



Legislation Details (With Text)

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Title:	Authorize a Chapter 380 Economic Development Grant Agreement in the amount of \$1,000,000.00 with Revantage Corporate Services, LLC or an affiliate in connection with jobs created and retained at a new corporate office in accordance with the City's Public/Private Partnership Program - Not to exceed \$1,000,000.00 - Financing: Public/Private Partnership Fund				
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STRATEGIC PRIORITY: Economic Development

AGENDA DATE: September 14, 2022

COUNCIL DISTRICT(S): 14

DEPARTMENT: Office of Economic Development

EXECUTIVE: Majed Al-Ghafry

SUBJECT

Authorize a Chapter 380 Economic Development Grant Agreement in the amount of \$1,000,000.00 with Revantage Corporate Services, LLC or an affiliate in connection with jobs created and retained at a new corporate office in accordance with the City's Public/Private Partnership Program - Not to exceed \$1,000,000.00 - Financing: Public/Private Partnership Fund

BACKGROUND

Revantage Corporate Services, LLC ("Revantage") is a financial/real estate services firm headquartered in Chicago. Revantage serves the private Blackstone Group and its real estate partners. The company supports more than 4,300 assets and \$153 billion in total enterprise value. In addition to its Chicago office, it has offices in New York, Luxembourg, Amsterdam, London, and Singapore. Services offered by Revantage include accounting, tax, treasury, legal, human resources, technology, valuations, portfolio reporting support services, data analytics, property technology, and risk control.

Earlier this year, Revantage approached the City about plans to expand its operations with a new corporate office in the city of Dallas. The cities under consideration for this office expansion, involving leased spaces, are Chicago, Atlanta, and Dallas. In Dallas, the locations under consideration are within the Dallas Central Business District and are as follows:

- 300 South Pearl Street (District 14)
- 2550 Pacific Avenue (District 2)
- 2601 Victory Avenue (District 2)
- 2699 Howell Street (District 14)
- 2828 Routh Street (District 14)
- 2323 Cedar Springs Road (District 14)

Revantage would lease a minimum of 50,000 square feet as its permanent Dallas office. The estimated capital investment of Revantage associated with the new leased space is approximately \$6,000,000.00, which will be spent on furniture, fixtures, and equipment (business personal property) before December 31, 2026. If Dallas is selected, Revantage anticipates that the new office will commence operations by Quarter 4 2022 to Quarter 1 2023.

Revantage anticipates an incremental hiring between 2022 and 2026 with a minimum of 160 full-time jobs and up to 334 full-time (FT) jobs total. Average full-time compensation will be \$120,000.00 annual salary before overtime, benefits, and bonuses. Revantage may offer a flexible staffing plan, offering employees the ability to work in-office, remotely, or a hybrid combination of both.

The Office of Economic Development staff recommend City Council approval of the following economic development incentive agreement with Revantage that permits:

- I. A job creation economic development grant in an amount not to exceed \$1,000,000.00 to be paid upon completion of the following terms and conditions:
 - a. To qualify for the base grant of \$480,000.00, Revantage must document relocation and creation of a minimum of 160 jobs in Dallas by December 31, 2026. After this date, Revantage must retain a minimum of 160 FT jobs ("Initial Jobs") until December 31, 2032 ("Compliance Period").
 - b. Revantage may create jobs by December 31, 2026 and retain additional jobs throughout the Compliance Period, which would qualify Revantage for additional incentive payments as follows:
 - i. 90 additional FT jobs (250 total): an additional \$270,000.00 for a total payment of \$750,000.00 ("Tier 1")
 - ii. 84 additional FT jobs (334 total): an additional \$250,000.00 for a total payment of \$1,000,000.00 ("Tier 2")

Regardless of the number of jobs created, the average annual salary for the grant-eligible full-time jobs shall be \$120,000.00 before overtime, benefits, and bonuses ("Average Annual Salary"), and all jobs must be maintained through the Compliance Period.

Revantage shall provide and maintain a minimum compensation 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 for all Dallas-based Revantage employees. The rate in Dallas County is currently \$17.82 per hour.

Revantage will meet the local hiring goals by initially hiring a minimum of 45% of City of Dallas residents for the grant-eligible jobs at the Dallas corporate office. Throughout the Compliance Period, Revantage must document that a minimum of 40% of Revantage grant-eligible employees are Dallas residents.

In addition to the grant-specific terms and conditions outlined above, the incentive agreement shall have the following applicable terms, conditions, and obligations:

- Revantage shall execute a lease for a minimum of 50,000 square feet of leased space within the central business district of Dallas on or before April 28, 2023. Revantage shall occupy the space by December 31, 2026 and continually use the space as Revantage's office through December 31, 2032. Revantage will occupy office space, including temporary office space while the permanent space is being built out, within the City of Dallas on or before April 28, 2023.
- Workforce Program Initiative:
 - To further the goals of workforce development and the creation of workforce pipelines in Dallas, Revantage shall engage with Dallas College and serve as an employer partner for its Workforce Scholars program and/or its adult apprenticeship program. Such a partnership would engage students in work-based activities including but not limited to paid or unpaid internships, co-ops, practicums, pre-apprenticeships, and registered or non-registered apprenticeships for youth and adults.
 - In addition to the partnership with Dallas College, Revantage shall engage with two educational partners to enhance the career pipeline, provide internship opportunities, and/or other career readiness opportunities as agreed to by both parties. The permissible additional educational partners are as follows:
 - Paul Quinn College
 - University of North Texas- Dallas
 - Dallas Independent School District
 - Richardson Independent School District
 - Revantage shall deliver to Director an agreement executed by Revantage and the appropriate educational partners documenting the terms of the career readiness program no later than December 31, 2023.

The job grant may be paid in up to two lump sum installments, subject to funding availability, once Revantage documents the creation and relocation of applicable grant-eligible full-time jobs, as well as meeting the terms and conditions of the agreement, including the Dallas office occupancy requirements by the December 31, 2026.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Economic Development Committee was briefed in executive session regarding this matter on September 6, 2022.

FISCAL INFORMATION

Fund	FY 2022	FY 2023	Future Years
Public/Private Partnership Fund	\$0.00	\$0.00	\$1,000,000.00

TENANT/LEASEE

Revantage Corporate Service, LLC

Jessie Burgess, Chief Information Officer