

MINUTES OF THE CITY COUNCIL COMMITTEE
MONDAY, JUNE 6, 2022

22-0013

ECONOMIC DEVELOPMENT COMMITTEE
CITY COUNCIL CHAMBER, CITY HALL/VIDEO CONFERENCE
COUNCILMEMBER TENNELL ATKINS, PRESIDING

PRESENT: [7] Atkins, Arnold, *McGough, Narvaez, *Resendez, West, Willis

ABSENT: [0]

The meeting was called to order at 1:03 p.m. with a quorum of the committee present.

The meeting agenda, posted in accordance with Chapter 551, "OPEN MEETINGS," of the Texas Government Code, was presented.

The meeting recessed to closed session at 2:14 p.m. and reconvened to open session at 2:59 p.m.

After all business properly brought before the committee had been considered, the meeting adjourned at 2:59 p.m.

Chair

ATTEST:

City Secretary Staff

Date Approved

The agenda is attached to the minutes of this meeting as EXHIBIT A.

The actions taken on each matter considered by the committee are attached to the minutes of this meeting as EXHIBIT B.

The briefing materials are attached to the minutes of this meeting as EXHIBIT C.

***Note: Members of the Committee participated in this meeting by video conference.**

MINUTES OF THE CITY COUNCIL COMMITTEE
MONDAY, JUNE 6, 2022

EXHIBIT A

RECEIVED

2022 JUN -3 PM 12: 54

**CITY SECRETARY
DALLAS, TEXAS**

City of Dallas

*1500 Marilla Street
Council Chambers, 6th Floor
Dallas, Texas 75201*

Public Notice

220572

POSTED CITY SECRETARY
DALLAS, TX



Economic Development Committee

June 6, 2022

1:00 PM

(For General Information and Rules of Courtesy, Please See Opposite Side.)
(La Información General Y Reglas De Cortesía Que Deben Observarse
Durante Las Asambleas Del Consejo Municipal Aparecen En El Lado Opuesto, Favor De Leerlas.)

2022 CITY COUNCIL APPOINTMENTS

COUNCIL COMMITTEE	
ECONOMIC DEVELOPMENT Atkins (C), Arnold (VC), McGough, Narvaez, Resendez, West, Willis	ENVIRONMENT AND SUSTAINABILITY Blackmon(C), Ridley (VC), Arnold, Bazaldua, Resendez, Schultz, West
GOVERNMENT PERFORMANCE AND FINANCIAL MANAGEMENT Mendelsohn (C), Willis (VC), Atkins, Bazaldua, McGough, Ridley, West	HOUSING AND HOMELESSNESS SOLUTIONS Thomas (C), Moreno (VC), Arnold, Blackmon, Mendelsohn, Ridley, Schultz
PUBLIC SAFETY McGough (C), Mendelsohn (VC), Atkins, Moreno, Resendez, Thomas, Willis	QUALITY OF LIFE, ARTS, AND CULTURE Bazaldua (C), West (VC), Arnold, Blackmon, Narvaez, Ridley, Thomas
TRANSPORTATION AND INFRASTRUCTURE Narvaez (C), Atkins (VC), Bazaldua, Mendelsohn, Moreno, Schultz, Willis	WORKFORCE, EDUCATION, AND EQUITY Schultz (C), Thomas (VC), Blackmon, McGough, Moreno, Narvaez, Resendez
AD HOC JUDICIAL NOMINATING COMMITTEE Resendez (C), Arnold, Bazaldua, Ridley, Thomas, West, Willis	AD HOC LEGISLATIVE AFFAIRS Atkins (C), McGough, Mendelsohn, Narvaez, Willis
AD HOC COMMITTEE ON PROFESSIONAL SPORTS RECRUITMENT AND RETENTION Johnson (C), Atkins, Bazaldua, Blackmon, Thomas	AD HOC COMMITTEE ON GENERAL INVESTIGATING & ETHICS Mendelsohn (C), Atkins, Blackmon, McGough, Schultz
AD HOC COMMITTEE ON ADMINISTRATIVE AFFAIRS Willis (C), McGough, Moreno, Schultz, West	

(C) – Chair, (VC) – Vice Chair

Note: A quorum of the Dallas City Council may attend this Council Committee meeting.

General Information

The Dallas City Council regularly meets on Wednesdays beginning at 9:00 a.m. in the Council Chambers, 6th floor, City Hall, 1500 Marilla. Council agenda meetings are broadcast live on WRR-FM radio (101.1 FM) and on Time Warner City Cable Channel 16. Briefing meetings are held the first and third Wednesdays of each month. Council agenda (voting) meetings are held on the second and fourth Wednesdays. Anyone wishing to speak at a meeting should sign up with the City Secretary's Office by calling (214) 670-3738 by 5:00 p.m. of the last regular business day preceding the meeting. Citizens can find out the name of their representative and their voting district by calling the City Secretary's Office.

Sign interpreters are available upon request with a 48-hour advance notice by calling (214) 670-5208 V/TDD. The City of Dallas is committed to compliance with the Americans with Disabilities Act. **The Council agenda is available in alternative formats upon request.**

If you have any questions about this agenda or comments or complaints about city services, call 311.

Rules of Courtesy

City Council meetings bring together citizens of many varied interests and ideas. To insure fairness and orderly meetings, the Council has adopted rules of courtesy which apply to all members of the Council, administrative staff, news media, citizens and visitors. These procedures provide:

- That no one shall delay or interrupt the proceedings, or refuse to obey the orders of the presiding officer.
- All persons should refrain from private conversation, eating, drinking and smoking while in the Council Chamber.
- Posters or placards must remain outside the Council Chamber.
- No cellular phones or audible beepers allowed in Council Chamber while City Council is in session.

"Citizens and other visitors attending City Council meetings shall observe the same rules of propriety, decorum and good conduct applicable to members of the City Council. Any person making personal, impertinent, profane or slanderous remarks or who becomes boisterous while addressing the City Council or while

Información General

El Ayuntamiento de la Ciudad de Dallas se reúne regularmente los miércoles en la Cámara del Ayuntamiento en el sexto piso de la Alcaldía, 1500 Marilla, a las 9 de la mañana. Las reuniones informativas se llevan a cabo el primer y tercer miércoles del mes. Estas audiencias se transmiten en vivo por la estación de radio WRR-FM 101.1 y por cablevisión en la estación *Time Warner City Cable* Canal 16. El Ayuntamiento Municipal se reúne en el segundo y cuarto miércoles del mes para tratar asuntos presentados de manera oficial en la agenda para su aprobación. Toda persona que desee hablar durante la asamblea del Ayuntamiento, debe inscribirse llamando a la Secretaría Municipal al teléfono (214) 670-3738, antes de las 5:00 pm del último día hábil anterior a la reunión. Para enterarse del nombre de su representante en el Ayuntamiento Municipal y el distrito donde usted puede votar, favor de llamar a la Secretaría Municipal.

