A six-member committee from the following City departments and DART divisions reviewed and evaluated the proposals:

- Department of Housing & Neighborhood Revitalization (1)
- Department of Planning & Urban Design (1)
- Office of Economic Development (1)
- Department of Transportation (1)
- DART - Economic Development (1)
- DART - Capital Planning (1)

The committee identified the most advantageous proposal based on the following criteria:

- Financial, Economic, and Social Factors 50 points
- Mobility 20 points
- Creativity 30 points

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out email notifications to vendors registered under relevant commodity codes. To further increase competition, the Office of Procurement Services used historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors.

Additionally, in September 2022, the Office of Economic Development mailed out personalized letters to 109 development firms to inform them about the RFPs.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

[The Economic Development Committee was briefed by memorandum regarding this matter on June 6, 2023. <https://cityofdallas.legistar.com/View.ashx?M=F&ID=12060871&GUID=56EBD2BF-4BC7-4931-BDB1-88AA91870BBA>](https://cityofdallas.legistar.com/View.ashx?M=F&ID=12060871&GUID=56EBD2BF-4BC7-4931-BDB1-88AA91870BBA)

FISCAL INFORMATION

No cost consideration to the City.

MAP

Attached