



Legislation Text

File #: 23-560, **Version:** 1

STRATEGIC PRIORITY: Economic Development
AGENDA DATE: March 8, 2023
COUNCIL DISTRICT(S): 10
DEPARTMENT: Office of Economic Development
EXECUTIVE: Majed Al-Ghafry

SUBJECT

Authorize **(1)** the transfer of \$5,551,590.00 from the Skillman Corridor TIF District Fund to the Park & Recreation Department Capital Gifts, Donation & Development Fund to support the design and construction of a new City park and multi-purpose facility at the northwest corner of Forest Lane and Audelia Road (the "Forest/Audelia Project") in Tax Increment Financing Reinvestment Zone Number Fourteen (Skillman Corridor TIF District); **(2)** an increase in appropriations in an amount not to exceed \$5,551,590.00 in the Park & Recreation Department Capital Gifts, Donation & Development Fund; and **(3)** the disbursement of funds in an amount not to exceed \$5,551,590.00 from the Park & Recreation Department Capital Gifts, Donation & Development Fund to deliver the Forest/Audelia Project, such improvements being necessary and convenient to the implementation of the Skillman Corridor TIF District Project Plan and Reinvestment Zone Financing Plan, as amended - Not to exceed \$5,551,590.00 - Financing: Capital Gifts, Donation & Development Fund (subject to availability and current and annual appropriations from tax increments)

BACKGROUND

In 2018, the Forest/Audelia area became part of the Dallas Project Safe Neighborhoods Initiative, focusing on the most pressing violent crime problems in a community and supported through the U.S. Attorney's Office - Northern District of Texas Project Safe Neighborhood. The poverty rates for the four census tracts converging at the Forest/Audelia area are 13.1%, 29.4%, 31.8% and 34.2%, all exceeding the U.S. poverty rate of 11.6%. Between 88% and 98% of the students attending the three elementary schools within the greater area are economically disadvantaged. There are no parks in northeast Dallas north of Lyndon B Johnson (LBJ) Freeway, and the Forest/Audelia area is designated a "High Needs Area" by the Trust for Public Land. The Forest/Audelia area has a high density of aging apartment and is approximately 87% renter-occupied.

On October 28, 2020, City Council approved Resolution No. 20-1335, authorizing the acquisition of an approximately 3.66-acre property located at 9759 Forest Lane. The property was purchased with the intent to fill one of the many parkland gaps in Council District 10. At the time of the City's acquisition of the property in 2020, the City anticipated that a portion of the existing commercial

structure(s) would be demolished for the development of a park or repurposed for park uses as determined through public input and Council District 10 needs.

After the creation of a Better Block pop-up recreational space and associated public input from October through November 2022, the City determined that it would be beneficial to construct a park and repurpose a portion of the existing commercial structure as a public multi-purpose facility, which may include a cultural center, library, recreation center, and/or police sub-station (to be known as the Forest/Audelia Project).

The Dallas Park & Recreation Department requested that the Office of Economic Development consider cost-sharing in the Forest/Audelia Project. The funding request is in the amount of up to \$5,551,590.00 in Skillman Corridor TIF District district-wide set-aside funds.

The scope of the Forest/Audelia Project includes conversion of a portion of the existing surface parking lot to a public park (Phase 1) and demolition of a portion of the strip retail building to create additional open space and to right-size the building for a public multi-purpose facility (Phase 2).

The total estimated project cost for Phase 1 and Phase 2 is \$7,551,590.00, with the remainder to be funded by the Park & Recreation Department (\$750,000.00), Council District 10 reprogrammed 2017 General Obligation (GO) Bond Program Funds (\$332,000.00), and Council District 10 American Rescue Plan Act (ARPA) Funds (\$918,000.00).

A future Phase 3, which may be implemented with future funding, is envisioned to include expansion of the program space potentially with an educational partner.

The Park & Recreation Department will lead the implementation of the Forest/Audelia Project. Therefore, \$5,551,590.00 from the Skillman Corridor TIF District Fund will be transferred to the Park & Recreation Department Capital Gifts, Donation & Development Fund to support the Forest/Audelia Project including funding (a) professional service project expenses and construction of a public park and (b) professional service project expenses and redevelopment (including partial demolition and complete renovation) of the existing building for the creation of a public multi-purpose facility.

In the coming months, additional public input as well as review by the City's Urban Design Peer Review Panel will help the City arrive at a final design for the Forest/Audelia Project.

ESTIMATED PROJECT SCHEDULE

Start Project	March 2023
Complete Project	October 2024

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On October 26, 2005, City Council, pursuant to Ordinance No. 26148, established Tax Increment Reinvestment Zone Number Fourteen, (the "Skillman Corridor TIF District"), in accordance with the Tax Increment Financing Act, as amended (V.T.C.A Texas Tax Code, Chapter 311, the "Act") to promote development and redevelopment in the Skillman Corridor area through the use of tax increment financing by Resolution No. 05-3067, as amended.

On December 13, 2006, City Council approved the Project Plan and Reinvestment Zone Financing Plan (the “Plan”) for the Skillman Corridor TIF District by Resolution No. 06-3434; and Ordinance No. 26534, as amended.

On October 28, 2020, City Council authorized the acquisition of approximately 159,371 square feet of commercially improved land located near the intersection of Forest Lane and Audelia Road for the 9759 Forest Lane Future Park Site Project by Resolution No. 20-1335.

On December 2, 2022, the Skillman Corridor TIF District Board of Directors reviewed and unanimously recommended City Council approval of amendments to the Skillman Corridor TIF District Plan to increase the geographic area of the Skillman Corridor TIF District by adding approximately 34 acres to include certain properties along Audelia Road from LBJ Freeway (IH-635) to Forest Lane, specify that expenditures within the budget category titled “Other Skillman Corridor Improvement” may include redevelopment of publicly-owned, and to include findings, consistent with the requirements and limitations of the Act, that (i) the vacant and underutilized property in the proposed expansion area substantially arrests or impairs the sound growth of the City, (ii) development or redevelopment in the proposed expansion area will not occur solely through private investment in the foreseeable future, and (iii) inclusion of the proposed expansion area will have an overall benefit to, and further the purposes of, the Skillman Corridor TIF District.

On December 2, 2022, the Skillman Corridor TIF District Board of Directors reviewed a request by the City’s Park & Recreation Department to dedicate Skillman Corridor TIF District district-wide set-aside funds in an amount not to exceed \$5,551,590.00 for the Forest/Audelia Project and unanimously recommended City Council approval.

[The Economic Development Committee was briefed by memorandum regarding this matter on February 6, 2023. <https://cityofdallas.legistar.com/View.ashx?M=F&ID=11619891&GUID=81DC0C9D-EFA9-4E0A-8CDE-F939F5D52F01>](https://cityofdallas.legistar.com/View.ashx?M=F&ID=11619891&GUID=81DC0C9D-EFA9-4E0A-8CDE-F939F5D52F01)

FISCAL INFORMATION

Fund	FY 2023	FY 2024	Future Years
Capital Gifts, Donation & Development Fund	\$5,551,590.00	\$0.00	\$0.00

MAP

Attached