Intérpretes para personas con impedimentos auditivos están disponibles si lo solicita con 48 horas de anticipación llamando al (214) 670-5208 (aparato auditivo V/TDD). La Ciudad de Dallas se esfuerza por cumplir con el decreto que protege a las personas con impedimentos, *Americans with Disabilities Act*. **La agenda del Ayuntamiento está disponible en formatos alternos si lo solicita.**

Si tiene preguntas sobre esta agenda, o si desea hacer comentarios o presentar quejas con respecto a servicios de la Ciudad, llame al 311.

Reglas de Cortesía

Las asambleas del Ayuntamiento Municipal reúnen a ciudadanos de diversos intereses e ideologías. Para asegurar la imparcialidad y el orden durante las asambleas, el Ayuntamiento ha adoptado ciertas reglas de cortesía que aplican a todos los miembros del Ayuntamiento, al personal administrativo, personal de los medios de comunicación, a los ciudadanos, y a visitantes. Estos reglamentos establecen lo siguiente:

- Ninguna persona retrasará o interrumpirá los procedimientos, o se negará a obedecer las órdenes del oficial que preside la asamblea.
- Todas las personas deben abstenerse de entablar conversaciones, comer, beber y fumar dentro de la cámara del Ayuntamiento.
- Anuncios y pancartas deben permanecer fuera de la cámara del Ayuntamiento.
- No se permite usar teléfonos celulares o enlaces electrónicos (*paggers*) audibles en la cámara del Ayuntamiento durante audiencias del Ayuntamiento Municipal

"Los ciudadanos y visitantes presentes durante las

attending the City Council meeting shall be removed from the room if the sergeant-at-arms is so directed by the presiding officer, and the person shall be barred from further audience before the City Council during that session of the City Council. If the presiding officer fails to act, any member of the City Council may move to require enforcement of the rules, and the affirmative vote of a majority of the City Council shall require the presiding officer to act." Section 3.3(c) of the City Council Rules of Procedure.

asambleas del Ayuntamiento Municipal deben de obedecer las mismas reglas de comportamiento, decoro y buena conducta que se aplican a los miembros del Ayuntamiento Municipal. Cualquier persona que haga comentarios impertinentes, utilice vocabulario obsceno o difamatorio, o que al dirigirse al Ayuntamiento lo haga en forma escandalosa, o si causa disturbio durante la asamblea del Ayuntamiento Municipal, será expulsada de la cámara si el oficial que este presidiendo la asamblea así lo ordena. Además, se le prohibirá continuar participando en la audiencia ante el Ayuntamiento Municipal. Si el oficial que preside la asamblea no toma acción, cualquier otro miembro del Ayuntamiento Municipal puede tomar medidas para hacer cumplir las reglas establecidas, y el voto afirmativo de la mayoría del Ayuntamiento Municipal precisara al oficial que este presidiendo la sesión a tomar acción." Según la sección 3.3 (c) de las reglas de procedimientos del Ayuntamiento.

Handgun Prohibition Notice for Meetings of Governmental Entities

"Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun."

"De acuerdo con la sección 30.06 del código penal (ingreso sin autorización de un titular de una licencia con una pistola oculta), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola oculta."

"Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly."

"De acuerdo con la sección 30.07 del código penal (ingreso sin autorización de un titular de una licencia con una pistola a la vista), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola a la vista."

"Pursuant to Section 46.03, Penal Code (places weapons prohibited), a person may not carry a firearm or other weapon into any open meeting on this property."

"De conformidad con la Sección 46.03, Código Penal (coloca armas prohibidas), una persona no puede llevar un arma de fuego u otra arma a ninguna reunión abierta en esta propiedad."

Call to Order

The City Council Economic Development Committee meeting will be held by videoconference and in the Council Chambers, 6th Floor at City Hall.

The public is encouraged to attend the meeting virtually; however, City Hall is available for those wishing to attend the meeting in person following all current pandemic-related public health protocols.

The following videoconference link is available to the public to listen to the meeting and Public Affairs and Outreach will also stream the City Council Briefing on Spectrum Cable Channel 95 and bit.ly/cityofdallastv:

<https://dallascityhall.webex.com/dallascityhall/j.php?MTID=m15555b8a3bd9ea6e6c69cf0efb30be08>

MINUTES

1. 22-1251 Approval of Minutes of the May 2, 2022 City Council Meeting Economic Development Committee

Attachments: Minutes

BRIEFING ITEMS

- A. 22-1246 Economic Development Policy Update
[Jennifer Gates, Chair, Economic Development Policy Task Force, Aaron Abelson, Managing Partner, HR&A Advisors, and Majed A. Al-Ghafry, Assistant City Manager, City Manager's Office]

Attachments: Presentation

- B. 22-1322 Proposed MLK Wellness Complex Project
[Joyce Williams, Director, Small Business Center]

Attachments: Presentation

BRIEFING MEMORANDUMS

- C. 22-1379 One Newpark Project: Update Regarding Abandonment Fee
[Kevin Spath, Assistant Director, Office of Economic Development]

Attachments: Memo

- D. 22-1248 Authorize a development agreement and related documents in connection with University Hills Phase I Catalyst Project
[Kevin Spath, Assistant Director, Office of Economic Development]

Attachments: Memo

EXECUTIVE SESSION

- E. 22-1250 Deliberate the offer of a financial or other incentive to a business prospect (“Project X”) that the City seeks to locate/relocate within the City and with which the city is conducting economic development negotiations (Sec. 551.087 T.O.M.A.)

ADJOURNMENT

EXECUTIVE SESSION NOTICE

A closed executive session may be held if the discussion of any of the above agenda items concerns one of the following:

1. seeking the advice of its attorney about pending or contemplated litigation, settlement offers, or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act. [Tex. Govt. Code §551.071]
2. deliberating the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.072]
3. deliberating a negotiated contract for a prospective gift or donation to the city if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.073]
4. deliberating the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing. [Tex. Govt. Code §551.074]
5. deliberating the deployment, or specific occasions for implementation, of security personnel or devices. [Tex. Govt. Code §551.076]
6. discussing or deliberating commercial or financial information that the city has received from a business prospect that the city seeks to have locate, stay or expand in or near the city and with which the city is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect. [Tex Govt. Code §551.087]
7. deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementations of security personnel, critical infrastructure, or security devices. [Tex Govt. Code §551.089]

MINUTES OF THE CITY COUNCIL COMMITTEE
MONDAY, JUNE 6, 2022

EXHIBIT B

OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

JUNE 6, 2022

Item 1: Approval of Minutes of the May 2, 2022 City Council Meeting Economic Development Committee

Councilmember Narvaez moved to adopt the minutes as presented.

Motion seconded by Councilmember Arnold and unanimously adopted.

OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

JUNE 6, 2022

BRIEFING ITEMS

Item A: Economic Development Policy Update

The following individuals briefed the committee on the item:

- Jennifer Gates, Chair, Economic Development Policy Task Force;
- Andrea Batista Schlesinger, Partner, HR&A Advisors
- Aaron Abelson, Managing Partner, HR&A Advisors;
- Majed A. Al-Ghafry, Assistant City Manager, City Manager's Office;
- David Noguera, Director, Housing and Neighborhood Revitalization; and
- Robin Bentley, Director, Economic Development

OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

JUNE 6, 2022

BRIEFING ITEMS

Item B: Proposed MLK Wellness Complex Project

The following individual briefed the committee on the item:

- Joyce Williams, Director, Small Business Center

OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

JUNE 6, 2022

BRIEFING MEMORANDUMS

Item C: One Newpark Project: Update Regarding Abandonment Fee

Item D: Reauthorization of Public/Private Partnership Program Guidelines and Criteria

The committee discussed the items.

OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

JUNE 6, 2022

EXECUTIVE SESSION

Item E: Public Improvement District (PID) Upcoming Agenda Items: (1) Call for a Public Hearing to be held on June 8, 2022 to renew the 1) Knox Street Public Improvement District, 2) Lake Highlands Public Improvement District, 3) Midtown Improvement District, 4) the expansion of the Dallas Tourism Public Improvement District to include 6 additional hotels, and Providing Information on Planned Amendments to PID Management Contracts to Include Good Governance Provisions

At 2:14 p.m., Councilmember Atkins announced the executive session of the city council authorized by Chapter 551, "OPEN MEETINGS," of the (Texas Open Meetings Act) to discuss the following matter:

- Public Improvement District (PID) Upcoming Agenda Items: (1) Call for a Public Hearing to be held on June 8, 2022 to renew the 1) Knox Street Public Improvement District, 2) Lake Highlands Public Improvement District, 3) Midtown Improvement District, 4) the expansion of the Dallas Tourism Public Improvement District to include 6 additional hotels, and Providing Information on Planned Amendments to PID Management Contracts to Include Good Governance Provisions

The closed session ended and reconvened to open session at 2:59 p.m. No other matters were discussed during the closed session.

MINUTES OF THE CITY COUNCIL COMMITTEE
MONDAY, JUNE 6, 2022

EXHIBIT C



City of Dallas

1500 Marilla Street
Council Chambers, 6th Floor
Dallas, Texas 75201

Agenda Information Sheet

File #: 22-1246

Item #: A.

Economic Development Policy Update

[Jennifer Gates, Chair, Economic Development Policy Task Force, Aaron Abelson, Managing Partner, HR&A Advisors, and Majed A. Al-Ghafry, Assistant City Manager, City Manager's Office]



City of Dallas

Economic Development Policy Update

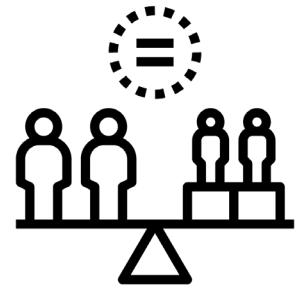
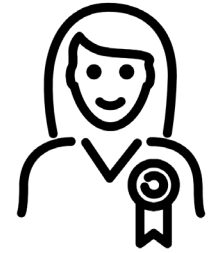
**Economic Development Committee
June 6, 2022**

Jennifer Gates, Chair
Economic Development Policy Task Force
Aaron Abelson, Managing Principal
HR&A Advisors
Majed A. Al-Ghafry, Assistant City Manager
City of Dallas

Economic Development Policy Mission



- **Prioritize** Southern Dallas and communities of color
- **Focus** on land development and investment approaches south of Interstate 30
- **Correct** the disparities in access to housing, meaningful employment, services, and amenities
- **Create** wealth-building opportunities
- Support **local innovation** and neighborhood-level interventions
- **Foster** community sustainability and resilience
- **Generate** economic vitality via a diversified economy
- **Deliver** inclusive and responsive governance
- **Launch the necessary processes and governance structure** needed to support the ten-year policy execution timeline



Transition Year



May 2021 – May 2022

From the *Economic Development Policy 2022-2032*:

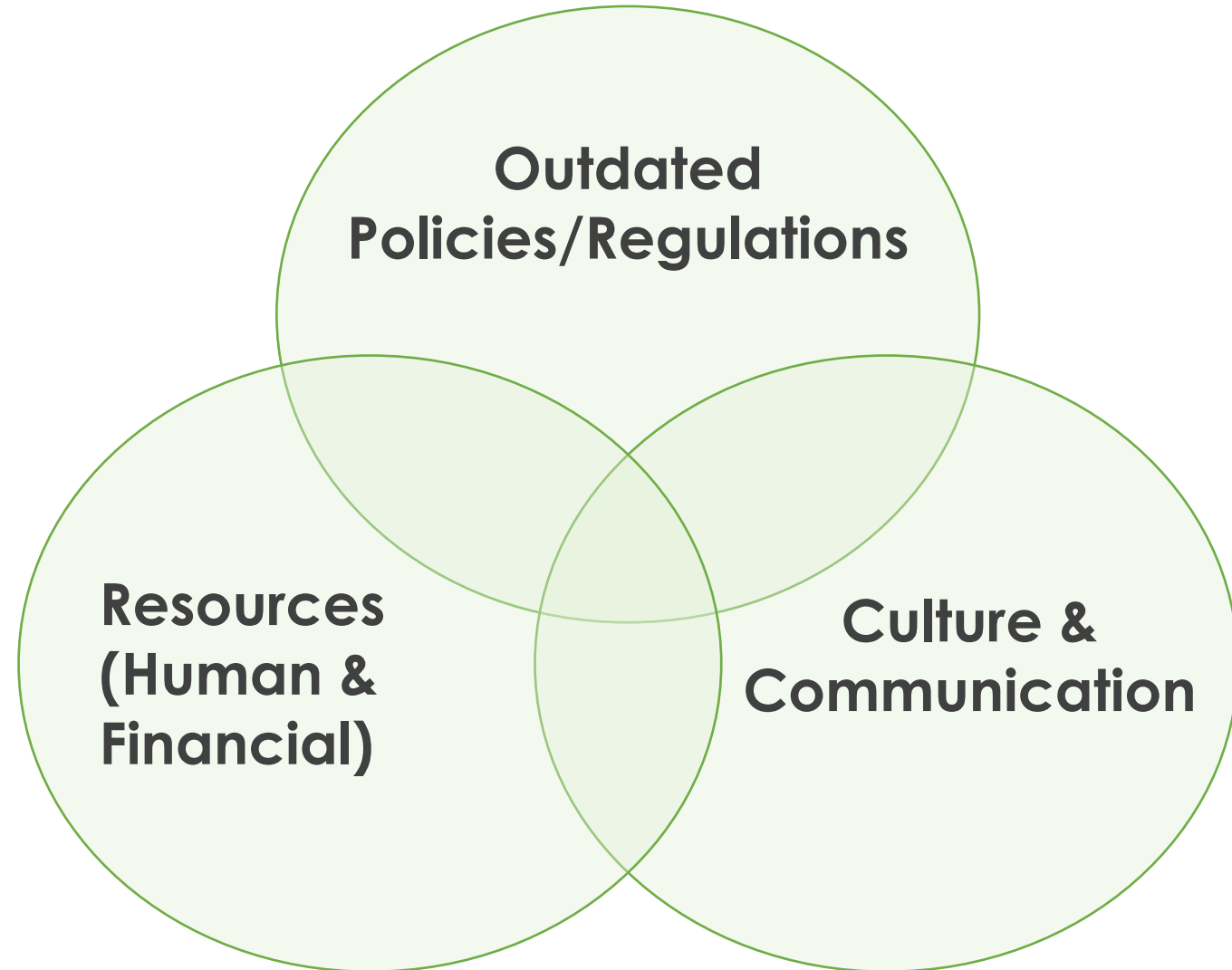
“A **one-year transition period** is necessary to allow **staff and community stakeholders** to coordinate strategy. This will also afford the city a period by which it can **put in place procedures and processes that are foundational** to each of the tenants outlined in this document. [...] Additionally, an **advisory committee will be established** to work with staff and stakeholders on policy refinement and to launch the economic development entity. Staff will also hire an outside consultant to assist with facilitating, structuring, and activating the recommended process alignment measures. During this one year’s transition period **staff shall bring to the appropriate City Council committees any items that may need feedback to support policy implementation.**”



Barriers to Equitable Development



City staff, the Task Force, and other Policy implementation partners are bringing solutions forward that confront **historic barriers to equitable development** and opportunity in Dallas. This will require a combination of City Staff and City Council actions to foster responsive governance.



Task Force



Members

- **Jennifer Gates (Chair)**, Former Dallas City Council Member
- **Harrison Blair**, Black Chamber of Commerce
- **Trey Bowles**, InnoCity Partners
- **Cullum Clark**, Bush Institute
- **Zenetta Drew**, Dallas Black Dance Theater
- **Alfredo Duarte**, Taxco Produce
- **Steven Duong**, AECOM
- **Hilda Galvan**, Jones Day
- **Rebecca Acuna**, PepsiCo.
- **Jessica Hernandez**, Parkland Hospital
- **Rick Ortiz**, Greater Dallas Hispanic Chamber of Commerce
- **Drex Owusu**, Dallas Foundation
- **Michael Sorrell**, Paul Quinn College
- **Oric Walker**, Atmos Energy
- **Dora Zapata**, Capital One
- **Amy Tharp**, Downtown Dallas, Inc.

Roles & Responsibilities

- **A sounding board** on critical policy issues to **provide accountability** during the one-year transition period and beyond
- Review significant proposed **regulatory changes and organizational plans** for the future Economic Development Corporation (EDC) and the Policy.



Policy Implementation Priorities



The City identified priority initiatives and action areas that represent opportunities to **remove barriers and create the foundation for equitable development and growth.**

- Overhaul Incentives Policy
- Create Community-Driven Land Use Planning Process
- Audit and Update Comprehensive Housing Policy
- Empower a New Economic Development Corporation
- Overhaul Historic Preservation Mission & Function
- Improve Development Services Operations
- Develop Structures for Collaboration



Barriers Encountered and Future Actions



In coming months, staff will bring forward concrete actions to City Council that address barriers and lay the foundation for meeting the Economic Development Policy.

Barriers Encountered	Select Upcoming Action
<p>Elements of City policy, structure, and code are outdated, creating inefficiencies or structural barriers to meeting the equity mission of the Policy.</p>	<ul style="list-style-type: none"> • Updates to Economic Development Policy (2022) • Code consultant contract (2022) • Chapter 51 and 51A revisions to support the Comprehensive Land Use update, Future Land Use Map, and historic preservation (2023) • EDC board, leadership, and authority (2022-23)
<p>Current incentive tools and decision-making criteria are insufficient to support neighborhood priorities and projects in communities where structural disparities have hindered opportunity.</p>	<ul style="list-style-type: none"> • Public-Private Partnership guidelines (2022) • TIF program updates (2022) • Chapter 373 program (2022)
<p>The current Comprehensive Housing Policy does not produce equitable outcomes.</p>	<ul style="list-style-type: none"> • Consultant contract for CHP updates • Updates to Comprehensive Housing Policy (2023)



Barriers Encountered and Future Actions



In coming months, staff will bring forward concrete actions to City Council that address barriers and lay the foundation for meeting the Economic Development Policy.

Barriers Encountered	Select Upcoming Action
<p>Insufficient resources to overcome past/existing disparities by centering racial equity in budgeting and bond programs</p>	<ul style="list-style-type: none">• Budget for implementation of Mixed Income Housing Development Bonus Program (2022)• Staff costs for implementation of MIHB Program (2022)• Economic Development Policy priorities and metrics in bond program (TBD)• Budget for Development Services capacity for Housing, Special Projects, and Q team (2022)
<p>Information Technology platforms and software can be difficult to navigate internally and externally, hindering customer service and impact.</p>	<ul style="list-style-type: none">• Budget for cross-departmental software improvements (2023)
<p>Historic preservation processes, mission, and functions are outdated and inconsistent with Policy mission.</p>	<ul style="list-style-type: none">• Potential ordinance revisions to streamline processes and prioritize S. Dallas investments• Historic Preservation grant program to prioritize underserved communities in Southern Dallas (2023)



City of Dallas

Economic Development Policy Update

**Economic Development Committee
June 6, 2022**

Jennifer Gates, Chair
Economic Development Policy Task Force
Aaron Abelson, Managing Principal
HR&A Advisors
Majed A. Al-Ghafry, Assistant City Manager
City of Dallas



City of Dallas

1500 Marilla Street
Council Chambers, 6th Floor
Dallas, Texas 75201

Agenda Information Sheet

File #: 22-1322

Item #: B.

Proposed MLK Wellness Complex Project
[Joyce Williams, Director, Small Business Center]



City of Dallas

Proposed MLK Wellness Complex Project

**Economic Development Committee
June 6, 2022**

Joyce Williams, Director
Small Business Center

Presentation Overview



- Purpose of Briefing
- Project Background
- Funding Recommendation
- MLK Wellness, LLC Project Design
- Next Steps



Purpose of Briefing



- Provide an overview of the proposed MLK Wellness Complex Project to be located at 3101 Martin Luther King Jr. Blvd



Project Background



- The Project is a \$1.121M mixed-use redevelopment to be housed in the former Dallas Weekly building.
- Project's goal is to enrich the South Dallas community, particularly its youth, by providing wellness options focused on fitness, healthy lifestyle, and diet choices.
 - Fitness center - 3,000 sq ft
 - Health food restaurant - 1,200 sq foot
 - Office space - 863 sq ft
- Project involves renovating a 5,063 sq ft existing building at **3103 Martin Luther King, Jr. Boulevard, Dallas, Texas, 75215**, and utilizing a 3,212 sq ft adjacent vacant lot at 2904 Meadow Street, Dallas, Texas, 75215, for parking.
- The South Dallas Fair Park Opportunity Fund Board approved this proposed project on May 23, 2022.



Based on estimates from the developer Ferrell Fellows, the total project cost is \$1,121,608.

Funding Source	Funding Amount
Trinity Capital Bank	\$511,150.00
Ferrell Fellows (Owner)	\$160,458.00
South Dallas Fair Park Opportunity Fund (repayable loan@1% interest)	\$350,000.00
Southern Dallas Investment Grant 2017 Prop I	\$100,000.00
Project Total Cost	\$1,121, 608.00

MLK Wellness, LLC Project Design



Current Location View



New Design

Staff Recommendation



- Authorize a Conditional South Dallas/Fair Park Opportunity Fund Chapter 380 Economic Development Loan Agreement in the amount of \$350,000; and a \$100,000 Southern Dallas Investment Fund Grant with MLK Kingdom Complex, LLC for construction costs related to development of the MLK Wellness Complex, a commercial center located at 3101 Martin Luther King Jr. Blvd. Dallas, Texas.

Next Steps



- City Council approval on June 22, 2022
- Continue to partner with developer and tenants to implement project





City of Dallas

Proposed MLK Wellness Complex Project

**Economic Development Committee
June 6, 2022**

Joyce Williams, Director
Small Business Center



City of Dallas

1500 Marilla Street
Council Chambers, 6th Floor
Dallas, Texas 75201

Agenda Information Sheet

File #: 22-1379

Item #: C.

One Newpark Project: Update Regarding Abandonment Fee
[Kevin Spath, Assistant Director, Office of Economic Development]

Memorandum



CITY OF DALLAS

DATE June 6, 2022

Honorable Members of the City Council Economic Development Committee: Tennell
TO Atkins, (Chair), Carolyn King Arnold, (Vice Chair), Adam McGough, Omar Narvaez,
Jaime Resendez, Chad West, Gay Donnell Willis

SUBJECT **One Newpark Project: Update Regarding City Abandonment Fee**

On May 2, 2022, the Economic Development Committee (EDC) was briefed on the proposed One Newpark project. One Newpark ("Project"), a 38-floor, 1.3 million square foot mixed-use and mixed-income tower is proposed to be developed on approximately 1.7 acres of land currently used as surface parking lots just south of City Hall at the southeast corner of S. Akard Street and Canton Street. As part of the land assembly for the Project, One Newpark GP, LLC ("Developer") requested an abandonment of Browder Street between Canton Street and Cadiz Street.

As was described in the EDC briefing, the Office of Economic Development negotiated a detailed Letter of Intent ("LOI") that was executed by the Developer on February 11, 2022 for a development agreement and a subsidy in an amount not to exceed \$95,500,000.00 ("City Subsidy"). The City Subsidy was comprised of: 1) up to \$3,500,000.00 in the form of an economic development grant payable from the City's Public/Private Partnership Fund ("PPP Grant") to offset expenditures made by the Developer for City development fees such as right-of-way abandonment, permitting, plan review, and inspection fees; and 2) up to \$92,000,000.00 payable from future tax increment in the Newpark Sub-district of the Downtown Connection TIF District ("TIF Subsidy").

Since execution of the LOI and following the EDC meeting on May 2, 2022, the abandonment fee for Browder Street has increased by approximately \$600,000.00 based on an updated appraisal of the right-of-way received by the City on May 24, 2022. As a result, Staff is proposing to increase the PPP Grant portion of the City Subsidy from \$3.5 million to \$4.1 million to reflect the \$600,000.00 increase in the abandonment fee.

Staff is not proposing any changes to the TIF Subsidy. The requirement for full repayment of the PPP Grant from a portion of the TIF Subsidy also remains.


On June 22, 2022, City Council will consider two related items:

- (1) hold a public hearing and consider approval of proposed amendments to the Project Plan and Reinvestment Zone Financing Plan ("Plan") for Tax Increment Reinvestment Zone Number Eleven, the Downtown Connection Tax Increment Financing ("TIF") District, and

DATE June 6, 2022
SUBJECT **One Newpark Project: Update Regarding City Abandonment Fee**

(2) authorize a development agreement and all other necessary documents with One Newpark GP, LLC and/or its affiliates for a City Subsidy in an amount not to exceed \$96,100,000.00 in consideration of the One Newpark Project.

Should you have any questions, please contact Kevin Spath, Assistant Director in the Office of Economic Development, at (214) 670-1691 or kevin.spath@dallas.gov



Majed A. Al-Ghafry, P.E.
Assistant City Manager

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney
Mark Swann, City Auditor
Billerae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizer Tolbert, Deputy City Manager
Jon Fortune, Deputy City Manager

M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Robert Perez, Assistant City Manager
Carl Simpson, Assistant City Manager
M. Elizabeth Reich, Chief Financial Officer
Genesis D. Gavino, Chief of Staff to the City Manager
Directors and Assistant Directors



City of Dallas

1500 Marilla Street
Council Chambers, 6th Floor
Dallas, Texas 75201

Agenda Information Sheet

File #: 22-1248

Item #: D.

Authorize a development agreement and related documents in connection with University Hills Phase I Catalyst Project

[Kevin Spath, Assistant Director, Office of Economic Development]

Memorandum



CITY OF DALLAS

DATE June 6, 2022

Honorable Members of the City Council Economic Development Committee: Tennell
TO Atkins, (Chair), Carolyn King Arnold, (Vice Chair), Adam McGough, Omar Narvaez,
Jaime Resendez, Chad West, Gay Donnell Willis

SUBJECT **University Hills Phase I Catalyst Project**

BACKGROUND

University Hills Phase I (“Project”) is the critical first step to the comprehensive development of the University Hills Sub-District of the University TIF District. Roughly bounded by I-20, Lancaster Road, and the DART rail line, the Sub-District includes vacant, undeveloped property of approximately 279 acres.

The Project will include horizontal infrastructure improvements necessary to support the vertical development of approximately 240 single-family attached townhomes, 300 single-family detached homes, 250 multi-family residential units, and 80,000 square feet of retail/office space.

I-20 Lancaster Development, LLC (“Developer”) will complete the horizontal infrastructure improvements necessary to make the Phase I building pad sites shovel-ready, will construct or cause the construction of the multifamily units, and will cause other parties to complete the single-family and retail/office components.

The anticipated total cost of University Hills Phase I horizontal development, including costs expended to-date, which is approximately \$63,203,279, is comprised of the following: (i) land acquisition costs of approximately \$21,500,000; (ii) public infrastructure costs of approximately \$31,410,966; and (iii) private improvement costs of approximately \$10,292,313. The location of all Project components is geographically depicted on **Exhibit A** attached hereto.

INCENTIVE PROPOSAL

In consultation with the City’s independent outside underwriter, staff has reviewed the Developer’s incentive application and proposes the following incentives to support this catalytic project:

1. **TIF Subsidy:** Staff proposes a TIF Subsidy in an amount not to exceed \$31,410,966 plus an additional grant not to exceed 6% of this dedication.

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SUBJECT **University Hills Phase I Catalyst Project**

- **Offset of Other Funds:** If the Project is approved for funding from other sources such as Dallas Water Utilities or Coronavirus Local Fiscal Recovery Funds that partially offset the cost of the public infrastructure necessary and/or reduce the financial gap of the Project, the TIF Subsidy allocated to the Project will be reduced commensurately.
 - **Interest:** Interest shall accrue beginning when all conditions to pay the TIF Subsidy are met including an audit of documentation supporting the request to begin payments. Such interest shall be compounded semi-annually based on the existing unpaid TIF Subsidy and shall cease to accrue under the development agreement when the unpaid balance, plus any previously accrued interest, is fully disbursed, or upon expiration of the term of the University TIF District as provided in the ordinance creating same, as may be amended.
2. **City Fee Reimbursement (PPP Grant):** Additional funding up to \$2,800,000 will be made available in the form of a grant to offset the cost of City permit and inspection fees sourced from the City's Public/Private Partnership Program Fund.

TERMS OF INCENTIVES

City Fee Reimbursement (PPP Grant)

All permitting, plan review, and inspection fees incurred by Developer on or before December 31, 2026 in an amount not to exceed \$2,800,000.00 shall be reimbursed (PPP Grant) to Developer through City's Public/Private Partnership Program Fund. Such reimbursement request must be submitted no later than June 1, 2027.

TIF Subsidy

Developer will be eligible to begin receiving TIF Subsidy payments up to \$31,410,966 after satisfaction of the elements of this section and upon completion of the public infrastructure necessary for the Project. Materials deadlines and terms include:

1. **Purchase of Land:** On or before December 31, 2023, Developer shall provide evidence of the purchase of the entire 250+ acreage.
2. **Construction Funding:** On or before December 31, 2023, Developer shall secure and provide evidence to the Director of the Office of Economic Development of construction funds or financing for the horizontal development of the Project.
3. **Minimum Investment:** On or before December 31, 2026, Developer must document a minimum investment of \$60,000,000 in the horizontal development of the Project.

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4. Environmental Remediation: Developer shall perform all legally required environmental remediation and any demolition necessary to construct the Project by December 31, 2025.
5. Site Work: Developer shall perform all necessary site work to prepare the site for the infrastructure improvements necessary to support the planned vertical improvements included with the Project and obtain the City's written final acceptance of such work by December 31, 2025.
6. Infrastructure Construction and Acceptance: The Developer shall construct the infrastructure improvements necessary to support the planned vertical improvements included with the Project and obtain the City's written final acceptance of same by December 31, 2026.
7. Design Guidelines for Vertical Construction: By September 30, 2023, Developer shall submit traditional neighborhood design guidelines and/or a pattern book, for the development, for the University Hills Sub-District for review and approval by the City's Planning and Urban Design (PUD) staff. These specific guidelines, as special conditions for the University TIF District, will be incorporated into a set of master design guidelines to be adopted by the University TIF Board (as approved, the "Design Guidelines").
8. Real Estate Covenants: Developer shall establish covenants for all future vertical development in the Project. The set of covenants must be provided for review and approval by the Director by September 30, 2023. Once approved by Director, Developer must file the approved covenants in the real property records of Dallas County with Developer's filing of the final plat for the Project. Covenants shall address each of the following:
 - a. Design Guidelines: A requirement that future vertical construction in the University Hills Sub-district conform with the Design Guidelines.
 - b. Affordable Housing: Deed restrictions ensuring that multi-family developments built on the Project site will comply with the TIF program mixed-income housing requirements; that such units will be marketed pursuant to an Affirmative Fair Housing Marketing Plan approved by Director; and that multifamily developers building on the Project site will abide by the City's voucher related Ordinance 30246; as amended May 11, 2022.
 - c. Homebuyer Assistance Program: A requirement that for-sale home builders building homes on the Project site shall partner with the City to market and encourage home buyers to participate in the City's to-be-developed homebuyer assistance program for the University Hills Sub-district, which is anticipated to offer closing cost, down payment, and/or other financial assistance to certain income qualified households, as outlined in the

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SUBJECT **University Hills Phase I Catalyst Project**

homebuyer assistance program statement to be approved by the Board. Homebuyer assistance funds will be funded from the first \$5,300,000 of District increment (less administrative costs), inclusive of the current cash balance. Staff estimates that the homebuyer assistance program will be fully funded in this amount by 2023, after which any additional homebuyer assistance would come only from the 10% affordable housing line item in the TIF District Project Plan and Financing Plan. The TIF Subsidy will be funded from increment accrued after the homebuyer assistance program is fully funded.

9. Management Entity: On or before December 31, 2025, Developer shall establish a homeowner's association, public improvement district, or other management entity acceptable to Director to ensure upkeep of common spaces including the green spaces and amenity center, and to provide additional security and other neighborhood services.
10. Repayment Obligation: Developer shall be eligible to begin receiving disbursement of the TIF Subsidy once each of the foregoing elements is documented as complete. Developer shall be liable for repayment of the TIF Subsidy (the "Repayment Obligation") until completion of the Minimum Vertical Related Items defined below. Such Repayment Obligation will be documented in a form approved by the Dallas City Attorney's Office, which may include deed restrictions, a deed of trust, or other documents. The Repayment Obligation may be forgiven as described below.
11. Security: Any deed of trust, deed restrictions, or other security documents required by the City Attorney's Office to secure the Repayment Obligation shall be executed by Developer simultaneously with the Agreement in a form approved by the City Attorney's Office. Such documents shall be recorded in the Real Property Records of Dallas County against Grantee's interests in the Property within fourteen (14) days of execution of the Agreement. Such documents shall be released upon expiration of and satisfaction of obligations under the Agreement, or upon Developer's sale of any portion of the property to an unaffiliated developer for completion of vertical construction. Such documents shall be subordinate to construction/permanent lenders during the term of this Agreement. Developer shall provide a title policy to the City prior to the execution of the Agreement.
12. Vertical Requirements: Developer shall complete the sale of all single-family lots and multi-family/commercial pad sites to developers acceptable to Director in his or her reasonable discretion, such approval not to be unreasonably withheld, by December 31, 2026. Developer shall (i) prepare and sell sites to third party builders for the construction of a minimum of 200 single-family attached townhomes, 250 single-family detached homes, and 30,000 square feet of non-residential space, and (ii) construct or cause the construction of 200 units of multi-family (the "Minimum Vertical Related Items"). All construction must be completed in

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conformance with the Design Guidelines, covenants, affordable housing restrictions, and other requirements described above.

13. Forgiveness of Repayment Obligation: The Repayment Obligation will be forgiven in the following tranches, so long as Developer is otherwise in compliance with this Agreement:

- a. Twenty-five percent upon the sale of 200 residential lots to third-party builders for construction of single-family attached townhomes, which sale must be completed no later than December 31, 2032
- b. Twenty-five percent upon the sale of 250 lots to third-party builders sufficient for construction of single-family detached homes, which sale must be completed no later than December 31, 2032
- c. Twenty-five percent upon the completion of construction of 200 units of multi-family residential evidenced by a certificate of occupancy or equivalent documentation received on or before December 31, 2032
- d. Twenty-five percent upon the sale of land to a third-party builder sufficient for construction of at least 30,000 square feet of non-residential office or retail space, which sale must be completed no later than December 31, 2032

14. Operating and Maintenance Agreement: On or before December 31, 2025, the Developer shall execute and fund an Operating and Maintenance Agreement for all non-standard public infrastructure improvements associated with the Project. Compliance with the executed Operating and Maintenance Agreement shall be required of all future owners for the entire period (20 years) of the Operating and Maintenance Agreement. If Developer chooses to forgo the TIF Subsidy or defaults on its obligations, Developer shall remain responsible for the maintenance of the non-standard public improvements through the term of the Operating and Maintenance Agreement. Any assignment of Developer's maintenance obligations under the development agreement (and the Operating and Maintenance Agreement) to another entity (e.g., new property owner, public improvement district, or property owner's association) shall require the prior written approval of the Director of the Office of Economic Development. If additional non-standard public improvements are constructed after initial execution of the Operating and Maintenance Agreement, the agreement scope may be amended, or separate operating and maintenance agreements may be executed with other parties.

15. Required Instruments: Developer shall provide public access easements, deed restrictions, or other instruments required by the Director of the Office of Economic Development in a form acceptable to the City Attorney's Office if any street and utility infrastructure improvements as part of the Project remain privately owned in order to be considered for TIF funding.

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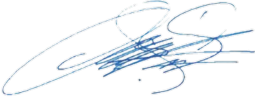
SUBJECT **University Hills Phase I Catalyst Project**

16. Parkland Dedication: Developer shall comply with the City's Parkland Dedication Ordinance.
17. M/WBE Compliance: Developer shall make good faith efforts to comply with the City's Business Inclusion and Development ("BID") goal of 32% for certified minority/women-owned business enterprise (M/WBE) participation for the hard construction costs of the horizontal (infrastructure) component of the Project and meet all reporting requirements for each.
18. Urban Design Peer Review Panel: The Urban Design Peer Review Panel ("UDPRP") is an independent group of professional designers selected by the City Manager with expertise in architecture, landscape architecture, engineering, and urban planning. Developer shall be required to complete the UDPRP process for the overall conceptual master plan and the Project and respond to comments to the satisfaction of the City's Department of Planning and Urban Design (PUD) staff prior to execution of the TIF development agreement for the Project. Conformance with the approved design plans shall be a condition of TIF Subsidy payments. The Director of the Office of Economic Development may authorize minor modifications to the conceptual plans which may arise during the development process due to local, state, or federal regulatory requirements so long as the minor modifications are in substantial conformance with the spirit and intent of the UDPRP advice. Modifications to the conceptual plans, should the Director determine they are material, shall require review by the UDPRP. As the final step in the urban design process and prior to permit approval, Developer shall provide a set of permit drawings for the Project to the City's Department of Planning and Urban Design (PUD) for internal review and approval to ensure compliance with UDPRP recommendations and responses. The Planning and Urban Design Department shall complete the review of the permit drawings within ten (10) business days of Developer's submission. All future phases of development as illustrated in the conceptual master plan shall be required to undergo the UDPRP process to review conformance with the approved conceptual master plan.
19. Modifications and Extensions: The Director of the Office of Economic Development, after approval and recommendation of the TIF Board, may authorize minor modifications to the Project so long as they are consistent with the Plan's goals and the Design Guidelines, including extensions of the any of the Project deadlines up to 24 months.

This item has not yet been reviewed by the University TIF District Board of Directors. Staff is anticipating scheduling this item for consideration by the University TIF District Board of Directors in the next 10 days. This item will also be included on City Council's June 22, 2022 voting agenda for consideration.

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SUBJECT **University Hills Phase I Catalyst Project**

Should you have any questions, please contact Kevin Spath, Assistant Director in the Office of Economic Development, at (214) 670-1691 or kevin.spath@dallas.gov



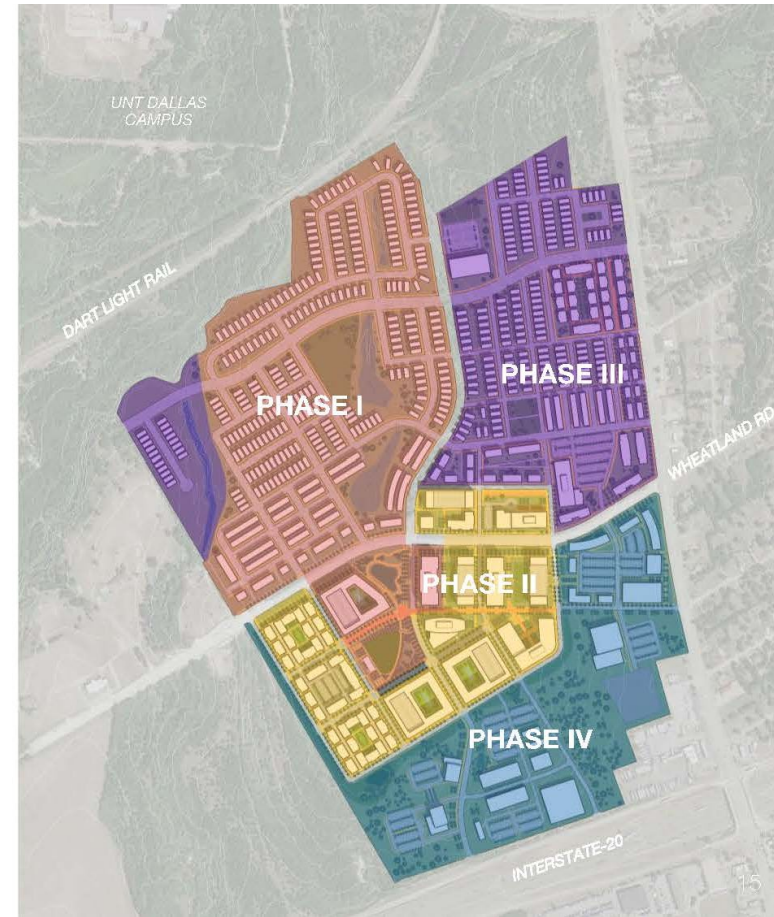
Majed A. Al-Ghafry, P.E.
Assistant City Manager

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| T.C. Broadnax, City Manager | M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager |
| Chris Caso, City Attorney | Robert Perez, Assistant City Manager |
| Mark Swann, City Auditor | Carl Simpson, Assistant City Manager |
| Biliera Johnson, City Secretary | M. Elizabeth Reich, Chief Financial Officer |
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| Kimberly Bizer Tolbert, Deputy City Manager | Directors and Assistant Directors |
| Jon Fortune, Deputy City Manager | |

DATE June 6, 2022
SUBJECT **University Hills Phase I Catalyst Project**

Exhibit A

Exhibit A: Conceptual Master Plan



The conceptual master plan for the 250+ acreage bounded by Interstate Highway 20 (Lyndon B. Johnson Freeway), Lancaster Road, and the DART rail line in City Council District 8 in the University Hills Sub-district of the University TIF District



Exhibit A – Phase I Conceptual Site Plan



Exhibit A: Sample Images



Housing

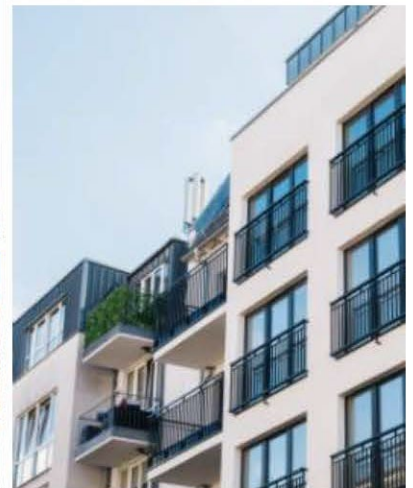


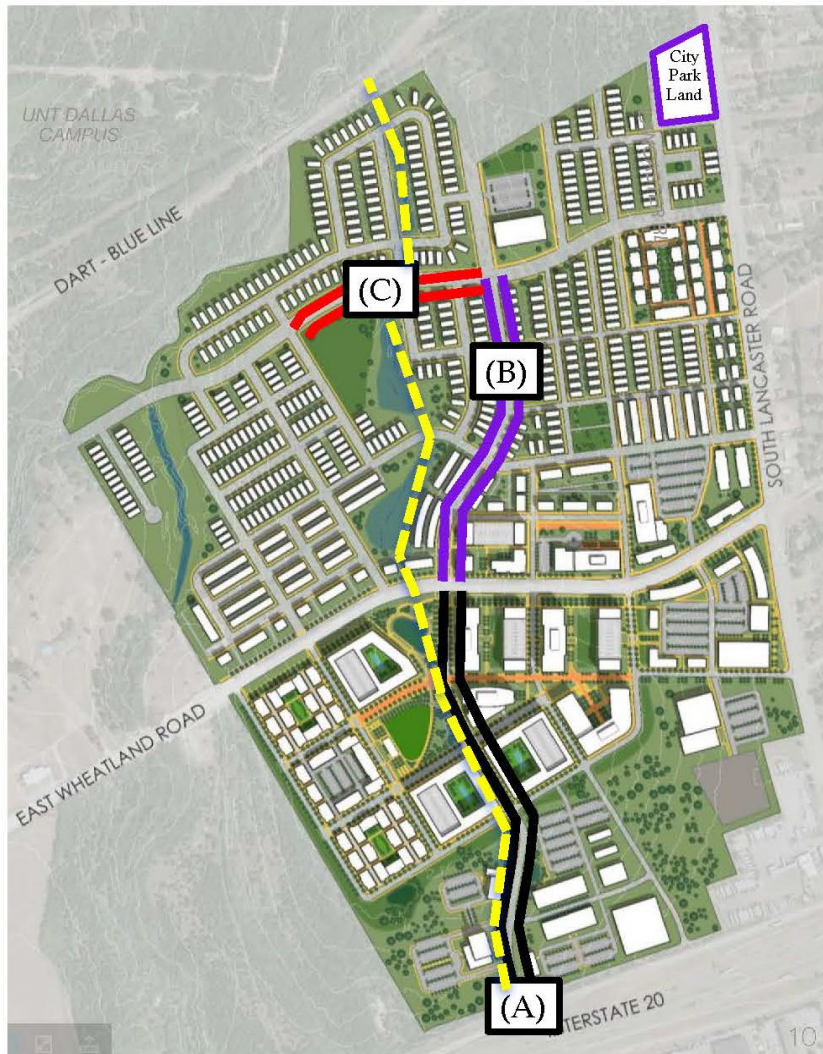
Exhibit A: Sample Images





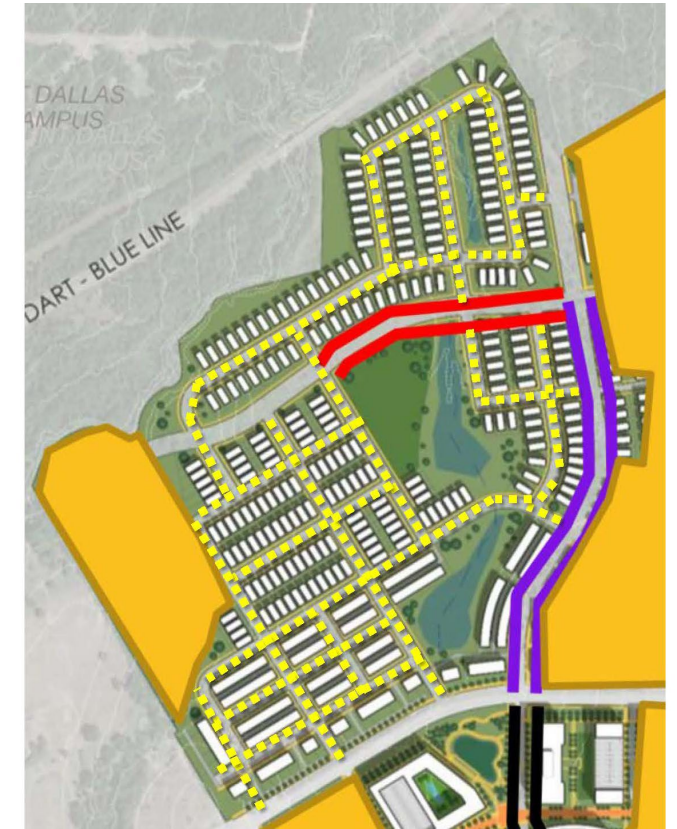
Open Space Town Center



Exhibit A: Proposed Public Infrastructure



- Major Onsite Improvements:**
 -  Sanitary Sewer from DART to I-20 (\$2.8m)
 - Mass Grading for Detention – Entire Site (\$1.866m)
 -  (A) N-S (A) Collector Road Wheatland to I-20 (\$4.153m)
 -  (B) N-S Collector Road Wheatland to Future Killough (\$4.277m)
 -  (C) E-W Collector (Killough) within Phase I (\$2.386m)



 Phase I
Direct Improvements

Major infrastructure improvements include sanitary sewer and street improvements on collector roads. Direct public improvements include water, wastewater, storm, and street improvements on residential roads.





City of Dallas

1500 Marilla Street
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Agenda Information Sheet

File #: 22-1250

Item #: E.

Deliberate the offer of a financial or other incentive to a business prospect ("Project X") that the City seeks to locate/relocate within the City and with which the city is conducting economic development negotiations (Sec. 551.087 T.O.M.A.)